



# BOARD OF DIRECTORS

California Housing Finance Agency Board of Directors

**Board Meeting  
December 3, 2019  
10:00 a.m.**

California State Teachers' Retirement System (CalSTRS)  
100 Waterfront Place  
West Sacramento, CA  
916-414-5911

*Agenda items may be taken out of order to accommodate speakers and to maintain a quorum*

1. Roll Call
2. Approval of the minutes of the November 21, 2019 Board of Directors Meeting ..... 1
3. Chairman/Executive Director comments
4. Discussion, recommendation, and possible action regarding final loan commitment for the following project (Kate Ferguson, Steve Beckman) ..... 5

| <u>NUMBER</u> | <u>DEVELOPMENT</u> | <u>LOCALITY</u>   | <u>UNITS</u> |
|---------------|--------------------|-------------------|--------------|
| 19-037-N      | Panas Place        | Santa Rosa/Sonoma | 66           |

**Resolution No. 19-21 .....37**

5. Discussion, recommendation, and possible action regarding final loan commitment for the following project (Kate Ferguson, Steve Beckman) .....40

| <u>NUMBER</u> | <u>DEVELOPMENT</u> | <u>LOCALITY</u>   | <u>UNITS</u> |
|---------------|--------------------|-------------------|--------------|
| 19-039-N      | West Oaks          | Santa Rosa/Sonoma | 53           |

**Resolution No. 19-22 .....72**

6. Discussion, recommendation, and possible action regarding final loan commitment for the following project (Kate Ferguson, Sheena Kho) .....75

| <u>NUMBER</u> | <u>DEVELOPMENT</u> | <u>LOCALITY</u>             | <u>UNITS</u> |
|---------------|--------------------|-----------------------------|--------------|
| 18-031-A/N    | Bernal Dwellings   | San Francisco/San Francisco | 160          |

**Resolution No. 19-23 .....101**

|     |   |                    |                   |              |
|-----|---|--------------------|-------------------|--------------|
| 7.  | Discussion, recommendation, and possible action regarding final loan commitment for the following project (Kate Ferguson, Ruth Vakili) .....104 |                    |                   |              |
|     | <u>NUMBER</u>   | <u>DEVELOPMENT</u> | <u>LOCALITY</u>   | <u>UNITS</u> |
|     | 18-010-N/A  | Stone Pine Meadow  | Tracy/San Joaquin | 72           |
|     | <b>Resolution No. 19-24</b> .....132  |                    |                   |              |
| 8.  | Discussion, recommendation, and possible action to amend the Executive Evaluation Committee Charter (Michael Gunning)                           |                    |                   |              |
|     | <b>Resolution No. 19-25</b> .....135  |                    |                   |              |
| 9.  | Reports:  |                    |                   |              |
|     | A. Conduit Issuance Program Update .....143   |                    |                   |              |
|     | B. Asset Management Quarterly Portfolio Report .....145   |                    |                   |              |
| 10. | Public Comment: Opportunity for members of the public to address the Board on Matters within the Board’s authority                              |                    |                   |              |
| 11. | Adjournment   |                    |                   |              |

## MINUTES

### **California Housing Finance Agency (CalHFA)**

#### **Board of Directors Meeting**

**November 21, 2019**

Meeting noticed on November 8, 2019

#### 1. ROLL CALL

The California Housing Finance Agency Board of Directors meeting was called to order at 10:08 a.m. by Acting Chair Gunning. A quorum of members was present.

MEMBERS PRESENT: Agee (for Ma), Avila Farias, Gunning, Hague (for Gordon), Hunter, Imbasciani, Olmstead (for McCauley), Patterson, Prince, Sotelo, von Koch-Liebert (for Podesta)

#### MEMBERS ARRIVING

AFTER ROLL CALL: Gallagher, Miller (for Bosler), Russell

MEMBERS ABSENT: Johnson Hall

STAFF PRESENT: Don Cavier, Claire Tauriainen, Melissa Flores, Kate Ferguson, Jennifer LeBoeuf

#### 2. APPROVAL OF MINUTES – September 12, 2019

The minutes were approved by unanimous consent of members present.

#### 3. CHAIRMAN/EXECUTIVE DIRECTOR COMMENTS

Chair Comments:

a) None

Executive Director Comments:

a) Patterson informed the Board of Apple's recent commitment to invest \$2.5 billion dollars towards California housing. She also noted that Facebook had also committed to invest \$250 million dollars in support of public/private partnerships for housing development. CalHFA will continue to consider possible programs that utilize some of the funding from Apple's investment.

- b) Patterson updated the Board that CalHFA, CA Debit Limit Allocation Committee, CA Tax Credit Allocation Committee, and CA Department of Housing and Community Development continue to frequently discuss and plan ways to coordinate and align their housing programs, particularly considering the legislative and budget changes. She provided background of CalHFA and HCD's housing programs and how they compliment each other to provide context for later discussion regarding Mixed-Income Program.

#### 4. GOVERNMENT FINANCE OFFICERS ASSOCIATION AWARD PRESENTATION

Presented by Cavier

Chief Deputy Director Don Cavier presented to the Board the Agency's second award for Excellence in Financial Reporting from the Government Finance Officer's Association. He recognized CalHFA Comptroller, Lori Hamahashi and Deputy Comptroller, Oksana Glushchenko for their hard work that made the award possible.

#### 5. 2019 LEGISLATIVE WRAP-UP PRESENTATION

Presented by Cavier

Cavier provided the Board with a brief summary of key state housing legislation that passed during the 2018-2019 session. He also encouraged the Board to contact members from the California Congressional delegation who have not signed as a cosponsor of H.R. 3077, the Affordable Housing Credit Improvement Act of 2019 and listed several key aspects of the bill that would help housing finance and production in California.

#### 6. DISCUSSION, RECOMMENDATION, AND POSSIBLE ACTION REGARDING MODIFICATION OF THE 2019 CALHFA MIXED-INCOME PROGRAM

Presented by Ferguson

On a motion by Agee, the Board approved staff recommendation for **Resolution No. 19-19**. The votes were as follows:

AYES: Agee (for Ma), Gallagher, Gunning, Imbasciani, Hunter, Olmstead (for McCauley), Sotelo, von Koch-Liebert (for Podesta)

NOES: Avila Farias, Prince, Russell

ABSTENTIONS: None



ABSENT: Johnson Hall

7. DISCUSSION OF CALHFA 2020 MIXED-INCOME PROGRAM

Presented by Ferguson

Ferguson presented the 2020 CalHFA Mixed-Income Program (MIP) policies, term sheet, and identified key changes made to the Program. Ferguson shared that CalHFA surveyed the developer community and their feedback informed some of the changes made. Board members discussed the recommendations. The discussion included affirmation of the new policy because it incorporated the Board's original intentions. Also, several Board members questioned the MIP program's limitations on use of funds for projects utilizing certain HCD programs.

8. CLOSED SESSION UNDER GOVERNMENT CODE SECTION §11126(a)(1) TO EVALUATE THE PERFORMANCE OF AN EMPLOYEE

Closed session convened at 12:22 p.m. and was completed at 12:46 p.m.

9. DISCUSSION AND POSSIBLE ACTION TO ADJUST THE SALARY OF THE EXECUTIVE DIRECTOR

On a motion by Imbasciani, the Board approved a five percent salary increase for Executive Director Patterson with **Resolution No. 19-20**. The votes were as follows:

AYES: Agee (for Ma), Avila Farias, Gallagher, Gunning, Imbasciani, Hunter, Olmstead (for McCauley), Prince, Sotelo, von Koch-Liebert (for Podesta)

NOES: None

ABSTENTIONS: None

ABSENT: Russell, Johnson Hall

10. REPORTS

Acting Chair Gunning asked if there were any comments or questions regarding the standing reports. There were none.

# 11. PUBLIC COMMENT:

Acting Chair Gunning asked if there were any public comments and the following attendees spoke to the Board regarding Agenda item 7:

- Alice Talcott, MidPen Housing
- Bill Spann, The Pacific Companies
- Dixie Lira-Baus, Eden Housing
- Geoff Brown, USA Properties Fund
- Katie Lamont, Tenderloin Development Group
- Mark Stivers, California Housing Partnership
- Mike Kelley, West Development Ventures
- Sam Arico, Highridge Costa
- Tiffany Phan, Bridge Housing

# 12. ADJOURNMENT

As there was no further business to be conducted, Acting Chair Gunning adjourned the meeting at 12:46 p.m.

# 13. HANDOUTS

- a) CalHFA 2019-2020 First Session Housing Legislation Summary
- b) Affordable Housing Credit Improvement Act Summary
- c) H.R. 3077/S. 1703 Cosponsors
- d) 2020 Mixed-Income Program PowerPoint Presentation

**CalHFA MULTIFAMILY PROGRAMS DIVISION**  
**Final Commitment Staff Report & Request for Loan Approval of a**  
**Taxable Perm Loan with Equity Cash Out**  
**for Board Meeting on: 12/3/19**

|                        |   |  |
|------------------------|---|--|
| Project Name, County:  | Panas Place, Sonoma County                  |  |
| Address:               | 2496 Old Stony Point Road, Santa Rosa 95407 |  |
| CalHFA Project Number: | 19-037-N                                    |  |
|                        | \$6,400,000                                 | Taxable Permanent Loan with HUD Risk Sharing (with equity cash out in the approximate amount of \$2,123,150) |

**TRANSACTION FACTS**

|                       |                |                           |                        |
|-----------------------|----------------|---------------------------|------------------------|
| Loan Officer:         | Steve Beckman  | Loan Specialist:          | N/A                    |
| Asset Manager:        | Jennifer Silva | Loan Administration:      | Jennifer Beardwood     |
| Legal (Internal):     | Paul Steinke   | Legal (External):         | N/A                    |
| Concept Meeting Date: | 10/3/19        | Approval Expiration Date: | 6 months from Approval |

|    |                           |  |               |             |          |                 |              |
|----|---------------------------|--|---------------|-------------|----------|-----------------|--------------|
| 1. | Legislative Districts     | Congress: 5  | Mike Thompson | Assembly: 2 | Jim Wood | State Senate: 2 | Mike McGuire |
| 2. | Brief Project Description | <p><b>Panas Place</b> (the "Project") is an existing portfolio Project, consisting of 66 units with 65 units restricted to families (one manager's unit) that are 100% affordable to households earning less than 60% of Area Median Income ("AMI"). The Project is 15 (14 two-story, and one one-story) buildings with a mix of one, two, three, and four-bedroom units ranging between 588 square feet and 1,384 square feet. Eleven (11) one-bedroom units are flats and the remaining 55 units are townhomes. The Project includes refinancing of current CalHFA debt, rehab of the buildings, and equity cash out.</p> <p>The Project includes a laundry room and community room with kitchen, basketball court and play area; unit amenities include refrigerator, range, dishwasher and garbage disposal.</p> |               |             |          |                 |              |
| 3. | Sponsor/Developer         | Burbank Housing Development Corporation, a California nonprofit public benefit corporation   |               |             |          |                 |              |
| 4. | Borrower Name             | Stony Point Apartment Investors, L.P., a California limited partnership  |               |             |          |                 |              |

**CALHFA LOAN TERMS**

| 5. |   | ACQUISITION AND REHAB LOAN | PERMANENT LOAN  | SUBSIDY (GAP) LOAN |
|----|---|----------------------------|---|--------------------|
|    | <b>Total Loan Amount</b>  | N/A                        | \$6,400,000   | N/A                |
|    | <b>Loan Term</b>  | N/A                        | 35-year amortization, due in 30                       | N/A                |
|    | <b>Interest Rate</b><br><i>(subject to change and locked 30 days prior to loan closing)</i> | N/A                        | 10-year treasury + 2.97%<br><br>Underwritten at 5.00% | N/A                |
|    | <b>Loan to Value</b>  | N/A                        | Lesser of 80% of restricted value                     | N/A                |
|    | <b>Loan to Cost</b>   | N/A                        | 100%  | N/A                |
| 6. | <b>Projected Closing Date</b>   | N/A                        | 1/2020  | N/A                |

**TRANSACTION OVERVIEW**

|     |   |
|-----|---|
| 7.  | <b>Proposal and Project Strengths</b>   |
|     | <ul style="list-style-type: none"> <li>The Project serves low-income families and provides much-needed workforce housing in Sonoma County.</li> <li>Equity cash-out to the Borrower will allow for further development of new affordable housing by the Developer, especially in the local area ravaged by fire two years ago.</li> <li>The Project has been in CalHFA's portfolio for 20 years and performed well (low vacancy and DSCR thresholds met) according to CalHFA asset management.</li> <li>Exit strategy analysis calculates 18.46% loan-to-value at maturity (refi) based on conservative Year 30 interest rate (8.00%) and capitalization rate (7.25%).</li> </ul> |
| 8.  | <b>Project Weaknesses with Mitigants:</b>   |
|     | <ul style="list-style-type: none"> <li>The Developer has not increased rents over time to keep up with Sonoma County AMI increases; once the disaster area rent increase moratorium is lifted, the Developer will increase rents by the allowable percentage.</li> </ul>  |
| 9.  | <b>Underwriting Standards or Term Sheet Variations</b>  |
|     | <ul style="list-style-type: none"> <li>None</li> </ul>  |
| 10. | <b>Project Specific Conditions of Approval</b>  |
|     | <p>Approval is conditioned upon:</p> <ul style="list-style-type: none"> <li>A portion of the Cash Equity-Out will be withheld until completion of all approved rehabilitation.</li> <li>Prior to closing, City of Santa Rosa Housing Authority extends loan terms on all three of its loans to maturities later than 2050 and subordinates them to the CalHFA loan.</li> <li>Borrower obtains TCAC approval for new CalHFA loan and TCAC agrees to subordinate to CalHFA.</li> </ul>  |
| 11. | <b>Staff Conclusion/Recommendation:</b>   |
|     | The Multifamily Lending Division supports approval of the described financing in the amount(s) requested, subject to the above proposed terms and conditions.   |

### MISSION & AFFORDABILITY

| 12.  | CalHFA Mission/Goals                           |                          |         |         |         |            |                       |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
|--|--|--------------------------|---------|---------|---------|------------|-----------------------|----------------------|-----------------------|----------------------|------------------|--------|--------|--------|--------|--------|------------|-----|----|-----------------------|---|---|----|----|------|-----|----|----|-------------------------|---|---|----|------|-----|----|----|----|-------------------------|----|---|-------|-----|----|---|----|----|------|---|-------|-----|----|---|---|----|----|---------|------|-----|----|----|---|---|----|----|------|----------|---|---|---|---|---|---|------|---------------|---|---|---|---|---|---|------|----------------|---|---|---|---|---|---|------|-------|----|---|---|----|----|---|--------|
| This Project and financing proposal extends the useful remaining life of the building for 20 years and restricts the 66 units of affordable rental housing for an additional 10 years.   |  |                          |         |         |         |            |                       |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 13.  | CalHFA Affordability & Occupancy Restrictions  |                          |         |         |         |            |                       |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| <ul style="list-style-type: none"><li>The existing and new CalHFA Permanent financing Regulatory Agreement will restrict 20% of the units to 50% of AMI for a 30-year term.</li><li>NOTE: 11 of the Santa Rosa Housing Authority regulated units will overlay the CalHFA regulated units restricted to 50% of AMI.</li></ul>   |  |                          |         |         |         |            |                       |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 14.  | Project Affordability & Occupancy Restrictions |                          |         |         |         |            |                       |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| <ul style="list-style-type: none"><li>100% of the units will be restricted to families earning less than 60% of AMI.</li></ul>   |  |                          |         |         |         |            |                       |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| <table><tr><th>Regulating Agency</th><th>30% AMI</th><th>40% AMI</th><th>50% AMI</th><th>60% AMI</th><th>80% AMI</th><th>Mgrs. Unit</th><th>Total Units Regulated</th><th>% of Regulated Units</th></tr><tr><td>CalHFA Perm Loan</td><td></td><td></td><td>14</td><td></td><td></td><td>1</td><td>14</td><td>20</td></tr><tr><td>City of Santa Rosa HA</td><td></td><td></td><td>36</td><td>29</td><td></td><td>1</td><td>66</td><td>99</td></tr><tr><td>City of Santa Rosa HOME</td><td></td><td></td><td>11</td><td>26</td><td></td><td>1</td><td>37</td><td>57</td></tr><tr><td>City of Santa Rosa CDBG</td><td></td><td></td><td>11</td><td>26</td><td></td><td>1</td><td>37</td><td>57</td></tr><tr><td>TCAC</td><td></td><td></td><td>36</td><td>29</td><td></td><td>1</td><td>65</td><td>99</td></tr><tr><td>Summary</td><td></td><td></td><td>36</td><td>29</td><td></td><td>1</td><td>65</td><td>99</td></tr></table>   |  | Regulating Agency        | 30% AMI | 40% AMI | 50% AMI | 60% AMI    | 80% AMI               | Mgrs. Unit           | Total Units Regulated | % of Regulated Units | CalHFA Perm Loan |        |        | 14     |        |        | 1          | 14  | 20 | City of Santa Rosa HA |   |   | 36 | 29 |      | 1   | 66 | 99 | City of Santa Rosa HOME |   |   | 11 | 26   |     | 1  | 37 | 57 | City of Santa Rosa CDBG |    |   | 11    | 26  |    | 1 | 37 | 57 | TCAC |   |       | 36  | 29 |   | 1 | 65 | 99 | Summary |      |     | 36 | 29 |   | 1 | 65 | 99 |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Regulating Agency  | 30% AMI  | 40% AMI                  | 50% AMI | 60% AMI | 80% AMI | Mgrs. Unit | Total Units Regulated | % of Regulated Units |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| CalHFA Perm Loan   |  |                          | 14      |         |         | 1          | 14                    | 20                   |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| City of Santa Rosa HA  |  |                          | 36      | 29      |         | 1          | 66                    | 99                   |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| City of Santa Rosa HOME  |  |                          | 11      | 26      |         | 1          | 37                    | 57                   |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| City of Santa Rosa CDBG  |  |                          | 11      | 26      |         | 1          | 37                    | 57                   |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| TCAC   |  |                          | 36      | 29      |         | 1          | 65                    | 99                   |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Summary  |  |                          | 36      | 29      |         | 1          | 65                    | 99                   |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| <table><tr><th colspan="8">Rent Limit Summary Table</th></tr><tr><th>Restrictions @ AMI</th><th>Total</th><th>Studio</th><th>1-bdrm</th><th>2-bdrm</th><th>3-bdrm</th><th>4-bdrm</th><th>% of Total</th></tr><tr><td>30%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>40%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>50%</td><td>36</td><td>-</td><td>3</td><td>9</td><td>21</td><td>3</td><td>54.5%</td></tr><tr><td>60%</td><td>29</td><td>-</td><td>2</td><td>7</td><td>17</td><td>3</td><td>43.9%</td></tr><tr><td>70%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>80%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>81%-120%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>120% or below</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>Manager's Unit</td><td>1</td><td>-</td><td>-</td><td>-</td><td>-</td><td>1</td><td>1.5%</td></tr><tr><td>Total</td><td>66</td><td>0</td><td>5</td><td>16</td><td>38</td><td>7</td><td>100.0%</td></tr></table> |  | Rent Limit Summary Table |         |         |         |            |                       |                      |                       | Restrictions @ AMI   | Total            | Studio | 1-bdrm | 2-bdrm | 3-bdrm | 4-bdrm | % of Total | 30% | 0  | -                     | - | - | -  | -  | 0.0% | 40% | 0  | -  | -                       | - | - | -  | 0.0% | 50% | 36 | -  | 3  | 9                       | 21 | 3 | 54.5% | 60% | 29 | - | 2  | 7  | 17   | 3 | 43.9% | 70% | 0  | - | - | -  | -  | -       | 0.0% | 80% | 0  | -  | - | - | -  | -  | 0.0% | 81%-120% | 0 | - | - | - | - | - | 0.0% | 120% or below | 0 | - | - | - | - | - | 0.0% | Manager's Unit | 1 | - | - | - | - | 1 | 1.5% | Total | 66 | 0 | 5 | 16 | 38 | 7 | 100.0% |
| Rent Limit Summary Table   |  |                          |         |         |         |            |                       |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Restrictions @ AMI   | Total  | Studio                   | 1-bdrm  | 2-bdrm  | 3-bdrm  | 4-bdrm     | % of Total            |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 30%  | 0  | -                        | -       | -       | -       | -          | 0.0%                  |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 40%  | 0  | -                        | -       | -       | -       | -          | 0.0%                  |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 50%  | 36   | -                        | 3       | 9       | 21      | 3          | 54.5%                 |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 60%  | 29   | -                        | 2       | 7       | 17      | 3          | 43.9%                 |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 70%  | 0  | -                        | -       | -       | -       | -          | 0.0%                  |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 80%  | 0  | -                        | -       | -       | -       | -          | 0.0%                  |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 81%-120%   | 0  | -                        | -       | -       | -       | -          | 0.0%                  |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 120% or below  | 0  | -                        | -       | -       | -       | -          | 0.0%                  |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Manager's Unit   | 1  | -                        | -       | -       | -       | 1          | 1.5%                  |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Total  | 66   | 0                        | 5       | 16      | 38      | 7          | 100.0%                |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 15.  | Geocoder Information                           |                          |         |         |         |            |                       |                      |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |   |    |    |      |     |    |    |                         |   |   |    |      |     |    |    |    |                         |    |   |       |     |    |   |    |    |      |   |       |     |    |   |   |    |    |         |      |     |    |    |   |   |    |    |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |

|                        |          |                     |        |
|------------------------|----------|---------------------|--------|
| Central City:          | Yes      | Underserved:        | No     |
| Low/Mod Census Tract:  | Moderate | Below Poverty line: | 20.55% |
| Minority Census Tract: | 65.17%   | Rural Area:         | No     |

### CURRENT PORTFOLIO LOAN

|            |   |             |   |
|------------|---|-------------|---|
| <b>16.</b> | Existing CalHFA Financing (to be paid off): Loan # 4344 |             |   |
|            | Unpaid Principal Balance:                               | \$2,651,813 | Loan Maturity Date: 1/1/2040            |
|            | Yield Maintenance Due:                                  | \$358,125   | Affordability Expiration Date: 1/1/2040 |
|            | Other CalHFA Debt:                                      | N/A         |   |

### ANTICIPATED PROJECT MILESTONES & SCHEDULE

|            |   |            |                                 |         |
|------------|---|------------|---------------------------------|---------|
| <b>17.</b> | CDLAC/TCAC Closing Deadline:                            | N/A        | Est. Construction Loan Closing: | 1/30/20 |
|            | Estimated Construction Start:                           | 2/15/20    | Est. Construction Completion:   | 6/15/20 |
|            | Estimated Stabilization and Conversion to Perm Loan(s): | June, 2020 |                                 |         |

### SOURCES OF FUNDS

|            |                                      |                    |  |                                |
|------------|--------------------------------------|--------------------|--|--------------------------------|
| <b>18.</b> | <b>Construction Period Financing</b> |                    |  |                                |
|            | <b>SOURCE</b>                        | <b>AMOUNT</b>      | <b>LIEN POSITION</b>                         | <b>DEBT TYPE</b>               |
|            | Construction Loan                    | N/A                |  | Interest Only                  |
| <b>19.</b> | <b>Permanent Financing</b>           |                    |  |                                |
|            | <b>SOURCE</b>                        | <b>AMOUNT</b>      | <b>LIEN POSITION</b>                         | <b>DEBT TYPE</b>               |
|            | CalHFA Permanent Loan                | \$6,400,000        | First  | 35-year Amortization due in 30 |
|            | Santa Rosa Housing Authority (SRHA)  | \$1,695,718*       | Second                                       | Residual Receipt Loan          |
|            | SRHA CDBG                            | \$1,101,284*       | Third  | Residual Receipt Loan          |
|            | SRHA HOME                            | \$366,722*         | Fourth                                       | Residual Receipt Loan          |
|            | Existing Replacement Reserve         | 297,385            |  |                                |
|            | <b>TOTAL DEVELOPMENT COST:</b>       | <b>\$9,861,109</b> | <b>\$149,411</b>                             | <b>Per Unit</b>                |
| <b>20.</b> | Equity – Cash Out (estimate)         | \$2,123,150        | Subject to change depending on cost overruns |                                |

\* The Santa Rosa Housing Authority (SRHA), SRHA CDBG, and SRHA HOME loans will be subordinate to the new CalHFA permanent loan, and their terms will be extended so that they mature on or after the CalHFA permanent loan 30-year term.

### FINANCIAL ANALYSIS

|     |                                     |                     |                              |     |
|-----|-------------------------------------|---------------------|------------------------------|-----|
| 21. | Tax Credit Assumptions: N/A         |                     |                              |     |
|     | \$ Federal credits                  | Tax Credit Pricing: | N/A                          |     |
|     | \$ State credits                    | Potential Investor  | N/A                          |     |
| 22. | Development Cost Contingencies:     |                     |                              |     |
|     | Hard Development Contingency Amount | \$45,000            | % of Hard Development Costs: | 10% |
|     | Soft Cost Contingency Amount        | N/A                 | % of Total Development Cost: | N/A |

|  |                                       |   |  |               |
|--|---------------------------------------|---|--|---------------|
| 23.  | Capitalized Reserves:                 |   |  |               |
|  | Replacement Reserves (RR):            | \$66,000: This amount plus existing RR of \$297,385 together with \$500 PUPA (\$33,000 annually), deposited to the RR is enough to pay for the \$977,750 capital needs of the property over 20 years as set forth by the PNA reserve study. |  |               |
|  | Operating Expense Reserve (OER):      | \$453,109 based on six months of expenses, debt service and reserves and held for the life of the CalHFA Perm Loan.   |  |               |
|  | Transitional Operating Reserve (TOR): | N/A   |  |               |
|  | Supplemental Operating Reserve (SOR): | N/A   |  |               |
| 24.  | Cash Flow Analysis                    |   |  |               |
|  | 1 <sup>st</sup> Year DSCR:            | 1.17  | # Years of Project Based Subsidy:                                | Loan Term     |
|  | End Year DSCR:                        | 1.72  | Annual Replacement Reserve:                                      | \$500 /unit   |
|  | Residential Vacancy Rate:             | Averages 2.00% (underwritten at 5.00%)  | Rental Income Inflation Rate:<br>Subsidy Income Inflation Rate:  | 2.5%<br>N/A   |
|  | Non-residential Vacancy Rate:         | N/A   | Project Expenses Inflation Rate:<br>Property Tax Inflation Rate: | 3.5%<br>1.25% |
| 25.  | Loan Security                         |   |  |               |
| The CalHFA loan will be secured by a deed of trust and related security agreements against the above described Site. |                                       |   |  |               |

**APPRAISAL AND MARKET ANALYSIS**

|   |                                  |   |            |
|---|----------------------------------|---|------------|
| 26.   | Appraisal Review                 |   |            |
| The appraisal provided by Watts, Cohn and Partners, Inc. dated October 18, 2019, shows a land value of \$1,040,000, an investment value of \$22,000,000, and post-rehab restricted value of \$8,040,000. The capitalization rate was determined to be 5.25%. The permanent loan cannot be greater than 80% of this value; the loan-to-value is 80%. |                                  |   |            |
| 27.   | Market Study:                    | Not Required as the Project is in the CalHFA portfolio and has sustained an average 98% occupancy rate over the past 5 years in the CalHFA portfolio. | Dated: N/A |
|   | Regional Market Overview – N/A   |   |            |
|   | Local Market Area Analysis – N/A |   |            |
|   | Supply – N/A                     |   |            |
|   | Demand/Absorption – N/A          |   |            |

**DEVELOPMENT SUMMARY**

|   |                         |  |
|---|-------------------------|--|
| <b>28.</b>  | <b>Site Description</b> | <b>Requires Flood Insurance:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <ul style="list-style-type: none"> <li>The property is located on the east side of Old Stony Point Road, in the City of Santa Rosa, Sonoma County.</li> <li>The site contains the Project, with level topography at street grade, measuring approximately 4.24 acres and is generally rectangular in shape.</li> <li>The site consists of a single parcel.</li> <li>The site is zoned Med Residential/PD 0434, with permitted multifamily residential use and a maximum of 16 units per acre.</li> <li>The subject is located in Flood Zone X (area of minimum flood hazard). Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood.</li> </ul> |                         |  |

|  |   |
|--|---|
| <b>29.</b>   | <b>Form of Site Control &amp; Expiration Date</b>   |
| N/A – ownership will not change in this refinancing transaction.   |   |
| <b>30.</b>   | <b>Current Ownership Entity of Record</b>   |
| Title is currently vested in Stony Point Apartment Investors, L.P., a California limited partnership as the fee owner.   |   |
| <b>31.</b>   | <b>Environmental Review Findings</b>  |
| <ul style="list-style-type: none"> <li>• A Phase I Environmental Site Assessment performed by Harris &amp; Lee Environmental Sciences, LLC, dated September 26, 2019 revealed no evidence of recognized environmental conditions, so no additional investigation was recommended.</li> <li>• A NEPA review will be performed by AEM, and a Categorical Exemption is expected.</li> </ul> |   |
| <b>32.</b>   | <b>Seismic</b> <span style="float: right;"><b>Requires Earthquake Insurance:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</span> |
| According to a geotechnical report by Partner Engineering & Science, Inc. dated September 12, 2019, the site is in the Alquist-Priolo Earthquake Zone 4. However, the SEL PML is 12% so earthquake insurance will be waived since the SEL PML is less than 20%.  |   |
| <b>33.</b>   | <b>Relocation (if any)</b>  |
| Temporary, onsite relocation if necessary. The community room can be used for tenants to rest during any minor work performed in the units.  |   |

**PROJECT DETAILS**

|  |   |                                     |                 |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
|--|---|-------------------------------------|-----------------|------------------------------------|-------|--|--|----------------------------------|-----------------|----------------------------------|------|------------------------------------|--------|
| <b>34.</b>   | <b>Residential Areas:</b>   |                                     |                 |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
|  | <table border="1"> <tr> <td><b>Residential Square Footage:</b></td> <td>70,174</td> <td><b>Residential Units per Acre:</b></td> <td>15.57</td> </tr> <tr> <td><b>Community Area (laundry &amp; other space) Sq. Ftg:</b></td> <td>2,284</td> <td><b>Total Parking Spaces:</b></td> <td>147</td> </tr> <tr> <td><b>Supportive Service Areas:</b></td> <td></td> <td><b>Total Building Sq. Footage:</b></td> <td>72,458</td> </tr> </table> | <b>Residential Square Footage:</b>  | 70,174          | <b>Residential Units per Acre:</b> | 15.57 | <b>Community Area (laundry &amp; other space) Sq. Ftg:</b> | 2,284  | <b>Total Parking Spaces:</b>     | 147             | <b>Supportive Service Areas:</b> |      | <b>Total Building Sq. Footage:</b> | 72,458 |
| <b>Residential Square Footage:</b>                         | 70,174  | <b>Residential Units per Acre:</b>  | 15.57           |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
| <b>Community Area (laundry &amp; other space) Sq. Ftg:</b> | 2,284   | <b>Total Parking Spaces:</b>        | 147             |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
| <b>Supportive Service Areas:</b>                           |   | <b>Total Building Sq. Footage:</b>  | 72,458          |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
| <b>35.</b>   | <b>Mixed-Use Project:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |                                     |                 |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
|  | <table border="1"> <tr> <td><b>Non-Residential Sq. Footage:</b></td> <td></td> <td><b>Number of Lease Spaces:</b></td> <td></td> </tr> <tr> <td><b>Master Lease:</b></td> <td><input type="checkbox"/> Yes <input type="checkbox"/> No</td> <td><b>Number of Parking Spaces:</b></td> <td></td> </tr> </table>  | <b>Non-Residential Sq. Footage:</b> |                 | <b>Number of Lease Spaces:</b>     |       | <b>Master Lease:</b>                                       | <input type="checkbox"/> Yes <input type="checkbox"/> No | <b>Number of Parking Spaces:</b> |                 |                                  |      |                                    |        |
| <b>Non-Residential Sq. Footage:</b>                        |   | <b>Number of Lease Spaces:</b>      |                 |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
| <b>Master Lease:</b>                                       | <input type="checkbox"/> Yes <input type="checkbox"/> No  | <b>Number of Parking Spaces:</b>    |                 |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
| <b>36.</b>   | <b>Construction Type:</b>   |                                     |                 |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
|  | Existing Project, 1&2-story type-V wood-framed residential building with wood panel siding, pitched roof and surface parking spaces.  |                                     |                 |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
|  | <table border="1"> <tr> <td><b># Buildings:</b></td> <td>15</td> <td><b># Stories:</b></td> <td>1&amp;2</td> </tr> <tr> <td><b># Elevators:</b></td> <td>0</td> <td><b>Unit Style:</b></td> <td>Townhome &amp; Flat</td> </tr> <tr> <td><b>Year Built:</b></td> <td>1999</td> <td><b>Year of Last Rehab:</b></td> <td>N/A</td> </tr> </table>   | <b># Buildings:</b>                 | 15              | <b># Stories:</b>                  | 1&2   | <b># Elevators:</b>  | 0  | <b>Unit Style:</b>               | Townhome & Flat | <b>Year Built:</b>               | 1999 | <b>Year of Last Rehab:</b>         | N/A    |
| <b># Buildings:</b>  | 15  | <b># Stories:</b>                   | 1&2             |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
| <b># Elevators:</b>  | 0   | <b>Unit Style:</b>                  | Townhome & Flat |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
| <b>Year Built:</b>   | 1999  | <b>Year of Last Rehab:</b>          | N/A             |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
| <b>37.</b>   | <b>Hard Development Costs :</b> \$450,000 <span style="float: right;"><b>Per Unit:</b> \$6,818</span>   |                                     |                 |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |
| <b>38.</b>   | <b>Rehab Scope</b> <span style="float: right;"><b>Demolition Involved:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</span>   |                                     |                 |                                    |       |  |  |                                  |                 |                                  |      |                                    |        |



- Moderate Rehabilitation
- The Contractor is affiliated with the Borrower so the contract will be for a fixed sum.
- The PNA prepared by Lane Consulting Services, LLC on 10/10/19 found that moderate work was required as the Project has been well maintained over time. Approximately \$450,000 worth of repairs that have been incorporated in the final scope of rehab which include:
  1. Wood fencing: Replace wood fencing with chain link fencing around the property (\$85,000)
  2. Asphalt paving: Fill crack, repair damaged areas, and seal coat the driveway and parking lot (\$29,000)
  3. Walkways and flatwork: repair lifted concrete at tree well (\$750)
  4. Trees: Trim trees throughout site (\$5,000)
  5. Play area and sports facility: Install safety padding in all play areas (\$48,000)
  6. Shingle roof: Replace asphalt shingle ridge cap on all roofs (\$8,000)
  7. Roof structure/sheathing: Clear debris from downspouts and gutters; repair or replace rusted gutters and damaged extensions (\$2,000)
  8. Siding and cladding: Paint the siding on all buildings (\$160,000)
  9. Door hardware: Install ADA door closers (\$2,400)
  10. Fire Extinguishers: Service overdue (\$750)
  11. Forced air furnace: Clean and test all forced air heaters for CO compliance (\$23,100)
  12. Smoke/CO detectors: Replace smoke detectors with new combination smoke/CO detectors (\$14,700)
  13. Closet doors: Replace closet door guides and bi-fold hardware (\$7,450)
  14. Bathroom exhaust: Install new Energy Star exhaust fans in all units (\$50,400)
  15. ADA: Install handrails where needed (\$3,000)

**39. Construction Budget Comments:**

Burbank Housing is a licensed general contractor and will perform the work using local subcontractors and internal maintenance staff when appropriate.

### DEVELOPMENT TEAM OVERVIEW

**40. Borrower: Stony Point Apartment Investors, L.P., a California limited partnership**

- General Partner: Stony Point Apartments, Inc., a California nonprofit public benefit corporation
- Limited Partner: Burbank Housing Communities Corporation, a California nonprofit public benefit corporation

**41. Developer/Sponsor: Burbank Housing Development Corporation, a California nonprofit public benefit corporation**

Burbank Housing Development Corporation ("Burbank") founded in 1980 is a local, community-based affordable housing developer that has produced over 80 affordable housing communities totaling over 3,800 units in the North Bay Area. The 3,800 units are comprised of 3,039 rental units and 875 homeownership units. Burbank is experienced in tax credit equity financing and has both built new projects and acquired/rehabilitated existing projects. Burbank is also a licensed general contractor and thus able to manage its own construction activity.

**42. Management Agent: Burbank Housing Management Corporation, a California nonprofit public benefit corporation**

Burbank Housing Management Corporation ("BHMC") was founded in 1994 to provide property management services to rental properties developed by Burbank Housing Development Corporation, which now number over 3,000 units. The overall condition of the Burbank portfolio attests to BHMC's experience in maintenance and management of long-term capital needs. BHMC is experienced in marketing, leasing up, income qualifying residents, efficient turnover of units, regulatory expectations and financial management. BHMC is also experienced in HUD 811 and 202, managing project-based Section 8 HAP contracts, and compliance with all tax credit and governmental lender regulations.

|   |  |
|---|--|
| <b>43.</b>  | <b>Service Provider</b>  |
| Burbank's residence services team supports the needs of the tenants by collaborating with dozens of community organizations to provide free onsite programs and resources in the areas of health and wellness, adult and families, youth, senior support and community engagement. Burbank's programs enhance the wellbeing of the tenants as well as the surrounding community by providing essentials like health and food resources, childcare referrals, and connections to local support agencies. |  |
| <b>44.</b>  | <b>Contractor: N/A (Burbank Housing is licensed as a general contractor, has operated in this role in the past, and will do the same for the work needed on the Project)</b> |
|   |  |
| <b>45.</b>  | <b>Architect: N/A</b>  |
|   |  |
| <b>46.</b>  | <b>Local Review via Locality Contribution Letter</b>   |
| In the response dated 10/23/19 to the Locality Contribution Letter, the City of Santa Rosa Housing and Redevelopment states that it strongly supports the Project.  |  |

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

| PROJECT SUMMARY   |                           |   |   | Final Commitment       |                            |                               |
|---|---------------------------|---|---|------------------------|----------------------------|-------------------------------|
| Acquisition, Rehab, Construction & Permanent Loans            |                           |   | Project Number                          |                        | 19-037-N                   |                               |
| <b>Project Full Name</b>                                      | Panas Place               | <b>Borrower Name:</b>                     | Stony Point Apartment Investors, L.P.   |                        |                            |                               |
| <b>Project Address</b>  | 2496 Old Stony Point Road | <b>Managing GP:</b>                       | Stony Point Apartments, Inc.            |                        |                            |                               |
| <b>Project City</b>   | Santa Rosa                | <b>Developer Name:</b>                    | Burbank Housing Development Corporation |                        |                            |                               |
| <b>Project County</b>   | Sonoma                    | <b>Investor Name:</b>                     | N/A                                     |                        |                            |                               |
| <b>Project Zip Code</b>                                       | 95407                     | <b>Prop Management:</b>                   | Burbank Housing Management Corporation  |                        |                            |                               |
|   |                           | <b>Tax Credits:</b>                       | None                                    |                        |                            |                               |
| <b>Project Type:</b>  | Permanent Loan Only       | <b>Total Land Area (acres):</b>           | 4.24                                    |                        |                            |                               |
| <b>Tenancy/Occupancy:</b>                                     | Individuals/Families      | <b>Residential Square Footage:</b>        | 70,174                                  |                        |                            |                               |
| <b>Total Residential Units:</b>                               | 66                        | <b>Residential Units Per Acre:</b>        | 15.57                                   |                        |                            |                               |
| <b>Total Number of Buildings:</b>                             | 15                        |   |   |                        |                            |                               |
| <b>Number of Stories:</b>                                     | 2                         | <b>Covered Parking Spaces:</b>            | 0                                       |                        |                            |                               |
| <b>Unit Style:</b>  | Townhomes & Flats         | <b>Total Parking Spaces:</b>              | 147                                     |                        |                            |                               |
| <b>Elevators:</b>   | --                        |   |   |                        |                            |                               |
| <b>Acq/Construction/Rehab Financing</b>                       |                           | <b>Loan Amount (\$)</b>                   | <b>Loan Fees</b>                        | <b>Loan Term (Mo.)</b> | <b>Amort. Period (Yr.)</b> | <b>Starting Interest Rate</b> |
| --  |                           | --  | --                                      | --                     | --                         | --                            |
| <b>Permanent Financing</b>                                    |                           | <b>Loan Amount (\$)</b>                   | <b>Loan Fees</b>                        | <b>Loan Term (Yr.)</b> | <b>Amort. Period (Yr.)</b> | <b>Starting Interest Rate</b> |
| Perm  |                           | 6,400,000                                 | 1.000%                                  | 30                     | 35                         | 5.000%                        |
| SRHA CDBG   |                           | 1,101,284                                 | --                                      | 55                     | --                         | 3.000%                        |
| Santa Rosa Housing Authority                                  |                           | 1,695,718                                 | --                                      | 55                     | --                         | 3.000%                        |
| SRHA HOME   |                           | 366,722                                   | --                                      | 55                     | --                         | 3.000%                        |
| --  |                           | --  | NA                                      | NA                     | NA                         | NA                            |
| --  |                           | --  | NA                                      | NA                     | NA                         | NA                            |
| --  |                           | --  | NA                                      | NA                     | NA                         | NA                            |
| <b>Appraised Values Upon Completion of Rehab/Construction</b> |                           |   |   |                        |                            |                               |
| <b>Appraisal Date:</b>  | 10/18/19                  | <b>Capitalization Rate:</b>               | 5.25%                                   |                        |                            |                               |
| <b>Investment Value (\$)</b>                                  | 22,000,000                | <b>Restricted Value (\$)</b>              | 8,040,000                               |                        |                            |                               |
| <b>Construct/Rehab LTC</b>                                    | N/A                       | <b>CalHFA Permanent Loan to Cost</b>      | 65%                                     |                        |                            |                               |
| <b>Construct/Rehab LTV</b>                                    | N/A                       | <b>CalHFA 1st Permanent Loan to Value</b> | 80%                                     |                        |                            |                               |
|   |                           | <b>Combined CalHFA Perm Loan to Value</b> | 80%                                     |                        |                            |                               |
| <b>Additional Loan Terms, Conditions &amp; Comments</b>       |                           |   |   |                        |                            |                               |
| <b><u>Construction/Rehab Loan</u></b>                         |                           |   |   |                        |                            |                               |
| <b>Payment/Performance Bond</b>                               |                           | N/A                                       |   |                        |                            |                               |
| <b>Completion Guarantee Letter of Credit</b>                  |                           | N/A                                       |   |                        |                            |                               |
| <b><u>Permanent Loan</u></b>                                  |                           |   |   |                        |                            |                               |
| <b>Operating Expense Reserve Deposit</b>                      |                           | \$453,109                                 | Cash                                    |                        |                            |                               |
| <b>Initial Replacement Reserve Deposit</b>                    |                           | \$66,000                                  | Cash                                    |                        |                            |                               |
| <b>Annual Replacement Reserve Per Unit</b>                    |                           | \$500                                     | Cash                                    |                        |                            |                               |
| <b>Date Prepared:</b>   |                           | 10/3/19                                   | <b>Senior Staff Date:</b>               |                        | 11/7/19                    |                               |

## Final Commitment

## Panas Place

**Project Number**      19-037-N

| PROJECT UNIT MIX   |                    |                 |                        |                 |                     |
|--------------------|--------------------|-----------------|------------------------|-----------------|---------------------|
| Unit Type of Style | Number of Bedrooms | Number of Baths | Average Size (Sq. Ft.) | Number of Units | Est. No. of Tenants |
| Flat               | 1                  | 1               | 588                    | 5               | 7.5                 |
| Townhome           | 2                  | 1               | 901                    | 16              | 48                  |
| Townhome           | 3                  | 1               | 1,135                  | 38              | 171                 |
| Townhome           | 4                  | 1               | 1,384                  | 7               | 42                  |
| -                  | -                  | -               | -                      | -               | 0                   |
| -                  | -                  | -               | -                      | -               | 0                   |
|                    |                    |                 |                        | 66              | 268.5               |

| NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY |  |     |     |     |     |      |        |
|---|--|-----|-----|-----|-----|------|--------|
| Agency  | Number of Units Restricted For Each AMI Category |     |     |     |     |      |        |
|   | 30%  | 40% | 50% | 60% | 80% | 120% | Market |
| Alhambra Housing Authority RiskShare                                  |  |     | 14  |     |     |      |        |
| Alhambra Housing Authority (SRHA)                                     |  |     | 36  | 29  |     |      |        |
| SRHA HOME   |  |     | 11  | 26  |     |      |        |
| SRHA CDBG   |  |     | 11  | 26  |     |      |        |
| TCAC  |  |     | 36  | 29  |     |      |        |

| Comparison of Average Monthly Restricted Rents to Average Market Rents |                    |                         |                          |           |                      |                         |                   |
|--|--------------------|-------------------------|--------------------------|-----------|----------------------|-------------------------|-------------------|
| Unit Type  | Restricting Agency | % of Area Median Income | Average Restricted Rents |           | Average Market Rents | Average Monthly Savings | % of Market Rents |
|  |                    |                         | Number of Units          | Unit Rent |                      |                         |                   |
| Studios  | CTCAC              | 50%                     | -                        | -         | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
| 1 Bedroom  | CTCAC              | 50%                     | 3                        | \$858     | \$1,447              | \$589                   | 59%               |
|  | CTCAC              | 60%                     | 2                        | \$1,069   |                      | \$378                   | 74%               |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
| 2 Bedrooms   | CTCAC              | 50%                     | 9                        | \$1,038   | \$1,887              | \$849                   | 55%               |
|  | CTCAC              | 60%                     | 7                        | \$1,379   |                      | \$508                   | 73%               |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | -                       | -                        | -         |                      | -                       | -                 |
| 3 Bedrooms   | CTCAC              | 50%                     | 21                       | \$1,143   | \$2,728              | \$1,585                 | 42%               |
|  | CTCAC              | 60%                     | 17                       | \$1,589   |                      | \$1,139                 | 58%               |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
| 4 Bedrooms   | CTCAC              | 50%                     | 3                        | \$1,223   | \$3,298              | \$2,075                 | 37%               |
|  | CTCAC              | 60%                     | 3                        | \$1,581   |                      | \$1,717                 | 48%               |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
| 5 Bedrooms   | CTCAC              | 50%                     | -                        | -         | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |

Date Prepared: 10/3/19

Senior Staff Date: 11/7/19

| SOURCES & USES OF FUNDS                                     |             |                  | Final Commitment               |                |               |
|---|-------------|------------------|--------------------------------|----------------|---------------|
| Panias Place  |             |                  | Project Number 19-037-N        |                |               |
| SOURCES OF FUNDS  | CONST/REHAB | PERMANENT        | TOTAL PROJECT SOURCES OF FUNDS |                |               |
|   | \$          | \$               | SOURCES (\$)                   | PER UNIT (\$)  | %             |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| Construct/Rehab Net Oper. Inc.                              | -           | -                | -                              | -              | 0.0%          |
| Deferred Developer Fee                                      | -           | -                | -                              | -              | 0.0%          |
| Developer Equity Contribution                               | -           | -                | -                              | -              | 0.0%          |
| Investor Equity Contribution                                | -           | -                | -                              | -              | 0.0%          |
| Perm  | -           | 6,400,000        | 6,400,000                      | 96,970         | 64.9%         |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| SRHA CDBG   | -           | 1,101,284        | 1,101,284                      | 16,686         | 11.2%         |
| Santa Rosa Housing Authority                                | -           | 1,695,718        | 1,695,718                      | 25,693         | 17.2%         |
| SRHA HOME   | -           | 366,722          | 366,722                        | 5,556          | 3.7%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| Existing Replacement Reserve - to be capitalized at closing | -           | 297,385          | 297,385                        | 4,506          | 3.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| -   | -           | -                | -                              | -              | 0.0%          |
| Construct/Rehab Net Oper. Inc.                              | -           | -                | -                              | -              | 0.0%          |
| Deferred Developer Fees                                     | -           | -                | -                              | -              | 0.0%          |
| Developer Equity Contribution                               | -           | -                | -                              | -              | 0.0%          |
| Investor Equity Contributions                               | -           | -                | -                              | -              | 0.0%          |
| <b>TOTAL SOURCES OF FUNDS</b>                               | -           | <b>9,861,109</b> | <b>9,861,109</b>               | <b>149,411</b> | <b>97.0%</b>  |
| <b>TOTAL USES OF FUNDS (BELOW)</b>                          | -           | <b>9,861,109</b> | <b>9,861,109</b>               | <b>149,411</b> | <b>100.0%</b> |
| <b>FUNDING SURPLUS (DEFICIT)</b>                            | -           | -                | -                              | -              | -             |

| USES OF FUNDS                              | CONST/REHAB | PERMANENT        | TOTAL PROJECT USES OF FUNDS |               |              |
|--|-------------|------------------|-----------------------------|---------------|--------------|
|  | \$          | \$               | USES (\$)                   | PER UNIT (\$) | %            |
| <b>CONSTRUCTION/REHAB SOURCES OF FUNDS</b> | -           | -                | -                           | -             | -            |
| <b>ACQUISITION COSTS</b>                   | -           | -                | -                           | -             | -            |
| Lesser of Land Cost or Appraised Value     | -           | -                | -                           | -             | 0.0%         |
| Demolition Costs                           | -           | -                | -                           | -             | 0.0%         |
| Legal & Other Closing Costs                | -           | -                | -                           | -             | 0.0%         |
| Escrow & other closing costs               | -           | -                | -                           | -             | 0.0%         |
| Verifiable Carrying Costs                  | -           | -                | -                           | -             | 0.0%         |
| Existing Improvements Value                | -           | -                | -                           | -             | 0.0%         |
| Payoff Existing CalHFA Loan                | -           | 2,651,813        | 2,651,813                   | 40,179        | 26.9%        |
| CalHFA Yield Maintenance Paid @ Closing    | -           | 358,125          | 358,125                     | 5,426         | 3.6%         |
| Existing Replacement Reserve               | -           | 297,385          | 297,385                     | 4,506         | 3.0%         |
| Existing SHRA CDBG Loan                    | -           | 1,101,284        | 1,101,284                   | 16,686        | 11.2%        |
| Existing Santa Rosa Housing Authority Loan | -           | 1,695,718        | 1,695,718                   | 25,693        | 17.2%        |
| Existing SRHA HOME Loan                    | -           | 366,722          | 366,722                     | 5,556         | 3.7%         |
| <b>TOTAL ACQUISITION COSTS</b>             | -           | <b>6,471,047</b> | <b>6,471,047</b>            | <b>98,046</b> | <b>65.6%</b> |
| <b>CONSTRUCTION/REHAB COSTS</b>            | -           | -                | -                           | -             | -            |
| Offsite Improvements                       | -           | -                | -                           | -             | 0.0%         |
| Environmental Remediation (Hard Costs)     | -           | -                | -                           | -             | 0.0%         |
| Site Work (Hard Cost)                      | -           | -                | -                           | -             | 0.0%         |
| Structures (Hard Cost)                     | -           | 450,000          | 450,000                     | 6,818         | 4.6%         |
| General Requirements                       | -           | -                | -                           | -             | 0.0%         |
| Contractor Overhead                        | -           | -                | -                           | -             | 0.0%         |
| Contractor Profit                          | -           | -                | -                           | -             | 0.0%         |
| Contractor Bond                            | -           | -                | -                           | -             | 0.0%         |
| Contractor Liability Insurance             | -           | -                | -                           | -             | 0.0%         |
| Personal Property                          | -           | -                | -                           | -             | 0.0%         |
| HVAC/Resident Damage                       | -           | -                | -                           | -             | 0.0%         |
| <b>TOTAL CONSTRUCT/REHAB COSTS</b>         | -           | <b>450,000</b>   | <b>450,000</b>              | <b>6,818</b>  | <b>4.6%</b>  |

| SOURCES & USES OF FUNDS                             |                   |                 | Final Commitment            |               |             |
|---|-------------------|-----------------|-----------------------------|---------------|-------------|
| Panas Place   |                   |                 | Project Number 19-037-N     |               |             |
| USES OF FUNDS                                       | CONST/REHAB<br>\$ | PERMANENT<br>\$ | TOTAL PROJECT USES OF FUNDS |               |             |
|   |                   |                 | USES (\$)                   | PER UNIT (\$) | %           |
| <b><u>RELOCATION COSTS</u></b>                      |                   |                 |                             |               |             |
| Relocation Expense                                  | -                 | -               | -                           | -             | 0.0%        |
| Relocation Compliance Monitoring                    | -                 | -               | -                           | -             | 0.0%        |
| Other (Specify)                                     | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL RELOCATION COSTS</b>                       | -                 | -               | -                           | -             | <b>0.0%</b> |
| <b><u>ARCHITECTURAL FEES</u></b>                    |                   |                 |                             |               |             |
| Design  | -                 | -               | -                           | -             | 0.0%        |
| Supervision   | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL ARCHITECTURAL FEES</b>                     | -                 | -               | -                           | -             | <b>0.0%</b> |
| <b><u>SURVEY &amp; ENGINEERING FEES</u></b>         |                   |                 |                             |               |             |
| Engineering   | -                 | -               | -                           | -             | 0.0%        |
| Supervision   | -                 | -               | -                           | -             | 0.0%        |
| ALTA Land Survey                                    | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL SURVEY &amp; ENGINEERING FEES</b>          | -                 | -               | -                           | -             | <b>0.0%</b> |
| <b><u>CONTINGENCY RESERVES</u></b>                  |                   |                 |                             |               |             |
| Hard Cost Contingency Reserve                       | -                 | 45,000          | 45,000                      | 682           | 0.5%        |
| Soft Cost Contingency Reserve                       | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL CONTINGENCY RESERVES</b>                   | -                 | 45,000          | 45,000                      | 682           | <b>0.5%</b> |
| <b><u>CONSTRUCT/REHAB PERIOD COSTS</u></b>          |                   |                 |                             |               |             |
| <b>Loan Interest Reserve</b>                        |                   |                 |                             |               |             |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| <b>Loan Fees</b>                                    |                   |                 |                             |               |             |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| <b>Other Const/Rehab Period Costs</b>               |                   |                 |                             |               |             |
| Deficit Const/Rehab NOI (Net Operating Income)      | -                 | -               | -                           | -             | 0.0%        |
| Credit Enhancement & Application Fees               | -                 | -               | -                           | -             | 0.0%        |
| Owner Paid Bonds/Insurance                          | -                 | -               | -                           | -             | 0.0%        |
| CalHFA Inspection Fees                              | -                 | 2,000           | 2,000                       | 30            | 0.0%        |
| Real Estate Taxes During Rehab                      | -                 | -               | -                           | -             | 0.0%        |
| Completion Guaranty Fee                             | -                 | -               | -                           | -             | 0.0%        |
| Wage Monitoring Fee (Davis Bacon, Prevailing, etc.) | -                 | -               | -                           | -             | 0.0%        |
| Insurance During Rehab                              | -                 | -               | -                           | -             | 0.0%        |
| Title & Recording Fees                              | -                 | -               | -                           | -             | 0.0%        |
| Construction Management & Testing                   | -                 | -               | -                           | -             | 0.0%        |
| Predevelopment Interest Expense                     | -                 | -               | -                           | -             | 0.0%        |
| Bond Issuer Fee                                     | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL CONST/REHAB PERIOD COSTS</b>               | -                 | <b>2,000</b>    | <b>2,000</b>                | <b>30</b>     | <b>0.0%</b> |

| SOURCES & USES OF FUNDS                            |                   |                 | Final Commitment            |               |             |
|--|-------------------|-----------------|-----------------------------|---------------|-------------|
| Panaz Place  |                   | Project Number  |                             | 19-037-N      |             |
| USES OF FUNDS                                      | CONST/REHAB<br>\$ | PERMANENT<br>\$ | TOTAL PROJECT USES OF FUNDS |               |             |
|  |                   |                 | USES (\$)                   | PER UNIT (\$) | %           |
| <b><u>PERMANENT LOAN COSTS</u></b>                 |                   |                 |                             |               |             |
| <b>Loan Fees</b>                                   |                   |                 |                             |               |             |
| CalHFA Application Fee                             | -                 | 10,000          | 10,000                      | 152           | 0.1%        |
| Perm   | -                 | 64,000          | 64,000                      | 970           | 0.6%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| SRHA CDBG  | -                 | -               | -                           | -             | 0.0%        |
| Santa Rosa Housing Authority                       | -                 | -               | -                           | -             | 0.0%        |
| SRHA HOME  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| Permanent Loan Cost of Issuance Fee                | -                 | 110,000         | 110,000                     | 1,667         | 1.1%        |
| Title & Recording (closing costs)                  | -                 | 25,000          | 25,000                      | 379           | 0.3%        |
| Year 1 - Taxes & Special Assessments and Insurance | -                 | -               | -                           | -             | 0.0%        |
| CalHFA Fees  | -                 | 3,000           | 3,000                       | 45            | 0.0%        |
| Tax Exempt Bond Allocation Fee                     | -                 | -               | -                           | -             | 0.0%        |
| Application Fee Credit                             | -                 | (10,000)        | (10,000)                    | (152)         | -0.1%       |
| <b>TOTAL PERMANENT LOAN COSTS</b>                  | -                 | <b>202,000</b>  | <b>202,000</b>              | <b>3,061</b>  | <b>2.0%</b> |
| <b><u>LEGAL FEES</u></b>                           |                   |                 |                             |               |             |
| CalHFA Construction/Rehab Loan Legal Fees          | -                 | -               | -                           | -             | 0.0%        |
| Other Construction/Rehab Loan Legal Fees           | -                 | -               | -                           | -             | 0.0%        |
| CalHFA Permanent Loan Legal Fees                   | -                 | 35,000          | 35,000                      | 530           | 0.4%        |
| Other Permanent Loan Legal Fees                    | -                 | -               | -                           | -             | 0.0%        |
| Sponsor Legal Fees                                 | -                 | -               | -                           | -             | 0.0%        |
| Organizational Legal Fees                          | -                 | -               | -                           | -             | 0.0%        |
| Syndication Legal Fees                             | -                 | -               | -                           | -             | 0.0%        |
| Borrower Legal Fee                                 | -                 | -               | -                           | -             | 0.0%        |
| CalHFA Bond Counsel                                | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL LEGAL FEES</b>                            | -                 | <b>35,000</b>   | <b>35,000</b>               | <b>530</b>    | <b>0.4%</b> |
| <b><u>OPERATING RESERVES</u></b>                   |                   |                 |                             |               |             |
| Operating Expense Reserve Deposit                  | -                 | 453,109         | 453,109                     | 6,865         | 4.6%        |
| Initial Replacement Reserve Deposit                | -                 | 66,000          | 66,000                      | 1,000         | 0.7%        |
| Transition Operating Reserve Deposit               | -                 | -               | -                           | -             | 0.0%        |
| Rent-Up Reserve Deposit                            | -                 | -               | -                           | -             | 0.0%        |
| HOME Program Replacement Reserve                   | -                 | -               | -                           | -             | 0.0%        |
| Investor Required Reserve                          | -                 | -               | -                           | -             | 0.0%        |
| Other (Existing OER )                              | -                 | (8,397)         | (8,397)                     | (127)         | -0.1%       |
| <b>TOTAL OPERATING RESERVES</b>                    | -                 | <b>510,712</b>  | <b>510,712</b>              | <b>7,738</b>  | <b>5.2%</b> |
| <b><u>REPORTS &amp; STUDIES</u></b>                |                   |                 |                             |               |             |
| Appraisal Fee                                      | -                 | 7,500           | 7,500                       | 114           | 0.1%        |
| Market Study Fee                                   | -                 | -               | -                           | -             | 0.0%        |
| Physical Needs Assessment Fee                      | -                 | 5,400           | 5,400                       | 82            | 0.1%        |
| Environmental Site Assessment Reports              | -                 | 5,000           | 5,000                       | 76            | 0.1%        |
| HUD Risk Share Environmental / NEPA Review Fee     | -                 | 1,500           | 1,500                       | 23            | 0.0%        |
| CalHFA Earthquake Waiver Review Fee                | -                 | 2,800           | 2,800                       | 42            | 0.0%        |
| Relocation Consultant                              | -                 | -               | -                           | -             | 0.0%        |
| Soils Reports                                      | -                 | -               | -                           | -             | 0.0%        |
| Acoustical Reports                                 | -                 | -               | -                           | -             | 0.0%        |
| Termite/Dry Rot                                    | -                 | -               | -                           | -             | 0.0%        |
| Consultant/Processing Agent                        | -                 | -               | -                           | -             | 0.0%        |
| Other (Specify)                                    | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL REPORTS &amp; STUDIES</b>                 | -                 | <b>22,200</b>   | <b>22,200</b>               | <b>336</b>    | <b>0.2%</b> |

| SOURCES & USES OF FUNDS                       |                   |                  | Final Commitment            |                |               |
|---|-------------------|------------------|-----------------------------|----------------|---------------|
| Panos Place                                   |                   |                  | Project Number 19-037-N     |                |               |
| USES OF FUNDS                                 | CONST/REHAB<br>\$ | PERMANENT<br>\$  | TOTAL PROJECT USES OF FUNDS |                |               |
|   |                   |                  | USES (\$)                   | PER UNIT (\$)  | %             |
| <b><u>OTHER COSTS</u></b>                     |                   |                  |                             |                |               |
| TCAC Application, Allocation & Monitor Fees   | -                 | -                | -                           | -              | 0.0%          |
| CDLAC Fees                                    | -                 | -                | -                           | -              | 0.0%          |
| Local Permits & Fees                          | -                 | -                | -                           | -              | 0.0%          |
| Local Impact Fees                             | -                 | -                | -                           | -              | 0.0%          |
| Other Local Fees                              | -                 | -                | -                           | -              | 0.0%          |
| Syndicator/Investor Fees & Expenses           | -                 | -                | -                           | -              | 0.0%          |
| Furnishings                                   | -                 | -                | -                           | -              | 0.0%          |
| Accounting & Audits                           | -                 | -                | -                           | -              | 0.0%          |
| Advertising & Marketing Expenses              | -                 | -                | -                           | -              | 0.0%          |
| Financial Consulting                          | -                 | -                | -                           | -              | 0.0%          |
| Miscellaneous Administrative Fees             | -                 | -                | -                           | -              | 0.0%          |
| HUD Risk Share Insurance (First Year Prepaid) | -                 | -                | -                           | -              | 0.0%          |
| Other (Specify)                               | -                 | -                | -                           | -              | 0.0%          |
| Other (Specify)                               | -                 | -                | -                           | -              | 0.0%          |
| <b>TOTAL OTHER COSTS</b>                      | -                 | -                | -                           | -              | <b>0.0%</b>   |
|   |                   |                  |                             |                |               |
| <b>SUBTOTAL PROJECT COSTS</b>                 | -                 | <b>7,737,959</b> | <b>7,737,959</b>            | <b>117,242</b> | <b>78.5%</b>  |
|   |                   |                  |                             |                |               |
| <b><u>DEVELOPER FEES &amp; COSTS</u></b>      |                   |                  |                             |                |               |
| Developer Fees, Overhead & Profit             | -                 | -                | -                           | -              | 0.0%          |
| Consultant Processing Agent                   | -                 | -                | -                           | -              | 0.0%          |
| Project Administration                        | -                 | -                | -                           | -              | 0.0%          |
| Syndicator Consultant Fees                    | -                 | -                | -                           | -              | 0.0%          |
| Guarantee Fees                                | -                 | -                | -                           | -              | 0.0%          |
| Construction Oversight & Management           | -                 | -                | -                           | -              | 0.0%          |
| Other Administration Fees                     | -                 | -                | -                           | -              | 0.0%          |
| Other (Specify) correction to balance         | -                 | -                | -                           | -              | 0.0%          |
| CASH EQUITY OUT TO DEVELOPER                  | -                 | 2,123,150        | 2,123,150                   | 32,169         | 21.5%         |
| <b>TOTAL DEVELOPER FEES &amp; COSTS</b>       | -                 | <b>2,123,150</b> | <b>2,123,150</b>            | <b>32,169</b>  | <b>21.5%</b>  |
|   |                   |                  |                             |                |               |
| <b>TOTAL PROJECT COSTS</b>                    | -                 | <b>9,861,109</b> | <b>9,861,109</b>            | <b>149,411</b> | <b>100.0%</b> |



| INCOME                                      | AMOUNT       | PER UNIT  | %       |
|---|--------------|-----------|---------|
| Rental Income                               |              |           |         |
| Restricted Unit Rents                       | \$ 997,620   | \$ 15,115 | 102.79% |
| Unrestricted Unit Rents                     | -            | -         | 0.00%   |
| Commercial Rents                            | -            | -         | 0.00%   |
| Rental & Operating Subsidies                |              |           |         |
| Project Based Rental Subsidy                | -            | -         | 0.00%   |
| Other Project Based Subsidy                 | -            | -         | 0.00%   |
| Income during renovations                   | -            | -         | 0.00%   |
| Other Subsidy (Specify)                     | -            | -         | 0.00%   |
| Other Income                                |              |           |         |
| Laundry Income                              | 24,024       | 364       | 2.48%   |
| Parking & Storage Income                    | -            | -         | 0.00%   |
| Miscellaneous Income                        | -            | -         | 0.00%   |
| GROSS POTENTIAL INCOME (GPI)                | \$ 1,021,644 | \$ 15,479 | 105.26% |
| Less: Vacancy Loss                          | \$ 51,082    | \$ 774    | 5.26%   |
| EFFECTIVE GROSS INCOME (EGI)                | \$ 970,562   | \$ 16,253 | 100.00% |
|   |              |           |         |
| OPERATING EXPENSES                          | AMOUNT       | PER UNIT  | %       |
| Administrative Expenses                     | \$ 108,388   | \$ 1,642  | \$ 0    |
| Management Fee                              | 55,322       | 838       | 5.70%   |
| Social Programs & Services                  | -            | -         | 0.00%   |
| Utilities                                   | 86,528       | 1,311     | 8.92%   |
| Operating & Maintenance                     | 157,787      | 2,391     | 16.26%  |
| Ground Lease Payments                       | -            | -         | 0.00%   |
| CalHFA Monitoring Fee                       | 7,500        | 114       | 0.77%   |
| Other Monitoring Fees                       | -            | -         | 0.00%   |
| Real Estate Taxes                           | 658          | 10        | 0.07%   |
| Other Taxes & Insurance                     | 69,435       | 1,052     | 7.15%   |
| SUBTOTAL OPERATING EXPENSES                 | \$ 485,618   | \$ 7,358  | 50.03%  |
| Operating Reserves                          | \$ 33,000    | \$ 500    | 3.40%   |
| TOTAL OPERATING EXPENSES                    | \$ 518,618   | \$ 7,858  | 53.43%  |
|   |              |           |         |
| NET OPERATING INCOME (NOI)                  | \$ 451,944   | \$ 6,848  | 46.57%  |
|   |              |           |         |
| DEBT SERVICE PAYMENTS                       | AMOUNT       | PER UNIT  | %       |
| Perm  | \$ 387,600   | \$ 5,873  | 39.94%  |
| -   | \$ -         | -         | 0.00%   |
| -   | \$ -         | -         | 0.00%   |
| SRHA CDBG                                   | \$ -         | -         | 0.00%   |
| Santa Rosa Housing Authority                | \$ -         | -         | 0.00%   |
| SRHA HOME                                   | \$ -         | -         | 0.00%   |
| -   | \$ -         | -         | 0.00%   |
| -   | \$ -         | -         | 0.00%   |
| TOTAL DEBT SERVICE & OTHER PAYMENTS         | \$ 387,600   | \$ 5,873  | 39.94%  |
|   |              |           |         |
| EXCESS AFTER DEBT SERVICE & MONITORING FEES | \$ 64,344    | \$ 975    | 6.63%   |
|   |              |           |         |
| DEBT SERVICE COVERAGE RATIO (DSCR)          | \$ 1 to 1    |           |         |
|   |              |           |         |
| Date: 10/3/19 Senior Staff Date: 11/07/19   |              |           |         |

**PROJECTED PERMANENT LOAN CASH FLOWS****Final Commitment**

|  | <b>YEAR</b>      | <b>1</b>         | <b>2</b>         | <b>3</b>         | <b>4</b>         | <b>5</b>         | <b>6</b>         | <b>7</b>         |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>RENTAL INCOME</b>                           | <b>CPI</b>       |                  |                  |                  |                  |                  |                  |                  |
| Restricted Unit Rents                          | 2.50%            | 997,620          | 1,022,561        | 1,048,125        | 1,074,328        | 1,101,186        | 1,128,715        | 1,156,933        |
| Unrestricted Unit Rents                        | 2.50%            | -                | -                | -                | -                | -                | -                | -                |
| Commercial Rents                               | 2.00%            | -                | -                | -                | -                | -                | -                | -                |
| Project Based Rental Subsidy                   | 1.50%            | -                | -                | -                | -                | -                | -                | -                |
| Other Project Based Subsidy                    | 1.50%            | -                | -                | -                | -                | -                | -                | -                |
| Income during renovations                      | 0.00%            | -                | -                | -                | -                | -                | -                | -                |
| Other Subsidy (Specify)                        | 0.00%            | -                | -                | -                | -                | -                | -                | -                |
| Laundry Income                                 | 1.50%            | 24,024           | 24,384           | 24,750           | 25,121           | 25,498           | 25,881           | 26,269           |
| Parking & Storage Income                       | 2.50%            | -                | -                | -                | -                | -                | -                | -                |
| Miscellaneous Income                           | 2.50%            | -                | -                | -                | -                | -                | -                | -                |
| <b>GROSS POTENTIAL INCOME (GPI)</b>            |                  | <b>1,021,644</b> | <b>1,046,945</b> | <b>1,072,875</b> | <b>1,099,449</b> | <b>1,126,684</b> | <b>1,154,596</b> | <b>1,183,202</b> |
| <b>VACANCY ASSUMPTIONS</b>                     | <b>Vacancy</b>   |                  |                  |                  |                  |                  |                  |                  |
| Restricted Unit Rents                          | 5.00%            | 49,881           | 51,128           | 52,406           | 53,716           | 55,059           | 56,436           | 57,847           |
| Unrestricted Unit Rents                        | 7.00%            | -                | -                | -                | -                | -                | -                | -                |
| Commercial Rents                               | 50.00%           | -                | -                | -                | -                | -                | -                | -                |
| Project Based Rental Subsidy                   | 5.00%            | -                | -                | -                | -                | -                | -                | -                |
| Other Project Based Subsidy                    | 3.00%            | -                | -                | -                | -                | -                | -                | -                |
| Income during renovations                      | 20.00%           | -                | -                | -                | -                | -                | -                | -                |
| Other Subsidy (Specify)                        | 0.00%            | -                | -                | -                | -                | -                | -                | -                |
| Laundry Income                                 | 5.00%            | 1,201            | 1,219            | 1,238            | 1,256            | 1,275            | 1,294            | 1,313            |
| Parking & Storage Income                       | 50.00%           | -                | -                | -                | -                | -                | -                | -                |
| Miscellaneous Income                           | 50.00%           | -                | -                | -                | -                | -                | -                | -                |
| <b>TOTAL PROJECTED VACANCY LOSS</b>            |                  | <b>51,082</b>    | <b>52,347</b>    | <b>53,644</b>    | <b>54,972</b>    | <b>56,334</b>    | <b>57,730</b>    | <b>59,160</b>    |
| <b>EFFECTIVE GROSS INCOME (EGI)</b>            |                  | <b>970,562</b>   | <b>994,598</b>   | <b>1,019,231</b> | <b>1,044,477</b> | <b>1,070,350</b> | <b>1,096,866</b> | <b>1,124,042</b> |
| <b>OPERATING EXPENSES</b>                      | <b>CPI / Fee</b> |                  |                  |                  |                  |                  |                  |                  |
| Administrative Expenses                        | 3.50%            | 108,388          | 112,182          | 116,108          | 120,172          | 124,378          | 128,731          | 133,237          |
| Management Fee                                 | 5.70%            | 55,322           | 56,692           | 58,096           | 59,535           | 61,010           | 62,521           | 64,070           |
| Utilities                                      | 3.50%            | 86,528           | 89,556           | 92,691           | 95,935           | 99,293           | 102,768          | 106,365          |
| Operating & Maintenance                        | 3.50%            | 157,787          | 163,310          | 169,025          | 174,941          | 181,064          | 187,401          | 193,961          |
| Ground Lease Payments                          | 3.50%            | -                | -                | -                | -                | -                | -                | -                |
| CalHFA Monitoring Fee                          | 0.00%            | 7,500            | 7,500            | 7,500            | 7,500            | 7,500            | 7,500            | 7,500            |
| Other Agency Monitoring Fee                    | 0.00%            | -                | -                | -                | -                | -                | -                | -                |
| Real Estate Taxes                              | 1.25%            | 658              | 666              | 675              | 683              | 692              | 700              | 709              |
| Other Taxes & Insurance                        | 3.50%            | 69,435           | 71,865           | 74,381           | 76,984           | 79,678           | 82,467           | 85,353           |
| Required Reserve Payments                      | 1.00%            | 33,000           | 33,330           | 33,663           | 34,000           | 34,340           | 34,683           | 35,030           |
| <b>TOTAL OPERATING EXPENSES</b>                |                  | <b>518,618</b>   | <b>535,101</b>   | <b>552,139</b>   | <b>569,750</b>   | <b>587,954</b>   | <b>606,772</b>   | <b>626,225</b>   |
| <b>NET OPERATING INCOME (NOI)</b>              |                  | <b>451,944</b>   | <b>459,496</b>   | <b>467,092</b>   | <b>474,727</b>   | <b>482,395</b>   | <b>490,094</b>   | <b>497,817</b>   |
| <b>DEBT SERVICE PAYMENTS</b>                   | <b>Lien #</b>    |                  |                  |                  |                  |                  |                  |                  |
| Perm   | 1                | 387,600          | 387,600          | 387,600          | 387,600          | 387,600          | 387,600          | 387,600          |
| -  | -                | -                | -                | -                | -                | -                | -                | -                |
| -  | -                | -                | -                | -                | -                | -                | -                | -                |
| SRHA CDBG                                      | 2                | -                | -                | -                | -                | -                | -                | -                |
| Santa Rosa Housing Authority                   | 3                | -                | -                | -                | -                | -                | -                | -                |
| SRHA HOME                                      | 4                | -                | -                | -                | -                | -                | -                | -                |
| -  | -                | -                | -                | -                | -                | -                | -                | -                |
| -  | -                | -                | -                | -                | -                | -                | -                | -                |
| <b>TOTAL DEBT SERVICE &amp; OTHER PAYMENTS</b> |                  | <b>387,600</b>   | <b>387,600</b>   | <b>387,600</b>   | <b>387,600</b>   | <b>387,600</b>   | <b>387,600</b>   | <b>387,600</b>   |
| <b>CASH FLOW AFTER DEBT SERVICE</b>            |                  | <b>64,344</b>    | <b>71,896</b>    | <b>79,492</b>    | <b>87,126</b>    | <b>94,795</b>    | <b>102,494</b>   | <b>110,217</b>   |
| <b>DEBT SERVICE COVERAGE RATIO</b>             |                  | <b>1.17</b>      | <b>1.19</b>      | <b>1.21</b>      | <b>1.22</b>      | <b>1.24</b>      | <b>1.26</b>      | <b>1.28</b>      |
| Date Prepared: 10/03/19                        |                  |                  |                  |                  |                  |                  |                  |                  |

**PROJECTED PERMANENT LOAN CASH FLOWS****Final Commitment**

|   |                      |                  |                  |                  |                  |                  |                  |                  |
|---|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| LESS: Asset Management Fee                    | 3%                   | 24,940           | 25,688           | 26,459           | 27,253           | 28,070           | 28,912           | 29,780           |
| LESS: Partnership Management Fee              | 3%                   | -                | -                | -                | -                | -                | -                | -                |
| <b>net CF available for distribution</b>      |                      | <b>39,404</b>    | <b>46,208</b>    | <b>53,033</b>    | <b>59,874</b>    | <b>66,725</b>    | <b>73,581</b>    | <b>80,437</b>    |
| Deferred developer fee repayment              | -                    | -                | -                | -                | -                | -                | -                | -                |
|   |                      | -                | -                | -                | -                | -                | -                | -                |
|   |                      | -                | -                | -                | -                | -                | -                | -                |
| <b>Payments for Residual Receipt Payments</b> |                      | <b>50%</b>       |                  |                  |                  |                  |                  |                  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     | 19,702           | 23,104           | 26,517           | 29,937           | 33,363           | 36,791           | 40,219           |
| SRHA CDBG                                     | 34.81%               | 6,858            | 8,042            | 9,230            | 10,421           | 11,613           | 12,807           | 14,000           |
| Santa Rosa Housing Authority                  | 53.60%               | 10,560           | 12,384           | 14,213           | 16,046           | 17,882           | 19,719           | 21,557           |
| SRHA HOME                                     | 11.59%               | 2,284            | 2,678            | 3,074            | 3,470            | 3,867            | 4,265            | 4,662            |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       | <b>19,702</b>    | <b>23,104</b>    | <b>26,517</b>    | <b>29,937</b>    | <b>33,363</b>    | <b>36,791</b>    | <b>40,219</b>    |
| <b>Balances for Residual Receipt Payments</b> |                      |                  |                  |                  |                  |                  |                  |                  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |                  |                  |                  |                  |                  |                  |                  |
| SRHA CDBG---Simple                            | 3.00%                | 1,101,284        | 1,127,464        | 1,152,460        | 1,176,269        | 1,198,886        | 1,220,311        | 1,240,543        |
| Santa Rosa Housing Authority---Simple         | 3.00%                | 1,695,718        | 1,736,030        | 1,774,518        | 1,811,177        | 1,846,002        | 1,878,992        | 1,910,144        |
| SRHA HOME---Simple                            | 3.00%                | 366,722          | 375,440          | 383,763          | 391,691          | 399,223          | 406,357          | 413,095          |
| <b>Total Residual Receipts Payments</b>       |                      | <b>3,163,724</b> | <b>3,238,934</b> | <b>3,310,742</b> | <b>3,379,137</b> | <b>3,444,112</b> | <b>3,505,661</b> | <b>3,563,782</b> |

| PROJECTED PERMANENT LOAN CASH FLOWS |           |                            |           | Panas Place |           |           |           |           |  |
|-------------------------------------|-----------|----------------------------|-----------|-------------|-----------|-----------|-----------|-----------|--|
| Final Commitment                    |           | Project Number             |           |             | 19-037-N  |           |           |           |  |
|                                     | YEAR      | 8                          | 9         | 10          | 11        | 12        | 13        | 14        |  |
| RENTAL INCOME                       | CPI       |                            |           |             |           |           |           |           |  |
| Restricted Unit Rents               | 2.50%     | 1,185,857                  | 1,215,503 | 1,245,891   | 1,277,038 | 1,308,964 | 1,341,688 | 1,375,230 |  |
| Unrestricted Unit Rents             | 2.50%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Commercial Rents                    | 2.00%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Project Based Rental Subsidy        | 1.50%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Other Project Based Subsidy         | 1.50%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Income during renovations           | 0.00%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Other Subsidy (Specify)             | 0.00%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Laundry Income                      | 1.50%     | 26,663                     | 27,063    | 27,469      | 27,881    | 28,299    | 28,724    | 29,154    |  |
| Parking & Storage Income            | 2.50%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Miscellaneous Income                | 2.50%     | -                          | -         | -           | -         | -         | -         | -         |  |
| GROSS POTENTIAL INCOME (GPI)        |           | 1,212,520                  | 1,242,566 | 1,273,359   | 1,304,919 | 1,337,263 | 1,370,412 | 1,404,385 |  |
| VACANCY ASSUMPTIONS                 | Vacancy   |                            |           |             |           |           |           |           |  |
| Restricted Unit Rents               | 5.00%     | 59,293                     | 60,775    | 62,295      | 63,852    | 65,448    | 67,084    | 68,762    |  |
| Unrestricted Unit Rents             | 7.00%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Commercial Rents                    | 50.00%    | -                          | -         | -           | -         | -         | -         | -         |  |
| Project Based Rental Subsidy        | 5.00%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Other Project Based Subsidy         | 3.00%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Income during renovations           | 20.00%    | -                          | -         | -           | -         | -         | -         | -         |  |
| Other Subsidy (Specify)             | 0.00%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Laundry Income                      | 5.00%     | 1,333                      | 1,353     | 1,373       | 1,394     | 1,415     | 1,436     | 1,458     |  |
| Parking & Storage Income            | 50.00%    | -                          | -         | -           | -         | -         | -         | -         |  |
| Miscellaneous Income                | 50.00%    | -                          | -         | -           | -         | -         | -         | -         |  |
| TOTAL PROJECTED VACANCY LOSS        |           | 60,626                     | 62,128    | 63,668      | 65,246    | 66,863    | 68,521    | 70,219    |  |
| EFFECTIVE GROSS INCOME (EGI)        |           | 1,151,894                  | 1,180,438 | 1,209,692   | 1,239,673 | 1,270,400 | 1,301,891 | 1,334,165 |  |
| OPERATING EXPENSES                  | CPI / Fee |                            |           |             |           |           |           |           |  |
| Administrative Expenses             | 3.50%     | 137,900                    | 142,726   | 147,722     | 152,892   | 158,243   | 163,782   | 169,514   |  |
| Management Fee                      | 5.70%     | 65,658                     | 67,285    | 68,952      | 70,661    | 72,413    | 74,208    | 76,047    |  |
| Utilities                           | 3.50%     | 110,088                    | 113,941   | 117,929     | 122,056   | 126,328   | 130,750   | 135,326   |  |
| Operating & Maintenance             | 3.50%     | 200,749                    | 207,775   | 215,047     | 222,574   | 230,364   | 238,427   | 246,772   |  |
| Ground Lease Payments               | 3.50%     | -                          | -         | -           | -         | -         | -         | -         |  |
| CalHFA Monitoring Fee               | 0.00%     | 7,500                      | 7,500     | 7,500       | 7,500     | 7,500     | 7,500     | 7,500     |  |
| Other Agency Monitoring Fee         | 0.00%     | -                          | -         | -           | -         | -         | -         | -         |  |
| Real Estate Taxes                   | 1.25%     | 718                        | 727       | 736         | 745       | 754       | 764       | 773       |  |
| Other Taxes & Insurance             | 3.50%     | 88,341                     | 91,433    | 94,633      | 97,945    | 101,373   | 104,921   | 108,593   |  |
| Required Reserve Payments           | 1.00%     | 35,380                     | 35,734    | 36,092      | 36,453    | 36,817    | 37,185    | 37,557    |  |
| TOTAL OPERATING EXPENSES            |           | 646,334                    | 667,121   | 688,611     | 710,826   | 733,793   | 757,536   | 782,083   |  |
| NET OPERATING INCOME (NOI)          |           | 505,560                    | 513,317   | 521,081     | 528,847   | 536,607   | 544,355   | 552,082   |  |
| DEBT SERVICE PAYMENTS               | Lien #    |                            |           |             |           |           |           |           |  |
| Perm                                | 1         | 387,600                    | 387,600   | 387,600     | 387,600   | 387,600   | 387,600   | 387,600   |  |
| -                                   | -         | -                          | -         | -           | -         | -         | -         | -         |  |
| -                                   | -         | -                          | -         | -           | -         | -         | -         | -         |  |
| SRHA CDBG                           | 2         | -                          | -         | -           | -         | -         | -         | -         |  |
| Santa Rosa Housing Authority        | 3         | -                          | -         | -           | -         | -         | -         | -         |  |
| SRHA HOME                           | 4         | -                          | -         | -           | -         | -         | -         | -         |  |
| -                                   | -         | -                          | -         | -           | -         | -         | -         | -         |  |
| -                                   | -         | -                          | -         | -           | -         | -         | -         | -         |  |
| TOTAL DEBT SERVICE & OTHER PAYMENTS |           | 387,600                    | 387,600   | 387,600     | 387,600   | 387,600   | 387,600   | 387,600   |  |
| CASH FLOW AFTER DEBT SERVICE        |           | 117,960                    | 125,716   | 133,481     | 141,246   | 149,007   | 156,755   | 164,482   |  |
| DEBT SERVICE COVERAGE RATIO         |           | 1.30                       | 1.32      | 1.34        | 1.36      | 1.38      | 1.40      | 1.42      |  |
| Date Prepared: 10/03/19             |           | Senior Staff Date: 11/7/19 |           |             |           |           |           |           |  |

| PROJECTED PERMANENT LOAN CASH FLOWS           |                      |                  | Panas Place      |                  |                  |                  |                  |                  |
|---|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Final Commitment                              |                      | Project Number   | 19-037-N         |                  |                  |                  |                  |                  |
| LESS: Asset Management Fee                    | 3%                   | 30,673           | 31,593           | 32,541           | 33,517           | 34,523           | 35,558           | 36,625           |
| LESS: Partnership Management Fee              | 3%                   | -                | -                | -                | -                | -                | -                | -                |
| <b>net CF available for distribution</b>      |                      | <b>87,287</b>    | <b>94,123</b>    | <b>100,940</b>   | <b>107,729</b>   | <b>114,484</b>   | <b>121,196</b>   | <b>127,857</b>   |
| Deferred developer fee repayment              | -                    | -                | -                | -                | -                | -                | -                | -                |
|   |                      | -                | -                | -                | -                | -                | -                | -                |
|   |                      | -                | -                | -                | -                | -                | -                | -                |
| <b>Payments for Residual Receipt Payments</b> |                      |                  |                  |                  |                  |                  |                  |                  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     | 43,643           | 47,062           | 50,470           | 53,865           | 57,242           | 60,598           | 63,928           |
| SRHA CDBG                                     | 34.81%               | 15,192           | 16,382           | 17,568           | 18,750           | 19,926           | 21,094           | 22,253           |
| Santa Rosa Housing Authority                  | 53.60%               | 23,392           | 25,224           | 27,051           | 28,871           | 30,681           | 32,480           | 34,265           |
| SRHA HOME                                     | 11.59%               | 5,059            | 5,455            | 5,850            | 6,244            | 6,635            | 7,024            | 7,410            |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       | <b>43,643</b>    | <b>47,062</b>    | <b>50,470</b>    | <b>53,865</b>    | <b>57,242</b>    | <b>60,598</b>    | <b>63,928</b>    |
| <b>Balances for Residual Receipt Payments</b> |                      |                  |                  |                  |                  |                  |                  |                  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |                  |                  |                  |                  |                  |                  |                  |
| SRHA CDBG---Simple                            | 3.00%                | 1,259,582        | 1,277,428        | 1,294,084        | 1,309,554        | 1,323,843        | 1,336,956        | 1,348,900        |
| Santa Rosa Housing Authority---Simple         | 3.00%                | 1,939,459        | 1,966,938        | 1,992,585        | 2,016,405        | 2,038,406        | 2,058,597        | 2,076,989        |
| SRHA HOME---Simple                            | 3.00%                | 419,434          | 425,377          | 430,924          | 436,075          | 440,833          | 445,199          | 449,177          |
| <b>Total Residual Receipts Payments</b>       |                      | <b>3,618,475</b> | <b>3,669,743</b> | <b>3,717,593</b> | <b>3,762,035</b> | <b>3,803,082</b> | <b>3,840,752</b> | <b>3,875,066</b> |

| PROJECTED PERMANENT LOAN CASH FLOWS |           |                         |           |           |           |           | Panas Place                |           |
|-------------------------------------|-----------|-------------------------|-----------|-----------|-----------|-----------|----------------------------|-----------|
| Final Commitment                    |           | Project Number 19-037-N |           |           |           |           |                            |           |
|                                     | YEAR      | 15                      | 16        | 17        | 18        | 19        | 20                         | 21        |
| RENTAL INCOME                       | CPI       |                         |           |           |           |           |                            |           |
| Restricted Unit Rents               | 2.50%     | 1,409,611               | 1,444,851 | 1,480,972 | 1,517,997 | 1,555,947 | 1,594,845                  | 1,634,717 |
| Unrestricted Unit Rents             | 2.50%     | -                       | -         | -         | -         | -         | -                          | -         |
| Commercial Rents                    | 2.00%     | -                       | -         | -         | -         | -         | -                          | -         |
| Project Based Rental Subsidy        | 1.50%     | -                       | -         | -         | -         | -         | -                          | -         |
| Other Project Based Subsidy         | 1.50%     | -                       | -         | -         | -         | -         | -                          | -         |
| Income during renovations           | 0.00%     | -                       | -         | -         | -         | -         | -                          | -         |
| Other Subsidy (Specify)             | 0.00%     | -                       | -         | -         | -         | -         | -                          | -         |
| Laundry Income                      | 1.50%     | 29,592                  | 30,036    | 30,486    | 30,943    | 31,408    | 31,879                     | 32,357    |
| Parking & Storage Income            | 2.50%     | -                       | -         | -         | -         | -         | -                          | -         |
| Miscellaneous Income                | 2.50%     | -                       | -         | -         | -         | -         | -                          | -         |
| GROSS POTENTIAL INCOME (GPI)        |           | 1,439,203               | 1,474,887 | 1,511,459 | 1,548,940 | 1,587,354 | 1,626,724                  | 1,667,073 |
| VACANCY ASSUMPTIONS                 | Vacancy   |                         |           |           |           |           |                            |           |
| Restricted Unit Rents               | 5.00%     | 70,481                  | 72,243    | 74,049    | 75,900    | 77,797    | 79,742                     | 81,736    |
| Unrestricted Unit Rents             | 7.00%     | -                       | -         | -         | -         | -         | -                          | -         |
| Commercial Rents                    | 50.00%    | -                       | -         | -         | -         | -         | -                          | -         |
| Project Based Rental Subsidy        | 5.00%     | -                       | -         | -         | -         | -         | -                          | -         |
| Other Project Based Subsidy         | 3.00%     | -                       | -         | -         | -         | -         | -                          | -         |
| Income during renovations           | 20.00%    | -                       | -         | -         | -         | -         | -                          | -         |
| Other Subsidy (Specify)             | 0.00%     | -                       | -         | -         | -         | -         | -                          | -         |
| Laundry Income                      | 5.00%     | 1,480                   | 1,502     | 1,524     | 1,547     | 1,570     | 1,594                      | 1,618     |
| Parking & Storage Income            | 50.00%    | -                       | -         | -         | -         | -         | -                          | -         |
| Miscellaneous Income                | 50.00%    | -                       | -         | -         | -         | -         | -                          | -         |
| TOTAL PROJECTED VACANCY LOSS        |           | 71,960                  | 73,744    | 75,573    | 77,447    | 79,368    | 81,336                     | 83,354    |
| EFFECTIVE GROSS INCOME (EGI)        |           | 1,367,243               | 1,401,142 | 1,435,886 | 1,471,493 | 1,507,987 | 1,545,388                  | 1,583,720 |
| OPERATING EXPENSES                  | CPI / Fee |                         |           |           |           |           |                            |           |
| Administrative Expenses             | 3.50%     | 175,447                 | 181,588   | 187,943   | 194,521   | 201,330   | 208,376                    | 215,669   |
| Management Fee                      | 5.70%     | 77,933                  | 79,865    | 81,845    | 83,875    | 85,955    | 88,087                     | 90,272    |
| Utilities                           | 3.50%     | 140,062                 | 144,965   | 150,038   | 155,290   | 160,725   | 166,350                    | 172,172   |
| Operating & Maintenance             | 3.50%     | 255,409                 | 264,348   | 273,600   | 283,176   | 293,088   | 303,346                    | 313,963   |
| Ground Lease Payments               | 3.50%     | -                       | -         | -         | -         | -         | -                          | -         |
| CalHFA Monitoring Fee               | 0.00%     | 7,500                   | 7,500     | 7,500     | 7,500     | 7,500     | 7,500                      | 7,500     |
| Other Agency Monitoring Fee         | 0.00%     | -                       | -         | -         | -         | -         | -                          | -         |
| Real Estate Taxes                   | 1.25%     | 783                     | 793       | 803       | 813       | 823       | 833                        | 844       |
| Other Taxes & Insurance             | 3.50%     | 112,394                 | 116,328   | 120,399   | 124,613   | 128,975   | 133,489                    | 138,161   |
| Required Reserve Payments           | 1.00%     | 37,933                  | 38,312    | 38,695    | 39,082    | 39,473    | 39,868                     | 40,266    |
| TOTAL OPERATING EXPENSES            |           | 807,461                 | 833,698   | 860,825   | 888,871   | 917,868   | 947,849                    | 978,847   |
| NET OPERATING INCOME (NOI)          |           | 559,782                 | 567,444   | 575,061   | 582,623   | 590,119   | 597,539                    | 604,872   |
| DEBT SERVICE PAYMENTS               | Lien #    |                         |           |           |           |           |                            |           |
| Perm                                | 1         | 387,600                 | 387,600   | 387,600   | 387,600   | 387,600   | 387,600                    | 387,600   |
| -                                   | -         | -                       | -         | -         | -         | -         | -                          | -         |
| -                                   | -         | -                       | -         | -         | -         | -         | -                          | -         |
| SRHA CDBG                           | 2         | -                       | -         | -         | -         | -         | -                          | -         |
| Santa Rosa Housing Authority        | 3         | -                       | -         | -         | -         | -         | -                          | -         |
| SRHA HOME                           | 4         | -                       | -         | -         | -         | -         | -                          | -         |
| -                                   | -         | -                       | -         | -         | -         | -         | -                          | -         |
| -                                   | -         | -                       | -         | -         | -         | -         | -                          | -         |
| TOTAL DEBT SERVICE & OTHER PAYMENTS |           | 387,600                 | 387,600   | 387,600   | 387,600   | 387,600   | 387,600                    | 387,600   |
| CASH FLOW AFTER DEBT SERVICE        |           | 172,181                 | 179,844   | 187,461   | 195,022   | 202,519   | 209,939                    | 217,272   |
| DEBT SERVICE COVERAGE RATIO         |           | 1.44                    | 1.46      | 1.48      | 1.50      | 1.52      | 1.54                       | 1.56      |
| Date Prepared: 10/03/19             |           |                         |           |           |           |           | Senior Staff Date: 11/7/19 |           |

| PROJECTED PERMANENT LOAN CASH FLOWS           |                      |                |                |                |                | Panas Place    |                |                |
|---|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Final Commitment                              |                      |                |                |                |                | Project Number | 19-037-N       |                |
| LESS: Asset Management Fee                    | 3%                   | 37,724         | 38,856         | 40,021         | 41,222         | 42,459         | 43,732         | 45,044         |
| LESS: Partnership Management Fee              | 3%                   | -              | -              | -              | -              | -              | -              | -              |
| <b>net CF available for distribution</b>      |                      | <b>134,457</b> | <b>140,988</b> | <b>147,439</b> | <b>153,800</b> | <b>160,060</b> | <b>166,207</b> | <b>172,228</b> |
| Deferred developer fee repayment              | -                    | -              | -              | -              | -              | -              | -              | -              |
|   |                      | -              | -              | -              | -              | -              | -              | -              |
|   |                      | -              | -              | -              | -              | -              | -              | -              |
| <b>Payments for Residual Receipt Payments</b> |                      |                |                |                |                |                |                |                |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     | 67,229         | 70,494         | 73,720         | 76,900         | 80,030         | 83,103         | 86,114         |
| SRHA CDBG                                     | 34.81%               | 23,402         | 24,539         | 25,662         | 26,769         | 27,858         | 28,928         | 29,976         |
| Santa Rosa Housing Authority                  | 53.60%               | 36,034         | 37,784         | 39,513         | 41,218         | 42,895         | 44,542         | 46,156         |
| SRHA HOME                                     | 11.59%               | 7,793          | 8,171          | 8,545          | 8,914          | 9,277          | 9,633          | 9,982          |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       | 67,229         | 70,494         | 73,720         | 76,900         | 80,030         | 83,103         | 86,114         |
| <b>Balances for Residual Receipt Payments</b> |                      |                |                |                |                |                |                |                |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |                |                |                |                |                |                |                |
| SRHA CDBG---Simple                            | 3.00%                | 1,359,685      | 1,369,322      | 1,377,821      | 1,385,198      | 1,391,468      | 1,396,648      | 1,400,759      |
| Santa Rosa Housing Authority---Simple         | 3.00%                | 2,093,595      | 2,108,433      | 2,121,520      | 2,132,879      | 2,142,533      | 2,150,509      | 2,156,839      |
| SRHA HOME---Simple                            | 3.00%                | 452,768        | 455,977        | 458,808        | 461,264        | 463,352        | 465,077        | 466,446        |
| <b>Total Residual Receipts Payments</b>       |                      | 3,906,049      | 3,933,732      | 3,958,149      | 3,979,341      | 3,997,353      | 4,012,235      | 4,024,043      |

| PROJECTED PERMANENT LOAN CASH FLOWS |           |           |           |           |           |           |           |           |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Final Commitment                    |           |           |           |           |           |           |           |           |
|                                     | YEAR      | 22        | 23        | 24        | 25        | 26        | 27        | 28        |
| RENTAL INCOME                       | CPI       |           |           |           |           |           |           |           |
| Restricted Unit Rents               | 2.50%     | 1,675,584 | 1,717,474 | 1,760,411 | 1,804,421 | 1,849,532 | 1,895,770 | 1,943,164 |
| Unrestricted Unit Rents             | 2.50%     | -         | -         | -         | -         | -         | -         | -         |
| Commercial Rents                    | 2.00%     | -         | -         | -         | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 1.50%     | -         | -         | -         | -         | -         | -         | -         |
| Other Project Based Subsidy         | 1.50%     | -         | -         | -         | -         | -         | -         | -         |
| Income during renovations           | 0.00%     | -         | -         | -         | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%     | -         | -         | -         | -         | -         | -         | -         |
| Laundry Income                      | 1.50%     | 32,842    | 33,335    | 33,835    | 34,342    | 34,858    | 35,380    | 35,911    |
| Parking & Storage Income            | 2.50%     | -         | -         | -         | -         | -         | -         | -         |
| Miscellaneous Income                | 2.50%     | -         | -         | -         | -         | -         | -         | -         |
| GROSS POTENTIAL INCOME (GPI)        |           | 1,708,427 | 1,750,809 | 1,794,246 | 1,838,764 | 1,884,389 | 1,931,150 | 1,979,075 |
| VACANCY ASSUMPTIONS                 | Vacancy   |           |           |           |           |           |           |           |
| Restricted Unit Rents               | 5.00%     | 83,779    | 85,874    | 88,021    | 90,221    | 92,477    | 94,789    | 97,158    |
| Unrestricted Unit Rents             | 7.00%     | -         | -         | -         | -         | -         | -         | -         |
| Commercial Rents                    | 50.00%    | -         | -         | -         | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 5.00%     | -         | -         | -         | -         | -         | -         | -         |
| Other Project Based Subsidy         | 3.00%     | -         | -         | -         | -         | -         | -         | -         |
| Income during renovations           | 20.00%    | -         | -         | -         | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%     | -         | -         | -         | -         | -         | -         | -         |
| Laundry Income                      | 5.00%     | 1,642     | 1,667     | 1,692     | 1,717     | 1,743     | 1,769     | 1,796     |
| Parking & Storage Income            | 50.00%    | -         | -         | -         | -         | -         | -         | -         |
| Miscellaneous Income                | 50.00%    | -         | -         | -         | -         | -         | -         | -         |
| TOTAL PROJECTED VACANCY LOSS        |           | 85,421    | 87,540    | 89,712    | 91,938    | 94,219    | 96,558    | 98,954    |
| EFFECTIVE GROSS INCOME (EGI)        |           | 1,623,005 | 1,663,268 | 1,704,533 | 1,746,825 | 1,790,170 | 1,834,593 | 1,880,122 |
| OPERATING EXPENSES                  | CPI / Fee |           |           |           |           |           |           |           |
| Administrative Expenses             | 3.50%     | 223,218   | 231,030   | 239,116   | 247,485   | 256,147   | 265,113   | 274,391   |
| Management Fee                      | 5.70%     | 92,511    | 94,806    | 97,158    | 99,569    | 102,040   | 104,572   | 107,167   |
| Utilities                           | 3.50%     | 178,198   | 184,435   | 190,891   | 197,572   | 204,487   | 211,644   | 219,051   |
| Operating & Maintenance             | 3.50%     | 324,952   | 336,325   | 348,096   | 360,280   | 372,889   | 385,940   | 399,448   |
| Ground Lease Payments               | 3.50%     | -         | -         | -         | -         | -         | -         | -         |
| CalHFA Monitoring Fee               | 0.00%     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     |
| Other Agency Monitoring Fee         | 0.00%     | -         | -         | -         | -         | -         | -         | -         |
| Real Estate Taxes                   | 1.25%     | 854       | 865       | 876       | 887       | 898       | 909       | 920       |
| Other Taxes & Insurance             | 3.50%     | 142,997   | 148,002   | 153,182   | 158,543   | 164,092   | 169,835   | 175,779   |
| Required Reserve Payments           | 1.00%     | 40,669    | 41,076    | 41,486    | 41,901    | 42,320    | 42,743    | 43,171    |
| TOTAL OPERATING EXPENSES            |           | 1,010,899 | 1,044,039 | 1,078,305 | 1,113,737 | 1,150,373 | 1,188,256 | 1,227,429 |
| NET OPERATING INCOME (NOI)          |           | 612,107   | 619,230   | 626,228   | 633,089   | 639,797   | 646,337   | 652,693   |
| DEBT SERVICE PAYMENTS               | Lien #    |           |           |           |           |           |           |           |
| Perm                                | 1         | 387,600   | 387,600   | 387,600   | 387,600   | 387,600   | 387,600   | 387,600   |
| -                                   | -         | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -         | -         | -         | -         | -         | -         | -         | -         |
| SRHA CDBG                           | 2         | -         | -         | -         | -         | -         | -         | -         |
| Santa Rosa Housing Authority        | 3         | -         | -         | -         | -         | -         | -         | -         |
| SRHA HOME                           | 4         | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -         | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -         | -         | -         | -         | -         | -         | -         | -         |
| TOTAL DEBT SERVICE & OTHER PAYMENTS |           | 387,600   | 387,600   | 387,600   | 387,600   | 387,600   | 387,600   | 387,600   |
| CASH FLOW AFTER DEBT SERVICE        |           | 224,507   | 231,630   | 238,628   | 245,489   | 252,197   | 258,737   | 265,093   |
| DEBT SERVICE COVERAGE RATIO         |           | 1.58      | 1.60      | 1.62      | 1.63      | 1.65      | 1.67      | 1.68      |
| Date Prepared:                      |           | 10/03/19  |           |           |           |           |           |           |



**PROJECTED PERMANENT LOAN CASH FLOWS****Final Commitment**

|  |    |                |                |                |                |                |                |                |
|--|----|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| LESS: Asset Management Fee               | 3% | 46,396         | 47,788         | 49,221         | 50,698         | 52,219         | 53,785         | 55,399         |
| LESS: Partnership Management Fee         | 3% | -              | -              | -              | -              | -              | -              | -              |
| <b>net CF available for distribution</b> |    | <b>178,111</b> | <b>183,842</b> | <b>189,407</b> | <b>194,791</b> | <b>199,978</b> | <b>204,951</b> | <b>209,694</b> |
| Deferred developer fee repayment         | -  | -              | -              | -              | -              | -              | -              | -              |
|  |    | -              | -              | -              | -              | -              | -              | -              |
|  |    | -              | -              | -              | -              | -              | -              | -              |

**Payments for Residual Receipt Payments**

|   |                  |        |        |        |        |        |         |         |
|---|------------------|--------|--------|--------|--------|--------|---------|---------|
| <b>RESIDUAL RECEIPTS LOANS</b>          | <u>Payment %</u> | 89,055 | 91,921 | 94,703 | 97,395 | 99,989 | 102,476 | 104,847 |
| SRHA CDBG                               | 34.81%           | 31,000 | 31,997 | 32,966 | 33,903 | 34,806 | 35,671  | 36,497  |
| Santa Rosa Housing Authority            | 53.60%           | 47,733 | 49,269 | 50,760 | 52,203 | 53,593 | 54,926  | 56,197  |
| SRHA HOME                               | 11.59%           | 10,323 | 10,655 | 10,978 | 11,290 | 11,590 | 11,878  | 12,153  |
| <b>Total Residual Receipts Payments</b> | <b>100.00%</b>   | 89,055 | 91,921 | 94,703 | 97,395 | 99,989 | 102,476 | 104,847 |

**Balances for Residual Receipt Payments**

|   |                      |           |           |           |           |           |           |           |
|---|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>RESIDUAL RECEIPTS LOANS</b>          | <u>Interest Rate</u> |           |           |           |           |           |           |           |
| SRHA CDBG---Simple                      | 3.00%                | 1,403,821 | 1,405,860 | 1,406,901 | 1,406,973 | 1,406,109 | 1,404,342 | 1,401,709 |
| Santa Rosa Housing Authority---Simple   | 3.00%                | 2,161,554 | 2,164,693 | 2,166,296 | 2,166,408 | 2,165,077 | 2,162,355 | 2,158,301 |
| SRHA HOME---Simple                      | 3.00%                | 467,465   | 468,144   | 468,491   | 468,515   | 468,227   | 467,639   | 466,762   |
| <b>Total Residual Receipts Payments</b> |                      | 4,032,841 | 4,038,697 | 4,041,688 | 4,041,896 | 4,039,413 | 4,034,335 | 4,026,771 |

| PROJECTED PERMANENT LOAN CASH FLOWS            |                  | Panas Place                |                  |                  |                  |                  |                  |                  |
|--|------------------|----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Final Commitment                               |                  | Project Number             |                  | 19-037-N         |                  |                  |                  |                  |
|  | YEAR             | 29                         | 30               | 31               | 32               | 33               | 34               | 35               |
| <b>RENTAL INCOME</b>                           | <b>CPI</b>       |                            |                  |                  |                  |                  |                  |                  |
| Restricted Unit Rents                          | 2.50%            | 1,991,743                  | 2,041,537        | 2,092,575        | 2,144,890        | 2,198,512        | 2,253,475        | 2,309,812        |
| Unrestricted Unit Rents                        | 2.50%            | -                          | -                | -                | -                | -                | -                | -                |
| Commercial Rents                               | 2.00%            | -                          | -                | -                | -                | -                | -                | -                |
| Project Based Rental Subsidy                   | 1.50%            | -                          | -                | -                | -                | -                | -                | -                |
| Other Project Based Subsidy                    | 1.50%            | -                          | -                | -                | -                | -                | -                | -                |
| Income during renovations                      | 0.00%            | -                          | -                | -                | -                | -                | -                | -                |
| Other Subsidy (Specify)                        | 0.00%            | -                          | -                | -                | -                | -                | -                | -                |
| Laundry Income                                 | 1.50%            | 36,450                     | 36,996           | 37,551           | 38,115           | 38,686           | 39,267           | 39,856           |
| Parking & Storage Income                       | 2.50%            | -                          | -                | -                | -                | -                | -                | -                |
| Miscellaneous Income                           | 2.50%            | -                          | -                | -                | -                | -                | -                | -                |
| <b>GROSS POTENTIAL INCOME (GPI)</b>            |                  | <b>2,028,193</b>           | <b>2,078,533</b> | <b>2,130,127</b> | <b>2,183,004</b> | <b>2,237,198</b> | <b>2,292,742</b> | <b>2,349,667</b> |
| <b>VACANCY ASSUMPTIONS</b>                     | <b>Vacancy</b>   |                            |                  |                  |                  |                  |                  |                  |
| Restricted Unit Rents                          | 5.00%            | 99,587                     | 102,077          | 104,629          | 107,244          | 109,926          | 112,674          | 115,491          |
| Unrestricted Unit Rents                        | 7.00%            | -                          | -                | -                | -                | -                | -                | -                |
| Commercial Rents                               | 50.00%           | -                          | -                | -                | -                | -                | -                | -                |
| Project Based Rental Subsidy                   | 5.00%            | -                          | -                | -                | -                | -                | -                | -                |
| Other Project Based Subsidy                    | 3.00%            | -                          | -                | -                | -                | -                | -                | -                |
| Income during renovations                      | 20.00%           | -                          | -                | -                | -                | -                | -                | -                |
| Other Subsidy (Specify)                        | 0.00%            | -                          | -                | -                | -                | -                | -                | -                |
| Laundry Income                                 | 5.00%            | 1,822                      | 1,850            | 1,878            | 1,906            | 1,934            | 1,963            | 1,993            |
| Parking & Storage Income                       | 50.00%           | -                          | -                | -                | -                | -                | -                | -                |
| Miscellaneous Income                           | 50.00%           | -                          | -                | -                | -                | -                | -                | -                |
| <b>TOTAL PROJECTED VACANCY LOSS</b>            |                  | <b>101,410</b>             | <b>103,927</b>   | <b>106,506</b>   | <b>109,150</b>   | <b>111,860</b>   | <b>114,637</b>   | <b>117,483</b>   |
| <b>EFFECTIVE GROSS INCOME (EGI)</b>            |                  | <b>1,926,783</b>           | <b>1,974,607</b> | <b>2,023,620</b> | <b>2,073,854</b> | <b>2,125,339</b> | <b>2,178,104</b> | <b>2,232,184</b> |
| <b>OPERATING EXPENSES</b>                      | <b>CPI / Fee</b> |                            |                  |                  |                  |                  |                  |                  |
| Administrative Expenses                        | 3.50%            | 283,995                    | 293,935          | 304,223          | 314,871          | 325,891          | 337,297          | 349,103          |
| Management Fee                                 | 5.70%            | 109,827                    | 112,553          | 115,346          | 118,210          | 121,144          | 124,152          | 127,234          |
| Utilities                                      | 3.50%            | 226,718                    | 234,653          | 242,866          | 251,367          | 260,164          | 269,270          | 278,695          |
| Operating & Maintenance                        | 3.50%            | 413,429                    | 427,899          | 442,876          | 458,376          | 474,419          | 491,024          | 508,210          |
| Ground Lease Payments                          | 3.50%            | -                          | -                | -                | -                | -                | -                | -                |
| CalHFA Monitoring Fee                          | 0.00%            | 7,500                      | 7,500            | 7,500            | 7,500            | 7,500            | 7,500            | 7,500            |
| Other Agency Monitoring Fee                    | 0.00%            | -                          | -                | -                | -                | -                | -                | -                |
| Real Estate Taxes                              | 1.25%            | 932                        | 943              | 955              | 967              | 979              | 991              | 1,004            |
| Other Taxes & Insurance                        | 3.50%            | 181,932                    | 188,299          | 194,890          | 201,711          | 208,771          | 216,078          | 223,640          |
| Required Reserve Payments                      | 1.00%            | 43,603                     | 44,039           | 44,479           | 44,924           | 45,373           | 45,827           | 46,285           |
| <b>TOTAL OPERATING EXPENSES</b>                |                  | <b>1,267,935</b>           | <b>1,309,821</b> | <b>1,353,135</b> | <b>1,397,925</b> | <b>1,444,242</b> | <b>1,492,139</b> | <b>1,541,671</b> |
| <b>NET OPERATING INCOME (NOI)</b>              |                  | <b>658,848</b>             | <b>664,785</b>   | <b>670,486</b>   | <b>675,929</b>   | <b>681,096</b>   | <b>685,965</b>   | <b>690,513</b>   |
| <b>DEBT SERVICE PAYMENTS</b>                   | <b>Lien #</b>    |                            |                  |                  |                  |                  |                  |                  |
| Perm   | 1                | 387,600                    | 387,600          | -                | -                | -                | -                | -                |
| -  | -                | -                          | -                | -                | -                | -                | -                | -                |
| -  | -                | -                          | -                | -                | -                | -                | -                | -                |
| SRHA CDBG                                      | 2                | -                          | -                | -                | -                | -                | -                | -                |
| Santa Rosa Housing Authority                   | 3                | -                          | -                | -                | -                | -                | -                | -                |
| SRHA HOME                                      | 4                | -                          | -                | -                | -                | -                | -                | -                |
| -  | -                | -                          | -                | -                | -                | -                | -                | -                |
| -  | -                | -                          | -                | -                | -                | -                | -                | -                |
| <b>TOTAL DEBT SERVICE &amp; OTHER PAYMENTS</b> |                  | <b>387,600</b>             | <b>387,600</b>   | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>CASH FLOW AFTER DEBT SERVICE</b>            |                  | <b>271,248</b>             | <b>277,185</b>   | <b>670,486</b>   | <b>675,929</b>   | <b>681,096</b>   | <b>685,965</b>   | <b>690,513</b>   |
| <b>DEBT SERVICE COVERAGE RATIO</b>             |                  | <b>1.70</b>                | <b>1.72</b>      | <b>NA</b>        | <b>NA</b>        | <b>NA</b>        | <b>NA</b>        | <b>NA</b>        |
| Date Prepared: 10/03/19                        |                  | Senior Staff Date: 11/7/19 |                  |                  |                  |                  |                  |                  |

| PROJECTED PERMANENT LOAN CASH FLOWS           |                      |                | Panas Place    |                |                |                |                |                |  |
|---|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--|
| Final Commitment                              |                      | Project Number | 19-037-N       |                |                |                |                |                |  |
| LESS: Asset Management Fee                    | 3%                   | 57,061         | 58,773         | 60,536         | 62,352         | 64,223         | 66,149         | 68,134         |  |
| LESS: Partnership Management Fee              | 3%                   | -              | -              | -              | -              | -              | -              | -              |  |
| <b>net CF available for distribution</b>      |                      | <b>214,187</b> | <b>218,413</b> | <b>609,950</b> | <b>613,577</b> | <b>616,874</b> | <b>619,816</b> | <b>622,379</b> |  |
| Deferred developer fee repayment              | -                    | -              | -              | -              | -              | -              | -              | -              |  |
|   |                      | -              | -              | -              | -              | -              | -              | -              |  |
|   |                      | -              | -              | -              | -              | -              | -              | -              |  |
| <b>Payments for Residual Receipt Payments</b> |                      |                |                |                |                |                |                |                |  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     | 107,094        | 109,206        | 304,975        | 306,789        | 308,437        | 309,908        | 311,190        |  |
| SRHA CDBG                                     | 34.81%               | 37,279         | 38,014         | 106,161        | 106,792        | 107,366        | 107,878        | 108,324        |  |
| Santa Rosa Housing Authority                  | 53.60%               | 57,401         | 58,533         | 163,463        | 164,435        | 165,318        | 166,107        | 166,794        |  |
| SRHA HOME                                     | 11.59%               | 12,414         | 12,659         | 35,351         | 35,561         | 35,752         | 35,923         | 36,071         |  |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       | 107,094        | 109,206        | 304,975        | 306,789        | 308,437        | 309,908        | 311,190        |  |
| <b>Balances for Residual Receipt Payments</b> |                      |                |                |                |                |                |                |                |  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |                |                |                |                |                |                |                |  |
| SRHA CDBG---Simple                            | 3.00%                | 1,398,250      | 1,394,010      | 1,389,034      | 1,315,911      | 1,242,158      | 1,167,830      | 1,092,990      |  |
| Santa Rosa Housing Authority---Simple         | 3.00%                | 2,152,976      | 2,146,447      | 2,138,785      | 2,026,194      | 1,912,630      | 1,798,183      | 1,682,948      |  |
| SRHA HOME---Simple                            | 3.00%                | 465,610        | 464,198        | 462,541        | 438,192        | 413,632        | 388,881        | 363,960        |  |
| <b>Total Residual Receipts Payments</b>       |                      | 4,016,836      | 4,004,654      | 3,990,360      | 3,780,297      | 3,568,420      | 3,354,894      | 3,139,898      |  |

| PROJECTED PERMANENT LOAN CASH FLOWS |                  |                |           |                    |           | Panas Place |
|-------------------------------------|------------------|----------------|-----------|--------------------|-----------|-------------|
| Final Commitment                    |                  | Project Number |           |                    |           | 19-037-N    |
|                                     | YEAR             | 36             | 37        | 38                 | 39        | 40          |
| <u>RENTAL INCOME</u>                | <u>CPI</u>       |                |           |                    |           |             |
| Restricted Unit Rents               | 2.50%            | 2,367,557      | 2,426,746 | 2,487,415          | 2,549,600 | 2,613,340   |
| Unrestricted Unit Rents             | 2.50%            | -              | -         | -                  | -         | -           |
| Commercial Rents                    | 2.00%            | -              | -         | -                  | -         | -           |
| Project Based Rental Subsidy        | 1.50%            | -              | -         | -                  | -         | -           |
| Other Project Based Subsidy         | 1.50%            | -              | -         | -                  | -         | -           |
| Income during renovations           | 0.00%            | -              | -         | -                  | -         | -           |
| Other Subsidy (Specify)             | 0.00%            | -              | -         | -                  | -         | -           |
| Laundry Income                      | 1.50%            | 40,454         | 41,060    | 41,676             | 42,301    | 42,936      |
| Parking & Storage Income            | 2.50%            | -              | -         | -                  | -         | -           |
| Miscellaneous Income                | 2.50%            | -              | -         | -                  | -         | -           |
| GROSS POTENTIAL INCOME (GPI)        |                  | 2,408,011      | 2,467,806 | 2,529,091          | 2,591,901 | 2,656,276   |
| <u>VACANCY ASSUMPTIONS</u>          | <u>Vacancy</u>   |                |           |                    |           |             |
| Restricted Unit Rents               | 5.00%            | 118,378        | 121,337   | 124,371            | 127,480   | 130,667     |
| Unrestricted Unit Rents             | 7.00%            | -              | -         | -                  | -         | -           |
| Commercial Rents                    | 50.00%           | -              | -         | -                  | -         | -           |
| Project Based Rental Subsidy        | 5.00%            | -              | -         | -                  | -         | -           |
| Other Project Based Subsidy         | 3.00%            | -              | -         | -                  | -         | -           |
| Income during renovations           | 20.00%           | -              | -         | -                  | -         | -           |
| Other Subsidy (Specify)             | 0.00%            | -              | -         | -                  | -         | -           |
| Laundry Income                      | 5.00%            | 2,023          | 2,053     | 2,084              | 2,115     | 2,147       |
| Parking & Storage Income            | 50.00%           | -              | -         | -                  | -         | -           |
| Miscellaneous Income                | 50.00%           | -              | -         | -                  | -         | -           |
| TOTAL PROJECTED VACANCY LOSS        |                  | 120,401        | 123,390   | 126,455            | 129,595   | 132,814     |
| EFFECTIVE GROSS INCOME (EGI)        |                  | 2,287,610      | 2,344,416 | 2,402,636          | 2,462,306 | 2,523,462   |
| <u>OPERATING EXPENSES</u>           | <u>CPI / Fee</u> |                |           |                    |           |             |
| Administrative Expenses             | 3.50%            | 361,321        | 373,967   | 387,056            | 400,603   | 414,624     |
| Management Fee                      | 5.70%            | 130,394        | 133,632   | 136,950            | 140,351   | 143,837     |
| Utilities                           | 3.50%            | 288,449        | 298,545   | 308,994            | 319,808   | 331,002     |
| Operating & Maintenance             | 3.50%            | 525,997        | 544,407   | 563,461            | 583,183   | 603,594     |
| Ground Lease Payments               | 3.50%            | -              | -         | -                  | -         | -           |
| CalHFA Monitoring Fee               | 0.00%            | 7,500          | 7,500     | 7,500              | 7,500     | 7,500       |
| Other Agency Monitoring Fee         | 0.00%            | -              | -         | -                  | -         | -           |
| Real Estate Taxes                   | 1.25%            | 1,016          | 1,029     | 1,042              | 1,055     | 1,068       |
| Other Taxes & Insurance             | 3.50%            | 231,468        | 239,569   | 247,954            | 256,633   | 265,615     |
| Required Reserve Payments           | 1.00%            | 46,748         | 47,215    | 47,688             | 48,164    | 48,646      |
| TOTAL OPERATING EXPENSES            |                  | 1,592,893      | 1,645,865 | 1,700,645          | 1,757,298 | 1,815,886   |
| NET OPERATING INCOME (NOI)          |                  | 694,717        | 698,551   | 701,991            | 705,009   | 707,576     |
| <u>DEBT SERVICE PAYMENTS</u>        | <u>Lien #</u>    |                |           |                    |           |             |
| Perm                                | 1                | -              | -         | -                  | -         | -           |
| -                                   | -                | -              | -         | -                  | -         | -           |
| -                                   | -                | -              | -         | -                  | -         | -           |
| SRHA CDBG                           | 2                | -              | -         | -                  | -         | -           |
| Santa Rosa Housing Authority        | 3                | -              | -         | -                  | -         | -           |
| SRHA HOME                           | 4                | -              | -         | -                  | -         | -           |
| -                                   | -                | -              | -         | -                  | -         | -           |
| -                                   | -                | -              | -         | -                  | -         | -           |
| TOTAL DEBT SERVICE & OTHER PAYMENTS |                  | -              | -         | -                  | -         | -           |
| CASH FLOW AFTER DEBT SERVICE        |                  | 694,717        | 698,551   | 701,991            | 705,009   | 707,576     |
| DEBT SERVICE COVERAGE RATIO         |                  | NA             | NA        | NA                 | NA        | NA          |
| Date Prepared:                      |                  | 10/03/19       |           | Senior Staff Date: |           | 11/7/19     |

| PROJECTED PERMANENT LOAN CASH FLOWS           |                      |                  |                  |                  | Panas Place      |                  |
|---|----------------------|------------------|------------------|------------------|------------------|------------------|
| Final Commitment                              |                      | Project Number   |                  |                  |                  | 19-037-N         |
| LESS: Asset Management Fee                    | 3%                   | 70,178           | 72,283           | 74,452           | 76,685           | 78,986           |
| LESS: Partnership Management Fee              | 3%                   | -                | -                | -                | -                | -                |
| <b>net CF available for distribution</b>      |                      | <b>624,539</b>   | <b>626,268</b>   | <b>627,539</b>   | <b>628,324</b>   | <b>628,590</b>   |
| Deferred developer fee repayment              | -                    | -                | -                | -                | -                | -                |
|   |                      | -                | -                | -                | -                | -                |
|   |                      | -                | -                | -                | -                | -                |
| <b>Payments for Residual Receipt Payments</b> |                      |                  |                  |                  |                  |                  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     | 312,270          | 313,134          | 313,770          | 314,162          | 314,295          |
| SRHA CDBG                                     | 34.81%               | 108,700          | 109,001          | 109,222          | 109,359          | 109,405          |
| Santa Rosa Housing Authority                  | 53.60%               | 167,373          | 167,836          | 168,177          | 168,387          | 168,458          |
| SRHA HOME                                     | 11.59%               | 36,197           | 36,297           | 36,371           | 36,416           | 36,431           |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       | <b>312,270</b>   | <b>313,134</b>   | <b>313,770</b>   | <b>314,162</b>   | <b>314,295</b>   |
| <b>Balances for Residual Receipt Payments</b> |                      |                  |                  |                  |                  |                  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |                  |                  |                  |                  |                  |
| SRHA CDBG---Simple                            | 3.00%                | 1,017,456        | 939,279          | 858,456          | 774,988          | 688,878          |
| Santa Rosa Housing Authority---Simple         | 3.00%                | 1,566,642        | 1,446,269        | 1,321,821        | 1,193,298        | 1,060,711        |
| SRHA HOME---Simple                            | 3.00%                | 338,808          | 312,775          | 285,862          | 258,067          | 229,393          |
| <b>Total Residual Receipts Payments</b>       |                      | <b>2,922,905</b> | <b>2,698,323</b> | <b>2,466,139</b> | <b>2,226,353</b> | <b>1,978,982</b> |



## TAXABLE PERMANENT LOAN PROGRAM

CalHFA's Taxable Permanent Loan Program ("Perm Loan") provides competitive long-term financing for affordable multifamily rental housing Projects. Eligible projects include newly constructed or acquisition/rehabilitation developments that provide affordable housing opportunities for individuals, families, seniors, veterans, and special needs tenants ("Project").

|                                    |  |
|------------------------------------|--|
| <b>Qualifications</b>              | <ul style="list-style-type: none"> <li>• Available to for-profit, non-profit, and public agency sponsors.</li> <li>• The Perm Loan may be used with or without 9% low income housing tax credits.</li> <li>• For Section 8 Projects, final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract.</li> <li>• The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program.</li> <li>• For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit <a href="http://www.calhfa.ca.gov">www.calhfa.ca.gov</a> for the <a href="#">CalHFA Portfolio Loan Prepayment Policy</a>.</li> </ul>  |
| <b>Loan Amount</b>                 | <ul style="list-style-type: none"> <li>• Minimum Perm Loan amount of \$5,000,000.</li> <li>• Minimum 1.15x for debt service coverage ratio (include any financing with amortizing debt).</li> <li>• Lesser of 90% of restricted value or 100% of development costs. For Projects with equity being cashed out, the Perm Loan amount will be restricted to no more than 80% of the restricted value.</li> </ul>   |
| <b>Fees</b><br>(subject to change) | <ul style="list-style-type: none"> <li>• Application Fee: \$10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Loan Fee.</li> <li>• Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing.</li> <li>• Cost of Issuance Fee: \$110,000, half due at final commitment, with balance due at Perm Loan closing.</li> <li>• Credit Enhancement Fee: included in the interest rate.</li> <li>• Annual Administrative Fee: \$7,500 annually.</li> <li>• Inspection fees should be estimated at \$500 - \$1,000 per month (reports and fees can be shared with other construction lenders).</li> <li>• Legal Fee: \$35,000 due at Perm Loan closing.</li> <li>• Administrative Fee: \$1,000 due at Perm Loan closing.</li> <li>• Letter of Interest Fee: \$5,000 at LOI request, and is credited towards the CalHFA Perm Loan Fee</li> </ul> <p>Some fees may be consolidated if combined with other CalHFA financing.</p> |

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## TAXABLE PERMANENT LOAN PROGRAM

|  |   |
|--|---|
| <b>Rate &amp; Terms</b><br>(subject to change) | <p>Interest Rate:</p> <ul style="list-style-type: none"> <li>• 17 Year Balloon: 10 Year Constant Maturing Treasury plus CalHFA spread</li> <li>• 30 Year Balloon and Fully Amortizing Loans: 10 Year Constant Maturing Treasury plus CalHFA spread</li> <li>• Estimated CalHFA Spread: 2.75% to 3.50%</li> <li>• Rate may be locked up to 30 days prior to the construction loan closing. Rate may be locked for the term of the construction period, not to exceed 3 years.</li> </ul> <p>Amortization/Term:</p> <ul style="list-style-type: none"> <li>• Amortization: Up to 35 Year Amortization<sup>1</sup></li> <li>• Term: Fully Amortizing, and 17 or 30 Year Balloons available<sup>2</sup></li> <li>• A six-month extension is permitted upon payment of a fee equal to 0.50% of the Perm Loan amount.</li> <li>• Perm Loan Reduction – up to 10% reduction at Perm Loan closing is permitted at no cost.</li> <li>• Breakage Fee – if applicable; between construction loan closing and Perm Loan closing and calculated based on hedge termination cost.</li> </ul> <p>1. The Agency may offer up to a 40 year amortization at its discretion.<br/>         2. Balloon loans subject to agency approved exit strategy.</p> |
| <b>Loan Closing Requirements</b>               | <ul style="list-style-type: none"> <li>• 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls.</li> <li>• 90% of tax credit investor equity shall have been paid into the Project.</li> <li>• Project income is sufficient to pay operating expense and the required debt service and reserves.</li> <li>• For mixed-use Projects 100% non-residential occupancy as evidenced by executed leases or guarantees.</li> </ul>  |
| <b>Prepayment</b>                              | <p>The Perm Loan may be prepaid at par after 15 years of the Perm Loan period. However, the Perm Loan may be prepaid after 10 years of the Perm Loan period subject to a yield maintenance calculation of:</p> <ul style="list-style-type: none"> <li>• 5% of the principal balance after the end of year 10</li> <li>• 4% of the principal balance after the end of year 11</li> <li>• 3% of the principal balance after the end of year 12</li> <li>• 2% of the principal balance after the end of year 13</li> <li>• 1% of the principal balance after the end of year 14</li> </ul> <p>All prepayments require a prior written 120-day notice to CalHFA.</p>  |
| <b>Subordinate Financing</b>                   | <p>Financing or grants are encouraged from local governments and third parties to achieve project feasibility. All financing, leases, development and regulatory agreements must be coterminous (or have a longer term than the combined terms of any CalHFA Acq/Rehab Loan and Perm Loan) and be subordinate to CalHFA financing.</p>  |

## TAXABLE PERMANENT LOAN PROGRAM

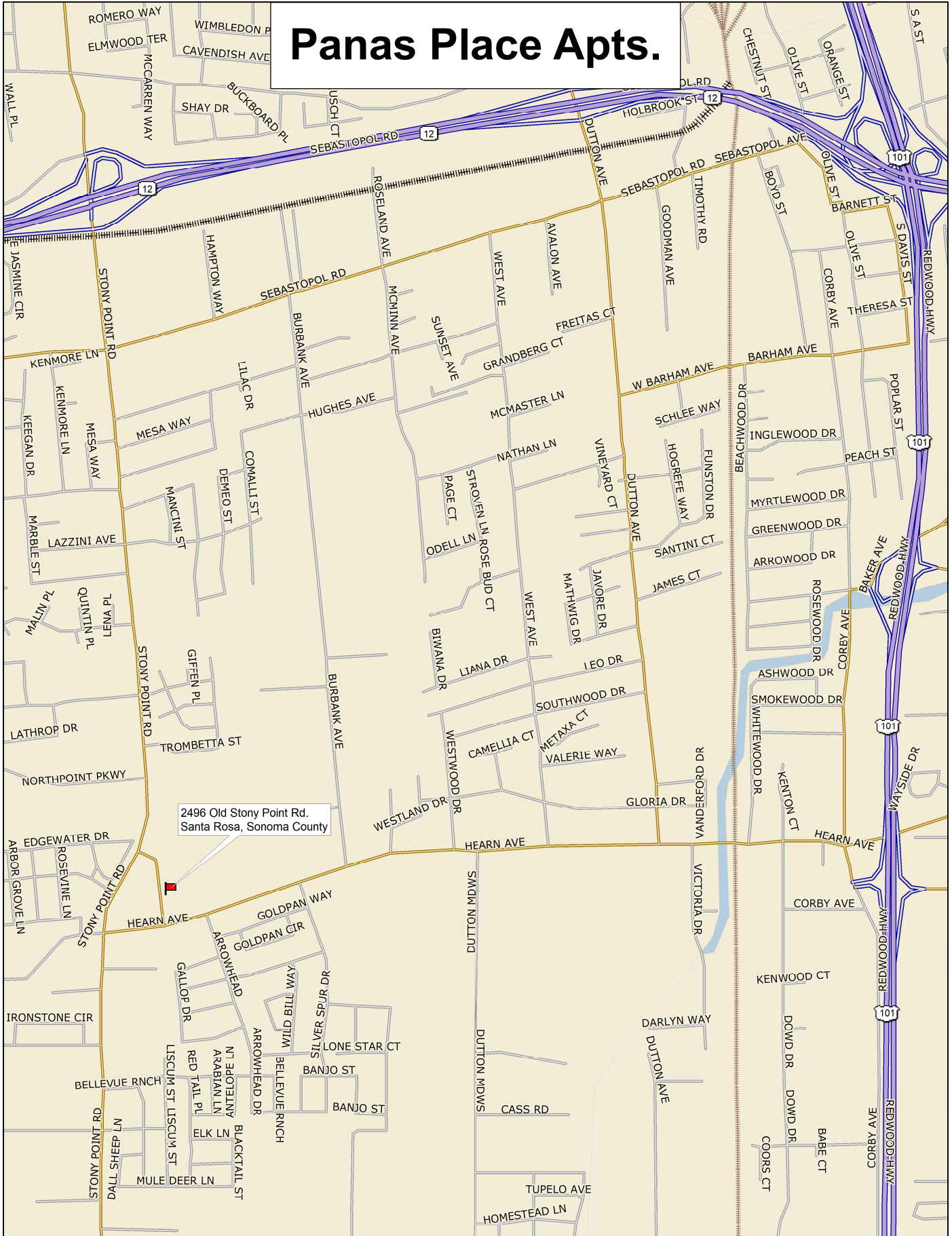
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|---------------------------------------|---|
| <b>Occupancy Requirements</b>         | <p>Must maintain the greater of (A) existing affordability restrictions, or (B) either (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area (county) median gross income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (ii) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI ("10% @ 50% AMI").</p> <p>CalHFA's regulated units must represent a pro-rata share of the available unit sizes (by bedroom count and square feet), and be disbursed throughout the project.</p>   |
| <b>Due Diligence</b>                  | <p>The following due diligence is required to be provided at the Owner/Borrower's expense:</p> <ul style="list-style-type: none"> <li>• Appraisal (a construction lender's appraisal may be acceptable).</li> <li>• HUD-2530 previous participation clearance.</li> <li>• Construction costs review for new construction Projects (construction lender's review may be acceptable).</li> <li>• Physical Needs Assessment ("PNA") for rehabilitation projects with a Replacement Reserve Needs Analysis ("RRNA") over time for the initial 20-year term (other lender's PNA/RRNA may be acceptable).</li> <li>• Phase I Environmental Site Assessment including but not limited to impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation).</li> <li>• Market Study satisfactory to CalHFA.</li> <li>• NEPA Review.</li> <li>• Termite/Dry Rot reports by licensed company.</li> <li>• Seismic review and other studies may be required at CalHFA's discretion.</li> </ul>     |
| <b>Required Impounds and Reserves</b> | <ul style="list-style-type: none"> <li>• Replacement Reserve: Initial cash deposit required for existing Projects with annual deposits between \$250 and \$500 per unit/per year are required depending on the Project type and PNA/RRNA findings.</li> <li>• Operating Expense Reserve: 3-6 months of operating expenses, reserves, debt service, and monitoring fees due at permanent loan closing (letter of credit or cash) and held for the life of the CalHFA Perm Loan.</li> <li>• Impounds held by CalHFA: One year's prepaid earthquake, hazard and liability insurance premiums, and property tax assessments are collected at loan closing. An earthquake insurance waiver is available for projects which have met CalHFA earthquake waiver standards during rehabilitation or construction.</li> <li>• Transition Operating Reserve (TOR): required for Projects with rental subsidy contracts with contract terms that are less than 20 years.</li> <li>• Other reserves as required (at CalHFA's discretion).</li> </ul> |

Last revised: 4/2019

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. This program description is subject to change from time to time without prior notice. The California Housing Finance Agency does not discriminate on any prohibited basis in employment or in the admission and access to its programs or activities. Not printed at taxpayer expense.



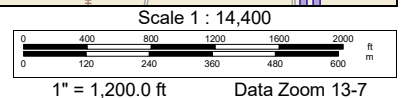
# Panas Place Apts.



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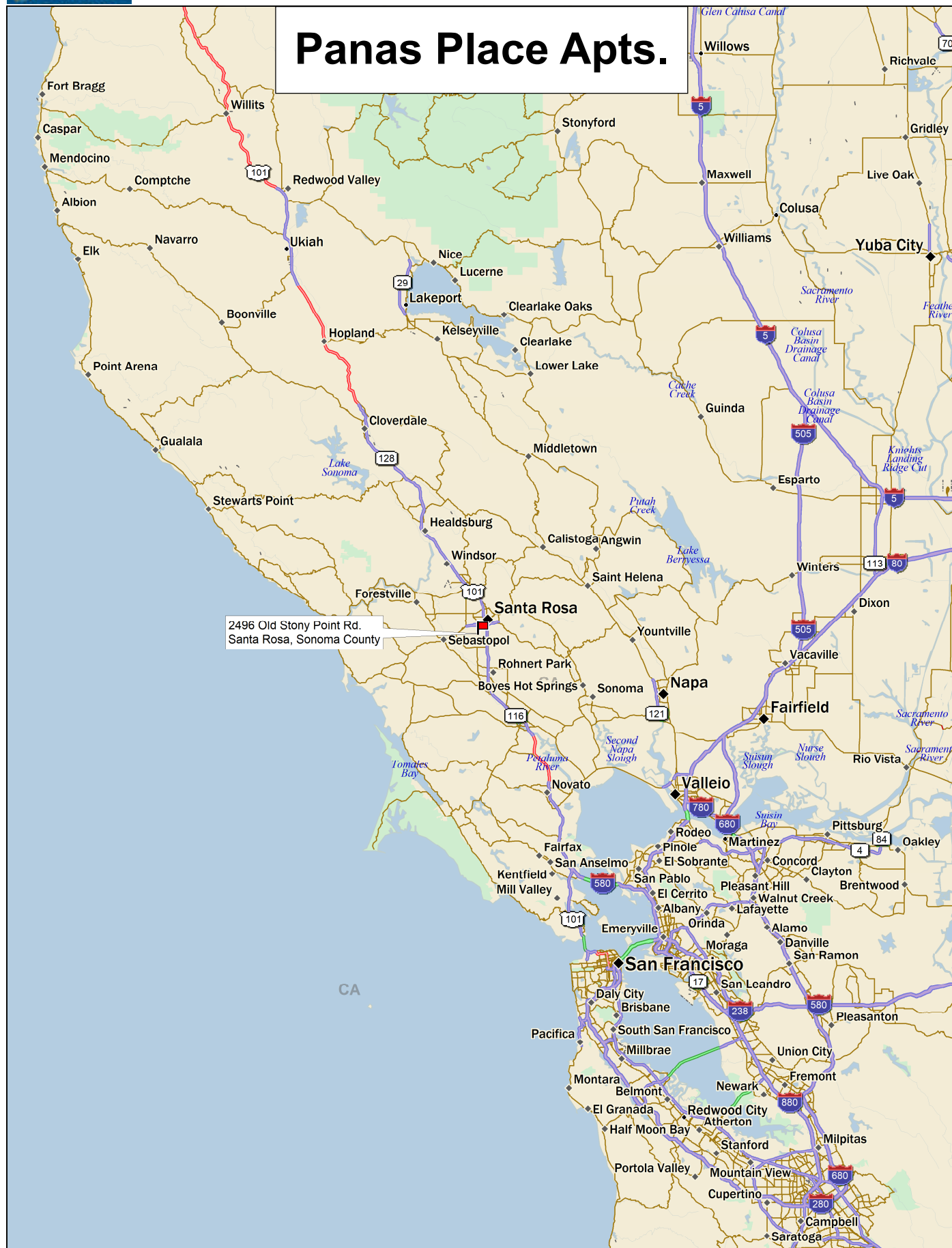
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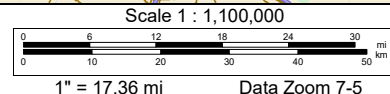
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BOARD OF DIRECTORS  
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 19-21

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of Stony Point Apartment Investors, L.P., a California limited partnership, (the "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in Santa Rosa, Sonoma County, California, known as Panas Place (the "Development"); and

WHEREAS, the loan application has been reviewed by Agency staff which prepared a report presented to the Board on the meeting date recited below (the "Staff Report"), recommending Board approval subject to certain recommended terms and conditions; and

WHEREAS, Agency staff has determined or expects to determine prior to making a binding commitment to fund the loan for which the application has been made, that (i) the Agency can effectively and prudently raise capital to fund the loan for which the application has been made, by direct access to the capital markets, by private placement, or other means and (ii) any financial mechanisms needed to insure prudent and reasonable financing of loans can be achieved; and

WHEREAS, the Board wishes to grant the staff the authority to enter into a loan commitment upon Agency staff determining in its judgment that reasonable and prudent financing mechanisms can be achieved;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the California Housing Finance Agency as follows:

1. The Executive Director, or in her absence, the Chief Deputy Director, is hereby authorized to execute and deliver a final commitment letter, in a form acceptable to the Agency, and subject to recommended terms and conditions set forth in the Staff Report and any terms and conditions as the Board has designated in the Minutes of the Board Meeting, in relation to the Development described above and as follows:

| <u>PROJECT<br/>NUMBER</u> | <u>DEVELOPMENT NAME/<br/>LOCALITY</u>                  | <u>MORTGAGE<br/>AMOUNT</u>  |
|---------------------------|--|---|
| 19-037-N                  | PANAS PLACE<br>Santa Rosa, Sonoma County<br>California | \$6,400,000.00 (Taxable<br>Permanent Loan<br>w/HUD Risk<br>Sharing) |

1 The Board recognizes that in the event that staff cannot determine that reasonable and  
2 prudent financing mechanisms can be achieved, the staff will not enter into loan  
3 commitments to finance the Development. In addition, access to capital markets, or  
4 financing related thereto, may require significant changes to the terms of loans submitted  
5 to the Board. Notwithstanding paragraph 2 below, the staff is authorized to make any  
6 needed modifications to the loan which in staff's judgment are directly or indirectly the  
7 result of the disruptions to the capital markets referred to above.

8  
9 2. The Executive Director may modify the terms and conditions of the loan  
10 or loans as described in the Staff Report, provided that major modifications, as defined  
11 below, must be submitted to this Board for approval. "Major modifications" as used  
12 herein means modifications which either (i) increase the total aggregate amount of any  
13 loans made pursuant to the Resolution by more than 7%; or (ii) modifications which in  
14 the judgment of the Executive Director, or in her absence, the Chief Deputy Director of  
15 the Agency, adversely change the financial or public purpose aspects of the final  
16 commitment in a substantial way.

SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 19-21 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 3<sup>rd</sup> day of December, 2019, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have executed this certificate hereto this 3<sup>rd</sup> day of December 2019.

ATTEST:

---

CLAIRE TAURIAINEN  
Secretary of the Board of Directors of the  
California Housing Finance Agency

**CalHFA MULTIFAMILY PROGRAMS DIVISION**  
**Final Commitment Staff Report & Request for Loan Approval of a**  
**Taxable Perm Loan with Equity Cash Out**  
**for Board Meeting on: 12/3/19**

|                        |   |  |
|------------------------|---|--|
| Project Name, County:  | West Oaks, Sonoma County                |  |
| Address:               | 2594 Guerneville Road, Santa Rosa 95401 |  |
| CalHFA Project Number: | 19-039-N                                |  |
|                        | \$4,750,000                             | Taxable Permanent Loan with HUD Risk Sharing (with equity cash out in the approximate amount of \$1,075,568) |

**TRANSACTION FACTS**

|                       |                |                           |                        |
|-----------------------|----------------|---------------------------|------------------------|
| Loan Officer:         | Steve Beckman  | Loan Specialist:          | N/A                    |
| Asset Manager:        | Jennifer Silva | Loan Administration:      | Jennifer Beardwood     |
| Legal (Internal):     | Paul Steinke   | Legal (External):         | N/A                    |
| Concept Meeting Date: | 10/3/19        | Approval Expiration Date: | 6 months from Approval |

|    |                           |   |               |             |          |                 |              |
|----|---------------------------|---|---------------|-------------|----------|-----------------|--------------|
| 1. | Legislative Districts     | Congress: 5   | Mike Thompson | Assembly: 2 | Jim Wood | State Senate: 2 | Mike McGuire |
| 2. | Brief Project Description | <p><b>West Oaks</b> (the “Project”) is an existing portfolio Project, consisting of 53 units with 52 family units (plus one manager’s unit) that are 100% affordable to households earning less than 60% of Area Median Income (“AMI”). The Project is 18 two-story, buildings with a mix of one, two, three, and four-bedroom flats and townhomes ranging between 344 square feet and 1,437 square feet. The Project includes refinancing current CalHFA debt, light rehab of the buildings, and equity cash out.</p> <p>The Project includes a community room and kitchen, laundry room, and picnic/BBQ area and playground with basketball court. Unit amenities include walk-in closets, balconies and enclosed patios, and storage area.</p> |               |             |          |                 |              |
| 3. | Sponsor/Developer         | Burbank Housing Development Corporation, a California nonprofit public benefit corporation  |               |             |          |                 |              |
| 4. | Borrower Name             | West Oaks Apartments, L.P., a California limited partnership  |               |             |          |                 |              |

**CALHFA LOAN TERMS**

| 5. |   | ACQUISITION AND REHAB LOAN | PERMANENT LOAN   | SUBSIDY (GAP) LOAN |
|----|---|----------------------------|--|--------------------|
|    | <b>Total Loan Amount</b>  | N/A                        | <b>\$4,750,000</b>   | N/A                |
|    | <b>Loan Term</b>  | N/A                        | <b>35 year – amortization due in 30</b>                      | N/A                |
|    | <b>Interest Rate</b><br><i>(subject to change and locked 30 days prior to loan closing)</i> | N/A                        | <b>10-year treasury + 2.87%</b><br><br>Underwritten at 5.00% | N/A                |
|    | <b>Loan to Value</b>  | N/A                        | Lesser of 63% of restricted value                            |                    |
|    | <b>Loan to Cost</b>   | N/A                        | 100%   |                    |
| 6. | <b>Projected Closing Date</b>   | N/A                        | 1/2020   |                    |

**TRANSACTION OVERVIEW**

|     |  |
|-----|--|
| 7.  | <b>Proposal and Project Strengths</b>  |
|     | <ul style="list-style-type: none"> <li>• The Project serves low-income families and provides much-needed workforce housing in Sonoma County.</li> <li>• Equity cash-out to the Borrower will allow for further development of new affordable housing by the Developer, especially in the local area ravaged by fire two years ago.</li> <li>• Loan-to-value is only 63%</li> <li>• Exit strategy analysis calculates 18.81% loan-to-value at maturity (refi) based on conservative Year 30 interest rate (8.00%) and capitalization rate (7.25%).</li> <li>• The Project has been in CalHFA's portfolio for 20 years and performed well (low vacancy and DSCR thresholds met) according to CalHFA asset management.</li> </ul> |
| 8.  | <b>Project Weaknesses with Mitigants:</b>  |
|     | <ul style="list-style-type: none"> <li>• The Developer has not increased rents over time to keep up with Sonoma County AMI increases; once the disaster area rent increase moratorium is lifted and the work is finished, the Developer will increase rents by the allowable percentage.</li> </ul>  |
| 9.  | <b>Underwriting Standards or Term Sheet Variations</b>   |
|     | <ul style="list-style-type: none"> <li>• None</li> </ul>   |
| 10. | <b>Project Specific Conditions of Approval</b>   |
|     | <p>Approval is conditioned upon:</p> <ul style="list-style-type: none"> <li>• A portion of the Cash Equity-Out will be withheld until completion of all approved rehabilitation.</li> <li>• Prior to closing, City of Santa Rosa Housing Authority shall extend the loan terms on both of its loans to maturities later than 2050, and subordinate both loans to the CalHFA loan.</li> <li>• Borrower shall obtain TCAC approval for new CalHFA loan and TCAC shall agree to subordinate to CalHFA.</li> </ul>   |
| 11. | <b>Staff Conclusion/Recommendation:</b>  |
|     | The Multifamily Lending Division supports approval of the described financing in the amount(s) requested, subject to the above proposed terms and conditions.  |

**MISSION & AFFORDABILITY**

| 12.   | CalHFA Mission/Goals                           |                            |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
|---|--|----------------------------|---------|---------|----------|------------|-----------------------|----------------------|--------------------------|---------|-----------------|-----------------------|----------|----------------------------|------------------------|-----------------------|----------------------|------------------|--------|--------|--------|--------|--------|------------|-----|----|-----------------------|---|----|----|---|------|-----|----|----|-------------------------|---|----|----|------|-----|----|----|----|------|---|----|-------|-----|----|---|----|----|---------|---|-------|-----|---|---|---|----|----|---|------|-----|---|---|---|---|---|---|------|----------|---|---|---|---|---|---|------|---------------|---|---|---|---|---|---|------|----------------|---|---|---|---|---|---|------|-------|----|---|---|----|----|---|--------|
| This Project and financing proposal extends the useful remaining life of the building for 20 years and restricts the 53 units of affordable rental housing for an additional 10 years.  |  |                            |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 13.   | CalHFA Affordability & Occupancy Restrictions  |                            |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| <ul style="list-style-type: none"><li>The existing and new CalHFA Permanent financing Regulatory Agreement will restrict 20% of the units to 50% of AMI for a 30-year term.</li><li>NOTE: 12 of the Santa Rosa Housing Authority regulated units will overlay the CalHFA regulated units restricted to 50% of AMI.</li></ul>  |  |                            |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 14.   | Project Affordability & Occupancy Restrictions |                            |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| <ul style="list-style-type: none"><li>100% of the units will be restricted to families earning less than 60% of AMI.</li></ul>  |  |                            |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| <table><tr><th>Regulating Agency</th><th>30% AMI</th><th>50% AMI</th><th>60% AMI</th><th>80% AMI</th><th>100% AMI</th><th>Mgrs. Unit</th><th>Total Units Regulated</th><th>% of Regulated Units</th></tr><tr><td>CalHFA Perm Loan</td><td></td><td>11</td><td></td><td></td><td></td><td>1</td><td>11</td><td>20</td></tr><tr><td>City of Santa Rosa HA</td><td>4</td><td>12</td><td>36</td><td></td><td></td><td>1</td><td>52</td><td>99</td></tr><tr><td>City of Santa Rosa CDBG</td><td>4</td><td>12</td><td>36</td><td></td><td></td><td>1</td><td>52</td><td>99</td></tr><tr><td>TCAC</td><td>4</td><td>12</td><td>36</td><td></td><td></td><td>1</td><td>52</td><td>99</td></tr><tr><td>Summary</td><td>4</td><td>12</td><td>36</td><td></td><td></td><td>1</td><td>52</td><td>99</td></tr></table>   |  |                            |         |         |          |            |                       |                      | Regulating Agency        | 30% AMI | 50% AMI         | 60% AMI               | 80% AMI  | 100% AMI                   | Mgrs. Unit             | Total Units Regulated | % of Regulated Units | CalHFA Perm Loan |        | 11     |        |        |        | 1          | 11  | 20 | City of Santa Rosa HA | 4 | 12 | 36 |   |      | 1   | 52 | 99 | City of Santa Rosa CDBG | 4 | 12 | 36 |      |     | 1  | 52 | 99 | TCAC | 4 | 12 | 36    |     |    | 1 | 52 | 99 | Summary | 4 | 12    | 36  |   |   | 1 | 52 | 99 |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Regulating Agency   | 30% AMI  | 50% AMI                    | 60% AMI | 80% AMI | 100% AMI | Mgrs. Unit | Total Units Regulated | % of Regulated Units |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| CalHFA Perm Loan  |  | 11                         |         |         |          | 1          | 11                    | 20                   |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| City of Santa Rosa HA   | 4  | 12                         | 36      |         |          | 1          | 52                    | 99                   |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| City of Santa Rosa CDBG   | 4  | 12                         | 36      |         |          | 1          | 52                    | 99                   |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| TCAC  | 4  | 12                         | 36      |         |          | 1          | 52                    | 99                   |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Summary   | 4  | 12                         | 36      |         |          | 1          | 52                    | 99                   |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| <table><tr><th colspan="8">Rent Limit Summary Table</th></tr><tr><th>Restrictions @ AMI</th><th>Total</th><th>Studio</th><th>1-bdrm</th><th>2-bdrm</th><th>3-bdrm</th><th>4-bdrm</th><th>% of Total</th></tr><tr><td>30%</td><td>4</td><td>4</td><td>-</td><td>-</td><td>-</td><td>-</td><td>7.5%</td></tr><tr><td>40%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>50%</td><td>12</td><td>-</td><td>2</td><td>3</td><td>5</td><td>2</td><td>22.6%</td></tr><tr><td>60%</td><td>36</td><td>-</td><td>6</td><td>9</td><td>20</td><td>1</td><td>67.9%</td></tr><tr><td>70%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>80%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>81%-120%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>120% or below</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>Manager's Unit</td><td>1</td><td>-</td><td>-</td><td>1</td><td>-</td><td>-</td><td>1.9%</td></tr><tr><td>Total</td><td>53</td><td>4</td><td>8</td><td>13</td><td>25</td><td>3</td><td>100.0%</td></tr></table> |  |                            |         |         |          |            |                       |                      | Rent Limit Summary Table |         |                 |                       |          |                            |                        |                       | Restrictions @ AMI   | Total            | Studio | 1-bdrm | 2-bdrm | 3-bdrm | 4-bdrm | % of Total | 30% | 4  | 4                     | - | -  | -  | - | 7.5% | 40% | 0  | -  | -                       | - | -  | -  | 0.0% | 50% | 12 | -  | 2  | 3    | 5 | 2  | 22.6% | 60% | 36 | - | 6  | 9  | 20      | 1 | 67.9% | 70% | 0 | - | - | -  | -  | - | 0.0% | 80% | 0 | - | - | - | - | - | 0.0% | 81%-120% | 0 | - | - | - | - | - | 0.0% | 120% or below | 0 | - | - | - | - | - | 0.0% | Manager's Unit | 1 | - | - | 1 | - | - | 1.9% | Total | 53 | 4 | 8 | 13 | 25 | 3 | 100.0% |
| Rent Limit Summary Table  |  |                            |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Restrictions @ AMI  | Total  | Studio                     | 1-bdrm  | 2-bdrm  | 3-bdrm   | 4-bdrm     | % of Total            |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 30%   | 4  | 4                          | -       | -       | -        | -          | 7.5%                  |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 40%   | 0  | -                          | -       | -       | -        | -          | 0.0%                  |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 50%   | 12   | -                          | 2       | 3       | 5        | 2          | 22.6%                 |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 60%   | 36   | -                          | 6       | 9       | 20       | 1          | 67.9%                 |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 70%   | 0  | -                          | -       | -       | -        | -          | 0.0%                  |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 80%   | 0  | -                          | -       | -       | -        | -          | 0.0%                  |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 81%-120%  | 0  | -                          | -       | -       | -        | -          | 0.0%                  |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 120% or below   | 0  | -                          | -       | -       | -        | -          | 0.0%                  |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Manager's Unit  | 1  | -                          | -       | 1       | -        | -          | 1.9%                  |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Total   | 53   | 4                          | 8       | 13      | 25       | 3          | 100.0%                |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| 15.   | Geocoder Information                           |                            |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| <table><tr><td>Central City:</td><td>Yes</td><td>Underserved: No</td></tr><tr><td>Low/Mod Census Tract:</td><td>Moderate</td><td>Below Poverty line: 14.48%</td></tr><tr><td>Minority Census Tract:</td><td>39.16%</td><td>Rural Area: No</td></tr></table>   |  |                            |         |         |          |            |                       |                      | Central City:            | Yes     | Underserved: No | Low/Mod Census Tract: | Moderate | Below Poverty line: 14.48% | Minority Census Tract: | 39.16%                | Rural Area: No       |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Central City:   | Yes  | Underserved: No            |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Low/Mod Census Tract:   | Moderate                                       | Below Poverty line: 14.48% |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |
| Minority Census Tract:  | 39.16%   | Rural Area: No             |         |         |          |            |                       |                      |                          |         |                 |                       |          |                            |                        |                       |                      |                  |        |        |        |        |        |            |     |    |                       |   |    |    |   |      |     |    |    |                         |   |    |    |      |     |    |    |    |      |   |    |       |     |    |   |    |    |         |   |       |     |   |   |   |    |    |   |      |     |   |   |   |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |   |    |    |   |        |



**CURRENT PORTFOLIO LOAN**

|            |   |             |                                |          |
|------------|---|-------------|--------------------------------|----------|
| <b>16.</b> | Existing CalHFA Financing (to be paid off): Loan # 4360 |             |                                |          |
|            | Unpaid Principal Balance:                               | \$2,315,317 | Loan Maturity Date:            | 1/1/2040 |
|            | Yield Maintenance Due:                                  | \$271,060   | Affordability Expiration Date: | 1/1/2040 |
|            | Other CalHFA Debt:                                      | N/A         |                                |          |

**ANTICIPATED PROJECT MILESTONES & SCHEDULE**

|            |   |         |                                 |         |
|------------|---|---------|---------------------------------|---------|
| <b>17.</b> | CDLAC/TCAC Closing Deadline:                            | N/A     | Est. Construction Loan Closing: | 1/30/20 |
|            | Estimated Construction Start:                           | 2/15/20 | Est. Construction Completion:   | 5/15/20 |
|            | Estimated Stabilization and Conversion to Perm Loan(s): |         | June, 2020                      |         |

**SOURCES OF FUNDS**

|            |                                      |                    |  |                           |
|------------|--------------------------------------|--------------------|--|---------------------------|
| <b>18.</b> | <b>Construction Period Financing</b> |                    |  |                           |
|            | <b>SOURCE</b>                        | <b>AMOUNT</b>      | <b>LIEN POSITION</b>                         | <b>DEBT TYPE</b>          |
|            | Construction Loan                    | N/A                |  | Interest Only             |
| <b>19.</b> | <b>Permanent Financing</b>           |                    |  |                           |
|            | <b>SOURCE</b>                        | <b>AMOUNT</b>      | <b>LIEN POSITION</b>                         | <b>DEBT TYPE</b>          |
|            | CalHFA Permanent Loan                | \$4,750,000        | First  | 35 Amortization due in 30 |
|            | Santa Rosa Housing Authority (SRHA)* | \$1,214,465        | Second                                       | Residual Receipt Loan     |
|            | SRHA CDBG*                           | \$874,070          | Third  | Residual Receipt Loan     |
|            | Existing Replacement Reserve         | \$147,310          |  |                           |
|            | <b>TOTAL DEVELOPMENT COST:</b>       | <b>\$6,985,845</b> | <b>\$131,808</b>                             | <b>Per Unit</b>           |
| <b>20.</b> | Equity – Cash Out (estimate)         | \$1,075,568        | Subject to change depending on cost overruns |                           |

\* The Santa Rosa Housing Authority (SRHA) and SRHA CDBG loans will be subordinate to the new CalHFA permanent loan, and their terms will be extended so that they mature on or after the CalHFA permanent loan 30-year term.

**FINANCIAL ANALYSIS**

|     |                                       |   |                              |     |
|-----|---------------------------------------|---|------------------------------|-----|
| 21. | Tax Credit Assumptions: N/A           |   |                              |     |
|     | \$ Federal credits                    | Tax Credit Pricing:   | N/A                          |     |
|     | \$ State credits                      | Potential Investor  | N/A                          |     |
| 22. | Development Cost Contingencies:       |   |                              |     |
|     | Hard Development Contingency Amount   | N/A   | % of Hard Development Costs: | N/A |
|     | Soft Cost Contingency Amount          | N/A   | % of Total Development Cost: | N/A |
| 23. | Capitalized Reserves:                 |   |                              |     |
|     | Replacement Reserves (RR):            | \$465,400: This amount plus existing RR of \$147,310 together with \$500 PUPA (\$26,000 annually), deposited to the RR is enough to pay for the \$1,132,700 capital needs of the property over the next 20 years as set forth by the PNA reserve study. |                              |     |
|     | Operating Expense Reserve (OER):      | \$364,072 based on six months of expenses, debt service and reserves and held for the life of the CalHFA Perm Loan.   |                              |     |
|     | Transitional Operating Reserve (TOR): | N/A   |                              |     |

|  |                                       |   |  |               |
|--|---------------------------------------|---|--|---------------|
|  | Supplemental Operating Reserve (SOR): |   | N/A  |               |
| 24.  | Cash Flow Analysis                    |   |  |               |
|  | 1 <sup>st</sup> Year DSCR:            | 1.16                                      | # Years of Project Based Subsidy:                                | Loan Term     |
|  | End Year DSCR:                        | 1.59 (Year 30)                            | Annual Replacement Reserve:                                      | \$500 /unit   |
|  | Residential Vacancy Rate:             | Averages 2.00%<br>(underwritten at 5.00%) | Rental Income Inflation Rate:<br>Subsidy Income Inflation Rate:  | 2.5%<br>N/A   |
|  | Non-residential Vacancy Rate:         | N/A                                       | Project Expenses Inflation Rate:<br>Property Tax Inflation Rate: | 3.5%<br>1.25% |
| 25.  | Loan Security                         |   |  |               |
| The CalHFA loan will be secured by a deed of trust and related security agreements against the above described Site. |                                       |   |  |               |

**APPRAISAL AND MARKET ANALYSIS**

|   |                                  |  |            |
|---|----------------------------------|--|------------|
| 26.   | Appraisal Review                 |  |            |
| The appraisal provided by Watts, Cohn and Partners, Inc. dated October 18, 2019, shows a land value of \$1,180,000, an investment value of \$16,600,000, and post-rehab restricted value of \$7,530,000. The capitalization rate was determined to be 5.25%. The permanent loan cannot be greater than 80% of this value; the loan-to-value is 63%. |                                  |  |            |
| 27.   | Market Study:                    | Not Required as the Project is in the CalHFA portfolio and has sustained an average 2% occupancy rate over the past 5 years. | Dated: N/A |
|   | Regional Market Overview – N/A   |  |            |
|   | Local Market Area Analysis – N/A |  |            |
|   | Supply – N/A                     |  |            |
|   | Demand/Absorption – N/A          |  |            |

**DEVELOPMENT SUMMARY**

|  |  |   |
|--|--|---|
| 28.  | Site Description                       | Requires Flood Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <ul style="list-style-type: none"><li>• The property is located on the south side of Guerneville Road, in the City of Santa Rosa, Sonoma County.</li><li>• The site contains the Project, with level topography at street grade, measuring approximately 2.47 acres and is irregular in shape.</li><li>• The site consists of a single parcel.</li><li>• The site is zoned Med Residential/PD 004112, with permitted multifamily residential use and a maximum of 25 units per acre.</li><li>• The subject is in Flood Zone X (area of minimum flood hazard). Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood.</li></ul> |  |   |
| 29.  | Form of Site Control & Expiration Date |   |
| N/A – ownership will not change in this refinancing transaction.   |  |   |

|   |  |
|---|--|
| <b>30.</b>  | <b>Current Ownership Entity of Record</b>  |
| Title is currently vested in West Oaks Apartments, L.P., a California limited partnership as the fee owner.   |  |
| <b>31.</b>  | <b>Environmental Review Findings</b>   |
| <ul style="list-style-type: none"> <li>A Phase I Environmental Site Assessment performed by Harris &amp; Lee Environmental Sciences, LLC, dated October 3, 2019 revealed no evidence of recognized environmental conditions, so no additional investigation was recommended.</li> <li>A NEPA review will be performed by AEM, and a Categorical Exemption is expected.</li> </ul> |  |
| <b>32.</b>  | <b>Seismic</b> <b>Requires Earthquake Insurance:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <ul style="list-style-type: none"> <li>According to a geotechnical report by Partner Engineering &amp; Science, Inc. dated September 12, 2019, the site is located within a currently designated Alquist-Priolo Earthquake Zone 4. However, the SEL PML is 13% so earthquake insurance will be waived since the SEL PML is less than 20%.</li> </ul>                              |  |
| <b>33.</b>  | <b>Relocation (if any)</b>   |
| Temporary, onsite relocation if necessary. The community room can be used for tenants to rest during any minor work performed in the units.   |  |

**PROJECT DETAILS**

|  |   |                                     |                   |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
|--|---|-------------------------------------|-------------------|------------------------------------|-------|--|--|----------------------------------|-------------------|----------------------------------|------|------------------------------------|--------|
| <b>34.</b>   | <b>Residential Areas:</b>   |                                     |                   |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
|  | <table border="1"> <tr> <td><b>Residential Square Footage:</b></td> <td>51,891</td> <td><b>Residential Units per Acre:</b></td> <td>21.46</td> </tr> <tr> <td><b>Community Area (including laundry and other) Sq. Ftg:</b></td> <td>2,273</td> <td><b>Total Parking Spaces:</b></td> <td>121</td> </tr> <tr> <td><b>Supportive Service Areas:</b></td> <td></td> <td><b>Total Building Sq. Footage:</b></td> <td>54,164</td> </tr> </table> | <b>Residential Square Footage:</b>  | 51,891            | <b>Residential Units per Acre:</b> | 21.46 | <b>Community Area (including laundry and other) Sq. Ftg:</b> | 2,273  | <b>Total Parking Spaces:</b>     | 121               | <b>Supportive Service Areas:</b> |      | <b>Total Building Sq. Footage:</b> | 54,164 |
| <b>Residential Square Footage:</b>   | 51,891  | <b>Residential Units per Acre:</b>  | 21.46             |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <b>Community Area (including laundry and other) Sq. Ftg:</b>   | 2,273   | <b>Total Parking Spaces:</b>        | 121               |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <b>Supportive Service Areas:</b>   |   | <b>Total Building Sq. Footage:</b>  | 54,164            |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <b>35.</b>   | <b>Mixed-Use Project:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |                                     |                   |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
|  | <table border="1"> <tr> <td><b>Non-Residential Sq. Footage:</b></td> <td></td> <td><b>Number of Lease Spaces:</b></td> <td></td> </tr> <tr> <td><b>Master Lease:</b></td> <td><input type="checkbox"/> Yes <input type="checkbox"/> No</td> <td><b>Number of Parking Spaces:</b></td> <td></td> </tr> </table>  | <b>Non-Residential Sq. Footage:</b> |                   | <b>Number of Lease Spaces:</b>     |       | <b>Master Lease:</b>   | <input type="checkbox"/> Yes <input type="checkbox"/> No | <b>Number of Parking Spaces:</b> |                   |                                  |      |                                    |        |
| <b>Non-Residential Sq. Footage:</b>  |   | <b>Number of Lease Spaces:</b>      |                   |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <b>Master Lease:</b>   | <input type="checkbox"/> Yes <input type="checkbox"/> No  | <b>Number of Parking Spaces:</b>    |                   |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <b>36.</b>   | <b>Construction Type:</b> Existing Project/rehabilitation, X-story type-V wood-framed residential building with surface/subterranean/tuck-under/podium parking spaces.  |                                     |                   |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
|  | <table border="1"> <tr> <td><b># Buildings:</b></td> <td>18</td> <td><b># Stories:</b></td> <td>2</td> </tr> <tr> <td><b># Elevators:</b></td> <td>0</td> <td><b>Unit Style:</b></td> <td>Townhomes &amp; flats</td> </tr> <tr> <td><b>Year Built:</b></td> <td>1999</td> <td><b>Year of Last Rehab:</b></td> <td>N/A</td> </tr> </table>   | <b># Buildings:</b>                 | 18                | <b># Stories:</b>                  | 2     | <b># Elevators:</b>  | 0  | <b>Unit Style:</b>               | Townhomes & flats | <b>Year Built:</b>               | 1999 | <b>Year of Last Rehab:</b>         | N/A    |
| <b># Buildings:</b>  | 18  | <b># Stories:</b>                   | 2                 |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <b># Elevators:</b>  | 0   | <b>Unit Style:</b>                  | Townhomes & flats |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <b>Year Built:</b>   | 1999  | <b>Year of Last Rehab:</b>          | N/A               |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <b>37.</b>   | <b>Hard Development Costs:</b> \$55,000 <b>Per Unit:</b> \$1,038  |                                     |                   |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <b>38.</b>   | <b>Rehab Scope</b> <b>Demolition Involved:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |                                     |                   |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |
| <ul style="list-style-type: none"> <li>Light Rehabilitation</li> <li>The Contractor is affiliated with the Borrower so the contract will be for a fixed sum.</li> <li>The PNA prepared by Lane Consulting Services, LLC on 10/14/19 found little work was required as the Project has been well maintained over time. Approximately \$55,050 worth of repairs that have been incorporated into a scope of rehab which include: <ol style="list-style-type: none"> <li>Trees: Trim trees away from all buildings; remove roots damaging pavement and install root barriers (\$5,000)</li> <li>Water supply: Insulate water supply lines at each building (\$900)</li> <li>Main gas plumbing service and metering: Install seismic shut-off valves on all gas meters (\$24,300)</li> <li>Transformer: Install bollards (steel protective posts) at transformer (\$2,000)</li> <li>Fire extinguishers: Service overdue (\$750)</li> </ol> </li> </ul> |   |                                     |                   |                                    |       |  |  |                                  |                   |                                  |      |                                    |        |

|   |                                      |
|---|--------------------------------------|
| 6. Shingle roof: Schedule maintenance for all roofing (\$5,400)<br>7. Roof gutter and downspouts: Clear debris from downspouts and gutters; repair or replace damaged gutters and downspouts (\$3,000)<br>8. Exterior trim: Paint trellis (\$500)<br>9. Smoke detectors: Replace all smoke detectors with new combination CO/smoke detectors (\$13,200) |                                      |
| <b>39.</b>  | <b>Construction Budget Comments:</b> |
| Burbank Housing is a licensed general contractor and will perform the work using local subcontractors and internal maintenance staff when appropriate.  |                                      |

### DEVELOPMENT TEAM OVERVIEW

|  |  |
|--|--|
| <b>40.</b>   | <b>Borrower Affiliated Entities: West Oaks Apartments, L.P.</b>  |
| <ul style="list-style-type: none"> <li>General Partner: Stony Point Apartments, Inc., a California nonprofit public benefit corporation</li> <li>Limited Partner: Burbank Housing Communities Corporation, a California nonprofit public benefit corporation</li> </ul>  |  |
| <b>41.</b>   | <b>Developer/Sponsor: Burbank Housing Development Corporation, a California nonprofit public benefit corporation</b>   |
| Burbank Housing Development Corporation ("Burbank") founded in 1980 is a local, community-based affordable housing developer that has produced over 80 affordable housing communities totaling over 3,800 units in the North Bay Area. The 3,800 units are comprised of 3,039 rental units and 875 homeownership units. Burbank is experienced in tax credit equity financing and has both built new projects and acquired/rehabilitated existing projects. Burbank is also a licensed general contractor and thus able to manage its own construction activity.   |  |
| <b>42.</b>   | <b>Management Agent: Burbank Housing Management Corporation, a California nonprofit public benefit corporation</b>   |
| Burbank Housing Management Corporation ("BHMC") was founded in 1994 to provide property management services to rental properties developed by Burbank Housing Development Corporation, which now number over 3,000 units. The overall condition of the Burbank portfolio attests to BHMC's experience in maintenance and management of long-term capital needs. BHMC is experienced in marketing, leasing up, income qualifying residents, efficient turnover of units, regulatory expectations and financial management. BHMC is also experienced in HUD 811 and 202, managing project-based Section 8 HAP contracts, and compliance with all tax credit and governmental lender regulations. |  |
| <b>43.</b>   | <b>Service Provider</b>  |
| Burbank's residence services team supports the needs of the tenants by collaborating with dozens of community organizations to provide free onsite programs and resources in the areas of health and wellness, adult and families, youth, senior support and community engagement. Burbank's programs enhance the wellbeing of the tenants as well as the surrounding community by providing essentials like health and food resources, childcare referrals, and connections to local support agencies.  |  |
| <b>44.</b>   | <b>Contractor: N/A (Burbank Housing is licensed as a general contractor, has operated in this role in the past, and will do the same for the small amount of work needed on the Project)</b> |
|  |  |
| <b>45.</b>   | <b>Architect: N/A</b>  |
|  |  |

|  |  |
|--|--|
| 46.  | <b>Local Review via Locality Contribution Letter</b> |
| In the response dated 10/23/19 to the Locality Contribution Letter, the City of Santa Rosa Housing and Redevelopment states that it strongly supports the Project. |  |

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

| PROJECT SUMMARY   |                       |   |   | Final Commitment       |                            |                               |
|---|-----------------------|---|---|------------------------|----------------------------|-------------------------------|
| Acquisition, Rehab, Construction & Permanent Loans            |                       |   | Project Number                          |                        | 19-039-N                   |                               |
| <b>Project Full Name</b>                                      | West Oaks             | <b>Borrower Name:</b>                     | West Oaks Apartments, L.P.              |                        |                            |                               |
| <b>Project Address</b>  | 2594 Guerneville Road | <b>Managing GP:</b>                       | Burbank Housing Development Corporation |                        |                            |                               |
| <b>Project City</b>   | Santa Rosa            | <b>Developer Name:</b>                    | Burbank Housing Corporation             |                        |                            |                               |
| <b>Project County</b>   | Sonoma                | <b>Investor Name:</b>                     | N/A                                     |                        |                            |                               |
| <b>Project Zip Code</b>                                       | 95401                 | <b>Prop Management:</b>                   | Burbank Housing Management Corporation  |                        |                            |                               |
|   |                       | <b>Tax Credits:</b>                       | None                                    |                        |                            |                               |
| <b>Project Type:</b>  | Permanent Loan Only   | <b>Total Land Area (acres):</b>           | 2.47                                    |                        |                            |                               |
| <b>Tenancy/Occupancy:</b>                                     | Individuals/Families  | <b>Residential Square Footage:</b>        | 51,891                                  |                        |                            |                               |
| <b>Total Residential Units:</b>                               | 53                    | <b>Residential Units Per Acre:</b>        | 21.46                                   |                        |                            |                               |
| <b>Total Number of Buildings:</b>                             | 18                    |   |   |                        |                            |                               |
| <b>Number of Stories:</b>                                     | 2                     | <b>Covered Parking Spaces:</b>            | 53                                      |                        |                            |                               |
| <b>Unit Style:</b>  | Townhomes & Flats     | <b>Total Parking Spaces:</b>              | 121                                     |                        |                            |                               |
| <b>Elevators:</b>   | --                    |   |   |                        |                            |                               |
| <b>Acq/Construction/Rehab Financing</b>                       |                       | <b>Loan Amount (\$)</b>                   | <b>Loan Fees</b>                        | <b>Loan Term (Mo.)</b> | <b>Amort. Period (Yr.)</b> | <b>Starting Interest Rate</b> |
| --  |                       | --  | --                                      | --                     | --                         |                               |
| <b>Permanent Financing</b>                                    |                       | <b>Loan Amount (\$)</b>                   | <b>Loan Fees</b>                        | <b>Loan Term (Yr.)</b> | <b>Amort. Period (Yr.)</b> | <b>Starting Interest Rate</b> |
| Perm Refi   |                       | 4,750,000                                 | 1.000%                                  | 30                     | 35                         | 5.000%                        |
| Santa Rosa Housing Authority                                  |                       | 1,214,465                                 | --                                      | 55                     | --                         | 3.000%                        |
| Santa Rosa HA CDBG  |                       | 874,070                                   | --                                      | 55                     | --                         | 3.000%                        |
| --  |                       | --  | NA                                      | NA                     | NA                         | NA                            |
| --  |                       | --  | NA                                      | NA                     | NA                         | NA                            |
| --  |                       | --  | NA                                      | NA                     | NA                         | NA                            |
| <b>Appraised Values Upon Completion of Rehab/Construction</b> |                       |   |   |                        |                            |                               |
| <b>Appraisal Date:</b>  | 10/18/19              | <b>Capitalization Rate:</b>               | 5.25%                                   |                        |                            |                               |
| <b>Investment Value (\$)</b>                                  | 16,600,000            | <b>Restricted Value (\$)</b>              | 7,530,000                               |                        |                            |                               |
| <b>Construct/Rehab LTC</b>                                    | N/A                   | <b>CalHFA Permanent Loan to Cost</b>      | 68%                                     |                        |                            |                               |
| <b>Construct/Rehab LTV</b>                                    | N/A                   | <b>CalHFA 1st Permanent Loan to Value</b> | 63%                                     |                        |                            |                               |
|   |                       | <b>Combined CalHFA Perm Loan to Value</b> | 63%                                     |                        |                            |                               |
| <b>Additional Loan Terms, Conditions &amp; Comments</b>       |                       |   |   |                        |                            |                               |
| <b><u>Construction/Rehab Loan</u></b>                         |                       |   |   |                        |                            |                               |
| <b>Payment/Performance Bond</b>                               | Waived                |   |   |                        |                            |                               |
| <b>Completion Guarantee Letter of Credit</b>                  | N/A                   |   |   |                        |                            |                               |
| <b><u>Permanent Loan</u></b>                                  |                       |   |   |                        |                            |                               |
| <b>Operating Expense Reserve Deposit</b>                      | \$364,072             | Cash                                      |   |                        |                            |                               |
| <b>Initial Replacement Reserve Deposit</b>                    | \$465,400             | Cash                                      |   |                        |                            |                               |
| <b>Annual Replacement Reserve Per Unit</b>                    | \$500                 | Cash                                      |   |                        |                            |                               |
| <b>Date Prepared:</b>   | 10/30/19              | <b>Senior Staff Date:</b>                 | 11/7/19                                 |                        |                            |                               |

**UNIT MIX AND RENT SUMMARY****Final Commitment**

West Oaks

Project Number

19-039-N

| PROJECT UNIT MIX   |                    |                 |                        |                 |                     |
|--------------------|--------------------|-----------------|------------------------|-----------------|---------------------|
| Unit Type of Style | Number of Bedrooms | Number of Baths | Average Size (Sq. Ft.) | Number of Units | Est. No. of Tenants |
| Flat               | -                  | 1               | 344                    | 4               | 6                   |
| Flat               | 1                  | 1               | 561                    | 8               | 12                  |
| Townhome           | 2                  | 1               | 967                    | 12              | 36                  |
| Townhome           | 3                  | 2               | 1,147                  | 25              | 112.5               |
| Townhome           | 4                  | 2               | 1,437                  | 4               | 24                  |
| -                  | -                  | -               | -                      | -               | 0                   |
|                    |                    |                 |                        | 53              | 190.5               |

| NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY |  |     |     |     |     |      |        |
|---|--|-----|-----|-----|-----|------|--------|
| Agency  | Number of Units Restricted For Each AMI Category |     |     |     |     |      |        |
|   | 30%  | 40% | 50% | 60% | 80% | 120% | Market |
| CalHFA Bond/RiskShare   |  |     | 11  |     |     |      |        |
| Santa Rosa Housing Authority (SRHA)                                   | 4  |     | 12  | 36  |     |      |        |
| SRHA CDBG   | 4  |     | 12  | 36  |     |      |        |
| TCAC  | 4  |     | 12  | 36  |     |      |        |

| COMPARISON OF AVERAGE MONTHLY RESTRICTED RENTS TO AVERAGE MARKET RENTS |                    |                         |                          |                    |                      |                         |                   |
|--|--------------------|-------------------------|--------------------------|--------------------|----------------------|-------------------------|-------------------|
| Unit Type  | Restricting Agency | % of Area Median Income | Average Restricted Rents |                    | Average Market Rents | Average Monthly Savings | % of Market Rents |
|  |                    |                         | Number of Units          | Unit Rent          |                      |                         |                   |
| Studios  | CTCAC              | 30%                     | 4                        | \$515              | \$1,254              | \$739                   | 41%               |
|  | CTCAC              | 50%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
| 1 Bedroom  | CTCAC              | 30%                     | -                        | -                  | \$1,447              | -                       | -                 |
|  | CTCAC              | 50%                     | 2                        | \$953              |                      | \$494                   | 66%               |
|  | CTCAC              | 60%                     | 6                        | \$1,103            |                      | \$344                   | 76%               |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
| 2 Bedrooms   | CTCAC              | 30%                     | -                        | -                  | \$1,887              | -                       | -                 |
|  | CTCAC              | 50%                     | 3                        | \$1,106            |                      | \$781                   | 59%               |
|  | CTCAC              | 60%                     | 9                        | \$1,323            |                      | \$564                   | 70%               |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | -                       | -                        | -                  |                      | -                       | -                 |
| 3 Bedrooms   | CTCAC              | 30%                     | -                        | -                  | \$2,728              | -                       | -                 |
|  | CTCAC              | 50%                     | 5                        | \$1,262            |                      | \$1,466                 | 46%               |
|  | CTCAC              | 60%                     | 20                       | \$1,500            |                      | \$1,228                 | 55%               |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
| 4 Bedrooms   | CTCAC              | 30%                     | -                        | -                  | \$3,298              | -                       | -                 |
|  | CTCAC              | 50%                     | 2                        | \$1,376            |                      | \$1,922                 | 42%               |
|  | CTCAC              | 60%                     | 1                        | \$1,652            |                      | \$1,646                 | 50%               |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
| 5 Bedrooms   | CTCAC              | 30%                     | -                        | -                  | -                    | -                       | -                 |
|  | CTCAC              | 50%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -                  |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -                  |                      | -                       | -                 |
| Date Prepared:   |                    | 10/30/19                |                          | Senior Staff Date: |                      | 11/7/19                 |                   |

| SOURCES & USES OF FUNDS                                     |                   |                  | Final Commitment               |                |               |
|---|-------------------|------------------|--------------------------------|----------------|---------------|
| West Oaks   |                   |                  | Project Number 19-039-N        |                |               |
| SOURCES OF FUNDS  | CONST/REHAB<br>\$ | PERMANENT<br>\$  | TOTAL PROJECT SOURCES OF FUNDS |                |               |
|   |                   |                  | SOURCES (\$)                   | PER UNIT (\$)  | %             |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| Construct/Rehab Net Oper. Inc.                              | -                 | -                | -                              | -              | 0.0%          |
| Deferred Developer Fee                                      | -                 | -                | -                              | -              | 0.0%          |
| Developer Equity Contribution                               | -                 | -                | -                              | -              | 0.0%          |
| Investor Equity Contribution                                | -                 | -                | -                              | -              | 0.0%          |
| Perm Refi   | -                 | 4,750,000        | 4,750,000                      | 89,623         | 68.0%         |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| Santa Rosa Housing Authority                                | -                 | 1,214,465        | 1,214,465                      | 22,914         | 17.4%         |
| Santa Rosa HA CDBG  | -                 | 874,070          | 874,070                        | 16,492         | 12.5%         |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| Existing Replacement Reserve - to be capitalized at closing | -                 | 147,310          | 147,310                        | 2,779          | 2.1%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| -   | -                 | -                | -                              | -              | 0.0%          |
| Construct/Rehab Net Oper. Inc.                              | -                 | -                | -                              | -              | 0.0%          |
| Deferred Developer Fees                                     | -                 | -                | -                              | -              | 0.0%          |
| Developer Equity Contribution                               | -                 | -                | -                              | -              | 0.0%          |
| Investor Equity Contributions                               | -                 | -                | -                              | -              | 0.0%          |
| <b>TOTAL SOURCES OF FUNDS</b>                               | -                 | <b>6,985,845</b> | <b>6,985,845</b>               | <b>131,808</b> | <b>97.9%</b>  |
| <b>TOTAL USES OF FUNDS (BELOW)</b>                          | -                 | <b>6,985,845</b> | <b>6,985,845</b>               | <b>131,808</b> | <b>100.0%</b> |
| <b>FUNDING SURPLUS (DEFICIT)</b>                            | -                 | -                | -                              | -              | -             |

| USES OF FUNDS                              | CONST/REHAB<br>\$ | PERMANENT<br>\$  | TOTAL PROJECT USES OF FUNDS |               |              |
|--|-------------------|------------------|-----------------------------|---------------|--------------|
|  |                   |                  | USES (\$)                   | PER UNIT (\$) | %            |
| <b>CONSTRUCTION/REHAB SOURCES OF FUNDS</b> | -                 | -                | -                           | -             | -            |
| <b>ACQUISITION COSTS</b>                   | -                 | -                | -                           | -             | -            |
| Lesser of Land Cost or Appraised Value     | -                 | -                | -                           | -             | 0.0%         |
| Demolition Costs                           | -                 | -                | -                           | -             | 0.0%         |
| Legal & Other Closing Costs                | -                 | -                | -                           | -             | 0.0%         |
| Escrow & other closing costs               | -                 | -                | -                           | -             | 0.0%         |
| Verifiable Carrying Costs                  | -                 | -                | -                           | -             | 0.0%         |
| Existing Improvements Value                | -                 | -                | -                           | -             | 0.0%         |
| Delinquent Taxes Paid @ Closing            | -                 | -                | -                           | -             | 0.0%         |
| CalHFA Yield Maintenance Paid @ Closing    | -                 | 271,060          | 271,060                     | 5,114         | 3.9%         |
| Existing Replacement Reserve               | -                 | 147,310          | 147,310                     | 2,779         | 2.1%         |
| Existing SRHA Loan                         | -                 | 1,214,465        | 1,214,465                   | 22,914        | 17.4%        |
| Existing SRHA CDBG Loan                    | -                 | 874,070          | 874,070                     | 16,492        | 12.5%        |
| Payoff Existing CalHFA Loan                | -                 | 2,315,317        | 2,315,317                   | 43,685        | 33.1%        |
| <b>TOTAL ACQUISITION COSTS</b>             | -                 | <b>4,822,222</b> | <b>4,822,222</b>            | <b>90,985</b> | <b>69.0%</b> |
| <b>CONSTRUCTION/REHAB COSTS</b>            | -                 | -                | -                           | -             | -            |
| Offsite Improvements                       | -                 | -                | -                           | -             | 0.0%         |
| Environmental Remediation (Hard Costs)     | -                 | -                | -                           | -             | 0.0%         |
| Site Work (Hard Cost)                      | -                 | -                | -                           | -             | 0.0%         |
| Structures (Hard Cost)                     | -                 | 55,000           | 55,000                      | 1,038         | 0.8%         |
| General Requirements                       | -                 | -                | -                           | -             | 0.0%         |
| Contractor Overhead                        | -                 | -                | -                           | -             | 0.0%         |
| Contractor Profit                          | -                 | -                | -                           | -             | 0.0%         |
| Contractor Bond                            | -                 | -                | -                           | -             | 0.0%         |
| Contractor Liability Insurance             | -                 | -                | -                           | -             | 0.0%         |
| Personal Property                          | -                 | -                | -                           | -             | 0.0%         |
| HVAC/Resident Damage                       | -                 | -                | -                           | -             | 0.0%         |
| <b>TOTAL CONSTRUCT/REHAB COSTS</b>         | -                 | <b>55,000</b>    | <b>55,000</b>               | <b>1,038</b>  | <b>0.8%</b>  |



| SOURCES & USES OF FUNDS                             |                   |                 | Final Commitment            |               |             |
|---|-------------------|-----------------|-----------------------------|---------------|-------------|
| West Oaks   |                   |                 | Project Number 19-039-N     |               |             |
| USES OF FUNDS                                       | CONST/REHAB<br>\$ | PERMANENT<br>\$ | TOTAL PROJECT USES OF FUNDS |               |             |
|   |                   |                 | USES (\$)                   | PER UNIT (\$) | %           |
| <b><u>RELOCATION COSTS</u></b>                      |                   |                 |                             |               |             |
| Relocation Expense                                  | -                 | -               | -                           | -             | 0.0%        |
| Relocation Compliance Monitoring                    | -                 | -               | -                           | -             | 0.0%        |
| Other (Specify)                                     | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL RELOCATION COSTS</b>                       | -                 | -               | -                           | -             | <b>0.0%</b> |
| <b><u>ARCHITECTURAL FEES</u></b>                    |                   |                 |                             |               |             |
| Design  | -                 | -               | -                           | -             | 0.0%        |
| Supervision   | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL ARCHITECTURAL FEES</b>                     | -                 | -               | -                           | -             | <b>0.0%</b> |
| <b><u>SURVEY &amp; ENGINEERING FEES</u></b>         |                   |                 |                             |               |             |
| Engineering   | -                 | -               | -                           | -             | 0.0%        |
| Supervision   | -                 | -               | -                           | -             | 0.0%        |
| ALTA Land Survey                                    | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL SURVEY &amp; ENGINEERING FEES</b>          | -                 | -               | -                           | -             | <b>0.0%</b> |
| <b><u>CONTINGENCY RESERVES</u></b>                  |                   |                 |                             |               |             |
| Hard Cost Contingency Reserve                       | -                 | -               | -                           | -             | 0.0%        |
| Soft Cost Contingency Reserve                       | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL CONTINGENCY RESERVES</b>                   | -                 | -               | -                           | -             | <b>0.0%</b> |
| <b><u>CONSTRUCT/REHAB PERIOD COSTS</u></b>          |                   |                 |                             |               |             |
| <b>Loan Interest Reserve</b>                        |                   |                 |                             |               |             |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| <b>Loan Fees</b>                                    |                   |                 |                             |               |             |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| <b>Other Const/Rehab Period Costs</b>               |                   |                 |                             |               |             |
| Deficit Const/Rehab NOI (Net Operating Income)      | -                 | -               | -                           | -             | 0.0%        |
| Credit Enhancement & Application Fees               | -                 | -               | -                           | -             | 0.0%        |
| Owner Paid Bonds/Insurance                          | -                 | -               | -                           | -             | 0.0%        |
| CalHFA Inspection Fees                              | -                 | -               | -                           | -             | 0.0%        |
| Real Estate Taxes During Rehab                      | -                 | -               | -                           | -             | 0.0%        |
| Completion Guaranty Fee                             | -                 | -               | -                           | -             | 0.0%        |
| Wage Monitoring Fee (Davis Bacon, Prevailing, etc.) | -                 | -               | -                           | -             | 0.0%        |
| Insurance During Rehab                              | -                 | -               | -                           | -             | 0.0%        |
| Title & Recording Fees                              | -                 | -               | -                           | -             | 0.0%        |
| Construction Management & Testing                   | -                 | -               | -                           | -             | 0.0%        |
| Predevelopment Interest Expense                     | -                 | -               | -                           | -             | 0.0%        |
| Bond Issuer Fee                                     | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL CONST/REHAB PERIOD COSTS</b>               | -                 | -               | -                           | -             | <b>0.0%</b> |

| SOURCES & USES OF FUNDS                            |                   |                 | Final Commitment            |               |              |
|--|-------------------|-----------------|-----------------------------|---------------|--------------|
| West Oaks  |                   |                 | Project Number              |               | 19-039-N     |
| USES OF FUNDS                                      | CONST/REHAB<br>\$ | PERMANENT<br>\$ | TOTAL PROJECT USES OF FUNDS |               |              |
|  |                   |                 | USES (\$)                   | PER UNIT (\$) | %            |
| <b><u>PERMANENT LOAN COSTS</u></b>                 |                   |                 |                             |               |              |
| <b>Loan Fees</b>                                   |                   |                 |                             |               |              |
| CalHFA Application Fee                             | -                 | 10,000          | 10,000                      | 189           | 0.1%         |
| Perm Refi  | -                 | 47,500          | 47,500                      | 896           | 0.7%         |
| -  | -                 | -               | -                           | -             | 0.0%         |
| -  | -                 | -               | -                           | -             | 0.0%         |
| -  | -                 | -               | -                           | -             | 0.0%         |
| Santa Rosa Housing Authority                       | -                 | -               | -                           | -             | 0.0%         |
| Santa Rosa HA CDBG                                 | -                 | -               | -                           | -             | 0.0%         |
| -  | -                 | -               | -                           | -             | 0.0%         |
| -  | -                 | -               | -                           | -             | 0.0%         |
| Permanent Loan Cost of Issuance Fee                | -                 | 110,000         | 110,000                     | 2,075         | 1.6%         |
| Credit Enhancement & Application Fees              | -                 | -               | -                           | -             | 0.0%         |
| Title & Recording (closing costs)                  | -                 | 25,000          | 25,000                      | 472           | 0.4%         |
| Year 1 - Taxes & Special Assessments and Insurance | -                 | -               | -                           | -             | 0.0%         |
| CalHFA Fees  | -                 | 1,000           | 1,000                       | 19            | 0.0%         |
| Tax Service Fee                                    | -                 | 2,000           | 2,000                       | 38            | 0.0%         |
| Application Fee Credit                             | -                 | (10,000)        | (10,000)                    | (189)         | -0.1%        |
| <b>TOTAL PERMANENT LOAN COSTS</b>                  | -                 | <b>185,500</b>  | <b>185,500</b>              | <b>3,500</b>  | <b>2.7%</b>  |
| <b><u>LEGAL FEES</u></b>                           |                   |                 |                             |               |              |
| CalHFA Construction/Rehab Loan Legal Fees          | -                 | -               | -                           | -             | 0.0%         |
| Other Construction/Rehab Loan Legal Fees           | -                 | -               | -                           | -             | 0.0%         |
| CalHFA Permanent Loan Legal Fees                   | -                 | 35,000          | 35,000                      | 660           | 0.5%         |
| Other Permanent Loan Legal Fees                    | -                 | -               | -                           | -             | 0.0%         |
| Sponsor Legal Fees                                 | -                 | -               | -                           | -             | 0.0%         |
| Organizational Legal Fees                          | -                 | -               | -                           | -             | 0.0%         |
| Syndication Legal Fees                             | -                 | -               | -                           | -             | 0.0%         |
| Borrower Legal Fee                                 | -                 | -               | -                           | -             | 0.0%         |
| CalHFA Bond Counsel                                | -                 | -               | -                           | -             | 0.0%         |
| <b>TOTAL LEGAL FEES</b>                            | -                 | <b>35,000</b>   | <b>35,000</b>               | <b>660</b>    | <b>0.5%</b>  |
| <b><u>OPERATING RESERVES</u></b>                   |                   |                 |                             |               |              |
| Operating Expense Reserve Deposit                  | -                 | 364,072         | 364,072                     | 6,869         | 5.2%         |
| Initial Replacement Reserve Deposit                | -                 | 465,400         | 465,400                     | 8,781         | 6.7%         |
| Transition Operating Reserve Deposit               | -                 | -               | -                           | -             | 0.0%         |
| Rent-Up Reserve Deposit                            | -                 | -               | -                           | -             | 0.0%         |
| HOME Program Replacement Reserve                   | -                 | -               | -                           | -             | 0.0%         |
| Investor Required Reserve                          | -                 | -               | -                           | -             | 0.0%         |
| Other (Existing OER)                               | -                 | (39,117)        | (39,117)                    | (738)         | -0.6%        |
| <b>TOTAL OPERATING RESERVES</b>                    | -                 | <b>790,355</b>  | <b>790,355</b>              | <b>14,912</b> | <b>11.3%</b> |
| <b><u>REPORTS &amp; STUDIES</u></b>                |                   |                 |                             |               |              |
| Appraisal Fee                                      | -                 | 7,500           | 7,500                       | 142           | 0.1%         |
| Market Study Fee                                   | -                 | -               | -                           | -             | 0.0%         |
| Physical Needs Assessment Fee                      | -                 | 5,200           | 5,200                       | 98            | 0.1%         |
| Environmental Site Assessment Reports              | -                 | 5,000           | 5,000                       | 94            | 0.1%         |
| HUD Risk Share Environmental / NEPA Review Fee     | -                 | 1,500           | 1,500                       | 28            | 0.0%         |
| CalHFA Earthquake Waiver Review Fee                | -                 | 3,000           | 3,000                       | 57            | 0.0%         |
| Relocation Consultant                              | -                 | -               | -                           | -             | 0.0%         |
| Soils Reports                                      | -                 | -               | -                           | -             | 0.0%         |
| Acoustical Reports                                 | -                 | -               | -                           | -             | 0.0%         |
| Termite/Dry Rot                                    | -                 | -               | -                           | -             | 0.0%         |
| Consultant/Processing Agent                        | -                 | -               | -                           | -             | 0.0%         |
| Other (Specify)                                    | -                 | -               | -                           | -             | 0.0%         |
| <b>TOTAL REPORTS &amp; STUDIES</b>                 | -                 | <b>22,200</b>   | <b>22,200</b>               | <b>419</b>    | <b>0.3%</b>  |

| SOURCES & USES OF FUNDS                       |                   |                  | Final Commitment            |                |               |
|---|-------------------|------------------|-----------------------------|----------------|---------------|
| West Oaks                                     |                   |                  | Project Number 19-039-N     |                |               |
| USES OF FUNDS                                 | CONST/REHAB<br>\$ | PERMANENT<br>\$  | TOTAL PROJECT USES OF FUNDS |                |               |
|   |                   |                  | USES (\$)                   | PER UNIT (\$)  | %             |
| <b><u>OTHER COSTS</u></b>                     |                   |                  |                             |                |               |
| TCAC Application, Allocation & Monitor Fees   | -                 | -                | -                           | -              | 0.0%          |
| CDLAC Fees                                    | -                 | -                | -                           | -              | 0.0%          |
| Local Permits & Fees                          | -                 | -                | -                           | -              | 0.0%          |
| Local Impact Fees                             | -                 | -                | -                           | -              | 0.0%          |
| Other Local Fees                              | -                 | -                | -                           | -              | 0.0%          |
| Syndicator/Investor Fees & Expenses           | -                 | -                | -                           | -              | 0.0%          |
| Furnishings                                   | -                 | -                | -                           | -              | 0.0%          |
| Accounting & Audits                           | -                 | -                | -                           | -              | 0.0%          |
| Advertising & Marketing Expenses              | -                 | -                | -                           | -              | 0.0%          |
| Financial Consulting                          | -                 | -                | -                           | -              | 0.0%          |
| Miscellaneous Administrative Fees             | -                 | -                | -                           | -              | 0.0%          |
| HUD Risk Share Insurance (First Year Prepaid) | -                 | -                | -                           | -              | 0.0%          |
| Other (Specify)                               | -                 | -                | -                           | -              | 0.0%          |
| Other (Specify)                               | -                 | -                | -                           | -              | 0.0%          |
| <b>TOTAL OTHER COSTS</b>                      | -                 | -                | -                           | -              | <b>0.0%</b>   |
|   |                   |                  |                             |                |               |
| <b>SUBTOTAL PROJECT COSTS</b>                 | -                 | <b>5,910,277</b> | <b>5,910,277</b>            | <b>111,515</b> | <b>84.6%</b>  |
|   |                   |                  |                             |                |               |
| <b><u>DEVELOPER FEES &amp; COSTS</u></b>      |                   |                  |                             |                |               |
| Developer Fees, Overhead & Profit             | -                 | -                | -                           | -              | 0.0%          |
| Consultant Processing Agent                   | -                 | -                | -                           | -              | 0.0%          |
| Project Administration                        | -                 | -                | -                           | -              | 0.0%          |
| Syndicator Consultant Fees                    | -                 | -                | -                           | -              | 0.0%          |
| Guarantee Fees                                | -                 | -                | -                           | -              | 0.0%          |
| Construction Oversight & Management           | -                 | -                | -                           | -              | 0.0%          |
| Other Administration Fees                     | -                 | -                | -                           | -              | 0.0%          |
| Other (Specify) correction to balance         | -                 | -                | -                           | -              | 0.0%          |
| CASH EQUITY OUT TO DEVELOPER                  | -                 | 1,075,568        | 1,075,568                   | 20,294         | 15.4%         |
| <b>TOTAL DEVELOPER FEES &amp; COSTS</b>       | -                 | <b>1,075,568</b> | <b>1,075,568</b>            | <b>20,294</b>  | <b>15.4%</b>  |
|   |                   |                  |                             |                |               |
| <b>TOTAL PROJECT COSTS</b>                    | -                 | <b>6,985,845</b> | <b>6,985,845</b>            | <b>131,808</b> | <b>100.0%</b> |

| PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET |                |                             | Final Commitment |
|--|----------------|-----------------------------|------------------|
| West Oaks  | Project Number | 19-039-N                    |                  |
|  |                |                             |                  |
| INCOME   | AMOUNT         | PER UNIT                    | %                |
| Rental Income                                    |                |                             |                  |
| Restricted Unit Rents                            | \$ 798,276     | \$ 15,062                   | 102.95%          |
| Unrestricted Unit Rents                          | -              | -                           | 0.00%            |
| Commercial Rents                                 | -              | -                           | 0.00%            |
| Rental & Operating Subsidies                     |                |                             |                  |
| Project Based Rental Subsidy                     | -              | -                           | 0.00%            |
| Other Project Based Subsidy                      | -              | -                           | 0.00%            |
| Income during renovations                        | -              | -                           | 0.00%            |
| Other Subsidy (Specify)                          | -              | -                           | 0.00%            |
| Other Income                                     |                |                             |                  |
| Laundry Income                                   | 17,914         | 338                         | 2.31%            |
| Parking & Storage Income                         | -              | -                           | 0.00%            |
| Miscellaneous Income                             | -              | -                           | 0.00%            |
| GROSS POTENTIAL INCOME (GPI)                     | \$ 816,190     | \$ 15,400                   | 105.26%          |
| Less: Vacancy Loss                               | \$ 40,810      | \$ 770                      | 5.26%            |
| EFFECTIVE GROSS INCOME (EGI)                     | \$ 775,380     | \$ 16,170                   | 100.00%          |
|  |                |                             |                  |
| OPERATING EXPENSES                               | AMOUNT         | PER UNIT                    | %                |
| Administrative Expenses                          | \$ 86,995      | \$ 1,641                    | \$ 0             |
| Management Fee                                   | 46,135         | 870                         | 5.95%            |
| Social Programs & Services                       | -              | -                           | 0.00%            |
| Utilities  | 93,055         | 1,756                       | 12.00%           |
| Operating & Maintenance                          | 118,401        | 2,234                       | 15.27%           |
| Ground Lease Payments                            | -              | -                           | 0.00%            |
| CalHFA Monitoring Fee                            | 7,500          | 142                         | 0.97%            |
| Other Monitoring Fees                            | -              | -                           | 0.00%            |
| Real Estate Taxes                                | 658            | 12                          | 0.08%            |
| Other Taxes & Insurance                          | 61,229         | 1,155                       | 7.90%            |
| SUBTOTAL OPERATING EXPENSES                      | \$ 413,973     | \$ 7,811                    | 53.39%           |
| Operating Reserves                               | \$ 26,500      | \$ 500                      | 3.42%            |
| TOTAL OPERATING EXPENSES                         | \$ 440,473     | \$ 8,311                    | 56.81%           |
|  |                |                             |                  |
| NET OPERATING INCOME (NOI)                       | \$ 334,907     | \$ 6,319                    | 43.19%           |
|  |                |                             |                  |
| DEBT SERVICE PAYMENTS                            | AMOUNT         | PER UNIT                    | %                |
| Perm Refi  | \$ 287,672     | \$ 5,428                    | 37.10%           |
| -  | \$ -           | -                           | 0.00%            |
| -  | \$ -           | -                           | 0.00%            |
| Santa Rosa Housing Authority                     | \$ -           | -                           | 0.00%            |
| Santa Rosa HA CDBG                               | \$ -           | -                           | 0.00%            |
| -  | \$ -           | -                           | 0.00%            |
| -  | \$ -           | -                           | 0.00%            |
| -  | \$ -           | -                           | 0.00%            |
| TOTAL DEBT SERVICE & OTHER PAYMENTS              | \$ 287,672     | \$ 5,428                    | 37.10%           |
|  |                |                             |                  |
| EXCESS AFTER DEBT SERVICE & MONITORING FEES      | \$ 47,235      | \$ 891                      | 6.09%            |
|  |                |                             |                  |
| DEBT SERVICE COVERAGE RATIO (DSCR)               | \$ 1 to 1      |                             |                  |
|  |                |                             |                  |
| Date: 10/30/19                                   |                | Senior Staff Date: 11/07/19 |                  |

**PROJECTED PERMANENT LOAN CASH FLOWS****Final Commitment**

|  | YEAR             | 1              | 2              | 3              | 4              | 5              | 6              | 7              |
|--|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>RENTAL INCOME</b>                           | <b>CPI</b>       |                |                |                |                |                |                |                |
| Restricted Unit Rents                          | 2.50%            | 798,276        | 818,233        | 838,689        | 859,656        | 881,147        | 903,176        | 925,755        |
| Unrestricted Unit Rents                        | 2.50%            | -              | -              | -              | -              | -              | -              | -              |
| Commercial Rents                               | 2.00%            | -              | -              | -              | -              | -              | -              | -              |
| Project Based Rental Subsidy                   | 1.50%            | -              | -              | -              | -              | -              | -              | -              |
| Other Project Based Subsidy                    | 1.50%            | -              | -              | -              | -              | -              | -              | -              |
| Income during renovations                      | 0.00%            | -              | -              | -              | -              | -              | -              | -              |
| Other Subsidy (Specify)                        | 0.00%            | -              | -              | -              | -              | -              | -              | -              |
| Laundry Income                                 | 0.00%            | 17,914         | 17,914         | 17,914         | 17,914         | 17,914         | 17,914         | 17,914         |
| Parking & Storage Income                       | 2.50%            | -              | -              | -              | -              | -              | -              | -              |
| Miscellaneous Income                           | 2.50%            | -              | -              | -              | -              | -              | -              | -              |
| <b>GROSS POTENTIAL INCOME (GPI)</b>            |                  | <b>816,190</b> | <b>836,147</b> | <b>856,603</b> | <b>877,570</b> | <b>899,061</b> | <b>921,090</b> | <b>943,669</b> |
| <b>VACANCY ASSUMPTIONS</b>                     | <b>Vacancy</b>   |                |                |                |                |                |                |                |
| Restricted Unit Rents                          | 5.00%            | 39,914         | 40,912         | 41,934         | 42,983         | 44,057         | 45,159         | 46,288         |
| Unrestricted Unit Rents                        | 7.00%            | -              | -              | -              | -              | -              | -              | -              |
| Commercial Rents                               | 50.00%           | -              | -              | -              | -              | -              | -              | -              |
| Project Based Rental Subsidy                   | 5.00%            | -              | -              | -              | -              | -              | -              | -              |
| Other Project Based Subsidy                    | 3.00%            | -              | -              | -              | -              | -              | -              | -              |
| Income during renovations                      | 20.00%           | -              | -              | -              | -              | -              | -              | -              |
| Other Subsidy (Specify)                        | 0.00%            | -              | -              | -              | -              | -              | -              | -              |
| Laundry Income                                 | 5.00%            | 896            | 896            | 896            | 896            | 896            | 896            | 896            |
| Parking & Storage Income                       | 50.00%           | -              | -              | -              | -              | -              | -              | -              |
| Miscellaneous Income                           | 50.00%           | -              | -              | -              | -              | -              | -              | -              |
| <b>TOTAL PROJECTED VACANCY LOSS</b>            |                  | <b>40,810</b>  | <b>41,807</b>  | <b>42,830</b>  | <b>43,878</b>  | <b>44,953</b>  | <b>46,055</b>  | <b>47,183</b>  |
| <b>EFFECTIVE GROSS INCOME (EGI)</b>            |                  | <b>775,381</b> | <b>794,340</b> | <b>813,773</b> | <b>833,691</b> | <b>854,108</b> | <b>875,036</b> | <b>896,486</b> |
| <b>OPERATING EXPENSES</b>                      | <b>CPI / Fee</b> |                |                |                |                |                |                |                |
| Administrative Expenses                        | 3.50%            | 86,995         | 90,040         | 93,191         | 96,453         | 99,829         | 103,323        | 106,939        |
| Management Fee                                 | 5.95%            | 46,135         | 47,263         | 48,419         | 49,605         | 50,819         | 52,065         | 53,341         |
| Utilities                                      | 3.50%            | 93,055         | 96,312         | 99,683         | 103,172        | 106,783        | 110,520        | 114,388        |
| Operating & Maintenance                        | 3.50%            | 118,401        | 122,545        | 126,834        | 131,273        | 135,868        | 140,623        | 145,545        |
| Ground Lease Payments                          | 3.50%            | -              | -              | -              | -              | -              | -              | -              |
| CalHFA Monitoring Fee                          | 0.00%            | 7,500          | 7,500          | 7,500          | 7,500          | 7,500          | 7,500          | 7,500          |
| Other Agency Monitoring Fee                    | 0.00%            | -              | -              | -              | -              | -              | -              | -              |
| Real Estate Taxes                              | 1.25%            | 658            | 666            | 675            | 683            | 692            | 700            | 709            |
| Other Taxes & Insurance                        | 3.50%            | 61,229         | 63,372         | 65,590         | 67,886         | 70,262         | 72,721         | 75,266         |
| Required Reserve Payments                      | 1.00%            | 26,500         | 26,765         | 27,033         | 27,303         | 27,576         | 27,852         | 28,130         |
| <b>TOTAL OPERATING EXPENSES</b>                |                  | <b>440,473</b> | <b>454,463</b> | <b>468,925</b> | <b>483,874</b> | <b>499,328</b> | <b>515,304</b> | <b>531,819</b> |
| <b>NET OPERATING INCOME (NOI)</b>              |                  | <b>334,908</b> | <b>339,876</b> | <b>344,848</b> | <b>349,817</b> | <b>354,780</b> | <b>359,732</b> | <b>364,667</b> |
| <b>DEBT SERVICE PAYMENTS</b>                   | <b>Lien #</b>    |                |                |                |                |                |                |                |
| Perm Refi                                      | 1                | 287,672        | 287,672        | 287,672        | 287,672        | 287,672        | 287,672        | 287,672        |
| -  | -                | -              | -              | -              | -              | -              | -              | -              |
| -  | -                | -              | -              | -              | -              | -              | -              | -              |
| Santa Rosa Housing Authority                   | 2                | -              | -              | -              | -              | -              | -              | -              |
| Santa Rosa HA CDBG                             | 3                | -              | -              | -              | -              | -              | -              | -              |
| -  | -                | -              | -              | -              | -              | -              | -              | -              |
| -  | -                | -              | -              | -              | -              | -              | -              | -              |
| -  | -                | -              | -              | -              | -              | -              | -              | -              |
| <b>TOTAL DEBT SERVICE &amp; OTHER PAYMENTS</b> |                  | <b>287,672</b> | <b>287,672</b> | <b>287,672</b> | <b>287,672</b> | <b>287,672</b> | <b>287,672</b> | <b>287,672</b> |
| <b>CASH FLOW AFTER DEBT SERVICE</b>            |                  | <b>47,236</b>  | <b>52,204</b>  | <b>57,176</b>  | <b>62,145</b>  | <b>67,108</b>  | <b>72,060</b>  | <b>76,995</b>  |
| <b>DEBT SERVICE COVERAGE RATIO</b>             |                  | <b>1.16</b>    | <b>1.18</b>    | <b>1.20</b>    | <b>1.22</b>    | <b>1.23</b>    | <b>1.25</b>    | <b>1.27</b>    |
| Date Prepared: 10/30/19                        |                  |                |                |                |                |                |                |                |

**PROJECTED PERMANENT LOAN CASH FLOWS****Final Commitment**

|  |    |               |               |               |               |               |               |               |
|--|----|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| LESS: Asset Management Fee               | 3% | 24,940        | 25,688        | 26,459        | 27,253        | 28,070        | 28,912        | 29,780        |
| LESS: Partnership Management Fee         | 3% | -             | -             | -             | -             | -             | -             | -             |
| <b>net CF available for distribution</b> |    | <b>22,296</b> | <b>26,516</b> | <b>30,717</b> | <b>34,893</b> | <b>39,038</b> | <b>43,148</b> | <b>47,216</b> |

|                                  |   |   |   |   |   |   |   |   |
|----------------------------------|---|---|---|---|---|---|---|---|
| Deferred developer fee repayment | - | - | - | - | - | - | - | - |
|                                  |   | - | - | - | - | - | - | - |
|                                  |   | - | - | - | - | - | - | - |

**Payments for Residual Receipt Payments**

|   |                  |     |               |               |               |               |               |               |               |
|---|------------------|-----|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>RESIDUAL RECEIPTS LOANS</b>          | <i>Payment %</i> | 50% | 11,148        | 13,258        | 15,358        | 17,446        | 19,519        | 21,574        | 23,608        |
| Santa Rosa Housing Authority            | 58.15%           |     | 6,482         | 7,709         | 8,931         | 10,145        | 11,350        | 12,545        | 13,728        |
| Santa Rosa HA CDBG                      | 41.85%           |     | 4,665         | 5,549         | 6,428         | 7,301         | 8,169         | 9,029         | 9,880         |
| <b>Total Residual Receipts Payments</b> | <b>100.00%</b>   |     | <b>11,148</b> | <b>13,258</b> | <b>15,358</b> | <b>17,446</b> | <b>19,519</b> | <b>21,574</b> | <b>23,608</b> |

**Balances for Residual Receipt Payments**

|   |                      |  |                  |                  |                  |                  |                  |                  |                  |
|---|----------------------|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>RESIDUAL RECEIPTS LOANS</b>          | <i>Interest Rate</i> |  |                  |                  |                  |                  |                  |                  |                  |
| Santa Rosa Housing Authority---Simple   | 3.00%                |  | 1,214,465        | 1,244,417        | 1,273,141        | 1,300,644        | 1,326,933        | 1,352,017        | 1,375,906        |
| Santa Rosa HA CDBG---Simple             | 3.00%                |  | 874,070          | 895,627          | 916,300          | 936,095          | 955,015          | 973,068          | 990,262          |
| <b>Total Residual Receipts Payments</b> |                      |  | <b>2,088,535</b> | <b>2,140,043</b> | <b>2,189,441</b> | <b>2,236,739</b> | <b>2,281,949</b> | <b>2,325,086</b> | <b>2,366,168</b> |

| PROJECTED PERMANENT LOAN CASH FLOWS |           |                            |                |           | West Oaks |           |           |           |
|-------------------------------------|-----------|----------------------------|----------------|-----------|-----------|-----------|-----------|-----------|
| Final Commitment                    |           |                            | Project Number |           | 19-039-N  |           |           |           |
|                                     | YEAR      | 8                          | 9              | 10        | 11        | 12        | 13        | 14        |
| RENTAL INCOME                       | CPI       |                            |                |           |           |           |           |           |
| Restricted Unit Rents               | 2.50%     | 948,899                    | 972,622        | 996,937   | 1,021,861 | 1,047,407 | 1,073,592 | 1,100,432 |
| Unrestricted Unit Rents             | 2.50%     | -                          | -              | -         | -         | -         | -         | -         |
| Commercial Rents                    | 2.00%     | -                          | -              | -         | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 1.50%     | -                          | -              | -         | -         | -         | -         | -         |
| Other Project Based Subsidy         | 1.50%     | -                          | -              | -         | -         | -         | -         | -         |
| Income during renovations           | 0.00%     | -                          | -              | -         | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%     | -                          | -              | -         | -         | -         | -         | -         |
| Laundry Income                      | 0.00%     | 17,914                     | 17,914         | 17,914    | 17,914    | 17,914    | 17,914    | 17,914    |
| Parking & Storage Income            | 2.50%     | -                          | -              | -         | -         | -         | -         | -         |
| Miscellaneous Income                | 2.50%     | -                          | -              | -         | -         | -         | -         | -         |
| GROSS POTENTIAL INCOME (GPI)        |           | 966,813                    | 990,536        | 1,014,851 | 1,039,775 | 1,065,321 | 1,091,506 | 1,118,346 |
| VACANCY ASSUMPTIONS                 | Vacancy   |                            |                |           |           |           |           |           |
| Restricted Unit Rents               | 5.00%     | 47,445                     | 48,631         | 49,847    | 51,093    | 52,370    | 53,680    | 55,022    |
| Unrestricted Unit Rents             | 7.00%     | -                          | -              | -         | -         | -         | -         | -         |
| Commercial Rents                    | 50.00%    | -                          | -              | -         | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 5.00%     | -                          | -              | -         | -         | -         | -         | -         |
| Other Project Based Subsidy         | 3.00%     | -                          | -              | -         | -         | -         | -         | -         |
| Income during renovations           | 20.00%    | -                          | -              | -         | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%     | -                          | -              | -         | -         | -         | -         | -         |
| Laundry Income                      | 5.00%     | 896                        | 896            | 896       | 896       | 896       | 896       | 896       |
| Parking & Storage Income            | 50.00%    | -                          | -              | -         | -         | -         | -         | -         |
| Miscellaneous Income                | 50.00%    | -                          | -              | -         | -         | -         | -         | -         |
| TOTAL PROJECTED VACANCY LOSS        |           | 48,341                     | 49,527         | 50,743    | 51,989    | 53,266    | 54,575    | 55,917    |
| EFFECTIVE GROSS INCOME (EGI)        |           | 918,473                    | 941,009        | 964,109   | 987,786   | 1,012,055 | 1,036,931 | 1,062,429 |
| OPERATING EXPENSES                  | CPI / Fee |                            |                |           |           |           |           |           |
| Administrative Expenses             | 3.50%     | 110,682                    | 114,556        | 118,565   | 122,715   | 127,010   | 131,455   | 136,056   |
| Management Fee                      | 5.95%     | 54,649                     | 55,990         | 57,364    | 58,773    | 60,217    | 61,697    | 63,215    |
| Utilities                           | 3.50%     | 118,392                    | 122,536        | 126,824   | 131,263   | 135,857   | 140,612   | 145,534   |
| Operating & Maintenance             | 3.50%     | 150,639                    | 155,912        | 161,368   | 167,016   | 172,862   | 178,912   | 185,174   |
| Ground Lease Payments               | 3.50%     | -                          | -              | -         | -         | -         | -         | -         |
| CalHFA Monitoring Fee               | 0.00%     | 7,500                      | 7,500          | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     |
| Other Agency Monitoring Fee         | 0.00%     | -                          | -              | -         | -         | -         | -         | -         |
| Real Estate Taxes                   | 1.25%     | 718                        | 727            | 736       | 745       | 754       | 764       | 773       |
| Other Taxes & Insurance             | 3.50%     | 77,900                     | 80,627         | 83,449    | 86,370    | 89,392    | 92,521    | 95,759    |
| Required Reserve Payments           | 1.00%     | 28,412                     | 28,696         | 28,983    | 29,272    | 29,565    | 29,861    | 30,159    |
| TOTAL OPERATING EXPENSES            |           | 548,892                    | 566,542        | 584,790   | 603,655   | 623,159   | 643,323   | 664,171   |
| NET OPERATING INCOME (NOI)          |           | 369,581                    | 374,467        | 379,319   | 384,131   | 388,896   | 393,608   | 398,258   |
| DEBT SERVICE PAYMENTS               | Lien #    |                            |                |           |           |           |           |           |
| Perm Refi                           | 1         | 287,672                    | 287,672        | 287,672   | 287,672   | 287,672   | 287,672   | 287,672   |
| -                                   | -         | -                          | -              | -         | -         | -         | -         | -         |
| -                                   | -         | -                          | -              | -         | -         | -         | -         | -         |
| Santa Rosa Housing Authority        | 2         | -                          | -              | -         | -         | -         | -         | -         |
| Santa Rosa HA CDBG                  | 3         | -                          | -              | -         | -         | -         | -         | -         |
| -                                   | -         | -                          | -              | -         | -         | -         | -         | -         |
| -                                   | -         | -                          | -              | -         | -         | -         | -         | -         |
| -                                   | -         | -                          | -              | -         | -         | -         | -         | -         |
| TOTAL DEBT SERVICE & OTHER PAYMENTS |           | 287,672                    | 287,672        | 287,672   | 287,672   | 287,672   | 287,672   | 287,672   |
| CASH FLOW AFTER DEBT SERVICE        |           | 81,909                     | 86,795         | 91,647    | 96,459    | 101,224   | 105,936   | 110,586   |
| DEBT SERVICE COVERAGE RATIO         |           | 1.28                       | 1.30           | 1.32      | 1.34      | 1.35      | 1.37      | 1.38      |
| Date Prepared: 10/30/19             |           | Senior Staff Date: 11/7/19 |                |           |           |           |           |           |

| PROJECTED PERMANENT LOAN CASH FLOWS           |                      |                | West Oaks     |               |               |               |               |               |
|---|----------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Final Commitment                              |                      | Project Number | 19-039-N      |               |               |               |               |               |
| LESS: Asset Management Fee                    | 3%                   | 30,673         | 31,593        | 32,541        | 33,517        | 34,523        | 35,558        | 36,625        |
| LESS: Partnership Management Fee              | 3%                   | -              | -             | -             | -             | -             | -             | -             |
| <b>net CF available for distribution</b>      |                      | <b>51,236</b>  | <b>55,201</b> | <b>59,106</b> | <b>62,942</b> | <b>66,702</b> | <b>70,377</b> | <b>73,961</b> |
| Deferred developer fee repayment              | -                    | -              | -             | -             | -             | -             | -             | -             |
|   |                      | -              | -             | -             | -             | -             | -             | -             |
|   |                      | -              | -             | -             | -             | -             | -             | -             |
| <b>Payments for Residual Receipt Payments</b> |                      |                |               |               |               |               |               |               |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     | 25,618         | 27,601        | 29,553        | 31,471        | 33,351        | 35,189        | 36,980        |
| Santa Rosa Housing Authority                  | 58.15%               | 14,897         | 16,050        | 17,185        | 18,300        | 19,393        | 20,462        | 21,504        |
| Santa Rosa HA CDBG                            | 41.85%               | 10,721         | 11,551        | 12,368        | 13,171        | 13,958        | 14,727        | 15,477        |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       | 25,618         | 27,601        | 29,553        | 31,471        | 33,351        | 35,189        | 36,980        |
| <b>Balances for Residual Receipt Payments</b> |                      |                |               |               |               |               |               |               |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |                |               |               |               |               |               |               |
| Santa Rosa Housing Authority---Simple         | 3.00%                | 1,398,612      | 1,420,150     | 1,440,534     | 1,459,783     | 1,477,917     | 1,494,958     | 1,510,930     |
| Santa Rosa HA CDBG---Simple                   | 3.00%                | 1,006,604      | 1,022,105     | 1,036,776     | 1,050,629     | 1,063,681     | 1,075,945     | 1,087,441     |
| <b>Total Residual Receipts Payments</b>       |                      | 2,405,216      | 2,442,254     | 2,477,310     | 2,510,413     | 2,541,598     | 2,570,903     | 2,598,370     |



| PROJECTED PERMANENT LOAN CASH FLOWS |           |                            |           |           |           | West Oaks      |           |           |  |
|-------------------------------------|-----------|----------------------------|-----------|-----------|-----------|----------------|-----------|-----------|--|
| Final Commitment                    |           |                            |           |           |           | Project Number |           | 19-039-N  |  |
|                                     | YEAR      | 15                         | 16        | 17        | 18        | 19             | 20        | 21        |  |
| RENTAL INCOME                       | CPI       |                            |           |           |           |                |           |           |  |
| Restricted Unit Rents               | 2.50%     | 1,127,943                  | 1,156,142 | 1,185,045 | 1,214,671 | 1,245,038      | 1,276,164 | 1,308,068 |  |
| Unrestricted Unit Rents             | 2.50%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Commercial Rents                    | 2.00%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Project Based Rental Subsidy        | 1.50%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Other Project Based Subsidy         | 1.50%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Income during renovations           | 0.00%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Other Subsidy (Specify)             | 0.00%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Laundry Income                      | 0.00%     | 17,914                     | 17,914    | 17,914    | 17,914    | 17,914         | 17,914    | 17,914    |  |
| Parking & Storage Income            | 2.50%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Miscellaneous Income                | 2.50%     | -                          | -         | -         | -         | -              | -         | -         |  |
| GROSS POTENTIAL INCOME (GPI)        |           | 1,145,857                  | 1,174,056 | 1,202,959 | 1,232,585 | 1,262,952      | 1,294,078 | 1,325,982 |  |
| VACANCY ASSUMPTIONS                 | Vacancy   |                            |           |           |           |                |           |           |  |
| Restricted Unit Rents               | 5.00%     | 56,397                     | 57,807    | 59,252    | 60,734    | 62,252         | 63,808    | 65,403    |  |
| Unrestricted Unit Rents             | 7.00%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Commercial Rents                    | 50.00%    | -                          | -         | -         | -         | -              | -         | -         |  |
| Project Based Rental Subsidy        | 5.00%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Other Project Based Subsidy         | 3.00%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Income during renovations           | 20.00%    | -                          | -         | -         | -         | -              | -         | -         |  |
| Other Subsidy (Specify)             | 0.00%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Laundry Income                      | 5.00%     | 896                        | 896       | 896       | 896       | 896            | 896       | 896       |  |
| Parking & Storage Income            | 50.00%    | -                          | -         | -         | -         | -              | -         | -         |  |
| Miscellaneous Income                | 50.00%    | -                          | -         | -         | -         | -              | -         | -         |  |
| TOTAL PROJECTED VACANCY LOSS        |           | 57,293                     | 58,703    | 60,148    | 61,629    | 63,148         | 64,704    | 66,299    |  |
| EFFECTIVE GROSS INCOME (EGI)        |           | 1,088,564                  | 1,115,353 | 1,142,811 | 1,170,956 | 1,199,805      | 1,229,374 | 1,259,683 |  |
| OPERATING EXPENSES                  | CPI / Fee |                            |           |           |           |                |           |           |  |
| Administrative Expenses             | 3.50%     | 140,818                    | 145,747   | 150,848   | 156,128   | 161,592        | 167,248   | 173,102   |  |
| Management Fee                      | 5.95%     | 64,770                     | 66,363    | 67,997    | 69,672    | 71,388         | 73,148    | 74,951    |  |
| Utilities                           | 3.50%     | 150,628                    | 155,900   | 161,356   | 167,004   | 172,849        | 178,898   | 185,160   |  |
| Operating & Maintenance             | 3.50%     | 191,655                    | 198,363   | 205,306   | 212,491   | 219,929        | 227,626   | 235,593   |  |
| Ground Lease Payments               | 3.50%     | -                          | -         | -         | -         | -              | -         | -         |  |
| CalHFA Monitoring Fee               | 0.00%     | 7,500                      | 7,500     | 7,500     | 7,500     | 7,500          | 7,500     | 7,500     |  |
| Other Agency Monitoring Fee         | 0.00%     | -                          | -         | -         | -         | -              | -         | -         |  |
| Real Estate Taxes                   | 1.25%     | 783                        | 793       | 803       | 813       | 823            | 833       | 844       |  |
| Other Taxes & Insurance             | 3.50%     | 99,111                     | 102,580   | 106,170   | 109,886   | 113,732        | 117,713   | 121,833   |  |
| Required Reserve Payments           | 1.00%     | 30,461                     | 30,766    | 31,073    | 31,384    | 31,698         | 32,015    | 32,335    |  |
| TOTAL OPERATING EXPENSES            |           | 685,726                    | 708,011   | 731,053   | 754,878   | 779,511        | 804,981   | 831,317   |  |
| NET OPERATING INCOME (NOI)          |           | 402,839                    | 407,341   | 411,758   | 416,078   | 420,294        | 424,393   | 428,366   |  |
| DEBT SERVICE PAYMENTS               | Lien #    |                            |           |           |           |                |           |           |  |
| Perm Refi                           | 1         | 287,672                    | 287,672   | 287,672   | 287,672   | 287,672        | 287,672   | 287,672   |  |
| -                                   | -         | -                          | -         | -         | -         | -              | -         | -         |  |
| -                                   | -         | -                          | -         | -         | -         | -              | -         | -         |  |
| Santa Rosa Housing Authority        | 2         | -                          | -         | -         | -         | -              | -         | -         |  |
| Santa Rosa HA CDBG                  | 3         | -                          | -         | -         | -         | -              | -         | -         |  |
| -                                   | -         | -                          | -         | -         | -         | -              | -         | -         |  |
| -                                   | -         | -                          | -         | -         | -         | -              | -         | -         |  |
| -                                   | -         | -                          | -         | -         | -         | -              | -         | -         |  |
| TOTAL DEBT SERVICE & OTHER PAYMENTS |           | 287,672                    | 287,672   | 287,672   | 287,672   | 287,672        | 287,672   | 287,672   |  |
| CASH FLOW AFTER DEBT SERVICE        |           | 115,167                    | 119,669   | 124,086   | 128,407   | 132,622        | 136,721   | 140,694   |  |
| DEBT SERVICE COVERAGE RATIO         |           | 1.40                       | 1.42      | 1.43      | 1.45      | 1.46           | 1.48      | 1.49      |  |
| Date Prepared: 10/30/19             |           | Senior Staff Date: 11/7/19 |           |           |           |                |           |           |  |

| PROJECTED PERMANENT LOAN CASH FLOWS           |                      |                  |                  |                  |                  | West Oaks        |                  |                  |
|---|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Final Commitment                              |                      |                  |                  |                  |                  | Project Number   | 19-039-N         |                  |
| LESS: Asset Management Fee                    | 3%                   | 37,724           | 38,856           | 40,021           | 41,222           | 42,459           | 43,732           | 45,044           |
| LESS: Partnership Management Fee              | 3%                   | -                | -                | -                | -                | -                | -                | -                |
| <b>net CF available for distribution</b>      |                      | <b>77,443</b>    | <b>80,814</b>    | <b>84,065</b>    | <b>87,185</b>    | <b>90,163</b>    | <b>92,989</b>    | <b>95,650</b>    |
| Deferred developer fee repayment              | -                    | -                | -                | -                | -                | -                | -                | -                |
|   |                      | -                | -                | -                | -                | -                | -                | -                |
|   |                      | -                | -                | -                | -                | -                | -                | -                |
| <b>Payments for Residual Receipt Payments</b> |                      |                  |                  |                  |                  |                  |                  |                  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     | 38,721           | 40,407           | 42,032           | 43,592           | 45,081           | 46,494           | 47,825           |
| Santa Rosa Housing Authority                  | 58.15%               | 22,516           | 23,496           | 24,441           | 25,349           | 26,214           | 27,036           | 27,810           |
| Santa Rosa HA CDBG                            | 41.85%               | 16,205           | 16,911           | 17,591           | 18,244           | 18,867           | 19,458           | 20,015           |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       | <b>38,721</b>    | <b>40,407</b>    | <b>42,032</b>    | <b>43,592</b>    | <b>45,081</b>    | <b>46,494</b>    | <b>47,825</b>    |
| <b>Balances for Residual Receipt Payments</b> |                      |                  |                  |                  |                  |                  |                  |                  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |                  |                  |                  |                  |                  |                  |                  |
| Santa Rosa Housing Authority---Simple         | 3.00%                | 1,525,860        | 1,539,778        | 1,552,716        | 1,564,708        | 1,575,794        | 1,586,013        | 1,595,411        |
| Santa Rosa HA CDBG---Simple                   | 3.00%                | 1,098,186        | 1,108,203        | 1,117,514        | 1,126,146        | 1,134,124        | 1,141,479        | 1,148,243        |
| <b>Total Residual Receipts Payments</b>       |                      | <b>2,624,046</b> | <b>2,647,981</b> | <b>2,670,230</b> | <b>2,690,854</b> | <b>2,709,918</b> | <b>2,727,492</b> | <b>2,743,654</b> |

| PROJECTED PERMANENT LOAN CASH FLOWS |           |           |           |           |           |           |           |           |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Final Commitment                    |           |           |           |           |           |           |           |           |
|                                     | YEAR      | 22        | 23        | 24        | 25        | 26        | 27        | 28        |
| RENTAL INCOME                       | CPI       |           |           |           |           |           |           |           |
| Restricted Unit Rents               | 2.50%     | 1,340,770 | 1,374,289 | 1,408,646 | 1,443,863 | 1,479,959 | 1,516,958 | 1,554,882 |
| Unrestricted Unit Rents             | 2.50%     | -         | -         | -         | -         | -         | -         | -         |
| Commercial Rents                    | 2.00%     | -         | -         | -         | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 1.50%     | -         | -         | -         | -         | -         | -         | -         |
| Other Project Based Subsidy         | 1.50%     | -         | -         | -         | -         | -         | -         | -         |
| Income during renovations           | 0.00%     | -         | -         | -         | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%     | -         | -         | -         | -         | -         | -         | -         |
| Laundry Income                      | 0.00%     | 17,914    | 17,914    | 17,914    | 17,914    | 17,914    | 17,914    | 17,914    |
| Parking & Storage Income            | 2.50%     | -         | -         | -         | -         | -         | -         | -         |
| Miscellaneous Income                | 2.50%     | -         | -         | -         | -         | -         | -         | -         |
| GROSS POTENTIAL INCOME (GPI)        |           | 1,358,684 | 1,392,203 | 1,426,560 | 1,461,777 | 1,497,873 | 1,534,872 | 1,572,796 |
| VACANCY ASSUMPTIONS                 | Vacancy   |           |           |           |           |           |           |           |
| Restricted Unit Rents               | 5.00%     | 67,038    | 68,714    | 70,432    | 72,193    | 73,998    | 75,848    | 77,744    |
| Unrestricted Unit Rents             | 7.00%     | -         | -         | -         | -         | -         | -         | -         |
| Commercial Rents                    | 50.00%    | -         | -         | -         | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 5.00%     | -         | -         | -         | -         | -         | -         | -         |
| Other Project Based Subsidy         | 3.00%     | -         | -         | -         | -         | -         | -         | -         |
| Income during renovations           | 20.00%    | -         | -         | -         | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%     | -         | -         | -         | -         | -         | -         | -         |
| Laundry Income                      | 5.00%     | 896       | 896       | 896       | 896       | 896       | 896       | 896       |
| Parking & Storage Income            | 50.00%    | -         | -         | -         | -         | -         | -         | -         |
| Miscellaneous Income                | 50.00%    | -         | -         | -         | -         | -         | -         | -         |
| TOTAL PROJECTED VACANCY LOSS        |           | 67,934    | 69,610    | 71,328    | 73,089    | 74,894    | 76,744    | 78,640    |
| EFFECTIVE GROSS INCOME (EGI)        |           | 1,290,750 | 1,322,593 | 1,355,232 | 1,388,688 | 1,422,979 | 1,458,128 | 1,494,156 |
| OPERATING EXPENSES                  | CPI / Fee |           |           |           |           |           |           |           |
| Administrative Expenses             | 3.50%     | 179,160   | 185,431   | 191,921   | 198,638   | 205,590   | 212,786   | 220,234   |
| Management Fee                      | 5.95%     | 76,800    | 78,694    | 80,636    | 82,627    | 84,667    | 86,759    | 88,902    |
| Utilities                           | 3.50%     | 191,640   | 198,348   | 205,290   | 212,475   | 219,912   | 227,609   | 235,575   |
| Operating & Maintenance             | 3.50%     | 243,839   | 252,373   | 261,206   | 270,348   | 279,811   | 289,604   | 299,740   |
| Ground Lease Payments               | 3.50%     | -         | -         | -         | -         | -         | -         | -         |
| CalHFA Monitoring Fee               | 0.00%     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     |
| Other Agency Monitoring Fee         | 0.00%     | -         | -         | -         | -         | -         | -         | -         |
| Real Estate Taxes                   | 1.25%     | 854       | 865       | 876       | 887       | 898       | 909       | 920       |
| Other Taxes & Insurance             | 3.50%     | 126,097   | 130,510   | 135,078   | 139,806   | 144,699   | 149,764   | 155,005   |
| Required Reserve Payments           | 1.00%     | 32,658    | 32,985    | 33,315    | 33,648    | 33,984    | 34,324    | 34,668    |
| TOTAL OPERATING EXPENSES            |           | 858,548   | 886,706   | 915,822   | 945,929   | 977,061   | 1,009,254 | 1,042,544 |
| NET OPERATING INCOME (NOI)          |           | 432,201   | 435,887   | 439,410   | 442,759   | 445,918   | 448,874   | 451,612   |
| DEBT SERVICE PAYMENTS               | Lien #    |           |           |           |           |           |           |           |
| Perm Refi                           | 1         | 287,672   | 287,672   | 287,672   | 287,672   | 287,672   | 287,672   | 287,672   |
| -                                   | -         | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -         | -         | -         | -         | -         | -         | -         | -         |
| Santa Rosa Housing Authority        | 2         | -         | -         | -         | -         | -         | -         | -         |
| Santa Rosa HA CDBG                  | 3         | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -         | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -         | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -         | -         | -         | -         | -         | -         | -         | -         |
| TOTAL DEBT SERVICE & OTHER PAYMENTS |           | 287,672   | 287,672   | 287,672   | 287,672   | 287,672   | 287,672   | 287,672   |
| CASH FLOW AFTER DEBT SERVICE        |           | 144,529   | 148,215   | 151,738   | 155,087   | 158,246   | 161,202   | 163,940   |
| DEBT SERVICE COVERAGE RATIO         |           | 1.50      | 1.52      | 1.53      | 1.54      | 1.55      | 1.56      | 1.57      |
| Date Prepared: 10/30/19             |           |           |           |           |           |           |           |           |

**PROJECTED PERMANENT LOAN CASH FLOWS****Final Commitment**

|  |    |               |                |                |                |                |                |                |
|--|----|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| LESS: Asset Management Fee               | 3% | 46,396        | 47,788         | 49,221         | 50,698         | 52,219         | 53,785         | 55,399         |
| LESS: Partnership Management Fee         | 3% | -             | -              | -              | -              | -              | -              | -              |
| <b>net CF available for distribution</b> |    | <b>98,134</b> | <b>100,427</b> | <b>102,517</b> | <b>104,389</b> | <b>106,027</b> | <b>107,417</b> | <b>108,541</b> |

|                                  |   |   |   |   |   |   |   |   |
|----------------------------------|---|---|---|---|---|---|---|---|
| Deferred developer fee repayment | - | - | - | - | - | - | - | - |
|                                  |   | - | - | - | - | - | - | - |
|                                  |   | - | - | - | - | - | - | - |

**Payments for Residual Receipt Payments**

|   |                  |        |        |        |        |        |        |        |
|---|------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>RESIDUAL RECEIPTS LOANS</b>          | <u>Payment %</u> | 49,067 | 50,214 | 51,259 | 52,194 | 53,014 | 53,708 | 54,271 |
| Santa Rosa Housing Authority            | 58.15%           | 28,532 | 29,199 | 29,806 | 30,351 | 30,827 | 31,231 | 31,558 |
| Santa Rosa HA CDBG                      | 41.85%           | 20,535 | 21,015 | 21,452 | 21,844 | 22,187 | 22,477 | 22,713 |
| <b>Total Residual Receipts Payments</b> | <b>100.00%</b>   | 49,067 | 50,214 | 51,259 | 52,194 | 53,014 | 53,708 | 54,271 |

**Balances for Residual Receipt Payments**

|   |                      |           |           |           |           |           |           |           |
|---|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>RESIDUAL RECEIPTS LOANS</b>          | <u>Interest Rate</u> |           |           |           |           |           |           |           |
| Santa Rosa Housing Authority---Simple   | 3.00%                | 1,604,035 | 1,611,937 | 1,619,172 | 1,625,800 | 1,631,883 | 1,637,490 | 1,642,693 |
| Santa Rosa HA CDBG---Simple             | 3.00%                | 1,154,450 | 1,160,137 | 1,165,344 | 1,170,114 | 1,174,493 | 1,178,528 | 1,182,273 |
| <b>Total Residual Receipts Payments</b> |                      | 2,758,485 | 2,772,074 | 2,784,517 | 2,795,914 | 2,806,376 | 2,816,018 | 2,824,966 |

| PROJECTED PERMANENT LOAN CASH FLOWS            |                  |                  | West Oaks          |                  |                  |                  |                  |                  |
|--|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|------------------|
| Final Commitment                               |                  | Project Number   | 19-039-N           |                  |                  |                  |                  |                  |
|  | YEAR             | 29               | 30                 | 31               | 32               | 33               | 34               | 35               |
| <b>RENTAL INCOME</b>                           | <b>CPI</b>       |                  |                    |                  |                  |                  |                  |                  |
| Restricted Unit Rents                          | 2.50%            | 1,593,754        | 1,633,598          | 1,674,438        | 1,716,299        | 1,759,206        | 1,803,186        | 1,848,266        |
| Unrestricted Unit Rents                        | 2.50%            | -                | -                  | -                | -                | -                | -                | -                |
| Commercial Rents                               | 2.00%            | -                | -                  | -                | -                | -                | -                | -                |
| Project Based Rental Subsidy                   | 1.50%            | -                | -                  | -                | -                | -                | -                | -                |
| Other Project Based Subsidy                    | 1.50%            | -                | -                  | -                | -                | -                | -                | -                |
| Income during renovations                      | 0.00%            | -                | -                  | -                | -                | -                | -                | -                |
| Other Subsidy (Specify)                        | 0.00%            | -                | -                  | -                | -                | -                | -                | -                |
| Laundry Income                                 | 0.00%            | 17,914           | 17,914             | 17,914           | 17,914           | 17,914           | 17,914           | 17,914           |
| Parking & Storage Income                       | 2.50%            | -                | -                  | -                | -                | -                | -                | -                |
| Miscellaneous Income                           | 2.50%            | -                | -                  | -                | -                | -                | -                | -                |
| <b>GROSS POTENTIAL INCOME (GPI)</b>            |                  | <b>1,611,668</b> | <b>1,651,512</b>   | <b>1,692,352</b> | <b>1,734,213</b> | <b>1,777,120</b> | <b>1,821,100</b> | <b>1,866,180</b> |
| <b>VACANCY ASSUMPTIONS</b>                     | <b>Vacancy</b>   |                  |                    |                  |                  |                  |                  |                  |
| Restricted Unit Rents                          | 5.00%            | 79,688           | 81,680             | 83,722           | 85,815           | 87,960           | 90,159           | 92,413           |
| Unrestricted Unit Rents                        | 7.00%            | -                | -                  | -                | -                | -                | -                | -                |
| Commercial Rents                               | 50.00%           | -                | -                  | -                | -                | -                | -                | -                |
| Project Based Rental Subsidy                   | 5.00%            | -                | -                  | -                | -                | -                | -                | -                |
| Other Project Based Subsidy                    | 3.00%            | -                | -                  | -                | -                | -                | -                | -                |
| Income during renovations                      | 20.00%           | -                | -                  | -                | -                | -                | -                | -                |
| Other Subsidy (Specify)                        | 0.00%            | -                | -                  | -                | -                | -                | -                | -                |
| Laundry Income                                 | 5.00%            | 896              | 896                | 896              | 896              | 896              | 896              | 896              |
| Parking & Storage Income                       | 50.00%           | -                | -                  | -                | -                | -                | -                | -                |
| Miscellaneous Income                           | 50.00%           | -                | -                  | -                | -                | -                | -                | -                |
| <b>TOTAL PROJECTED VACANCY LOSS</b>            |                  | <b>80,583</b>    | <b>82,576</b>      | <b>84,618</b>    | <b>86,711</b>    | <b>88,856</b>    | <b>91,055</b>    | <b>93,309</b>    |
| <b>EFFECTIVE GROSS INCOME (EGI)</b>            |                  | <b>1,531,085</b> | <b>1,568,936</b>   | <b>1,607,734</b> | <b>1,647,502</b> | <b>1,688,264</b> | <b>1,730,045</b> | <b>1,772,871</b> |
| <b>OPERATING EXPENSES</b>                      | <b>CPI / Fee</b> |                  |                    |                  |                  |                  |                  |                  |
| Administrative Expenses                        | 3.50%            | 227,942          | 235,920            | 244,177          | 252,723          | 261,569          | 270,723          | 280,199          |
| Management Fee                                 | 5.95%            | 91,100           | 93,352             | 95,660           | 98,026           | 100,452          | 102,938          | 105,486          |
| Utilities                                      | 3.50%            | 243,820          | 252,354            | 261,186          | 270,328          | 279,789          | 289,582          | 299,717          |
| Operating & Maintenance                        | 3.50%            | 310,231          | 321,089            | 332,327          | 343,959          | 355,997          | 368,457          | 381,353          |
| Ground Lease Payments                          | 3.50%            | -                | -                  | -                | -                | -                | -                | -                |
| CalHFA Monitoring Fee                          | 0.00%            | 7,500            | 7,500              | 7,500            | 7,500            | 7,500            | 7,500            | 7,500            |
| Other Agency Monitoring Fee                    | 0.00%            | -                | -                  | -                | -                | -                | -                | -                |
| Real Estate Taxes                              | 1.25%            | 932              | 943                | 955              | 967              | 979              | 991              | 1,004            |
| Other Taxes & Insurance                        | 3.50%            | 160,431          | 166,046            | 171,857          | 177,872          | 184,098          | 190,541          | 197,210          |
| Required Reserve Payments                      | 1.00%            | 35,014           | 35,364             | 35,718           | 36,075           | 36,436           | 36,800           | 37,168           |
| <b>TOTAL OPERATING EXPENSES</b>                |                  | <b>1,076,969</b> | <b>1,112,568</b>   | <b>1,149,381</b> | <b>1,187,450</b> | <b>1,226,819</b> | <b>1,267,533</b> | <b>1,309,637</b> |
| <b>NET OPERATING INCOME (NOI)</b>              |                  | <b>454,116</b>   | <b>456,369</b>     | <b>458,353</b>   | <b>460,052</b>   | <b>461,445</b>   | <b>462,513</b>   | <b>463,234</b>   |
| <b>DEBT SERVICE PAYMENTS</b>                   | <b>Lien #</b>    |                  |                    |                  |                  |                  |                  |                  |
| Perm Refi                                      | 1                | 287,672          | 287,672            | -                | -                | -                | -                | -                |
| -  | -                | -                | -                  | -                | -                | -                | -                | -                |
| -  | -                | -                | -                  | -                | -                | -                | -                | -                |
| Santa Rosa Housing Authority                   | 2                | -                | -                  | -                | -                | -                | -                | -                |
| Santa Rosa HA CDBG                             | 3                | -                | -                  | -                | -                | -                | -                | -                |
| -  | -                | -                | -                  | -                | -                | -                | -                | -                |
| -  | -                | -                | -                  | -                | -                | -                | -                | -                |
| -  | -                | -                | -                  | -                | -                | -                | -                | -                |
| <b>TOTAL DEBT SERVICE &amp; OTHER PAYMENTS</b> |                  | <b>287,672</b>   | <b>287,672</b>     | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>CASH FLOW AFTER DEBT SERVICE</b>            |                  | <b>166,444</b>   | <b>168,697</b>     | <b>458,353</b>   | <b>460,052</b>   | <b>461,445</b>   | <b>462,513</b>   | <b>463,234</b>   |
| <b>DEBT SERVICE COVERAGE RATIO</b>             |                  | <b>1.58</b>      | <b>1.59</b>        | <b>NA</b>        | <b>NA</b>        | <b>NA</b>        | <b>NA</b>        | <b>NA</b>        |
| Date Prepared:                                 |                  | 10/30/19         | Senior Staff Date: |                  | 11/7/19          |                  |                  |                  |

| PROJECTED PERMANENT LOAN CASH FLOWS           |                      |                  | West Oaks        |                  |                  |                  |                  |                  |  |
|---|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--|
| Final Commitment                              |                      | Project Number   | 19-039-N         |                  |                  |                  |                  |                  |  |
| LESS: Asset Management Fee                    | 3%                   | 57,061           | 58,773           | 60,536           | 62,352           | 64,223           | 66,149           | 68,134           |  |
| LESS: Partnership Management Fee              | 3%                   | -                | -                | -                | -                | -                | -                | -                |  |
| <b>net CF available for distribution</b>      |                      | <b>109,383</b>   | <b>109,924</b>   | <b>397,817</b>   | <b>397,700</b>   | <b>397,222</b>   | <b>396,363</b>   | <b>395,100</b>   |  |
| Deferred developer fee repayment              | -                    | -                | -                | -                | -                | -                | -                | -                |  |
|   |                      | -                | -                | -                | -                | -                | -                | -                |  |
|   |                      | -                | -                | -                | -                | -                | -                | -                |  |
| <b>Payments for Residual Receipt Payments</b> |                      |                  |                  |                  |                  |                  |                  |                  |  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     | 54,691           | 54,962           | 198,909          | 198,850          | 198,611          | 198,182          | 197,550          |  |
| Santa Rosa Housing Authority                  | 58.15%               | 31,803           | 31,960           | 115,664          | 115,629          | 115,491          | 115,241          | 114,874          |  |
| Santa Rosa HA CDBG                            | 41.85%               | 22,889           | 23,002           | 83,245           | 83,220           | 83,120           | 82,941           | 82,676           |  |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       | <b>54,691</b>    | <b>54,962</b>    | <b>198,909</b>   | <b>198,850</b>   | <b>198,611</b>   | <b>198,182</b>   | <b>197,550</b>   |  |
| <b>Balances for Residual Receipt Payments</b> |                      |                  |                  |                  |                  |                  |                  |                  |  |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |                  |                  |                  |                  |                  |                  |                  |  |
| Santa Rosa Housing Authority---Simple         | 3.00%                | 1,647,569        | 1,652,201        | 1,656,675        | 1,577,445        | 1,498,249        | 1,419,193        | 1,340,386        |  |
| Santa Rosa HA CDBG---Simple                   | 3.00%                | 1,185,782        | 1,189,115        | 1,192,335        | 1,135,312        | 1,078,314        | 1,021,416        | 964,697          |  |
| <b>Total Residual Receipts Payments</b>       |                      | <b>2,833,351</b> | <b>2,841,316</b> | <b>2,849,010</b> | <b>2,712,757</b> | <b>2,576,564</b> | <b>2,440,608</b> | <b>2,305,083</b> |  |

| PROJECTED PERMANENT LOAN CASH FLOWS |           |                            |           |           |           | West Oaks |
|-------------------------------------|-----------|----------------------------|-----------|-----------|-----------|-----------|
| Final Commitment                    |           | Project Number             |           |           |           | 19-039-N  |
|                                     | YEAR      | 36                         | 37        | 38        | 39        | 40        |
| RENTAL INCOME                       | CPI       |                            |           |           |           |           |
| Restricted Unit Rents               | 2.50%     | 1,894,473                  | 1,941,835 | 1,990,380 | 2,040,140 | 2,091,143 |
| Unrestricted Unit Rents             | 2.50%     | -                          | -         | -         | -         | -         |
| Commercial Rents                    | 2.00%     | -                          | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 1.50%     | -                          | -         | -         | -         | -         |
| Other Project Based Subsidy         | 1.50%     | -                          | -         | -         | -         | -         |
| Income during renovations           | 0.00%     | -                          | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%     | -                          | -         | -         | -         | -         |
| Laundry Income                      | 0.00%     | 17,914                     | 17,914    | 17,914    | 17,914    | 17,914    |
| Parking & Storage Income            | 2.50%     | -                          | -         | -         | -         | -         |
| Miscellaneous Income                | 2.50%     | -                          | -         | -         | -         | -         |
| GROSS POTENTIAL INCOME (GPI)        |           | 1,912,387                  | 1,959,749 | 2,008,294 | 2,058,054 | 2,109,057 |
| VACANCY ASSUMPTIONS                 | Vacancy   |                            |           |           |           |           |
| Restricted Unit Rents               | 5.00%     | 94,724                     | 97,092    | 99,519    | 102,007   | 104,557   |
| Unrestricted Unit Rents             | 7.00%     | -                          | -         | -         | -         | -         |
| Commercial Rents                    | 50.00%    | -                          | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 5.00%     | -                          | -         | -         | -         | -         |
| Other Project Based Subsidy         | 3.00%     | -                          | -         | -         | -         | -         |
| Income during renovations           | 20.00%    | -                          | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%     | -                          | -         | -         | -         | -         |
| Laundry Income                      | 5.00%     | 896                        | 896       | 896       | 896       | 896       |
| Parking & Storage Income            | 50.00%    | -                          | -         | -         | -         | -         |
| Miscellaneous Income                | 50.00%    | -                          | -         | -         | -         | -         |
| TOTAL PROJECTED VACANCY LOSS        |           | 95,619                     | 97,987    | 100,415   | 102,903   | 105,453   |
| EFFECTIVE GROSS INCOME (EGI)        |           | 1,816,767                  | 1,861,761 | 1,907,880 | 1,955,151 | 2,003,605 |
| OPERATING EXPENSES                  | CPI / Fee |                            |           |           |           |           |
| Administrative Expenses             | 3.50%     | 290,006                    | 300,156   | 310,661   | 321,535   | 332,788   |
| Management Fee                      | 5.95%     | 108,098                    | 110,775   | 113,519   | 116,331   | 119,214   |
| Utilities                           | 3.50%     | 310,207                    | 321,065   | 332,302   | 343,932   | 355,970   |
| Operating & Maintenance             | 3.50%     | 394,700                    | 408,515   | 422,813   | 437,611   | 452,928   |
| Ground Lease Payments               | 3.50%     | -                          | -         | -         | -         | -         |
| CalHFA Monitoring Fee               | 0.00%     | 7,500                      | 7,500     | 7,500     | 7,500     | 7,500     |
| Other Agency Monitoring Fee         | 0.00%     | -                          | -         | -         | -         | -         |
| Real Estate Taxes                   | 1.25%     | 1,016                      | 1,029     | 1,042     | 1,055     | 1,068     |
| Other Taxes & Insurance             | 3.50%     | 204,112                    | 211,256   | 218,650   | 226,303   | 234,224   |
| Required Reserve Payments           | 1.00%     | 37,540                     | 37,915    | 38,295    | 38,677    | 39,064    |
| TOTAL OPERATING EXPENSES            |           | 1,353,180                  | 1,398,211 | 1,444,782 | 1,492,945 | 1,542,757 |
| NET OPERATING INCOME (NOI)          |           | 463,588                    | 463,550   | 463,098   | 462,206   | 460,848   |
| DEBT SERVICE PAYMENTS               | Lien #    |                            |           |           |           |           |
| Perm Refi                           | 1         | -                          | -         | -         | -         | -         |
| -                                   | -         | -                          | -         | -         | -         | -         |
| -                                   | -         | -                          | -         | -         | -         | -         |
| Santa Rosa Housing Authority        | 2         | -                          | -         | -         | -         | -         |
| Santa Rosa HA CDBG                  | 3         | -                          | -         | -         | -         | -         |
| -                                   | -         | -                          | -         | -         | -         | -         |
| -                                   | -         | -                          | -         | -         | -         | -         |
| -                                   | -         | -                          | -         | -         | -         | -         |
| TOTAL DEBT SERVICE & OTHER PAYMENTS |           | -                          | -         | -         | -         | -         |
| CASH FLOW AFTER DEBT SERVICE        |           | 463,588                    | 463,550   | 463,098   | 462,206   | 460,848   |
| DEBT SERVICE COVERAGE RATIO         |           | NA                         | NA        | NA        | NA        | NA        |
| Date Prepared: 10/30/19             |           | Senior Staff Date: 11/7/19 |           |           |           |           |

| PROJECTED PERMANENT LOAN CASH FLOWS    |    |               |           |           |           | West Oaks      |           |
|--|----|---------------|-----------|-----------|-----------|----------------|-----------|
| Final Commitment                       |    |               |           |           |           | Project Number | 19-039-N  |
| LESS: Asset Management Fee             | 3% | 70,178        | 72,283    | 74,452    | 76,685    | 78,986         |           |
| LESS: Partnership Management Fee       | 3% | -             | -         | -         | -         | -              |           |
| net CF available for distribution      |    | 393,410       | 391,267   | 388,646   | 385,521   | 381,862        |           |
| Deferred developer fee repayment       |    | -             | -         | -         | -         | -              |           |
|  |    | -             | -         | -         | -         | -              |           |
|  |    | -             | -         | -         | -         | -              |           |
| Payments for Residual Receipt Payments |    |               |           |           |           |                |           |
| RESIDUAL RECEIPTS LOANS                |    | Payment %     | 196,705   | 195,634   | 194,323   | 192,760        | 190,931   |
| Santa Rosa Housing Authority           |    | 58.15%        | 114,382   | 113,759   | 112,997   | 112,089        | 111,025   |
| Santa Rosa HA CDBG                     |    | 41.85%        | 82,323    | 81,874    | 81,326    | 80,672         | 79,906    |
| Total Residual Receipts Payments       |    | 100.00%       | 196,705   | 195,634   | 194,323   | 192,760        | 190,931   |
| Balances for Residual Receipt Payments |    |               |           |           |           |                |           |
| RESIDUAL RECEIPTS LOANS                |    | Interest Rate |           |           |           |                |           |
| Santa Rosa Housing Authority---Simple  |    | 3.00%         | 1,261,946 | 1,183,998 | 1,105,758 | 1,025,934      | 944,623   |
| Santa Rosa HA CDBG---Simple            |    | 3.00%         | 908,243   | 852,142   | 795,832   | 738,381        | 679,861   |
| Total Residual Receipts Payments       |    |               | 2,170,189 | 2,036,140 | 1,901,590 | 1,764,315      | 1,624,484 |





## TAXABLE PERMANENT LOAN PROGRAM

CalHFA's Taxable Permanent Loan Program ("Perm Loan") provides competitive long-term financing for affordable multifamily rental housing Projects. Eligible projects include newly constructed or acquisition/rehabilitation developments that provide affordable housing opportunities for individuals, families, seniors, veterans, and special needs tenants ("Project").

|                                    |  |
|------------------------------------|--|
| <b>Qualifications</b>              | <ul style="list-style-type: none"> <li>• Available to for-profit, non-profit, and public agency sponsors.</li> <li>• The Perm Loan may be used with or without 9% low income housing tax credits.</li> <li>• For Section 8 Projects, final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract.</li> <li>• The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program.</li> <li>• For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit <a href="http://www.calhfa.ca.gov">www.calhfa.ca.gov</a> for the <a href="#">CalHFA Portfolio Loan Prepayment Policy</a>.</li> </ul>  |
| <b>Loan Amount</b>                 | <ul style="list-style-type: none"> <li>• Minimum Perm Loan amount of \$5,000,000.</li> <li>• Minimum 1.15x for debt service coverage ratio (include any financing with amortizing debt).</li> <li>• Lesser of 90% of restricted value or 100% of development costs. For Projects with equity being cashed out, the Perm Loan amount will be restricted to no more than 80% of the restricted value.</li> </ul>   |
| <b>Fees</b><br>(subject to change) | <ul style="list-style-type: none"> <li>• Application Fee: \$10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Loan Fee.</li> <li>• Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing.</li> <li>• Cost of Issuance Fee: \$110,000, half due at final commitment, with balance due at Perm Loan closing.</li> <li>• Credit Enhancement Fee: included in the interest rate.</li> <li>• Annual Administrative Fee: \$7,500 annually.</li> <li>• Inspection fees should be estimated at \$500 - \$1,000 per month (reports and fees can be shared with other construction lenders).</li> <li>• Legal Fee: \$35,000 due at Perm Loan closing.</li> <li>• Administrative Fee: \$1,000 due at Perm Loan closing.</li> <li>• Letter of Interest Fee: \$5,000 at LOI request, and is credited towards the CalHFA Perm Loan Fee</li> </ul> <p>Some fees may be consolidated if combined with other CalHFA financing.</p> |

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## TAXABLE PERMANENT LOAN PROGRAM

|  |   |
|--|---|
| <b>Rate &amp; Terms</b><br>(subject to change) | <p>Interest Rate:</p> <ul style="list-style-type: none"> <li>• 17 Year Balloon: 10 Year Constant Maturing Treasury plus CalHFA spread</li> <li>• 30 Year Balloon and Fully Amortizing Loans: 10 Year Constant Maturing Treasury plus CalHFA spread</li> <li>• Estimated CalHFA Spread: 2.75% to 3.50%</li> <li>• Rate may be locked up to 30 days prior to the construction loan closing. Rate may be locked for the term of the construction period, not to exceed 3 years.</li> </ul> <p>Amortization/Term:</p> <ul style="list-style-type: none"> <li>• Amortization: Up to 35 Year Amortization<sup>1</sup></li> <li>• Term: Fully Amortizing, and 17 or 30 Year Balloons available<sup>2</sup></li> <li>• A six-month extension is permitted upon payment of a fee equal to 0.50% of the Perm Loan amount.</li> <li>• Perm Loan Reduction – up to 10% reduction at Perm Loan closing is permitted at no cost.</li> <li>• Breakage Fee – if applicable; between construction loan closing and Perm Loan closing and calculated based on hedge termination cost.</li> </ul> <p>1. The Agency may offer up to a 40 year amortization at its discretion.<br/>         2. Balloon loans subject to agency approved exit strategy.</p> |
| <b>Loan Closing Requirements</b>               | <ul style="list-style-type: none"> <li>• 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls.</li> <li>• 90% of tax credit investor equity shall have been paid into the Project.</li> <li>• Project income is sufficient to pay operating expense and the required debt service and reserves.</li> <li>• For mixed-use Projects 100% non-residential occupancy as evidenced by executed leases or guarantees.</li> </ul>  |
| <b>Prepayment</b>                              | <p>The Perm Loan may be prepaid at par after 15 years of the Perm Loan period. However, the Perm Loan may be prepaid after 10 years of the Perm Loan period subject to a yield maintenance calculation of:</p> <ul style="list-style-type: none"> <li>• 5% of the principal balance after the end of year 10</li> <li>• 4% of the principal balance after the end of year 11</li> <li>• 3% of the principal balance after the end of year 12</li> <li>• 2% of the principal balance after the end of year 13</li> <li>• 1% of the principal balance after the end of year 14</li> </ul> <p>All prepayments require a prior written 120-day notice to CalHFA.</p>  |
| <b>Subordinate Financing</b>                   | <p>Financing or grants are encouraged from local governments and third parties to achieve project feasibility. All financing, leases, development and regulatory agreements must be coterminous (or have a longer term than the combined terms of any CalHFA Acq/Rehab Loan and Perm Loan) and be subordinate to CalHFA financing.</p>  |

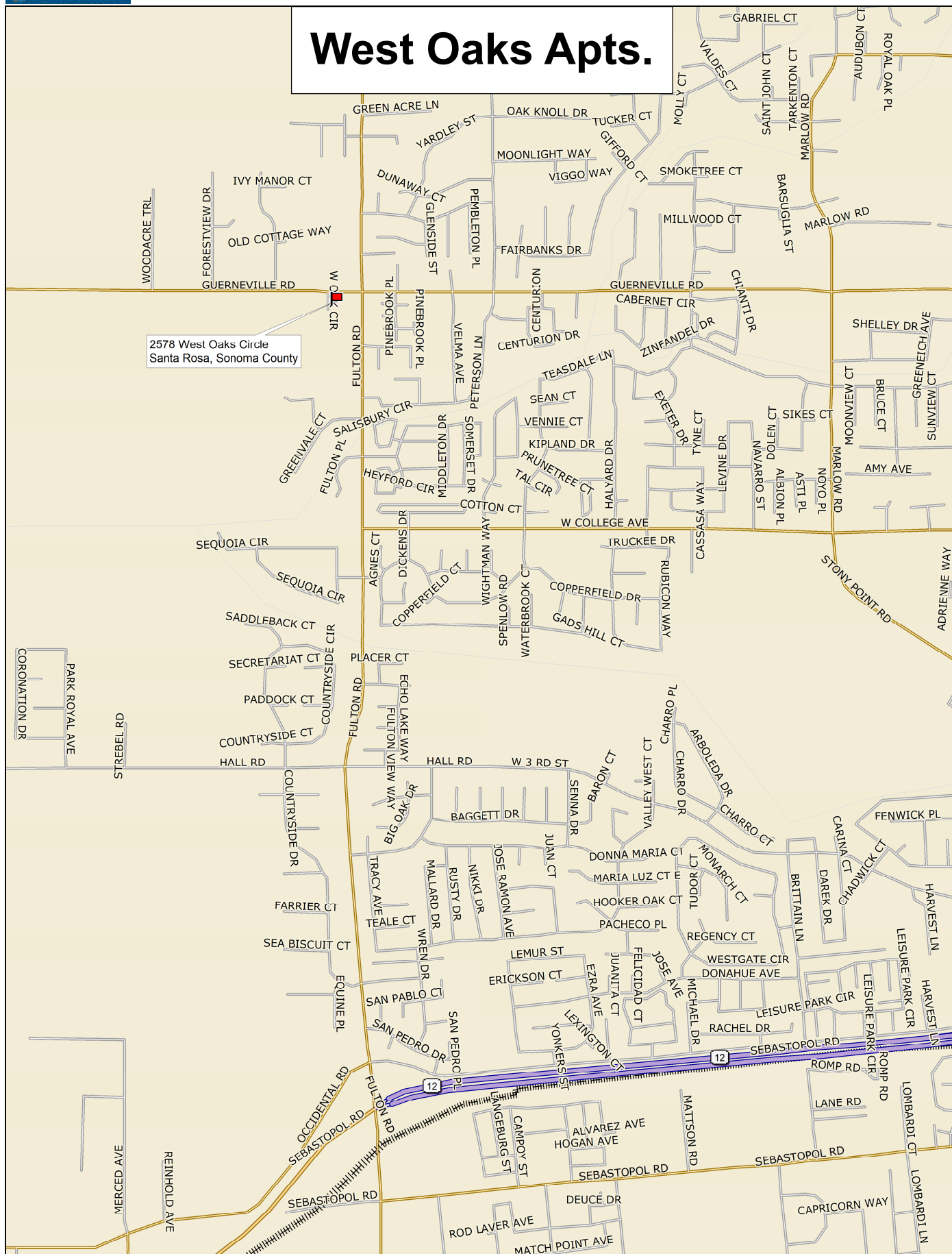
## TAXABLE PERMANENT LOAN PROGRAM

|                                       |   |
|---------------------------------------|---|
| <b>Occupancy Requirements</b>         | <p>Must maintain the greater of (A) existing affordability restrictions, or (B) either (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area (county) median gross income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (ii) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI ("10% @ 50% AMI").</p> <p>CalHFA's regulated units must represent a pro-rata share of the available unit sizes (by bedroom count and square feet), and be disbursed throughout the project.</p>   |
| <b>Due Diligence</b>                  | <p>The following due diligence is required to be provided at the Owner/Borrower's expense:</p> <ul style="list-style-type: none"> <li>• Appraisal (a construction lender's appraisal may be acceptable).</li> <li>• HUD-2530 previous participation clearance.</li> <li>• Construction costs review for new construction Projects (construction lender's review may be acceptable).</li> <li>• Physical Needs Assessment ("PNA") for rehabilitation projects with a Replacement Reserve Needs Analysis ("RRNA") over time for the initial 20-year term (other lender's PNA/RRNA may be acceptable).</li> <li>• Phase I Environmental Site Assessment including but not limited to impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation).</li> <li>• Market Study satisfactory to CalHFA.</li> <li>• NEPA Review.</li> <li>• Termite/Dry Rot reports by licensed company.</li> <li>• Seismic review and other studies may be required at CalHFA's discretion.</li> </ul>     |
| <b>Required Impounds and Reserves</b> | <ul style="list-style-type: none"> <li>• Replacement Reserve: Initial cash deposit required for existing Projects with annual deposits between \$250 and \$500 per unit/per year are required depending on the Project type and PNA/RRNA findings.</li> <li>• Operating Expense Reserve: 3-6 months of operating expenses, reserves, debt service, and monitoring fees due at permanent loan closing (letter of credit or cash) and held for the life of the CalHFA Perm Loan.</li> <li>• Impounds held by CalHFA: One year's prepaid earthquake, hazard and liability insurance premiums, and property tax assessments are collected at loan closing. An earthquake insurance waiver is available for projects which have met CalHFA earthquake waiver standards during rehabilitation or construction.</li> <li>• Transition Operating Reserve (TOR): required for Projects with rental subsidy contracts with contract terms that are less than 20 years.</li> <li>• Other reserves as required (at CalHFA's discretion).</li> </ul> |

Last revised: 4/2019

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. This program description is subject to change from time to time without prior notice. The California Housing Finance Agency does not discriminate on any prohibited basis in employment or in the admission and access to its programs or activities. Not printed at taxpayer expense.

2578 West Oaks Circle  
Santa Rosa, Sonoma County



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$$1'' = 1,466.7 \text{ ft}$$

### Data Zoom 13-5



BOARD OF DIRECTORS  
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 19-22

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the “Agency”) has received a loan application on behalf of West Oaks Apartments, L.P., a California limited partnership, (the “Borrower”), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in Santa Rosa, Sonoma County, California, known as West Oaks (the “Development”); and

WHEREAS, the loan application has been reviewed by Agency staff which prepared a report presented to the Board on the meeting date recited below (the “Staff Report”), recommending Board approval subject to certain recommended terms and conditions; and

WHEREAS, Agency staff has determined or expects to determine prior to making a binding commitment to fund the loan for which the application has been made, that (i) the Agency can effectively and prudently raise capital to fund the loan for which the application has been made, by direct access to the capital markets, by private placement, or other means and (ii) any financial mechanisms needed to insure prudent and reasonable financing of loans can be achieved; and

WHEREAS, the Board wishes to grant the staff the authority to enter into a loan commitment upon Agency staff determining in its judgment that reasonable and prudent financing mechanisms can be achieved;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the “Board”) of the California Housing Finance Agency as follows:

1. The Executive Director, or in her absence, the Chief Deputy Director, is hereby authorized to execute and deliver a final commitment letter, in a form acceptable to the Agency, and subject to recommended terms and conditions set forth in the Staff Report and any terms and conditions as the Board has designated in the Minutes of the Board Meeting, in relation to the Development described above and as follows:

| <u>PROJECT<br/>NUMBER</u> | <u>DEVELOPMENT NAME/<br/>LOCALITY</u>                | <u>MORTGAGE<br/>AMOUNT</u>  |
|---------------------------|--|---|
| 19-039-N                  | WEST OAKS<br>Santa Rosa, Sonoma County<br>California | \$4,750,000.00 (Taxable<br>Permanent Loan<br>w/HUD Risk<br>Sharing) |

1 The Board recognizes that in the event that staff cannot determine that reasonable and  
2 prudent financing mechanisms can be achieved, the staff will not enter into loan  
3 commitments to finance the Development. In addition, access to capital markets, or  
4 financing related thereto, may require significant changes to the terms of loans submitted  
5 to the Board. Notwithstanding paragraph 2 below, the staff is authorized to make any  
6 needed modifications to the loan which in staff's judgment are directly or indirectly the  
7 result of the disruptions to the capital markets referred to above.

8  
9 2. The Executive Director may modify the terms and conditions of the loan  
10 or loans as described in the Staff Report, provided that major modifications, as defined  
11 below, must be submitted to this Board for approval. "Major modifications" as used  
12 herein means modifications which either (i) increase the total aggregate amount of any  
13 loans made pursuant to the Resolution by more than 7%; or (ii) modifications which in  
14 the judgment of the Executive Director, or in her absence, the Chief Deputy Director of  
15 the Agency, adversely change the financial or public purpose aspects of the final  
16 commitment in a substantial way.

SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 19-22 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 3<sup>rd</sup> day of December, 2019, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have executed this certificate hereto this 3<sup>rd</sup> day of December 2019.

ATTEST:

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CLAIRE TAURIAINEN  
Secretary of the Board of Directors of the  
California Housing Finance Agency



**CalHFA MULTIFAMILY PROGRAMS DIVISION**  
**Final Commitment Staff Report & Request for Loan Approval of a**  
**Tax Exempt Perm Takeout Loan with Subsidy Financing**  
**For Board Meeting in: December 3, 2019**

|                                      |   |   |  |
|--------------------------------------|---|---|--|
| Project Name, County:                | Bernal Dwellings, San Francisco County  |   |  |
| Address:                             | 3138 Kamilie Court, San Francisco 94110 |   |  |
| CalHFA Project Number:               | 18-031-A/N                              |   |  |
| Requested Financing by Loan Program: | \$60,500,000                            | Tax-Exempt Bond – Conduit Issuance Amount         |  |
|                                      | \$24,300,906                            | Tax-Exempt Permanent Loan with HUD Risk Sharing   |  |
|                                      | \$3,500,000                             | Subsidy GAP Loan funded with Earned Surplus funds |  |

**TRANSACTION FACTS**

|                       |              |                           |                               |
|-----------------------|--------------|---------------------------|-------------------------------|
| Loan Officer:         | Steve Lierly | Loan Specialist:          | Lorrie Blevins                |
| Asset Manager:        | Jessica Doan | Loan Administration:      | Jennifer Beardwood            |
| Legal (Internal):     | Paul Steinke | Legal (External):         | Orrick Herrington & Sutcliffe |
| Concept Meeting Date: |              | Approval Expiration Date: | 6 months from Approval        |

|    |                           |   |              |              |            |                  |              |
|----|---------------------------|---|--------------|--------------|------------|------------------|--------------|
| 1. | Legislative Districts     | Congress: 12  | Nancy Pelosi | Assembly: 17 | David Chiu | State Senate: 11 | Scott Wiener |
| 2. | Brief Project Description | <p><b>Bernal Dwellings</b> (the “Project”) is a HOPE VI public housing redevelopment project built in 2001. It was developed and owned by San Francisco Housing Authority and has been managed by McCormack Baron Management (MBM). The Project, along with five other City HOPE VI projects, is part of San Francisco’s Rental Assistance Demonstration (RAD) portfolio award. The RAD conversion of San Francisco’s (City) HOPE VI projects is a key part of implementing the Mayor’s Office of Housing and Community Development (MOHCD) Re-envisioning Plan for public housing. The HUD RAD conversion program creates public/private partnerships for the syndication and refinancing of existing Housing Authority owned properties. The Project will be owned and developed by a development team consisting of McCormack Baron Salazar (MBS) and San Francisco Housing Development Corporation (SFHDC), this is the first of 3 planned RAD conversions this development team intends to finance through CalHFA.</p> <p>Bernal Dwellings is an existing multifamily apartment complex, consisting of 160 units restricted to families earning less than 60% of the San Francisco County Area Median Income (“AMI”). The site is improved with 17 low-rise (1-3 story) buildings with a mix of flats and townhomes, containing one, two, three, and four-bedroom units ranging between 598 square feet and 1,365 square feet. The site encompasses four City blocks covering 4.02 acres.</p> <p>The childcare center is a Head Start program that is available to the residents on a preference basis and is also available to other families that meet the program’s income requirements. The childcare center’s operating expense is funded separately.</p> |              |              |            |                  |              |

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| 2. | <b>Brief Project Description Continued</b> | <p>Unit amenities include central heating, a microwave, washer and dryer, dishwasher, laundry hook-ups, balconies, patios, laundry hook-ups and storage areas. In addition, the project will be monitored 24-hours by security staff which is included in the project's operating expense.</p> <p><b>Rehabilitation:</b> Rehabilitation will include upgrades both interior and exterior including site work, mechanical, plumbing, roof, major redesign of interior courtyards, site drainage, fencing and traffic controls to address security and resident safety issues. The Scope of Work was developed in conjunction with the development team, MOHCD and HUD to ensure a cost-effective approach to the needs of the development. Baines Group, Inc. and Nibbi Brothers Associates in a joint venture will serve as the project general contractor and Saida + Sullivan Design Partners is the Architectural firm working with the development team.</p> <p><b>Relocation:</b> Overland, Pacific &amp; Cutler, LLC (OPC) will provide Relocation Support Services for the Project. Conversion to RAD will trigger relocation requirements under the Uniform Relocation Act (URA) and RAD relocation requirements. The construction schedule is 18 months and will be implemented in 9 phases with each phase to consist of approximately 18 units. No permanent relocation is planned as the existing residents are expected to be offsite approximately 1 month and return to their units after rehabilitation is complete. The developer anticipates the Project will be stabilized within 8 months after completion, which equals to a total of 26 months term between construction loan closing and permanent loan conversion. The relocation plan has been approved by SFHA and MOHCD. The developer expects approval from HUD prior to construction loan closing.</p> <p><b>Ground Lease:</b> The Borrower will lease the site from the San Francisco Housing Authority for \$15,000/year for 55 years including an additional 44-year renewal option. The final ground lease term will be subject to Agency's approval prior to construction loan closing.</p> <p><b>Subsidies:</b> The Project has a commitment to convert 47 of the public housing units to project-based vouchers (PBV's). Of the 47 PBV units, 40 units will receive vouchers through HUD's Section 18 program (as subset of RAD) and 7 units will receive Project-Based Section 8 vouchers through SFHA. The contract is to be administered by SFHA with an initial term of 20 years, including a 20-year renewal subject to annual Federal budget appropriations. In addition, the Project has a Commitment to Enter into a Housing Assistance Payment Contract (CHAP) from HUD for a 20-year term Rental Assistance Demonstration Program (RAD) rental subsidy for 112 units with an option for renewal for an additional 20 years, which will also be administered by SFHA. The residents will only be obligated to pay 30% of their gross income and the subsidy will cover the difference between the contract rents and tenant portion of the contract rents.</p> <p><b>Supplemental Occupancy Restrictions:</b> The SFHA funding requires that 159 units be rented to families earning between 50% - 80% of AMI or less. For tax credit purposes, all units will be restricted at or below 60% of AMI.</p> |
| 3. | <b>Sponsor/Developer</b>                   | McCormack Baron Salazar   |
| 4. | <b>Borrower Name</b>                       | Bernal Homes, L.P., a California limited partnership  |

### CALHFA LOAN TERMS

| 5. |   | REHAB LOAN<br>U.S. Bank                     | PERMANENT LOAN  | SUBSIDY (GAP) LOAN                 |
|----|---|---|---|------------------------------------|
|    | <b>Total Loan Amount</b>  | <b>\$60,500,000</b>                         | <b>\$24,300,906</b>   | <b>\$3,500,000</b>                 |
|    | <b>Loan Term</b>  | <b>30 months- interest only</b>             | <b>35 year – due in 17</b>  | <b>Residual Receipts – 55 year</b> |
|    | <b>Interest Rate</b><br><i>(subject to change and locked 30 days prior to loan closing)</i> | U.S. Bank- Underwritten at 4.25% (variable) | <b>15 Year MMD + 2.34% spread to MMD (Tax-Exempt)</b><br>Underwritten at 4.29% that includes a .19% cushion<br><br>Rate based on a 30 month forward commitment. | Underwritten at 3% Simple Interest |
|    | <b>Loan to Value</b>  | 75%   | 74%   | N/A                                |
|    | <b>Loan to Cost</b>   | 54%   | 22%   | 3%                                 |
| 6. | <b>Projected Closing Date</b>   | December, 2019                              | June, 2023  | June, 2023                         |

### TRANSACTION OVERVIEW

|    |   |
|----|---|
| 7. | <b>Proposal and Project Strengths</b>   |
|    | <ul style="list-style-type: none"> <li>• The Project is receiving 4% tax credits that generate estimated tax credit equity representing 34.91% of the total financing sources.</li> <li>• The Project will serve low and very low-income individuals and families with 47 units supplemented by rental subsidies provided by a 20-year project-based HAP (HUD Section 8 &amp; Section 18) rental subsidy contract administered by the San Francisco Housing Authority.</li> <li>• The Project will serve extremely low-income individuals and families with 112 units supplemented by rental subsidies provided by a 20-year project-based RAD rental subsidy contracts administered by the San Francisco Housing Authority.</li> <li>• The project is underwritten at an initial DSCR of 1.15 with an upward DSCR trending to 1.42 at maturity.</li> <li>• The John Stewart Company (JSC) will be the management company. JSC is one of the largest affordable housing management companies in California and is experienced in managing RAD and CalHFA properties.</li> <li>• The Project budget includes a 17.5% hard cost contingency and a 1% soft cost contingency.</li> <li>• Two full time service coordinators will provide onsite services as required by SFHA and the expense is included in the operating budget.</li> <li>• Onsite child care Head Start Program is available onsite with a preference for residents.</li> <li>• The San Francisco Housing Authority has invested in the success of the Project as demonstrated by their seller carry-back loan to the Project and a below market 55-year Ground Lease.</li> <li>• The San Francisco Mayor’s Office of Housing and Community Development (MOHCD) has invested in the success of the Project as demonstrated by their permanent soft loan to the Project.</li> <li>• The Developer will contribute more than 50% of total developer’s fee in an aggregate amount of \$2 million by a deferring \$1,200,000 of their developer fee and providing GP equity contribution of \$850,220.</li> </ul> |
| 8. | <b>Project Weaknesses with Mitigants:</b>   |
|    | <ul style="list-style-type: none"> <li>• The RAD and Project Based Voucher rental subsidy are funded by HUD and the SFHA administers the contract; the extensions are subject to Federal budget appropriation. This is being mitigated by having the first loan due in year 17. In addition, the operating reserve is sized based on 6 months of operating expense &amp; debt service which could be used to offset operating shortfall in the event rental subsidies are not renewed after 20 years. CalHFA will also require that the local funding regulatory agreements to contain provisions allowing rent increases if rental subsidies expire prior to the end of the contract term.</li> </ul>  |

|   |  |
|---|--|
| <b>9.</b>   | <b>Underwriting Standards or Term Sheet Variations</b> |
| <ul style="list-style-type: none"> <li>• The loans will be secured by the fee interest of the improvements, however, the HUD Use Agreement will be ahead of CalHFA in a first lien position on title. This is required and therefore allowable under our underwriting guidelines for HUD owned properties. The final HUD Use Agreement will be subject to Agency's review and approval prior to construction loan closing.</li> <li>• The developer is seeking an earthquake waiver. Based on the report dated July 2019 conducted by IDA Structural Engineers, the PML is 19, which meets the Agency's minimum PML threshold of 20. The engineer suggests that by adding lateral elements such as shear walls will further reduce the PML. The developer has elected to incorporate additional seismic upgrades into the rehabilitation scope of work. Permanent loan closing will be conditioned upon the receipt of a certification from the engineer that the seismic upgrades have been completed as part of the rehabilitation. In conclusion, the Project meets the agency's earthquake waiver requirements.</li> </ul>  |  |
| <b>10.</b>  | <b>Project Specific Conditions of Approval</b>         |
| <p><b>Approval is conditioned upon:</b></p> <ul style="list-style-type: none"> <li>• The CalHFA permanent loan secured against the fee interest in the improvements. All subordinate loans will be secured in the same manner. However, if any subordinate lender encumbers the leasehold interests in the land, the CalHFA loan documents will also secure the leasehold interests in the land.</li> <li>• The final ground lease between SFHA and borrower shall be subject to CalHFA approval prior to construction loan closing.</li> <li>• SFHA and or MOHCD must accept the terms of CalHFA's Ground Lease Rider.</li> <li>• Subordination of the SFHA loan documents to CalHFA's Regulatory Agreement and Deed of Trust.</li> <li>• Subordination of the MOHCD loan documents to CalHFA's Regulatory Agreement and Deed of Trust.</li> <li>• Evidence of all environmental remediation prior to Perm Loan conversion.</li> <li>• Certification from the engineer on record verifying that seismic upgrades pursuant to the plans and specification have been incorporated in the rehabilitation.</li> <li>• No site work or construction commenced prior to the issuance of a HUD Firm Approval Letter.</li> <li>• AHAP for the PBV's shall be approved prior to construction close and HAP shall be approved prior to permanent loan closing.</li> <li>• CHAP for RAD rental subsidy shall be approved prior to construction close and HAP for RAD rental subsidy shall be approved prior to permanent loan closing.</li> <li>• The final appraisal shall be approved by CalHFA provided all requisite values meet and or exceed our underwriting standards.</li> <li>• Evidence of relocation plan approved by HUD.</li> <li>• Subject to CalHFA approval, local funding regulatory agreements to contain provisions allowing rent increases if the Section 8 contract expires prior to the end of the contract term, in order to achieve financial feasibility for the term of the loan.</li> <li>• Final HUD Use Agreement shall be subject to CalHFA review and approval prior to construction loan closing.</li> </ul> |  |
| <b>11.</b>  | <b>Staff Conclusion/Recommendation:</b>                |
| <p>The Multifamily Lending Division supports approval of the described financing in the amount(s) requested, subject to the above proposed terms and conditions.</p>  |  |

### MISSION & AFFORDABILITY

|  |                             |
|--|-----------------------------|
| <b>12.</b>   | <b>CalHFA Mission/Goals</b> |
| <p>This Project and financing proposal extend affordability of 159 units of rental housing for families and individuals for a period of 55 years and the useful life for a period of 20 years.</p> |                             |

| 13.  | CalHFA Affordability & Occupancy Restrictions  |                     |         |          |          |            |                       |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
|--|--|---------------------|---------|----------|----------|------------|-----------------------|----------------------|--------------------------|--------------|---------|-----------------------|----------|---------------------|------------|------------------------|----------------------|------------------|--------|--------|--------|--------|--------|------------|-----|-------|---------------------|---|---|----|---|------|-----|----|-------|-----------|---|---|-----|------|-----|----|-----|-------|---------------|----|----|-------|-----|-----|---|----|-------|----------|----|-------|-----|---|---|---|-----|-------|-------|------|-----|---|---|---|---|----|-------|-------------|----------|-----|---|---|---|---|-----|-------|---------------|---|---|---|---|---|---|------|----------------|---|---|---|---|---|---|------|-------|-----|---|---|----|----|---|--------|
| <ul style="list-style-type: none"><li>The new CalHFA Permanent financing Regulatory Agreement will restrict 10% of the units to 50% of AMI and 30% of the units at 60% AMI for a 55-year term.</li><li>The Subsidy funds will restrict 82 units (51% of total units) at or below 80% of AMI for 55 years.</li></ul>  |  |                     |         |          |          |            |                       |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 14.  | Project Affordability & Occupancy Restrictions |                     |         |          |          |            |                       |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| <ul style="list-style-type: none"><li>100% of the units will be restricted to families earning between 50% of AMI to 80% of AMI.</li><li>The San Francisco Housing Authority will impose land use restrictions that restrict occupancy on 100% of the units to households earning less than 80% of AMI for 55 years, pursuant to their loan, the RAD subsidy and the Section 8 subsidy.</li></ul>  |  |                     |         |          |          |            |                       |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| <table><tr><th>Regulating Agency</th><th>50% AMI</th><th>60% AMI</th><th>80% AMI</th><th>100% AMI</th><th>120% AMI</th><th>Mgrs. Unit</th><th>Total Units Regulated</th><th>% of Regulated Units</th></tr><tr><td>CalHFA Perm Loan</td><td>16</td><td>48</td><td></td><td></td><td></td><td>1</td><td>64</td><td>40.0%</td></tr><tr><td>CalHFA Subsidy Loan</td><td></td><td></td><td>82</td><td></td><td></td><td>1</td><td>82</td><td>51.3%</td></tr><tr><td>SFHA Loan</td><td></td><td></td><td>159</td><td></td><td></td><td>1</td><td>159</td><td>99.4%</td></tr><tr><td>HUD Section 8</td><td>2</td><td>42</td><td>3</td><td></td><td></td><td>1</td><td>47</td><td>29.4%</td></tr><tr><td>SFHA RAD</td><td>33</td><td>78</td><td>1</td><td></td><td></td><td>1</td><td>112</td><td>70.0%</td></tr><tr><td>CDLAC</td><td>35</td><td>64</td><td></td><td></td><td></td><td>1</td><td>99</td><td>61.9%</td></tr><tr><td>Tax Credits</td><td>35</td><td>120</td><td>4</td><td></td><td></td><td>1</td><td>159</td><td>99.4%</td></tr></table>   |  |                     |         |          |          |            |                       |                      | Regulating Agency        | 50% AMI      | 60% AMI | 80% AMI               | 100% AMI | 120% AMI            | Mgrs. Unit | Total Units Regulated  | % of Regulated Units | CalHFA Perm Loan | 16     | 48     |        |        |        | 1          | 64  | 40.0% | CalHFA Subsidy Loan |   |   | 82 |   |      | 1   | 82 | 51.3% | SFHA Loan |   |   | 159 |      |     | 1  | 159 | 99.4% | HUD Section 8 | 2  | 42 | 3     |     |     | 1 | 47 | 29.4% | SFHA RAD | 33 | 78    | 1   |   |   | 1 | 112 | 70.0% | CDLAC | 35   | 64  |   |   |   | 1 | 99 | 61.9% | Tax Credits | 35       | 120 | 4 |   |   | 1 | 159 | 99.4% |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| Regulating Agency  | 50% AMI  | 60% AMI             | 80% AMI | 100% AMI | 120% AMI | Mgrs. Unit | Total Units Regulated | % of Regulated Units |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| CalHFA Perm Loan   | 16   | 48                  |         |          |          | 1          | 64                    | 40.0%                |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| CalHFA Subsidy Loan  |  |                     | 82      |          |          | 1          | 82                    | 51.3%                |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| SFHA Loan  |  |                     | 159     |          |          | 1          | 159                   | 99.4%                |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| HUD Section 8  | 2  | 42                  | 3       |          |          | 1          | 47                    | 29.4%                |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| SFHA RAD   | 33   | 78                  | 1       |          |          | 1          | 112                   | 70.0%                |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| CDLAC  | 35   | 64                  |         |          |          | 1          | 99                    | 61.9%                |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| Tax Credits  | 35   | 120                 | 4       |          |          | 1          | 159                   | 99.4%                |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| <table><tr><th colspan="8">Rent Limit Summary Table</th></tr><tr><th>Restrictions @ AMI</th><th>Total</th><th>Studio</th><th>1-bdrm</th><th>2-bdrm</th><th>3-bdrm</th><th>4-bdrm</th><th>% of Total</th></tr><tr><td>30%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>40%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>50%</td><td>35</td><td>-</td><td>1</td><td>19</td><td>14</td><td>1</td><td>21.9%</td></tr><tr><td>60%</td><td>120</td><td>-</td><td>2</td><td>64</td><td>53</td><td>1</td><td>75.0%</td></tr><tr><td>70%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>80%</td><td>4</td><td>-</td><td>-</td><td>1</td><td>3</td><td>-</td><td>2.5%</td></tr><tr><td>81%-120%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>120% or below</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>Manager's Unit</td><td>1</td><td>-</td><td>-</td><td>1</td><td>-</td><td>-</td><td>0.6%</td></tr><tr><td>Total</td><td>160</td><td>0</td><td>3</td><td>85</td><td>70</td><td>2</td><td>100.0%</td></tr></table> |  |                     |         |          |          |            |                       |                      | Rent Limit Summary Table |              |         |                       |          |                     |            |                        | Restrictions @ AMI   | Total            | Studio | 1-bdrm | 2-bdrm | 3-bdrm | 4-bdrm | % of Total | 30% | 0     | -                   | - | - | -  | - | 0.0% | 40% | 0  | -     | -         | - | - | -   | 0.0% | 50% | 35 | -   | 1     | 19            | 14 | 1  | 21.9% | 60% | 120 | - | 2  | 64    | 53       | 1  | 75.0% | 70% | 0 | - | - | -   | -     | -     | 0.0% | 80% | 4 | - | - | 1 | 3  | -     | 2.5%        | 81%-120% | 0   | - | - | - | - | -   | 0.0%  | 120% or below | 0 | - | - | - | - | - | 0.0% | Manager's Unit | 1 | - | - | 1 | - | - | 0.6% | Total | 160 | 0 | 3 | 85 | 70 | 2 | 100.0% |
| Rent Limit Summary Table   |  |                     |         |          |          |            |                       |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| Restrictions @ AMI   | Total  | Studio              | 1-bdrm  | 2-bdrm   | 3-bdrm   | 4-bdrm     | % of Total            |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 30%  | 0  | -                   | -       | -        | -        | -          | 0.0%                  |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 40%  | 0  | -                   | -       | -        | -        | -          | 0.0%                  |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 50%  | 35   | -                   | 1       | 19       | 14       | 1          | 21.9%                 |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 60%  | 120  | -                   | 2       | 64       | 53       | 1          | 75.0%                 |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 70%  | 0  | -                   | -       | -        | -        | -          | 0.0%                  |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 80%  | 4  | -                   | -       | 1        | 3        | -          | 2.5%                  |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 81%-120%   | 0  | -                   | -       | -        | -        | -          | 0.0%                  |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 120% or below  | 0  | -                   | -       | -        | -        | -          | 0.0%                  |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| Manager's Unit   | 1  | -                   | -       | 1        | -        | -          | 0.6%                  |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| Total  | 160  | 0                   | 3       | 85       | 70       | 2          | 100.0%                |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| 15.  | Geocoder Information                           |                     |         |          |          |            |                       |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| <table><tr><td>Central City:</td><td>Yes</td><td>Underserved:</td><td>No</td></tr><tr><td>Low/Mod Census Tract:</td><td>Moderate</td><td>Below Poverty line:</td><td>20.83%</td></tr><tr><td>Minority Census Tract:</td><td>74.23%</td><td>Rural Area:</td><td>No</td></tr></table>  |  |                     |         |          |          |            |                       | Central City:        | Yes                      | Underserved: | No      | Low/Mod Census Tract: | Moderate | Below Poverty line: | 20.83%     | Minority Census Tract: | 74.23%               | Rural Area:      | No     |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| Central City:  | Yes  | Underserved:        | No      |          |          |            |                       |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| Low/Mod Census Tract:  | Moderate                                       | Below Poverty line: | 20.83%  |          |          |            |                       |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |
| Minority Census Tract:   | 74.23%   | Rural Area:         | No      |          |          |            |                       |                      |                          |              |         |                       |          |                     |            |                        |                      |                  |        |        |        |        |        |            |     |       |                     |   |   |    |   |      |     |    |       |           |   |   |     |      |     |    |     |       |               |    |    |       |     |     |   |    |       |          |    |       |     |   |   |   |     |       |       |      |     |   |   |   |   |    |       |             |          |     |   |   |   |   |     |       |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |     |   |   |    |    |   |        |

**CURRENT PORTFOLIO LOAN**

|            |  |    |                                |
|------------|--|----|--------------------------------|
| <b>16.</b> | Existing CalHFA Financing (to be paid off): <b>N/A</b> |    |                                |
|            | Unpaid Principal Balance:                              | \$ | Loan Maturity Date:            |
|            | Yield Maintenance Due:                                 | \$ | Affordability Expiration Date: |
|            | Other CalHFA Debt:                                     |    |                                |

**ANTICIPATED PROJECT MILESTONES & SCHEDULE**

|            |   |                |                                 |                |
|------------|---|----------------|---------------------------------|----------------|
| <b>17.</b> | CDLAC/TCAC Closing Deadline:                            | April 13, 2020 | Est. Construction Loan Closing: | December, 2019 |
|            | Estimated Construction Start:                           | January 2020   | Est. Construction Completion:   | July 2021      |
|            | Estimated Stabilization and Conversion to Perm Loan(s): |                | April 2022                      |                |

**SOURCES OF FUNDS**

|            |                                      |                      |                      |   |
|------------|--------------------------------------|----------------------|----------------------|---|
| <b>18.</b> | <b>Construction Period Financing</b> |                      |                      |   |
|            | <b>SOURCE</b>                        | <b>AMOUNT</b>        | <b>LIEN POSITION</b> | <b>DEBT TYPE</b>                              |
|            | U S Bank Construction Loan           | \$60,500,000         | First                | Interest Only                                 |
|            | Seller Note (SFHA)                   | \$39,766,186         | Second               | Residual Receipt Loan                         |
|            | Existing Reserves                    | \$1,303,814          |                      |   |
|            | Costs Deferred During Construction   | \$1,996,100          |                      |   |
|            | Deferred Developer Fee               | \$2,600,000          |                      | Payable from Cash Flow or during construction |
|            | Income from Operations               | \$728,183            |                      |   |
|            | Developer Equity Contribution        | \$850,220            |                      |   |
|            | Tax Credit Equity                    | \$4,501,884          |                      |   |
|            | <b>TOTAL DEVELOPMENT COST:</b>       | <b>\$112,246,367</b> | <b>\$701,540</b>     | <b>Per Unit</b>                               |
| <b>19.</b> | <b>Permanent Financing</b>           |                      |                      |   |
|            | <b>SOURCE</b>                        | <b>AMOUNT</b>        | <b>LIEN POSITION</b> | <b>DEBT TYPE</b>                              |
|            | CalHFA Permanent Loan                | \$24,300,906         | First                | 17 Year Balloon                               |
|            | CalHFA Subsidy Loan                  | \$3,500,000          | Second               | Residual Receipt Loan                         |
|            | Seller Note (SFHA)                   | \$39,766,186         | Third                | Residual Receipt Loan                         |
|            | MOHCD Loan                           | \$1,413,078          | Fourth               | Residual Receipt Loan                         |
|            | Income from Operations               | \$728,183            |                      |   |
|            | Existing Reserves                    | \$1,303,814          |                      |   |
|            | Deferred Developer Fee               | \$1,200,000          |                      | Payable from Cash Flow                        |
|            | GP Equity Contribution               | \$850,220            |                      |   |
|            | Tax Credit Equity                    | \$39,184,000         |                      |   |
|            | <b>TOTAL DEVELOPMENT COST:</b>       | <b>\$112,246,367</b> | <b>\$701,540</b>     | <b>Per Unit</b>                               |
| <b>20.</b> | Equity – Cash Out (estimate)         | N/A                  |                      |   |

**FINANCIAL ANALYSIS**

|  |  |   |  |                            |
|--|--|---|--|----------------------------|
| 21.  | Tax Credit Assumptions 4%                        |   | Status: Received   |                            |
|  | \$3,732,249 Federal credits<br>\$0 State credits | Tax Credit Pricing:<br>Potential Investor   | \$1.05/ negotiated price<br>Royal Bank of Canada (RBC)           |                            |
| 22.  | Development Cost Contingencies:                  |   |  |                            |
|  | Hard Development Contingency Amount              | \$6,306,000   | % of Hard Development Costs:                                     | 17.45%                     |
|  | Soft Cost Contingency Amount                     | \$1,062,000   | % of Total Development Cost:                                     | 0.95%                      |
| 23.  | Capitalized Reserves:                            |   |  |                            |
|  | Replacement Reserves (RR):                       | \$225,000 includes investor requirement of \$153,000  |  |                            |
|  | Operating Expense Reserve (OER):                 | \$1,597,555 based on six months of expenses, debt service and reserves and held for the life of the CalHFA Perm Loan. |  |                            |
| 24.  |  |   |  |                            |
|  | 1 <sup>st</sup> Year DSCR:                       | 1.15  | # Years of Project Based Subsidy:                                | 20 with option for renewal |
|  | End Year DSCR:                                   | 1.42  | Annual Replacement Reserve:                                      | \$400/unit                 |
|  | Residential Vacancy Rate:                        | Averages 5.00%  | Rental Income Inflation Rate:<br>Subsidy Inflation Rate:         | 2.5%<br>2.00%              |
|  | Non-residential Vacancy Rate:                    | N/A   | Project Expenses Inflation Rate:<br>Property Tax Inflation Rate: | 3.5%<br>1.25%              |
|  |  |   |  |                            |
| 25.  | Loan Security                                    |   |  |                            |
| <ul style="list-style-type: none"><li>The CalHFA loan(s) will be secured against the Fee Interest in the improvements and the leasehold interest in the land as the HUD Use Agreement and Ground Lease terms don't permit lenders to secure their loans against the Fee estate (See Specific Conditions for Approval).</li></ul> |  |   |  |                            |

**APPRAISAL AND MARKET ANALYSIS**

|            |   |                            |                       |
|------------|---|----------------------------|-----------------------|
| <b>26.</b> | <b>Appraisal Review</b>   |                            |                       |
|            | <p>The appraisal report dated 11/1/19 was prepared by BBG and commissioned by US Bank; CalHFA is a co-beneficiary of the appraisal. The report values are as follows:</p> <ul style="list-style-type: none"> <li>Land is valued at \$1,800,000;</li> <li>The As-Stabilized Restricted Value (with leasehold adjustment) is \$32,638,000;</li> <li>The capitalization rate is 4.75%; and</li> <li>The loan to value is 74%.</li> </ul>   |                            |                       |
| <b>27.</b> | <b>Market Study:</b>  | By Newport Realty Advisors | Dated: August 6, 2018 |
|            | <p><b>Regional Market Overview</b> - The PMA represents the area where the majority of potential tenants currently reside (70%-80%) and is bounded by Market Street/Highway 101/Interstate 80 to the north, Castro Street to the west (extending to Mission Street), Highway 101 and Interstate 80 to the south, and San Francisco Bay to the east. The PMA includes a number of neighborhoods, including Noe Valley, the Mission, Glen Park, Bernal Heights, Potrero Hill, Dogpatch and Mission Bay. Geographically, the PMA is a relatively small area, extending roughly 3.0 miles to the west/east and less than 3.0 miles to the north/south. The characteristics of the neighborhood vary, although the subject's neighborhood, Mission, offers a mix of residential and commercial (mainly retail) uses. The SMA is defined to include the entire City of San Francisco.</p> |                            |                       |

|  |  |
|--|--|
|  | <p><b>Local Market Area Analysis</b> – The analysis indicates that there is a strong need for LIHTC rental units in the local marketplace. This assumption is based on favorable supply/demand fundamentals, specifically the strong demand for LIHTC units in the PMA as evidenced by the high occupancy levels and 1,250+ household waiting list from family LIHTC projects; and the strong historical absorption rate of other LIHTC projects; the relative lack of new LIHTC projects proposed in the PMA and finally the subject property's central San Francisco location. Additionally, the subject property will offer unit features that are more than adequate for the local marketplace. Under typical conditions, 10% or higher difference between market-rate and LIHTC rents is favorable for the success of LIHTC projects. The proposed subject's recommended rents for 1-bedroom to 4-bedroom units' position it 42% to 60%, respectively, below the adjusted comparable market rents for the subject's units at the highest AMI level.</p>   |
|  | <p><b>Supply</b> - According to local planning officials and discussions with developers, there are five large (75+ unit) planned and proposed market-rate rental projects within the Mission neighborhood, although the current status for all the projects is unknown. The recent political climate has presented market-rate developers with unique challenges in securing entitlements and of the five proposed projects only one has commenced construction (2000 Bryant) and there is some doubt whether any of the other projects will be built. All of the proposed projects will be high end rentals priced from \$4.50 to \$7.50+ per square foot and it will not pose any competition to the post-rehab subject development. According to TCAC and CDLAC, there are three family LIHTC project offering new construction that has been awarded low-income housing tax credits in the local Mission neighborhood. (It should be noted that this analysis only includes projects that have received LIHTC's and excluded projects that may eventually apply for LIHTC's), because the strong demand for affordable family rental units far exceeds the 364 LIHTC units proposed in the local marketplace.</p> |
|  | <p><b>Demand/Absorption</b> - The demand model indicates that there is sufficient demand to justify the rehabilitation of Bernal Dwellings. The subject property's 159 LIHTC units would need to achieve a market capture of roughly 3.4% of the PMA's first year demand (4,673 households) to successfully achieve stabilization (95% occupancy). The projected capture is achievable given the high occupancy levels at existing family LIHTC projects; the relatively lack of proposed family LIHTC projects in the Mission (364 units); and the current waiting list at the three existing LIHTC projects (over 1,250 households). The projected monthly absorption rate of approximately 25 units per month. However, the absorption rate for this Project will be much quicker since most of the existing residents are expected to move back into their units after renovation is complete, which is estimated to take about a month.</p>   |

### DEVELOPMENT SUMMARY

|     |  |
|-----|--|
| 28. | <p><b>Site Description</b> <b>Requires Flood Insurance:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>  |
|     | <ul style="list-style-type: none"> <li>The property address is 3138 Kamille Court, in the City of San Francisco, San Francisco County.</li> <li>The site is developed with the Project, comprised of four square-shaped contiguous parcels, with level topography at street grade, measuring approximately 4.02 acres.</li> <li>The subject is in a San Francisco Water and Utilities Flood Zone where the probability of a catastrophic flood event is 0.2%. FEMA does not map the City of San Francisco.</li> <li>The site is zoned RM-1 Residential Mixed, with permitted multifamily residential use.</li> </ul> |
| 29. | <p><b>Form of Site Control &amp; Expiration Date</b></p>   |
|     | <p>The Option to Lease Agreement between SFHA and Bernal Homes, L.P. dated August 23, 2018 provides an option to purchase improvements and ground lease which expires on December 31, 2019. If the developer is not able to close construction financing by 12/31/19, the SFHA will grant an extension to the current Option to Lease Agreement to a later date to accommodate the developer's construction closing timeline.</p>  |
| 30. | <p><b>Current Ownership Entity of Record</b></p>   |
|     | <p>Title is currently vested in the Housing Authority of the City and County of San Francisco as the fee owner. Bernal Homes, L.P. has a current Lease Agreement with the San Francisco Housing Authority.</p>   |
| 31. | <p><b>Environmental Review Findings</b></p>  |
|     | <ul style="list-style-type: none"> <li>A Phase I Environmental Site Assessment performed by SCA Environmental, dated July 2018 revealed that the property has evidence of several possible recognized environmental conditions, so a Phase II investigation was recommended.</li> <li>A Phase II Environmental Site Assessment performed by SCA Environmental, dated April 2019 revealed elevated levels of benzo(a)pyrene and lead in the existing fill soil. A Site Mitigation Plan (SMP) was prepared and approved by the San</li> </ul>  |



|  |  |
|--|--|
| <p>Francisco Department of Public Health. Soils to an average depth of 12 inches will be excavated and removed from the site (15,000 cubic yds.). The Site Mitigation Plan covers removal and replacement of the soils, dust and air borne asbestos control.</p> <ul style="list-style-type: none"> <li>A NEPA review was performed by AEM Consulting, and except for the above stated environmental concerns, the Project site complies.</li> </ul> |  |
| <b>32.</b>   | <p><b>Seismic</b></p> <p align="right"><b>Requires Earthquake Insurance:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <ul style="list-style-type: none"> <li>The developer is seeking an earthquake waiver. Based on the report dated July 2019 conducted by IDA Structural Engineers, the PML is 19, which meets the Agency's minimum PML threshold of 20. The engineer suggests that by adding lateral elements such as shear walls will further reduce the PML. The developer has elected to incorporate additional seismic upgrades into the rehabilitation scope of work. Permanent loan closing will be conditioned upon the receipt of a certification from the engineer that the seismic upgrades have been completed as part of the rehabilitation. In conclusion, the Project meets the agency's earthquake waiver requirements.</li> </ul>   |
| <b>33.</b>   | <p><b>Relocation</b></p> <p>Overland, Pacific &amp; Cutler, LLC (OPC) will provide Relocation Support Services for the Bernal Dwellings project. Conversion to RAD will trigger relocation requirements under the Uniform Relocation Act (URA) and RAD relocation requirements. Currently, there is approximately 9 vacant units at the property. The remaining 151 units will be temporary relocated off-site for approximately 1 month to allow their units to be fully renovated, at such time, they are anticipated to move back into their units. The project's construction term is anticipated to be 18 months and will be completed in 9 phases with each phase to consist of approximately 18 units. OPC has extensive relocation experience and has assisted numerous public agencies and private entities with their relocation assistance needs for over 37 years. During that time, they have developed an excellent working relationship with the HUD regional office in San Francisco and HUD headquarters in Washington, D.C. Relocation costs of approximately \$3.6MM has been budgeted in the development costs, which contemplates a nominal portion of the rental subsidy coming in to offset temporary relocation of existing residents.</p> |

### PROJECT DETAILS

|            |  |   |                                    |                   |
|------------|--|---|------------------------------------|-------------------|
| <b>34.</b> | <b>Residential Areas:</b>  |   |                                    |                   |
|            | <b>Residential Square Footage:</b>   | 167,025   | <b>Residential Units per Acre:</b> | 39.801            |
|            | <b>Community Area Sq. Ftg:</b>   | 11,319  | <b>Total Parking Spaces:</b>       | 75                |
|            | <b>Child Care Areas:</b>   | 2,589   | <b>Total Building Sq. Footage:</b> | 180,933           |
| <b>35.</b> | <b>Mixed-Use Project:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (No revenue – space provided for SS provider)  |   |                                    |                   |
|            | <b>Non-Residential Sq. Footage:</b>  | 2,589   | <b>Number of Lease Spaces:</b>     | 2                 |
|            | <b>Master Lease:</b>   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <b>Number of Parking Spaces:</b>   | 75                |
| <b>36.</b> | <b>Construction Type:</b> Existing Project consists of 15, 3-story type-V wood-framed residential buildings with stucco exterior and surface parking spaces; two additional 1-story wood-framed buildings house the leasing office, community room/day care center, and maintenance shop.  |   |                                    |                   |
|            | <b># Buildings:</b>  | 17  | <b># Stories:</b>                  | 1&3               |
|            | <b># Elevators:</b>  | 0   | <b>Unit Style:</b>                 | Flats & Townhomes |
|            | <b>Year Built:</b>   | 2001  | <b>Year of Last Rehab:</b>         | N/A               |
| <b>37.</b> | <b>Hard Development Costs:</b>   | \$36,121,316  | <b>Per Unit:</b>                   | \$225,758         |
| <b>38.</b> | <b>Rehab Scope</b> <b>Demolition Involved:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |   |                                    |                   |
|            | <ul style="list-style-type: none"> <li>Substantial Rehabilitation</li> <li>The rehabilitation will include sitework, accessibility, environmental remediation, building envelop, and unit interior improvements that are necessary to meet current building code requirements.</li> <li>The CNA prepared by DG &amp; Dominion on June 13, 2018 estimates critical repair cost to be \$8,510. Approximately \$36 million worth of repairs that have been incorporated in the final scope of rehab, along with a \$6.3 million (~17%) contingency reserve for cost overruns. Major repairs include: 1) Complete unit remodels including appliances, fixtures,</li> </ul> |   |                                    |                   |

|  |                                      |
|--|--------------------------------------|
| <p>paint, flooring and cabinetry; 2) Roof replacements; 3) Exterior structural upgrades and paint; 4) Upgrades to community room/services area; 5) New landscaping and storm water management upgrades; and 6) Flatwork/paving upgrades.</p> <ul style="list-style-type: none"> <li>• Energy Savings: The Project will be designed in accordance with the minimum requirements of the GreenPoint Rating system, and will include Energy Star appliances, water heaters, and energy efficient lighting.</li> <li>• Water Savings: The units will include low-flow toilets and showerheads.</li> </ul> |                                      |
| <b>39.</b>   | <b>Construction Budget Comments:</b> |
| <p>The General Contracting partnership has been involved early with DG &amp; Dominion, SFHA and MOHCD together with the future owners in a coordinated effort toward value engineering. Construction costs have been updated through every phase of the permitting process. They are providing a Guaranteed Maximum Price (GMP) contract.</p>  |                                      |

### DEVELOPMENT TEAM OVERVIEW

|   |  |
|---|--|
| <b>40.</b>  | <b>Borrower Affiliated Entities: Bernal Homes, LP, a California limited partnership</b>    |
| <ul style="list-style-type: none"> <li>• Managing General Partner: San Francisco Housing Development Corporation, a California 501(c)3 nonprofit public benefit corporation</li> <li>• Administrative General Partner: Bernal Homes MBS GP, Inc., a Missouri Corporation</li> <li>• Investor Limited Partner: RBC Capital Markets (Tax Credit LP TB)</li> </ul>   |  |
| <b>41.</b>  | <b>Developer/Sponsor: McCormack Baron Salazar</b>  |
| <p>The firm has experience in completing prior RAD projects within the City of San Francisco and is familiar with the process required by HUD, City of San Francisco, and Housing Authority of City and County of San Francisco. The developer is new to the Agency, however, the lead staff working on this deal has extensive experience with prior Agency financing.</p>   |  |
| <b>42.</b>  | <b>Management Agent: John Stewart Company</b>  |
| <p>The John Stewart Company (JSCo) began in 1978 with a commitment to providing high quality management for affordable housing in the Bay Area. Today, JSCo is a full-service housing management, development, and consulting. According to the National Affordable Housing Management Association, JSCo is now the largest manager of affordable housing in California and fifth largest in the United States. Currently managing over 400 properties and over 32,000 units.</p>   |  |
| <b>43.</b>  | <b>Service Provider: San Francisco Housing Development Corporation (SFHDC)</b>             |
| <p>Currently no on-site services are offered to the public housing tenants. Going forward, SFHDC will design service activities that will be offered to residents based on residential surveys and other feedback. SFHDC intends to conduct weekly educational workshops and classes, monthly community room activities and outreach. The services team of two, full-time staff will provide the services. The Project also includes an on-site childcare center (Head Start Program) for the children of residence which is structured as a triple net lease. The childcare's operating expense is funded separately.</p>  |  |
| <b>44.</b>  | <b>Contractor: Nibbi Brothers Associates, Inc. &amp; Baines Group, Inc. -Joint Venture</b> |
| <p>Nibbi Brothers Associates (NBA) has been in business in San Francisco for over 60 years and is experienced in the construction of all types of commercial, multifamily and public buildings. NBA recently completed the RAD-Cal Corridor, Phases I &amp; II in June of 2018 for the SFHA RAD program. Phase I &amp; II covered 6 separate sites for a total of 515 rehabbed units. Baines Group, Inc. (BGI) is a certified minority owned full-service development and construction management firm that was founded in 2007. They have a long history of partnering with large construction companies such as NBA, Turner Construction and Hensie Phelps on similar projects in the greater San Francisco Bay Area.</p> |  |

|   |   |
|---|---|
| <b>45.</b>  | <b>Architect: Saida + Sullivan Design Partners Architecture</b> |
| Saida + Sullivan Design Partners Architecture ( <b>SSDPA</b> ) was founded in 2000 in San Francisco. Over the last ten years, SSDPA has designed and managed the new construction and rehabilitation of three multi-story multifamily projects in Berkeley and San Francisco totaling 324 units. SSDPA has also designed numerous other commercial projects and has won multiple industry awards. |   |
| <b>46.</b>  | <b>Local Review via Locality Contribution Letter</b>            |
| The Housing Authority of the City and County of San Francisco returned the Locality Contribution Letter on 10/10/2019, with positive comments and a recommendation of Strongly Support.   |   |

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

| PROJECT SUMMARY  |                      |   |                           | Final Commitment |                     |                        |
|--|----------------------|---|---------------------------|------------------|---------------------|------------------------|
| Acquisition, Rehab, Construction & Permanent Loans     |                      |   | Project Number 18-031-A/N |                  |                     |                        |
| <b>Project Full Name</b>                               | Bernal Dwellings     | <b>Borrower Name:</b>                     | Bernal Homes, LP          |                  |                     |                        |
| <b>Project Address</b>                                 | 3138 Kamilie Court   | <b>Managing GP:</b>                       | MBS GP, Inc               |                  |                     |                        |
| <b>Project City</b>                                    | San Francisco        | <b>Developer Name:</b>                    | McCormack Baron Salazar   |                  |                     |                        |
| <b>Project County</b>                                  | San Francisco        | <b>Investor Name:</b>                     | RBC Capital Markets       |                  |                     |                        |
| <b>Project Zip Code</b>                                | 94110                | <b>Prop Management:</b>                   | John Stewart Company      |                  |                     |                        |
|  |                      |   | <b>Tax Credits:</b>       | 4                |                     |                        |
| <b>Project Type:</b>                                   | Permanent Loan Only  | <b>Total Land Area (acres):</b>           | 4.02                      |                  |                     |                        |
| <b>Tenancy/Occupancy:</b>                              | Individuals/Families | <b>Residential Square Footage:</b>        | 167,315                   |                  |                     |                        |
| <b>Total Residential Units:</b>                        | 160                  | <b>Residential Units Per Acre:</b>        | 39.80                     |                  |                     |                        |
| <b>Total Number of Buildings:</b>                      | 17                   | <b>Covered Parking Spaces:</b>            | 0                         |                  |                     |                        |
| <b>Number of Stories:</b>                              | 1&3                  | <b>Total Parking Spaces:</b>              | 75                        |                  |                     |                        |
| <b>Unit Style:</b>                                     | Townhomes & Flats    |   |                           |                  |                     |                        |
| <b>Elevators:</b>                                      | none                 |   |                           |                  |                     |                        |
| Acq/Construction/Rehab Financing                       |                      | Loan Amount (\$)                          | Loan Fees                 | Loan Term (Mo.)  | Amort. Period (Yr.) | Starting Interest Rate |
| U S Bank (TE Bonds)                                    |                      | 60,500,000                                | 0.750%                    | 30               | --                  | 4.250%                 |
| --   |                      | --  | --                        | --               | --                  | --                     |
| --   |                      | --  | --                        | --               | --                  | --                     |
| SFHA (Seller) Note                                     |                      | 39,766,186                                | --                        | 55               | --                  | 3.000%                 |
| Deferred Developer Fee                                 |                      | 2,600,000                                 | --                        | --               | --                  | --                     |
| Developer/GP Equity Contribution                       |                      | 850,220                                   | --                        | --               | --                  | --                     |
| Investor Equity Contribution                           |                      | 4,501,884                                 | --                        | --               | --                  | --                     |
| Permanent Financing                                    |                      | Loan Amount (\$)                          | Loan Fees                 | Loan Term (Yr.)  | Amort. Period (Yr.) | Starting Interest Rate |
| Perm   |                      | 24,300,906                                | 1.000%                    | 17               | 35                  | 4.290%                 |
| Subsidy Loan   |                      | 3,500,000                                 | 1.000%                    | 55               | --                  | 3.000%                 |
| --   |                      | --  | --                        | --               | --                  | --                     |
| --   |                      | --  | --                        | --               | --                  | --                     |
| --   |                      | --  | --                        | --               | --                  | --                     |
| SFHA (Seller) Note                                     |                      | 39,766,186                                | --                        | 55               | --                  | 3.000%                 |
| MOHCD Note   |                      | 1,413,078                                 | --                        | 55               | --                  | 3.000%                 |
| --   |                      | --  | --                        | --               | --                  | --                     |
| --   |                      | --  | --                        | --               | --                  | --                     |
| Deferred Developer Fees                                |                      | 1,200,000                                 | NA                        | NA               | NA                  | NA                     |
| Developer Equity Contribution                          |                      | 850,220                                   | NA                        | NA               | NA                  | NA                     |
| Investor Equity Contributions                          |                      | 39,184,000                                | NA                        | NA               | NA                  | NA                     |
| Appraised Values Upon Completion of Rehab/Construction |                      |   |                           |                  |                     |                        |
| <b>Appraisal Date:</b>                                 | 11/1/19              | <b>Capitalization Rate:</b>               | 4.75%                     |                  |                     |                        |
| <b>Investment Value (\$)</b>                           | 80,193,000           | <b>Restricted Value (\$)</b>              | 32,638,000                |                  |                     |                        |
| <b>Construct/Rehab LTC</b>                             | N/A                  | <b>CalHFA Permanent Loan to Cost</b>      | 22%                       |                  |                     |                        |
| <b>Construct/Rehab LTV</b>                             | N/A                  | <b>CalHFA 1st Permanent Loan to Value</b> | 74%                       |                  |                     |                        |
|  |                      | <b>Combined CalHFA Perm Loan to Value</b> | 85%                       |                  |                     |                        |
| Additional Loan Terms, Conditions & Comments           |                      |   |                           |                  |                     |                        |
| <u>Construction/Rehab Loan</u>                         |                      |   |                           |                  |                     |                        |
| <b>Payment/Performance Bond</b>                        | Required             |   |                           |                  |                     |                        |
| <b>Completion Guarantee Letter of Credit</b>           | Required             |   |                           |                  |                     |                        |
| <u>Permanent Loan</u>                                  |                      |   |                           |                  |                     |                        |
| <b>Operating Expense Reserve Deposit</b>               | \$1,583,223          | Cash                                      |                           |                  |                     |                        |
| <b>Initial Replacement Reserve Deposit</b>             | \$225,000            | Cash                                      |                           |                  |                     |                        |
| <b>Annual Replacement Reserve Per Unit</b>             | \$400                | Cash                                      |                           |                  |                     |                        |
| <b>Date Prepared:</b>                                  | 10/23/19             | <b>Senior Staff Date:</b>                 | 11/13/19                  |                  |                     |                        |

**UNIT MIX AND RENT SUMMARY****Final Commitment**

Bernal Dwellings

Project Number 18-031-A/N

| PROJECT UNIT MIX   |                    |                 |                        |                 |                     |
|--------------------|--------------------|-----------------|------------------------|-----------------|---------------------|
| Unit Type of Style | Number of Bedrooms | Number of Baths | Average Size (Sq. Ft.) | Number of Units | Est. No. of Tenants |
| Flat               | 1                  | 1               | 598                    | 2               | 3                   |
| Townhome           | 1                  | 1               | 800                    | 1               | 1.5                 |
| Townhome           | 2                  | 1               | 955                    | 3               | 9                   |
| Townhome           | 2                  | 1               | 964                    | 76              | 228                 |
| Flat               | 2                  | 1               | 1,108                  | 6               | 18                  |
| Flat               | 3                  | 1               | 1,078                  | 8               | 36                  |
|                    |                    |                 |                        | 96              | 586.5               |

| NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY |  |     |     |     |     |      |        |
|---|--|-----|-----|-----|-----|------|--------|
| Agency  | Number of Units Restricted For Each AMI Category |     |     |     |     |      |        |
|   | 30%  | 40% | 50% | 60% | 80% | 120% | Market |
| CalHFA Bond/RiskShare   |  |     | 16  | 48  |     |      |        |
| Tax Credit  |  |     |     | 159 |     |      |        |
| HUD/Section 8   |  |     | 2   | 42  | 3   |      |        |
| SFHA/RAD  |  |     | 33  | 78  | 1   |      |        |
| CDLAC   |  |     | 35  | 64  |     |      |        |
| CalHFA Subsidy  |  |     |     | 159 |     |      |        |
| SFHA  |  |     |     |     | 159 |      |        |

| COMPARISON OF AVERAGE MONTHLY RESTRICTED RENTS TO AVERAGE MARKET RENTS |                    |                         |                          |           |                      |                         |                   |
|--|--------------------|-------------------------|--------------------------|-----------|----------------------|-------------------------|-------------------|
| Unit Type  | Restricting Agency | % of Area Median Income | Average Restricted Rents |           | Average Market Rents | Average Monthly Savings | % of Market Rents |
|  |                    |                         | Number of Units          | Unit Rent |                      |                         |                   |
| Studios  | CTCAC              | 50%                     | -                        | -         | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 50%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | NA                 | 100%                    | -                        | -         |                      | -                       | -                 |
| 1 Bedroom  | CTCAC              | 50%                     | -                        | -         | \$3,219              | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 50%                     | 1                        | \$747     |                      | \$2,472                 | 23%               |
|  | Other              | 60%                     | 2                        | \$747     |                      | \$2,472                 | 23%               |
|  | Other              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | NA                 | 100%                    | -                        | -         |                      | -                       | -                 |
| 2 Bedrooms   | CTCAC              | 50%                     | -                        | -         | \$4,282              | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 50%                     | 19                       | \$933     |                      | \$3,349                 | 22%               |
|  | Other              | 60%                     | 64                       | \$933     |                      | \$3,349                 | 22%               |
|  | Other              | 100%                    | 1                        | \$933     |                      | \$3,349                 | 22%               |
|  | NA                 | -                       | -                        | -         |                      | -                       | -                 |
| 3 Bedrooms   | CTCAC              | 50%                     | 1                        | \$1,412   | \$6,338              | \$4,926                 | 22%               |
|  | CTCAC              | 60%                     | 41                       | \$1,720   |                      | \$4,618                 | 27%               |
|  | CTCAC              | 80%                     | 3                        | \$2,860   |                      | \$3,478                 | 45%               |
|  | Other              | 50%                     | 13                       | \$1,217   |                      | \$5,121                 | 19%               |
|  | Other              | 60%                     | 12                       | \$1,217   |                      | \$5,121                 | 19%               |
|  | Other              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | NA                 | 100%                    | -                        | -         |                      | -                       | -                 |
| 4 Bedrooms   | CTCAC              | 50%                     | 1                        | \$1,506   | \$6,544              | \$5,038                 | 23%               |
|  | CTCAC              | 60%                     | 1                        | \$1,838   |                      | \$4,706                 | 28%               |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 50%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | NA                 | 100%                    | -                        | -         |                      | -                       | -                 |
| 5 Bedrooms   | CTCAC              | 50%                     | -                        | -         | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 50%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | Other              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | NA                 | 100%                    | -                        | -         |                      | -                       | -                 |

Date Prepared: 10/23/19

Senior Staff Date: 11/13/19

| SOURCES & USES OF FUNDS            |                    |                    | Final Commitment               |                |               |
|------------------------------------|--------------------|--------------------|--------------------------------|----------------|---------------|
| Bernal Dwellings                   |                    |                    | Project Number 18-031-A/N      |                |               |
| SOURCES OF FUNDS                   | CONST/REHAB<br>\$  | PERMANENT<br>\$    | TOTAL PROJECT SOURCES OF FUNDS |                |               |
|                                    |                    |                    | SOURCES (\$)                   | PER UNIT (\$)  | %             |
| U S Bank (TE Bonds)                | 60,500,000         |                    |                                |                | 0.0%          |
| -                                  | -                  |                    |                                |                | 0.0%          |
| -                                  | -                  |                    |                                |                | 0.0%          |
| SFHA (Seller) Note                 | 39,766,186         |                    |                                |                | 0.0%          |
| -                                  | -                  |                    |                                |                | 0.0%          |
| -                                  | -                  |                    |                                |                | 0.0%          |
| -                                  | -                  |                    |                                |                | 0.0%          |
| Operating Income                   | 728,163            |                    |                                |                | 0.0%          |
| -                                  | -                  |                    |                                |                | 0.0%          |
| Existing Reserves                  | 1,303,814          |                    |                                |                | 0.0%          |
| Costs Deferred during Constr.      | 1,996,100          |                    |                                |                | 0.0%          |
| Deferred Developer Fee             | 2,600,000          |                    |                                |                | 0.0%          |
| Developer/GP Equity Contribution   | 850,220            |                    |                                |                | 0.0%          |
| Investor Equity Contribution       | 4,501,884          |                    |                                |                | 0.0%          |
| Perm                               |                    | 24,300,906         | 24,300,906                     | 151,881        | 21.6%         |
| Subsidy Loan                       |                    | 3,500,000          | 3,500,000                      | 21,875         | 3.1%          |
| -                                  |                    | -                  | -                              | -              | 0.0%          |
| -                                  |                    | -                  | -                              | -              | 0.0%          |
| -                                  |                    | -                  | -                              | -              | 0.0%          |
| SFHA (Seller) Note                 |                    | 39,766,186         | 39,766,186                     | 248,539        | 35.4%         |
| MOHCD Note                         |                    | 1,413,078          | 1,413,078                      | 8,832          | 1.3%          |
| -                                  |                    | -                  | -                              | -              | 0.0%          |
| -                                  |                    | -                  | -                              | -              | 0.0%          |
| Existing Reserves                  |                    | 1,303,814          | 1,303,814                      | 8,149          | 1.2%          |
| -                                  |                    | -                  | -                              | -              | 0.0%          |
| -                                  |                    | -                  | -                              | -              | 0.0%          |
| Construct/Rehab Net Oper. Inc.     |                    | 728,163            | 728,163                        | 4,551          | 0.6%          |
| Deferred Developer Fees            |                    | 1,200,000          | 1,200,000                      | 7,500          | 1.1%          |
| Developer Equity Contribution      |                    | 850,220            | 850,220                        | 5,314          | 0.8%          |
| Investor Equity Contributions      |                    | 39,184,000         | 39,184,000                     | 244,900        | 34.9%         |
| <b>TOTAL SOURCES OF FUNDS</b>      | <b>112,246,367</b> | <b>112,246,367</b> | <b>112,246,367</b>             | <b>701,540</b> | <b>61.5%</b>  |
| <b>TOTAL USES OF FUNDS (BELOW)</b> | <b>112,246,367</b> | <b>112,246,367</b> | <b>112,246,367</b>             | <b>701,540</b> | <b>100.0%</b> |
| <b>FUNDING SURPLUS (DEFICIT)</b>   | <b>-</b>           | <b>-</b>           | <b>-</b>                       |                |               |

| USES OF FUNDS                              | CONST/REHAB<br>\$ | PERMANENT<br>\$    | TOTAL PROJECT USES OF FUNDS |                |              |
|--|-------------------|--------------------|-----------------------------|----------------|--------------|
|  |                   |                    | USES (\$)                   | PER UNIT (\$)  | %            |
| <b>CONSTRUCTION/REHAB SOURCES OF FUNDS</b> |                   | <b>112,246,367</b> |                             |                |              |
| <b>ACQUISITION COSTS</b>                   |                   |                    |                             |                |              |
| Lesser of Land Cost or Appraised Value     | 5,470,000         | -                  | 5,470,000                   | 34,188         | 4.9%         |
| Demolition Costs                           | -                 | -                  | -                           | -              | 0.0%         |
| Legal & Other Closing Costs                | -                 | -                  | -                           | -              | 0.0%         |
| Escrow & other closing costs               | -                 | -                  | -                           | -              | 0.0%         |
| Verifiable Carrying Costs                  | -                 | -                  | -                           | -              | 0.0%         |
| Existing Improvements Value                | 34,296,186        | -                  | 34,296,186                  | 214,351        | 30.6%        |
| Transferred Taxes Paid @ Closing           | 617,689           | -                  | 617,689                     | 3,861          | 0.6%         |
| CalHFA Yield Maintenance Paid @ Closing    | -                 | -                  | -                           | -              | 0.0%         |
| Existing Replacement & Other Reserves      | 1,303,814         | -                  | 1,303,814                   | 8,149          | 1.2%         |
| Broker Fees Paid to Related Party          | -                 | -                  | -                           | -              | 0.0%         |
| Other (Specify)                            | -                 | -                  | -                           | -              | 0.0%         |
| Other (Specify)                            | -                 | -                  | -                           | -              | 0.0%         |
| <b>TOTAL ACQUISITION COSTS</b>             | <b>41,687,689</b> | <b>-</b>           | <b>41,687,689</b>           | <b>260,548</b> | <b>37.1%</b> |
| <b>CONSTRUCTION/REHAB COSTS</b>            |                   |                    |                             |                |              |
| Offsite Improvements                       | -                 | -                  | -                           | -              | 0.0%         |
| Environmental Remediation (Hard Costs)     | 200,000           | -                  | 200,000                     | 1,250          | 0.2%         |
| Site Work (Hard Cost)                      | -                 | -                  | -                           | -              | 0.0%         |
| Structures (Hard Cost)                     | 35,921,316        | -                  | 35,921,316                  | 224,508        | 32.0%        |
| General Requirements                       | 2,198,600         | -                  | 2,198,600                   | 13,741         | 2.0%         |
| Contractor Overhead                        | 732,860           | -                  | 732,860                     | 4,580          | 0.7%         |
| Contractor Profit                          | 2,198,600         | -                  | 2,198,600                   | 13,741         | 2.0%         |
| Air Monitoring                             | 389,160           | -                  | 389,160                     | 2,432          | 0.3%         |
| Contractor Liability Insurance             | 722,186           | -                  | 722,186                     | 4,514          | 0.6%         |
| Payment & Performance Bond                 | 265,748           | -                  | 265,748                     | 1,661          | 0.2%         |
| Contractor Contingency during DD only      | -                 | -                  | -                           | -              | 0.0%         |
| <b>TOTAL CONSTRUCT/REHAB COSTS</b>         | <b>42,628,470</b> | <b>-</b>           | <b>42,628,470</b>           | <b>266,428</b> | <b>38.0%</b> |

| SOURCES & USES OF FUNDS                        |                   |                 | Final Commitment            |               |             |
|--|-------------------|-----------------|-----------------------------|---------------|-------------|
| Bernal Dwellings                               |                   |                 | Project Number 18-031-A/N   |               |             |
| USES OF FUNDS                                  | CONST/REHAB<br>\$ | PERMANENT<br>\$ | TOTAL PROJECT USES OF FUNDS |               |             |
|  |                   |                 | USES (\$)                   | PER UNIT (\$) | %           |
| <b><u>RELOCATION COSTS</u></b>                 |                   |                 |                             |               |             |
| Relocation Expense                             | 3,697,000         | -               | 3,697,000                   | 23,106        | 3.3%        |
| Relocation Compliance Monitoring               | -                 | -               | -                           | -             | 0.0%        |
| Other (Specify)                                | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL RELOCATION COSTS</b>                  | <b>3,697,000</b>  | <b>-</b>        | <b>3,697,000</b>            | <b>23,106</b> | <b>3.3%</b> |
| <b><u>ARCHITECTURAL FEES</u></b>               |                   |                 |                             |               |             |
| Design   | 1,167,380         | -               | 1,167,380                   | 7,296         | 1.0%        |
| Supervision                                    | 50,000            | -               | 50,000                      | 313           | 0.0%        |
| <b>TOTAL ARCHITECTURAL FEES</b>                | <b>1,217,380</b>  | <b>-</b>        | <b>1,217,380</b>            | <b>7,609</b>  | <b>1.1%</b> |
| <b><u>SURVEY &amp; ENGINEERING FEES</u></b>    |                   |                 |                             |               |             |
| Engineering                                    | 271,271           | -               | 271,271                     | 1,695         | 0.2%        |
| Supervision                                    | 153,000           | -               | 153,000                     | 956           | 0.1%        |
| Environmental                                  | 171,000           | -               | 171,000                     | 1,069         | 0.2%        |
| <b>TOTAL SURVEY &amp; ENGINEERING FEES</b>     | <b>595,271</b>    | <b>-</b>        | <b>595,271</b>              | <b>3,720</b>  | <b>0.5%</b> |
| <b><u>CONTINGENCY RESERVES</u></b>             |                   |                 |                             |               |             |
| Hard Cost Contingency Reserve                  | 6,306,000         | -               | 6,306,000                   | 39,413        | 5.6%        |
| Soft Cost Contingency Reserve                  | 1,020,885         | -               | 1,020,885                   | 6,381         | 0.9%        |
| <b>TOTAL CONTINGENCY RESERVES</b>              | <b>7,326,885</b>  | <b>-</b>        | <b>7,326,885</b>            | <b>45,793</b> | <b>6.5%</b> |
| <b><u>CONSTRUCT/REHAB PERIOD COSTS</u></b>     |                   |                 |                             |               |             |
| <b>Loan Interest Reserve</b>                   |                   |                 |                             |               |             |
| U S Bank (TE Bonds)                            | 3,244,000         | -               | 3,244,000                   | 20,275        | 2.9%        |
| Lender Inspection Fee                          | 60,000            | -               | 60,000                      | 375           | 0.1%        |
| SFHA (Seller) Note                             | -                 | -               | -                           | -             | 0.0%        |
| Other Fees Lender Legal                        | 75,000            | -               | 75,000                      | 469           | 0.1%        |
| Finance Fees-Other Fees                        | 14,250            | -               | 14,250                      | 89            | 0.0%        |
| Tax Credit Fees                                | -                 | -               | -                           | -             | 0.0%        |
| <b>Loan Fees</b>                               |                   |                 |                             |               |             |
| U S Bank (TE Bonds)                            | 453,750           | -               | 453,750                     | 2,836         | 0.4%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| SFHA (Seller) Note                             | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| <b>Other Const/Rehab Period Costs</b>          |                   |                 |                             |               |             |
| Deficit Const/Rehab NOI (Net Operating Income) | -                 | -               | -                           | -             | 0.0%        |
| Trustee First Annual Fee                       | 6,500             | -               | 6,500                       | 41            | 0.0%        |
| Resident Services                              | 376,874           | -               | 376,874                     | 2,355         | 0.3%        |
| CalHFA Inspection Fees                         | -                 | -               | -                           | -             | 0.0%        |
| Real Estate Taxes During Rehab                 | -                 | -               | -                           | -             | 0.0%        |
| Completion Guaranty Fee                        | -                 | -               | -                           | -             | 0.0%        |
| CDIAC Fee                                      | 3,000             | -               | 3,000                       | 19            | 0.0%        |
| Insurance During Rehab                         | 341,000           | -               | 341,000                     | 2,131         | 0.3%        |
| Title & Recording Fees                         | 75,000            | -               | 75,000                      | 469           | 0.1%        |
| CDLAC Performance Deposit                      | 100,000           | -               | 100,000                     | 625           | 0.1%        |
| Predevelopment Interest Expense                | 83,400            | -               | 83,400                      | 521           | 0.1%        |
| Bond Issuer Fee                                | 80,500            | -               | 80,500                      | 503           | 0.1%        |
| Workforce Development/MBE                      | 150,000           | -               | 150,000                     | 938           | 0.1%        |
| <b>TOTAL CONST/REHAB PERIOD COSTS</b>          | <b>5,063,274</b>  | <b>-</b>        | <b>5,063,274</b>            | <b>31,645</b> | <b>4.5%</b> |

| SOURCES & USES OF FUNDS                            |                   |                 | Final Commitment            |               |             |
|--|-------------------|-----------------|-----------------------------|---------------|-------------|
| Bernal Dwellings                                   |                   |                 | Project Number              |               | 18-031-A/N  |
| USES OF FUNDS                                      | CONST/REHAB<br>\$ | PERMANENT<br>\$ | TOTAL PROJECT USES OF FUNDS |               |             |
|  |                   |                 | USES (\$)                   | PER UNIT (\$) | %           |
| <b><u>PERMANENT LOAN COSTS</u></b>                 |                   |                 |                             |               |             |
| <b>Loan Fees</b>                                   |                   |                 |                             |               |             |
| CalHFA Application Fee                             | -                 | -               | -                           | -             | 0.0%        |
| Perm   | 243,009           | -               | 243,009                     | 1,519         | 0.2%        |
| Subsidy Loan                                       | 35,000            | -               | 35,000                      | 219           | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| SFHA (Seller) Note                                 | -                 | -               | -                           | -             | 0.0%        |
| MOHCD Note   | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| LOI Letter   | 5,000             | -               | 5,000                       | 31            | 0.0%        |
| Soft Costs / Application Fee                       | 10,000            | -               | 10,000                      | 63            | 0.0%        |
| Year 1 - Taxes & Special Assessments and Insurance | 145,691           | -               | 145,691                     | 911           | 0.1%        |
| Other:   | 2,500             | -               | 2,500                       | 16            | 0.0%        |
| Permanent Loan Cost of Issuance Fee                | 110,000           | -               | 110,000                     | 688           | 0.1%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL PERMANENT LOAN COSTS</b>                  | <b>551,200</b>    | <b>-</b>        | <b>551,200</b>              | <b>3,445</b>  | <b>0.5%</b> |
| <b><u>LEGAL FEES</u></b>                           |                   |                 |                             |               |             |
| City Financial Adviser                             | 25,000            | -               | 25,000                      | 156           | 0.0%        |
| Other Construction/Rehab Loan Legal Fees           | 50,000            | -               | 50,000                      | 313           | 0.0%        |
| CalHFA Permanent Loan Legal Fees                   | 35,000            | -               | 35,000                      | 219           | 0.0%        |
| Other Permanent Loan Legal Fees                    | -                 | -               | -                           | -             | 0.0%        |
| Sponsor Legal Fees                                 | 215,000           | -               | 215,000                     | 1,344         | 0.2%        |
| Organizational Legal Fees                          | 10,000            | -               | 10,000                      | 63            | 0.0%        |
| Issuers Counsel                                    | 74,250            | -               | 74,250                      | 464           | 0.1%        |
| SFHA Legal   | 50,000            | -               | 50,000                      | 313           | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL LEGAL FEES</b>                            | <b>459,250</b>    | <b>-</b>        | <b>459,250</b>              | <b>2,870</b>  | <b>0.4%</b> |
| <b><u>OPERATING RESERVES</u></b>                   |                   |                 |                             |               |             |
| Operating Expense Reserve Deposit                  | 1,583,223         | -               | 1,583,223                   | 9,895         | 1.4%        |
| Initial Replacement Reserve Deposit                | 225,000           | -               | 225,000                     | 1,406         | 0.2%        |
| Transition Operating Reserve Deposit               | -                 | -               | -                           | -             | 0.0%        |
| RAD Initial Year Reserve                           | 190,100           | -               | 190,100                     | 1,188         | 0.2%        |
| HOME Program Replacement Reserve                   | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL OPERATING RESERVES</b>                    | <b>1,998,323</b>  | <b>-</b>        | <b>1,998,323</b>            | <b>12,490</b> | <b>1.8%</b> |
| <b><u>REPORTS &amp; STUDIES</u></b>                |                   |                 |                             |               |             |
| Appraisal Fee                                      | 14,500            | -               | 14,500                      | 91            | 0.0%        |
| Market Study Fee                                   | 7,500             | -               | 7,500                       | 47            | 0.0%        |
| Physical Needs Assessment Fee                      | -                 | -               | -                           | -             | 0.0%        |
| Environmental Site Assessment Reports              | -                 | -               | -                           | -             | 0.0%        |
| HUD Risk Share Environmental / NEPA Review Fee     | 10,000            | -               | 10,000                      | 63            | 0.0%        |
| CalHFA Earthquake Waiver Review Fee                | 368,000           | -               | 368,000                     | 2,300         | 0.3%        |
| Relocation Consultant                              | 3,100             | -               | 3,100                       | 19            | 0.0%        |
| Soils Reports                                      | -                 | -               | -                           | -             | 0.0%        |
| Acoustical Reports                                 | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL REPORTS &amp; STUDIES</b>                 | <b>403,100</b>    | <b>-</b>        | <b>403,100</b>              | <b>2,519</b>  | <b>0.4%</b> |



| SOURCES & USES OF FUNDS                       |                    |                    | Final Commitment            |                |               |
|---|--------------------|--------------------|-----------------------------|----------------|---------------|
| Bernal Dwellings                              |                    |                    | Project Number 18-031-A/N   |                |               |
| USES OF FUNDS                                 | CONST/REHAB<br>\$  | PERMANENT<br>\$    | TOTAL PROJECT USES OF FUNDS |                |               |
|   |                    |                    | USES (\$)                   | PER UNIT (\$)  | %             |
| <b>OTHER COSTS</b>                            |                    |                    |                             |                |               |
| TCAC Application, Allocation & Monitor Fees   | 101,600            | -                  | 101,600                     | 635            | 0.1%          |
| CDLAC Fees                                    | 21,175             | -                  | 21,175                      | 132            | 0.0%          |
| Local Permits & Fees                          | 670,000            | -                  | 670,000                     | 4,188          | 0.6%          |
| Local Impact Fees                             | -                  | -                  | -                           | -              | 0.0%          |
| Other Local Fees                              | -                  | -                  | -                           | -              | 0.0%          |
| Annual Monitoring Fee - City                  | 18,750             | -                  | 18,750                      | 117            | 0.0%          |
| Furnishings                                   | 320,000            | -                  | 320,000                     | 2,000          | 0.3%          |
| Accounting & Audits                           | 30,000             | -                  | 30,000                      | 188            | 0.0%          |
| Advertising & Marketing Expenses              | 80,000             | -                  | 80,000                      | 500            | 0.1%          |
| -   | -                  | -                  | -                           | -              | 0.0%          |
| -   | -                  | -                  | -                           | -              | 0.0%          |
| HUD Risk Share Insurance (First Year Prepaid) | -                  | -                  | -                           | -              | 0.0%          |
| Lease Up Interest/Expense                     | 527,000            | -                  | 527,000                     | 3,294          | 0.5%          |
| Other (Specify)                               | -                  | -                  | -                           | -              | 0.0%          |
| <b>TOTAL OTHER COSTS</b>                      | <b>1,768,525</b>   | <b>-</b>           | <b>1,768,525</b>            | <b>11,053</b>  | <b>1.6%</b>   |
|   |                    |                    |                             |                |               |
| <b>SUBTOTAL PROJECT COSTS</b>                 | <b>107,396,367</b> | <b>112,246,367</b> | <b>107,396,367</b>          | <b>671,227</b> | <b>95.7%</b>  |
|   |                    |                    |                             |                |               |
| <b>DEVELOPER FEES &amp; COSTS</b>             |                    |                    |                             |                |               |
| Developer Fees, Overhead & Profit             | 4,000,000          | -                  | 4,000,000                   | 25,000         | 3.6%          |
| Consultant Processing Agent                   | -                  | -                  | -                           | -              | 0.0%          |
| Project Administration                        | -                  | -                  | -                           | -              | 0.0%          |
| Syndicator Consultant Fees                    | -                  | -                  | -                           | -              | 0.0%          |
| Guarantee Fees                                | -                  | -                  | -                           | -              | 0.0%          |
| Developer Fee Other                           | -                  | -                  | -                           | -              | 0.0%          |
| Other Administration Fees                     | -                  | -                  | -                           | -              | 0.0%          |
| GP Equity                                     | 850,000            | -                  | 850,000                     | 5,313          | 0.8%          |
| -   | -                  | -                  | -                           | -              | 0.0%          |
| <b>TOTAL DEVELOPER FEES &amp; COSTS</b>       | <b>4,850,000</b>   | <b>-</b>           | <b>4,850,000</b>            | <b>30,313</b>  | <b>4.3%</b>   |
|   |                    |                    |                             |                |               |
| <b>TOTAL PROJECT COSTS</b>                    | <b>112,246,367</b> | <b>112,246,367</b> | <b>112,246,367</b>          | <b>701,540</b> | <b>100.0%</b> |

| PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET |              |                             | Final Commitment |
|--|--------------|-----------------------------|------------------|
| Bernal Dwellings                                 |              | Project Number              | 18-031-A/N       |
|  |              |                             |                  |
| INCOME   | AMOUNT       | PER UNIT                    | %                |
| Rental Income                                    |              |                             |                  |
| Restricted Unit Rents                            | \$ 2,338,728 | \$ 14,617                   | 69.57%           |
| Unrestricted Unit Rents                          | -            | -                           | 0.00%            |
| Commercial Rents                                 | -            | -                           | 0.00%            |
| Rental & Operating Subsidies                     |              |                             |                  |
| Project Based Rental Subsidy                     | 1,199,772    | 7,499                       | 35.69%           |
| Other Project Based Subsidy                      | -            | -                           | 0.00%            |
| Income during renovations                        | -            | -                           | 0.00%            |
| Other Subsidy (Specify)                          | -            | -                           | 0.00%            |
| Other Income                                     |              |                             |                  |
| Laundry Income                                   | -            | -                           | 0.00%            |
| Parking & Storage Income                         | -            | -                           | 0.00%            |
| Miscellaneous Income                             | -            | -                           | 0.00%            |
| GROSS POTENTIAL INCOME (GPI)                     | \$ 3,538,500 | \$ 22,116                   | 105.26%          |
| Less: Vacancy Loss                               | \$ 176,925   | \$ 1,106                    | 5.26%            |
| EFFECTIVE GROSS INCOME (EGI)                     | \$ 3,361,575 | \$ 23,221                   | 100.00%          |
|  |              |                             |                  |
| OPERATING EXPENSES                               | AMOUNT       | PER UNIT                    | %                |
| Administrative Expenses                          | \$ 270,560   | \$ 1,691                    | \$ 0             |
| Management Fee                                   | 110,976      | 694                         | 3.30%            |
| Social Programs & Services                       | 162,000      | 1,013                       | 4.82%            |
| Utilities  | 391,116      | 2,444                       | 11.63%           |
| Operating & Maintenance                          | 595,700      | 3,723                       | 17.72%           |
| Ground Lease Payments                            | 15,000       | 94                          | 0.45%            |
| CalHFA Monitoring Fee                            | 7,500        | 47                          | 0.22%            |
| Other Monitoring Fees                            | -            | -                           | 0.00%            |
| Real Estate Taxes                                | 5,000        | 31                          | 0.15%            |
| Other Taxes & Insurance                          | 202,205      | 1,264                       | 6.02%            |
| SUBTOTAL OPERATING EXPENSES                      | \$ 1,760,057 | \$ 11,000                   | 52.36%           |
| Operating Reserves                               | \$ 64,000    | \$ 400                      | 1.90%            |
| TOTAL OPERATING EXPENSES                         | \$ 1,824,057 | \$ 11,400                   | 54.26%           |
|  |              |                             |                  |
| NET OPERATING INCOME (NOI)                       | \$ 1,537,518 | \$ 9,609                    | 45.74%           |
|  |              |                             |                  |
| DEBT SERVICE PAYMENTS                            | AMOUNT       | PER UNIT                    | %                |
| Perm   | \$ 1,342,389 | \$ 8,390                    | 39.93%           |
| -  | \$ -         | -                           | 0.00%            |
| -  | \$ -         | -                           | 0.00%            |
| -  | \$ -         | -                           | 0.00%            |
| SFHA (Seller) Note                               | \$ -         | -                           | 0.00%            |
| MOHCD Note                                       | \$ -         | -                           | 0.00%            |
| -  | \$ -         | -                           | 0.00%            |
| -  | \$ -         | -                           | 0.00%            |
| TOTAL DEBT SERVICE & OTHER PAYMENTS              | \$ 1,342,389 | \$ 8,390                    | 39.93%           |
|  |              |                             |                  |
| EXCESS AFTER DEBT SERVICE & MONITORING FEES      | \$ 195,129   | \$ 1,220                    | 5.80%            |
|  |              |                             |                  |
| DEBT SERVICE COVERAGE RATIO (DSCR)               | \$ 1 to 1    |                             |                  |
|  |              |                             |                  |
| Date: 10/23/19                                   |              | Senior Staff Date: 11/13/19 |                  |

| PROJECTED PERMANENT LOAN CASH FLOWS |        |                             |           |           |           |           |           |           |           |           | Bernal Dwellings |           |           |           |           |           |           |           |
|-------------------------------------|--------|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Final Commitment                    |        | Project Number 18-031-A/N   |           |           |           |           |           |           |           |           |                  |           |           |           |           |           |           |           |
|                                     | YEAR   | 1                           | 2         | 3         | 4         | 5         | 6         | 7         | 8         | 9         | 10               | 11        | 12        | 13        | 14        | 15        | 16        | 17        |
| RENTAL INCOME                       |        | CPI                         |           |           |           |           |           |           |           |           |                  |           |           |           |           |           |           |           |
| Restricted Unit Rents               | 2.50%  | 2,338,728                   | 2,397,196 | 2,457,126 | 2,518,554 | 2,581,518 | 2,646,056 | 2,712,207 | 2,780,013 | 2,849,513 | 2,920,751        | 2,993,770 | 3,068,614 | 3,145,329 | 3,223,962 | 3,304,561 | 3,387,175 | 3,471,855 |
| Unrestricted Unit Rents             | 2.50%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Commercial Rents                    | 2.00%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 2.50%  | 1,199,772                   | 1,229,766 | 1,260,510 | 1,292,023 | 1,324,324 | 1,357,432 | 1,391,368 | 1,426,152 | 1,461,806 | 1,498,351        | 1,535,810 | 1,574,205 | 1,613,560 | 1,653,899 | 1,695,246 | 1,737,628 | 1,781,068 |
| Other Project Based Subsidy         | 1.50%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Income during renovations           | 0.00%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Laundry Income                      | 0.00%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Parking & Storage Income            | 2.50%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Miscellaneous Income                | 2.50%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| GROSS POTENTIAL INCOME (GPI)        |        | 3,538,500                   | 3,626,963 | 3,717,637 | 3,810,577 | 3,905,842 | 4,003,488 | 4,103,575 | 4,206,165 | 4,311,319 | 4,419,102        | 4,529,579 | 4,642,819 | 4,758,889 | 4,877,861 | 4,999,808 | 5,124,803 | 5,252,923 |
| VACANCY ASSUMPTIONS                 |        | Vacancy                     |           |           |           |           |           |           |           |           |                  |           |           |           |           |           |           |           |
| Restricted Unit Rents               | 5.00%  | 116,936                     | 119,860   | 122,856   | 125,928   | 129,076   | 132,303   | 135,610   | 139,001   | 142,476   | 146,038          | 149,688   | 153,431   | 157,266   | 161,198   | 165,228   | 169,359   | 173,593   |
| Unrestricted Unit Rents             | 7.00%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Commercial Rents                    | 50.00% | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Project Based Rental Subsidy        | 5.00%  | 59,989                      | 61,488    | 63,026    | 64,601    | 66,216    | 67,872    | 69,568    | 71,308    | 73,090    | 74,918           | 76,790    | 78,710    | 80,678    | 82,695    | 84,762    | 86,881    | 89,053    |
| Other Project Based Subsidy         | 3.00%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Income during renovations           | 20.00% | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Other Subsidy (Specify)             | 0.00%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Laundry Income                      | 5.00%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Parking & Storage Income            | 50.00% | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Miscellaneous Income                | 50.00% | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| TOTAL PROJECTED VACANCY LOSS        |        | 176,925                     | 181,348   | 185,882   | 190,529   | 195,292   | 200,174   | 205,179   | 210,308   | 215,566   | 220,955          | 226,479   | 232,141   | 237,944   | 243,893   | 249,990   | 256,240   | 262,646   |
| EFFECTIVE GROSS INCOME (EGI)        |        | 3,361,575                   | 3,445,614 | 3,531,755 | 3,620,049 | 3,710,550 | 3,803,314 | 3,898,396 | 3,995,856 | 4,095,753 | 4,198,147        | 4,303,100 | 4,410,678 | 4,520,945 | 4,633,968 | 4,749,817 | 4,868,563 | 4,990,277 |
| OPERATING EXPENSES                  |        | CPI / Fee                   |           |           |           |           |           |           |           |           |                  |           |           |           |           |           |           |           |
| Administrative Expenses             | 3.50%  | 432,560                     | 447,700   | 463,369   | 479,587   | 496,373   | 513,746   | 531,727   | 550,337   | 569,599   | 589,535          | 610,169   | 631,525   | 653,628   | 676,505   | 700,183   | 724,689   | 750,053   |
| Management Fee                      | 3.30%  | 110,976                     | 113,705   | 116,548   | 119,462   | 122,448   | 125,509   | 128,647   | 131,863   | 135,160   | 138,539          | 142,002   | 145,552   | 149,191   | 152,921   | 156,744   | 160,663   | 164,679   |
| Utilities                           | 3.50%  | 391,116                     | 404,805   | 418,973   | 433,637   | 448,815   | 464,523   | 480,781   | 497,609   | 515,025   | 533,051          | 551,708   | 571,018   | 591,003   | 611,688   | 633,097   | 655,256   | 678,190   |
| Operating & Maintenance             | 3.50%  | 595,700                     | 616,550   | 638,129   | 660,463   | 683,579   | 707,505   | 732,267   | 757,897   | 784,423   | 811,878          | 840,294   | 869,704   | 900,144   | 931,649   | 964,256   | 998,005   | 1,032,935 |
| Ground Lease Payments               | 0.00%  | 15,000                      | 15,000    | 15,000    | 15,000    | 15,000    | 15,000    | 15,000    | 15,000    | 15,000    | 15,000           | 15,000    | 15,000    | 15,000    | 15,000    | 15,000    | 15,000    | 15,000    |
| CalHFA Monitoring Fee               | 0.00%  | 7,500                       | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500            | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     | 7,500     |
| MOHCD Monitoring Fee                | 0.00%  | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| Real Estate Taxes                   | 1.25%  | 5,000                       | 5,063     | 5,126     | 5,190     | 5,255     | 5,320     | 5,387     | 5,454     | 5,522     | 5,591            | 5,661     | 5,732     | 5,804     | 5,876     | 5,950     | 6,024     | 6,099     |
| Other Taxes & Insurance             | 3.50%  | 202,205                     | 209,282   | 216,607   | 224,188   | 232,035   | 240,156   | 248,562   | 257,261   | 266,265   | 275,585          | 285,230   | 295,213   | 305,546   | 316,240   | 327,308   | 338,764   | 350,621   |
| Required Reserve Payments           | 1.00%  | 64,000                      | 64,640    | 65,286    | 65,939    | 66,599    | 67,265    | 67,937    | 68,617    | 69,303    | 69,996           | 70,696    | 71,403    | 72,117    | 72,838    | 73,566    | 74,302    | 75,045    |
| TOTAL OPERATING EXPENSES            |        | 1,824,057                   | 1,884,244 | 1,946,538 | 2,010,967 | 2,077,603 | 2,146,524 | 2,217,808 | 2,291,538 | 2,367,798 | 2,446,675        | 2,528,260 | 2,612,646 | 2,699,932 | 2,790,217 | 2,883,604 | 2,980,203 | 3,080,122 |
| NET OPERATING INCOME (NOI)          |        | 1,537,518                   | 1,561,370 | 1,585,217 | 1,609,082 | 1,632,947 | 1,656,790 | 1,680,588 | 1,704,318 | 1,727,955 | 1,751,472        | 1,774,841 | 1,798,031 | 1,821,013 | 1,843,752 | 1,866,213 | 1,888,360 | 1,910,155 |
| DEBT SERVICE PAYMENTS               |        | Lien #                      |           |           |           |           |           |           |           |           |                  |           |           |           |           |           |           |           |
| Perm                                | 1      | 1,342,389                   | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389        | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 |
| -                                   | -      | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -      | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -      | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| SFHA (Seller) Note                  | 3      | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| MOHCD Note                          | 4      | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| -                                   | -      | -                           | -         | -         | -         | -         | -         | -         | -         | -         | -                | -         | -         | -         | -         | -         | -         | -         |
| TOTAL DEBT SERVICE & OTHER PAYMENTS |        | 1,342,389                   | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389        | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 | 1,342,389 |
| CASH FLOW AFTER DEBT SERVICE        |        | 195,129                     | 218,981   | 242,827   | 266,693   | 290,557   | 314,400   | 338,199   | 361,929   | 385,566   | 409,083          | 432,451   | 455,642   | 478,623   | 501,362   | 523,824   | 545,971   | 567,765   |
| DEBT SERVICE COVERAGE RATIO         |        | 1.15                        | 1.16      | 1.18      | 1.20      | 1.22      | 1.23      | 1.25      | 1.27      | 1.29      | 1.30             | 1.32      | 1.34      | 1.36      | 1.37      | 1.39      | 1.41      | 1.42      |
| Date Prepared: 10/23/19             |        | Senior Staff Date: 11/13/19 |           |           |           |           |           |           |           |           |                  |           |           |           |           |           |           |           |

|                                   |    |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
|-----------------------------------|----|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| LESS: Asset Management Fee        | 3% | 5,000   | 5,150   | 5,305   | 5,464   | 5,628   | 5,796   | 5,970   | 6,149   | 6,334   | 6,524   | 6,720   | 6,921   | 7,129   | 7,343   | 7,563   | 7,790   | 8,024   |
| LESS: Partnership Management Fee  | 3% | 21,160  | 21,795  | 22,449  | 23,122  | 23,816  | 24,530  | 25,266  | 26,024  | 26,805  | 27,609  | 28,437  | 29,290  | 30,169  | 31,074  | 32,006  | 32,967  | 33,956  |
| net CF available for distribution |    | 168,969 | 192,036 | 215,074 | 238,107 | 261,114 | 284,074 | 306,962 | 329,755 | 352,427 | 374,950 | 397,294 | 419,430 | 441,325 | 462,945 | 484,254 | 505,215 | 525,786 |

|                                  |           |           |           |         |         |         |         |   |   |   |   |   |   |   |   |   |   |   |
|----------------------------------|-----------|-----------|-----------|---------|---------|---------|---------|---|---|---|---|---|---|---|---|---|---|---|
| Deferred developer fee repayment | 1,200,000 | 1,200,000 | 1,031,031 | 838,995 | 623,921 | 385,814 | 124,700 | - | - | - | - | - | - | - | - | - | - | - |
|                                  |           | 168,969   | 192,036   | 215,074 | 238,107 | 261,114 | 284,074 | - | - | - | - | - | - | - | - | - | - | - |
|                                  |           | 1,031,031 | 838,995   | 623,921 | 385,814 | 124,700 | -       | - | - | - | - | - | - | - | - | - | - | - |

| Payments for Residual Receipt Payments | 50%       |   |   |   |   |   |           |         |         |         |         |         |         |         |         |         |         |         |
|--|-----------|---|---|---|---|---|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| RESIDUAL RECEIPTS LOANS                | Payment % |   |   |   |   |   |           |         |         |         |         |         |         |         |         |         |         |         |
| Subsidy Loan                           | 7.83%     | - | - | - | - | - | 79,686.84 | 153,481 | 164,878 | 176,214 | 187,475 | 198,647 | 209,715 | 220,663 | 231,473 | 242,127 | 252,607 | 262,893 |
| 0                                      | 0.00%     | - | - | - | - | - | -         | 6,242   | 12,023  | 12,916  | 13,804  | 14,686  | 15,561  | 16,428  | 17,286  | 18,133  | 18,967  | 20,594  |
| SFHA (Seller) Note                     | 89.00%    | - | - | - | - | - | -         | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| MOHCD Note                             | 3.16%     | - | - | - | - | - | 70,924    | 136,604 | 146,747 | 156,837 | 166,860 | 176,803 | 186,654 | 196,398 | 206,019 | 215,502 | 224,830 | 233,984 |
| 0                                      | 0.00%     | - | - | - | - | - | 2,520     | 4,854   | 5,215   | 5,573   | 5,929   | 6,283   | 6,633   | 6,979   | 7,321   | 7,658   | 7,989   | 8,315   |
| 0                                      | 0.00%     | - | - | - | - | - | -         | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Total Residual Receipts Payments       | 100.00%   | - | - | - | - | - | 79,687    | 153,481 | 164,878 | 176,214 | 187,475 | 198,647 | 209,715 | 220,663 | 231,473 | 242,127 | 252,607 | 262,893 |

| Balances for Residual Receipt Payments |                      |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
|--|----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| RESIDUAL RECEIPTS LOANS                |                      |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
|  | <u>Interest Rate</u> |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| Subsidy Loan---Simple                  | 3.00%                | 3,500,000  | 3,605,000  | 3,710,000  | 3,815,000  | 3,920,000  | 4,025,000  | 4,123,758  | 4,216,735  | 4,308,819  | 4,400,015  | 4,490,329  | 4,579,767  | 4,668,339  | 4,756,053  | 4,842,921  | 4,928,953  | 5,014,165  |
| 0---Compounding                        | 0.00%                | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| 0---Compounding                        | 0.00%                | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| SFHA (Seller) Note---Simple            | 3.00%                | 39,766,186 | 40,959,172 | 42,152,157 | 43,345,143 | 44,538,128 | 45,731,114 | 46,853,175 | 47,909,557 | 48,955,795 | 49,991,944 | 51,018,070 | 52,034,253 | 53,040,584 | 54,037,172 | 55,024,138 | 56,001,622 | 56,969,777 |
| MOHCD Note---Simple                    | 3.00%                | 1,413,078  | 1,455,470  | 1,497,863  | 1,540,255  | 1,582,647  | 1,625,040  | 1,664,912  | 1,702,450  | 1,739,628  | 1,776,447  | 1,812,910  | 1,849,020  | 1,884,779  | 1,920,193  | 1,955,264  | 1,989,999  | 2,024,402  |
| 0---                                   | 0.00%                | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| 0---                                   | 0.00%                | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| Total Residual Receipts Payments       |                      | 44,679,264 | 46,019,642 | 47,360,020 | 48,700,398 | 50,040,776 | 51,381,154 | 52,641,845 | 53,828,741 | 55,004,242 | 56,168,406 | 57,321,309 | 58,463,040 | 59,593,703 | 60,713,418 | 61,822,323 | 62,920,574 | 64,008,344 |



## TAX-EXEMPT PERMANENT LOAN PROGRAM

CalHFA's Tax-Exempt Permanent Loan Program ("Perm Loan") provides competitive tax-exempt long-term financing for affordable multifamily rental housing Projects. Eligible projects include newly constructed or acquisition/rehabilitation developments that provide affordable housing opportunities for individuals, families, seniors, veterans, and special needs tenants ("Project").

|                                    |  |
|------------------------------------|--|
| <b>Qualifications</b>              | <ul style="list-style-type: none"> <li>• Available to for-profit, non-profit, and public agency sponsors.</li> <li>• Tax-exempt bond authority must be obtained from the California Debt Limit Allocation Committee (CDLAC) or through a 501(c)(3) exemption.</li> <li>• The Tax-Exempt Permanent Loan may be used with or without 4% low income housing tax credits.</li> <li>• If a lender other than CalHFA is providing short-term, first-lien debt, CalHFA shall be used as the bond issuer (for more information, review the Conduit Issuer Program Term Sheet).</li> <li>• For Section 8 Projects, a final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract.</li> <li>• The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program.</li> <li>• For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit <a href="http://www.calhfa.ca.gov">www.calhfa.ca.gov</a> for the <a href="#">CalHFA Portfolio Loan Prepayment Policy</a>.</li> </ul>     |
| <b>Loan Amount</b>                 | <ul style="list-style-type: none"> <li>• Minimum Perm Loan amount of \$5,000,000.</li> <li>• Minimum 1.15x for debt service coverage ratio (include any financing with amortizing debt).</li> <li>• Lesser of 90% of restricted value or 100% of development costs. For Projects with equity being cashed out, the Perm Loan amount will be restricted to no more than 80% of the restricted value.</li> </ul>   |
| <b>Fees</b><br>(subject to change) | <ul style="list-style-type: none"> <li>• Application Fee: \$10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Loan Fee.</li> <li>• Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing.</li> <li>• Cost of Issuance Fee: \$110,000, half due at final commitment, with balance due at Perm Loan Closing.</li> <li>• Credit Enhancement Fee: included in the interest rate.</li> <li>• Annual Administrative Fee: \$7,500 annually (not to be duplicated if used in conjunction with CalHFA's Conduit Program).</li> <li>• Inspection fees should be estimated at \$500 - \$1,000 per month (reports and fees can be shared with other construction lenders)</li> <li>• Legal Fee: \$35,000 due at Perm Loan closing.</li> <li>• Administrative Fee: \$1,000 at Perm Loan closing.</li> <li>• Letter of Interest Fee: \$5,000 at LOI request, and is credited towards the CalHFA Perm Loan Fee</li> </ul> <p>See Conduit Issuer Program Term Sheet for information on conduit issuance fees.</p> |

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## TAX-EXEMPT PERMANENT LOAN PROGRAM

|  |   |
|--|---|
| <b>Rate &amp; Terms</b><br>(subject to change) | <p>Interest Rate:</p> <ul style="list-style-type: none"> <li>• 17 Year Balloon: 15 Year “AAA” MMD (Municipal Market Data) plus CalHFA spread</li> <li>• 30 Year Balloon and Fully Amortizing Loans: 30 Year “AAA” MMD plus CalHFA spread</li> <li>• Estimated CalHFA Spread: 2.00% to 2.50%</li> <li>• Rate may be locked up to 30 days prior to the construction loan closing. Rate may be locked for the term of the construction period, not to exceed 3 years.</li> </ul> <p>Amortization/Term:</p> <ul style="list-style-type: none"> <li>• Amortization: Up to 35 Year Amortization<sup>1</sup></li> <li>• Term: Fully Amortizing, and 17 or 30 Year Balloons available<sup>2</sup></li> <li>• Perm Loan Reduction: up to 10% reduction at Perm Loan closing permitted at no cost.</li> <li>• A six-month extension is permitted upon payment of a fee equal to 0.50% of the Perm Loan amount.</li> <li>• Breakage Fee (if applicable): between construction loan closing and Perm Loan closing and calculated based on hedge termination cost.</li> </ul> <p>1. The Agency may offer up to a 40 year amortization at its discretion.<br/>         2. Balloon loans subject to agency approved exit strategy.</p> |
| <b>Loan Closing Requirements</b>               | <ul style="list-style-type: none"> <li>• 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls.</li> <li>• 90% of tax credit investor equity shall have been paid into the Project.</li> <li>• Project income is sufficient to pay operating expenses, required debt service, reserves and monitoring fees.</li> <li>• For mixed-use Projects, 100% non-residential occupancy as evidenced by executed leases or guarantees.</li> </ul>  |
| <b>Prepayment</b>                              | <p>The Perm Loan may be prepaid at par after 15 years of the Perm Loan period. However, the Perm Loan may be prepaid after 10 years of the Perm Loan period subject to a yield maintenance calculation of:</p> <ul style="list-style-type: none"> <li>• 5% of the principal balance after the end of year 10</li> <li>• 4% of the principal balance after the end of year 11</li> <li>• 3% of the principal balance after the end of year 12</li> <li>• 2% of the principal balance after the end of year 13</li> <li>• 1% of the principal balance after the end of year 14</li> </ul> <p>All prepayments require a prior written 120-day notice to CalHFA.</p>  |
| <b>Subordinate Financing</b>                   | <p>Financing or grants are encouraged from local governments and third parties to achieve project feasibility. All financing, leases, development and regulatory agreements must be coterminous (or have a longer term than the combined terms of any CalHFA Acq/Rehab Loan and Perm Loan) and be subordinate to CalHFA financing.</p>  |

## TAX-EXEMPT PERMANENT LOAN PROGRAM

|                                       |  |
|---------------------------------------|--|
| <b>Occupancy Requirements</b>         | <p>Must maintain the greater of (A) existing affordability restrictions, or (B) either (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area (county) median gross income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (ii) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI ("10% @ 50% AMI").</p> <p>CalHFA's regulated units must represent a pro-rata share of the available unit sizes (by bedroom count and square feet), and be disbursed throughout the project.</p>  |
| <b>Due Diligence</b>                  | <p>The following due diligence is required to be provided at the Owner/Borrower's expense:</p> <ul style="list-style-type: none"> <li>• Appraisal (a construction lender's appraisal may be acceptable).</li> <li>• HUD-2530 previous participation clearance.</li> <li>• Construction Costs Review for new construction loans (other construction lender's review is acceptable).</li> <li>• Physical Needs Assessment ("PNA") for rehabilitation projects with a Replacement Reserve Needs Analysis ("RRNA") over time for the first 20-year term (other lender's PNA/RRNA may be acceptable).</li> <li>• Phase I Environmental Site Assessment including but not limited to impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation).</li> <li>• Market Study satisfactory to CalHFA.</li> <li>• NEPA Review.</li> <li>• Termite/Dry Rot reports by licensed company.</li> <li>• Seismic review and other studies may be required at CalHFA's discretion.</li> </ul> |
| <b>Required Impounds and Reserves</b> | <ul style="list-style-type: none"> <li>• Replacement Reserve: Initial cash deposit required for existing Projects, with annual deposits between \$250 and \$500 per unit/per year depending on the Project type and PNA/RRNA findings.</li> <li>• Operating Expense Reserve: 3-6 months of operating expenses, reserves, debt service, and monitoring fees due at Perm Loan closing (letter of credit or cash) and held for the life of the CalHFA Perm Loan.</li> <li>• Impounds held by CalHFA: One year's prepaid earthquake, hazard and liability insurance premiums, and property tax assessments are collected at loan closing. An earthquake insurance waiver is available for Projects which have met CalHFA earthquake waiver standards during rehabilitation or construction.</li> <li>• Transition Operating Reserve (TOR): required for Projects with rental subsidy contracts with contract terms that are less than 20 years.</li> <li>• Other reserves as required (at CalHFA's discretion).</li> </ul>           |

Last revised: 4/2019

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. This program description is subject to change from time to time without prior notice. The California Housing Finance Agency does not discriminate on any prohibited basis in employment or in the admission and access to its programs or activities. Not printed at taxpayer expense.



## CONDUIT ISSUER PROGRAM

### MULTIFAMILY HOUSING BONDS

The CalHFA Conduit Issuer Program is designed to facilitate access to tax-exempt and taxable bonds ("Bond") by developers that seek financing for eligible projects that provide affordable multifamily rental housing for individuals, families, seniors, veterans or special needs tenants ("Project"). The conduit Bonds may be used to finance the acquisition, rehabilitation, and/or development of an existing Project, or they can be used for the construction of a new Project.

|                                    |  |
|------------------------------------|--|
| <b>Qualifications</b>              | <ul style="list-style-type: none"> <li>• Available to for-profit, non-profit or public agency sponsors.</li> <li>• Non-profit borrowers may be eligible for 501(c)(3) bonds.</li> <li>• If bond proceeds are utilized to pay off an existing CalHFA portfolio loan visit <a href="http://www.calhfa.ca.gov">www.calhfa.ca.gov</a> for the <a href="#">CalHFA Portfolio Loan Prepayment Policy</a>.</li> </ul>  |
| <b>Bond Amount</b>                 | Bond amount is determined by the loan amount of the selected construction lender.  |
| <b>Fees</b><br>(subject to change) | <ul style="list-style-type: none"> <li>• Application Fee: \$5,000 non-refundable, due at time of application submittal (covers the cost of the TEFRA) and is credited towards the CalHFA Issuer Fee.</li> <li>• Issuer Fee:             <ol style="list-style-type: none"> <li>1. The greater of \$15,000 or 0.20% of the Bond amount if less than \$20 million dollars</li> <li>2. If more than \$20 million dollars: \$40,000 + 0.10% of the amount above \$20 million dollars</li> </ol> </li> <li>• Annual Administrative Fee: \$7,500 (scattered site projects may require increased fees) due and payable in advance in annual installments commencing on Bond issuance through the term of the regulatory period.</li> <li>• Public Sale: additional fee of \$5,000 to \$10,000 applies when Bonds are sold to the public.</li> <li>• CDLAC Allocation Fee: 0.035% of the Bond amount, \$1,200 of which is due at time of CDLAC application submittal with the remaining fee due at construction loan closing, and is payable to CDLAC.</li> <li>• CDLAC Performance Deposit: 0.50% of the requested Bond amount, not to exceed \$100,000, due at time of CDLAC application submittal. Deposit to be refunded after the Bond closing, upon receipt of authorization letter from CDLAC.</li> </ul> <p>The Borrower shall be responsible for all other costs of Bond issuance including fees of the underwriter, trustee, rating agencies, lender, compliance administrator, all Bond counsel legal fees, and any other parties required to complete the transaction.</p> |

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 Sacramento, CA 95814  
 916.326.8651  
[banderson@calhfa.ca.gov](mailto:banderson@calhfa.ca.gov)

## CONDUIT ISSUER PROGRAM

### Occupancy Requirements

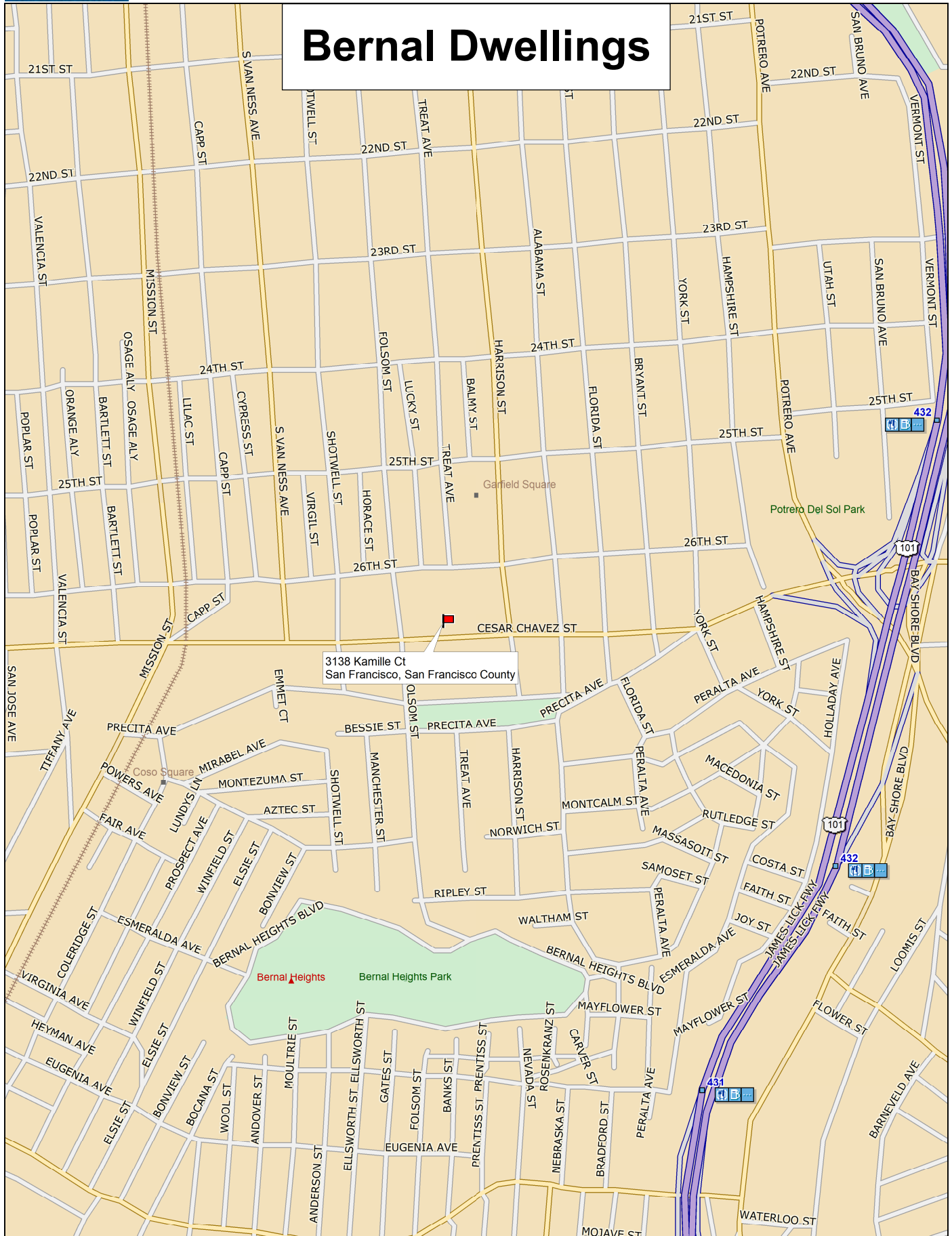
- Either (A) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area median income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (B) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI.
- Borrower will be required to enter into a Regulatory Agreement which will be recorded against the Project for the Qualified Project Period (as defined in the CalHFA Regulatory Agreement). This includes the latter of the federally-required qualified project period, repayment of the Bond funded loan, redemption of the Bonds or the full term of the CDLAC Resolution requirements.

Last revised: 03/2019

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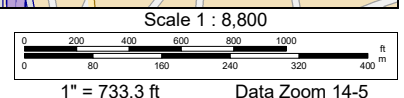
# Bernal Dwellings



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## This is a comprehensive map of Northern California, centered around the San Francisco Bay Area. The title "Bernal Dwellings" is prominently displayed at the top center in a large, bold, black font. The map uses a color-coded system where green indicates parks or undeveloped land, blue represents water bodies such as rivers and bays, and yellow/orange tones denote urban areas and roads. Major interstate highways are shown as thick purple lines with their respective shields (e.g., I-5, I-80, I-680). State routes are depicted as thinner orange lines. Numerous cities and towns are labeled throughout the state, from Healdsburg in the north to Hollister in the south. In the lower-left quadrant, a white rectangular callout box contains the address "3138 Kamille Ct" and "San Francisco, San Francisco County". A small red pin icon is placed on the map near the city of San Francisco, corresponding to this address. The map also includes labels for various military reservations, such as Hamilton Air Force Base and Fort Funston Military Reservation, and identifies several sloughs and creeks in the Central Valley.

[www.delorme.com](http://www.delorme.com)



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1" = 14.20 mi

Data Zoom 7-7

## RESOLUTION NO. 19-23

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of Bernal Homes, LP, a California limited partnership (the "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in San Francisco, San Francisco County, California, to be known as Bernal Dwellings (the "Development"); and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the California Housing Finance Agency as follows:

1. The Executive Director, or in her absence, the Chief Deputy Director, is hereby authorized to execute and deliver a final commitment letter, in a form acceptable to the Agency, and subject to recommended terms and conditions set forth in the Staff Report and any terms and conditions as the Board has designated in the Minutes of the Board Meeting, in relation to the Development described above and as follows:

| <u>PROJECT<br/>NUMBER</u> | <u>DEVELOPMENT NAME/<br/>LOCALITY</u>                              | <u>MORTGAGE<br/>AMOUNT</u>  |
|---------------------------|--|---|
| 18-031-A/N                | BERNAL DWELLINGS<br>City and County of San Francisco<br>California | \$24,300,906.00 (Tax-Exempt<br>Permanent Loan<br>w/HUD Risk<br>Sharing)<br><br>\$ 3,500,000.00 (Subsidy GAP Loan<br>w/Earned Surplus) |

The Board recognizes that in the event that staff cannot determine that reasonable and prudent financing mechanisms can be achieved, the staff will not enter into loan commitments to finance the Development. In addition, access to capital markets may require significant changes to the terms of loans submitted to the Board. Notwithstanding paragraph 2 below, the staff is authorized to make any needed modifications to the loan which in staff's judgment are directly or indirectly the result of the disruptions to the capital markets referred to above.

2. The Executive Director may modify the terms and conditions of the loans or loans as described in the Staff Report, provided that major modifications, as defined below, must be submitted to this Board for approval. "Major modifications" as used herein means modifications which either (i) increase the total aggregate amount of any loans made pursuant to the Resolution by more than 7%; or (ii) modifications which in the judgment of the Executive Director, or in her absence, the Chief Deputy Director of the Agency, adversely change the financial or public purpose aspects of the final commitment in a substantial way.

## 1 SECRETARY'S CERTIFICATE

2  
3 I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized  
4 Secretary of the Board of Directors of the California Housing Finance Agency, and hereby  
5 further certify that the foregoing is a full, true, and correct copy of Resolution No. 19-23 duly  
6 adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency  
7 duly called and held on the 3<sup>rd</sup> day of December 2019, at which meeting all said directors had  
8 due notice, a quorum was present and that at said meeting said resolution was adopted by the  
9 following vote:

10  
11 AYES:

12  
13 NOES:

14  
15 ABSTENTIONS:

16  
17 ABSENT:

18  
19 IN WITNESS WHEREOF, I have executed this certificate hereto this 3<sup>rd</sup> day of  
20 December 2019.

21  
22  
23 ATTEST:

24 \_\_\_\_\_  
25 CLAIRE TAURIAINEN  
26 Secretary of the Board of Directors of the  
27 California Housing Finance Agency  
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**CalHFA MULTIFAMILY PROGRAMS DIVISION**  
**Final Commitment Staff Report & Request for Loan Approval of a**  
**Taxable Perm Loan with Subsidy Financing**  
**For Board Meeting on: 12/3/2019**

|   |   |   |  |
|---|---|---|--|
| <b>Project Name, County:</b>                | <b>Stone Pine Meadow Apartments, San Joaquin County</b> |   |  |
| <b>Address:</b>                             | 229 W. Grant Line Road, Tracy, California 95376         |   |  |
| <b>CalHFA Project Number:</b>               | 18-010-A/N  |   |  |
| <b>Requested Financing by Loan Program:</b> | \$13,650,000  | Tax-Exempt Bond – Conduit Issuance Amount           |  |
|   | \$2,946,000   | Taxable Permanent Loan Tranche A                    |  |
|   | \$643,000   | Taxable Permanent Loan Tranche B                    |  |
|   | \$2,390,000   | Subsidy GAP Loan funded with (Earned Surplus) funds |  |

**TRANSACTION FACTS**

|                              |                |                                  |                               |
|------------------------------|----------------|----------------------------------|-------------------------------|
| <b>Loan Officer:</b>         | Steve Lierly   | <b>Loan Specialist:</b>          | Lorrie Blevins                |
| <b>Asset Manager:</b>        | Jennifer Silva | <b>Loan Administration:</b>      | Natalie Cooper                |
| <b>Legal (Internal):</b>     | Torin Heenan   | <b>Legal (External):</b>         | Orrick Herrington & Sutcliffe |
| <b>Concept Meeting Date:</b> | 10/15/2019     | <b>Approval Expiration Date:</b> | 6 months from Approval        |

|           |                                  |  |             |                     |              |                        |                   |
|-----------|----------------------------------|--|-------------|---------------------|--------------|------------------------|-------------------|
| <b>1.</b> | <b>Legislative Districts</b>     | <b>Congress: 10</b>  | Josh Harder | <b>Assembly: 13</b> | Susan Eggman | <b>State Senate: 5</b> | Cathleen Galgiani |
| <b>2.</b> | <b>Brief Project Description</b> | <p><b>Stone Pine Meadow Apartments</b> (the “Project”) is an existing Project in the CalHFA portfolio that received construction financing through Agency issued tax-exempt bonds which converted to 40-year term permanent loan in the year 2000. The Project contains 72 units with 71 units restricted to families earning less than 60% of Area Median Income (“AMI”). The site is improved with 14 buildings, 12 low-rise 2-story residential buildings and 2 accessory buildings, containing one, two, three, and four-bedroom units ranging between 630 square feet and 1,386 square feet. The site consists of a single 4-acre parcel of land with 183 feet of frontage on Grant Line Road. The Project includes a community room, laundry room and a playground. Unit amenities include central heating and air, an oven-range, microwave, dishwasher, refrigerator and garbage disposal.</p> <p>The existing CalHFA loan will be repaid and the Borrower will refinance with tax-exempt bonds and 4% tax credits for the moderate rehabilitation of the Project. The Scope of Work provides for exterior siding replacement on portions of the buildings where the existing siding has failed. The scope also includes the installation of new energy efficient windows and sliding glass doors. The repair and replacement of curbs and sidewalks together with path of travel corrections to meet current ADA standards. New and repaired a/c paving for the center driveways including repairs to the main sanitary sewer line. The exterior of all the buildings and the interior painting of all the units are to be repainted. Individual units will be rehabbed according to need with 45 kitchens receiving new cabinetry and 58 bathrooms receiving new vanities. The community room is to be remodeled and an outdoor covered patio will be attached. The existing tot lot surface will be refinished along with the installation of new play equipment.</p> |             |                     |              |                        |                   |

|    |  |  |
|----|--|--|
| 2. | <b>Brief Project Description Continued</b> | <p><b>Subsidies:</b> 17 Units are currently subsidized by project-based vouchers (PBV's) under a 15-year Housing Assistance Payment (HAP) contract awarded and administered by the Housing Authority of the County of San Joaquin (HACSJ). The HAP contract commenced on June 1, 2018 and expires on May 31, 2033. The scheduled completion of the rehab and conversion to permanent financing will allow for 12 remaining years on the HAP contract. In order to avoid a sizable transitional operating reserve, the Tranche B permanent loan will fully amortize over those 12 years. The Tranche A perm loan will remain in place for an additional 8 years until due and payable. The debt coverage service ratio (DCSR) for the Tranche A loan is expected to be above 1.19 for the remaining 8 years of the 20-year term.</p> <p><b>Tax Credits:</b> The developer has been awarded 4% tax credits which is priced to provide \$8,184,660 in tax credit equity and provides over 33% of the project financing.</p> <p><b>Supplemental Occupancy Restrictions:</b> The Locality funding from the Community Development Agency of the City of Tracy requires that 28 units be rented to families earning less than 50% of AMI, 7 units at less than 60% of AMI and 36 units at less than 90% of AMI for a total of 71 units. The Locality HOME funding from the County of San Joaquin requires that 1 unit be rented to families earning less than 50% of AMI and 5 units at less than 60% of AMI for a total of 6 units. The Housing Authority project-based vouchers will restrict 8 units to 50% of AMI and 9 units to 60% of AMI. The CalHFA regulated units for the perm and subsidy loans will overlay these restrictions. The CalHFA Subsidy Loan provides for a preference to be given to Veterans for the 37 units covered under the Subsidy Loan affordability restrictions.</p> |
| 3. | <b>Sponsor/Developer</b>                   | Eden Housing Inc.  |
| 4. | <b>Borrower Name</b>                       | Stone Pine Meadow Two, L.P., a California limited partnership  |

#### CALHFA LOAN TERMS

| 5. |   | <b>ACQUISITION AND REHAB LOAN<br/>BBVA MORTGAGE CORP.</b> | <b>PERMANENT LOAN</b>  | <b>SUBSIDY (GAP) LOAN</b>  |
|----|---|---|--|--|
|    | <b>Total Loan Amount</b>  | <b>\$13,650,000</b>                                       | <b>Tranche "A" \$2,946,000<br/>Tranche "B" \$643,000</b>   | <b>\$2,390,000</b>   |
|    | <b>Loan Term</b>  | <b>18 months- interest only</b>                           | <b>Tranche "A" 35 years<br/>amortizing, due in 20 years.<br/>Tranche "B" 12 yr. fully<br/>amortized</b>  | <b>40 years, Residual<br/>Receipts repayment.</b>                        |
|    | <b>Interest Rate</b><br><i>(subject to change and<br/>locked 30 days prior to<br/>loan closing)</i> | <b>1-month Libor +1.10%</b>                               | <b>Tranche "A" 10-year treasury +<br/>2.863% (Taxable)</b><br>Underwritten at 4.84%<br>includes a 10-basis point<br>cushion<br><b>Tranche "B" 10-year treasury +<br/>2.34% (Taxable)</b><br>Underwritten at 4.35%<br>includes a .10% cushion<br>Rate based on an 18 month<br>forward commitment. | Simple Interest based on AFR in the month of closing. Estimated at 2.50% |
|    | <b>Loan to Value</b>  | Lesser of 90% of investment valuer                        | Lesser of 90% of restricted value or 100% of development costs.  | N/A  |



|           |                               |            |        |     |
|-----------|-------------------------------|------------|--------|-----|
|           | <b>Loan to Cost</b>           | 55%        | 100%   | N/A |
| <b>6.</b> | <b>Projected Closing Date</b> | 12/30/2019 | 4/2021 |     |

### TRANSACTION OVERVIEW

|            |  |
|------------|--|
| <b>7.</b>  | <b>Proposal and Project Strengths</b>  |
|            | <ul style="list-style-type: none"> <li>The Project has been awarded 4% tax credits which generate tax credit equity of approximately \$8,184,660 representing 33.38% of the total financing sources.</li> <li>The Project will serve low-income families, and 17 units are supplemented by rental subsidies through a 15-year PBV (HUD Section 8) rental subsidy contract provided and administered by HACSI. At time of closing, the remaining term of the existing PBV will be 12 years. Tranche B loan is underwritten to fully amortized over a 12-year term.</li> <li>The As-Is Loan-to-Value is 60% for all CalHFA's loans providing very little risk to the Agency.</li> <li>The Project budget includes an 18% construction cost contingency.</li> <li>The Project has been in CalHFA's portfolio for 19 years and has performed well.</li> <li>The locality of San Joaquin County and City of Tracy has invested in the success of the Project as demonstrated by their combined financial contributions to the Project of approximately \$3,267,018.</li> <li>The Developer has matched the CalHFA Subsidy contribution by deferring \$2,157,185 of their Developer Fee and providing a seller carry-back note of \$4,125,082 of equity with no cash out to seller.</li> </ul> |
| <b>8.</b>  | <b>Project Weaknesses with Mitigants:</b>  |
|            | <ul style="list-style-type: none"> <li>As the Project Based Voucher subsidy contract is administered by the Housing Authority of San Joaquin County, and the remaining term is less than our 20--year loan term; a Tranche B perm loan of \$643,000 amortizing over 12 years mitigates for the potential loss of project-based vouchers if they are not renewed. The Tranche A perm loan of \$2,886,000 for 20 years maintains a debt coverage service ratio (DCSR) above 1.19 for the remaining 8 years without the HAP subsidy.</li> </ul>   |
| <b>9.</b>  | <b>Underwriting Standards or Term Sheet Variations</b>   |
|            | <ul style="list-style-type: none"> <li>The project meets the underwriting criteria required to reduce the operating expense reserve from 6 months to 3 months.</li> <li>The USRM guidelines for allocation of subsidy funds limits the loan amount to \$20,000 per unit, plus an additional \$10,000 for projects located in "High Resource" areas, which the Project is. The total allocation allowable is \$30,000, which is lower than the subsidy loan amount of \$33,194 per unit. Waiver of the subsidy loan limitation is requested because the Project meets priority considerations stated in the USRM.</li> </ul>  |
| <b>10.</b> | <b>Project Specific Conditions of Approval</b>   |
|            | <p>Approval is conditioned upon:</p> <ul style="list-style-type: none"> <li>Subordination of City of Tracy and San Joaquin County loan documents to CalHFA's Regulatory Agreement and Deed of Trust.</li> <li>Receipt of joint appraisal with BBVA that is acceptable to CalHFA's and provides for an LTV of 90% or less.</li> <li>Subject to CalHFA approval, local funding regulatory agreements to contain provisions allowing rent increases if the Section 8 contract expires prior to the end of the contract term, in order to achieve financial feasibility for the term of the loan.</li> </ul>   |
| <b>11.</b> | <b>Staff Conclusion/Recommendation:</b>  |
|            | <p>The Multifamily Lending Division supports approval of the described financing in the amount(s) requested, subject to the above proposed terms and conditions.</p>   |



### MISSION & AFFORDABILITY

| 12.  | CalHFA Mission/Goals                           |                     |         |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
|--|--|---------------------|---------|---------|---------|------------|-----------------------|----------------------|--------------------------|---------|--------------|---------|-----------------------|----------|---------------------|-----------------------|------------------------|------------------|-------------|--------|--------|--------|--------|--------|------------|-------|---------------------|---|---|----|---|---|---|------|-------|-------------------|---|----|---|---|----|---|------|-------|----------------|---|----|---|---|---|-------|-----|------|-------|---|----|----|---|-------|-----|----|-------|-------------|---|---|----|------|-----|---|----|------|---|---|---|------|----------|---|---|---|---|---|---|------|---------------|---|---|---|---|---|---|------|----------------|---|---|---|---|---|---|------|-------|----|---|----|----|----|---|--------|
| This Project and financing proposal extend the useful remaining life of 71 units of affordable rental housing for an additional 35 years that will remain affordable for 55 years.   |  |                     |         |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 13.  | CalHFA Affordability & Occupancy Restrictions  |                     |         |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| <ul style="list-style-type: none"><li>The CalHFA Regulatory Agreement Permanent financing will restrict 40% of the units to 60% AMI, which includes 10% of the units to 50% of AMI for a 55-year term. 15 of the CalHFA regulated units will be supplemented by project-based subsidies.</li><li>The Subsidy funds will restrict a total of 37 units at 60% or less of AMI for 55 years and require that the Borrower provide a waiting list preference for Veterans in these units.</li></ul>   |  |                     |         |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 14.  | Project Affordability & Occupancy Restrictions |                     |         |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| <ul style="list-style-type: none"><li>99% of the units will be restricted to families earning less than 60% of AMI for 55 years.</li></ul>   |  |                     |         |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| <table><tr><th>Regulating Agency</th><th>30% AMI</th><th>50% AMI</th><th>60% AMI</th><th>80% AMI</th><th>90% AMI</th><th>Mgrs. Unit</th><th>Total Units Regulated</th><th>% of Regulated Units</th></tr><tr><td>CalHFA Perm Loan</td><td></td><td>8</td><td>21</td><td></td><td></td><td>1</td><td>29</td><td>40.3%</td></tr><tr><td>CalHFA Subsidy Loan</td><td></td><td></td><td>37</td><td></td><td></td><td>1</td><td>37</td><td>51.4%</td></tr><tr><td>City of Tracy RDA</td><td></td><td>28</td><td>7</td><td></td><td>36</td><td>1</td><td>71</td><td>98.6%</td></tr><tr><td>SJ County HOME</td><td></td><td>1</td><td>5</td><td></td><td></td><td>1</td><td>6</td><td>8.3%</td></tr><tr><td>HACSJ</td><td></td><td>8</td><td>9</td><td></td><td></td><td>1</td><td>17</td><td>23.6%</td></tr><tr><td>Tax Credits</td><td></td><td></td><td>71</td><td></td><td></td><td>1</td><td>71</td><td>98.6</td></tr></table>  |  |                     |         |         |         |            |                       |                      | Regulating Agency        | 30% AMI | 50% AMI      | 60% AMI | 80% AMI               | 90% AMI  | Mgrs. Unit          | Total Units Regulated | % of Regulated Units   | CalHFA Perm Loan |             | 8      | 21     |        |        | 1      | 29         | 40.3% | CalHFA Subsidy Loan |   |   | 37 |   |   | 1 | 37   | 51.4% | City of Tracy RDA |   | 28 | 7 |   | 36 | 1 | 71   | 98.6% | SJ County HOME |   | 1  | 5 |   |   | 1     | 6   | 8.3% | HACSJ |   | 8  | 9  |   |       | 1   | 17 | 23.6% | Tax Credits |   |   | 71 |      |     | 1 | 71 | 98.6 |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| Regulating Agency  | 30% AMI  | 50% AMI             | 60% AMI | 80% AMI | 90% AMI | Mgrs. Unit | Total Units Regulated | % of Regulated Units |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| CalHFA Perm Loan   |  | 8                   | 21      |         |         | 1          | 29                    | 40.3%                |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| CalHFA Subsidy Loan  |  |                     | 37      |         |         | 1          | 37                    | 51.4%                |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| City of Tracy RDA  |  | 28                  | 7       |         | 36      | 1          | 71                    | 98.6%                |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| SJ County HOME   |  | 1                   | 5       |         |         | 1          | 6                     | 8.3%                 |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| HACSJ  |  | 8                   | 9       |         |         | 1          | 17                    | 23.6%                |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| Tax Credits  |  |                     | 71      |         |         | 1          | 71                    | 98.6                 |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| <table><tr><th colspan="8">Rent Limit Summary Table</th></tr><tr><th colspan="2">Restrictions @ AMI</th><th>Total</th><th>Studio</th><th>1-bdrm</th><th>2-bdrm</th><th>3-bdrm</th><th>4-bdrm</th><th>% of Total</th></tr><tr><td>30%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>40%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>50%</td><td>30</td><td>-</td><td>15</td><td>6</td><td>8</td><td>1</td><td>41.7%</td></tr><tr><td>60%</td><td>41</td><td>-</td><td>-</td><td>17</td><td>19</td><td>5</td><td>56.9%</td></tr><tr><td>70%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>80%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>81%-120%</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>120% or below</td><td>0</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>0.0%</td></tr><tr><td>Manager's Unit</td><td>1</td><td>-</td><td>-</td><td>-</td><td>1</td><td>-</td><td>1.4%</td></tr><tr><td>Total</td><td>72</td><td>0</td><td>15</td><td>23</td><td>28</td><td>6</td><td>100.0%</td></tr></table> |  |                     |         |         |         |            |                       |                      | Rent Limit Summary Table |         |              |         |                       |          |                     |                       | Restrictions @ AMI     |                  | Total       | Studio | 1-bdrm | 2-bdrm | 3-bdrm | 4-bdrm | % of Total | 30%   | 0                   | - | - | -  | - | - | - | 0.0% | 40%   | 0                 | - | -  | - | - | -  | - | 0.0% | 50%   | 30             | - | 15 | 6 | 8 | 1 | 41.7% | 60% | 41   | -     | - | 17 | 19 | 5 | 56.9% | 70% | 0  | -     | -           | - | - | -  | 0.0% | 80% | 0 | -  | -    | - | - | - | 0.0% | 81%-120% | 0 | - | - | - | - | - | 0.0% | 120% or below | 0 | - | - | - | - | - | 0.0% | Manager's Unit | 1 | - | - | - | 1 | - | 1.4% | Total | 72 | 0 | 15 | 23 | 28 | 6 | 100.0% |
| Rent Limit Summary Table   |  |                     |         |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| Restrictions @ AMI   |  | Total               | Studio  | 1-bdrm  | 2-bdrm  | 3-bdrm     | 4-bdrm                | % of Total           |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 30%  | 0  | -                   | -       | -       | -       | -          | -                     | 0.0%                 |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 40%  | 0  | -                   | -       | -       | -       | -          | -                     | 0.0%                 |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 50%  | 30   | -                   | 15      | 6       | 8       | 1          | 41.7%                 |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 60%  | 41   | -                   | -       | 17      | 19      | 5          | 56.9%                 |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 70%  | 0  | -                   | -       | -       | -       | -          | 0.0%                  |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 80%  | 0  | -                   | -       | -       | -       | -          | 0.0%                  |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 81%-120%   | 0  | -                   | -       | -       | -       | -          | 0.0%                  |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 120% or below  | 0  | -                   | -       | -       | -       | -          | 0.0%                  |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| Manager's Unit   | 1  | -                   | -       | -       | 1       | -          | 1.4%                  |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| Total  | 72   | 0                   | 15      | 23      | 28      | 6          | 100.0%                |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| 15.  | Geocoder Information                           |                     |         |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| <table><tr><td>Central City:</td><td>No</td><td>Underserved:</td><td>No</td></tr><tr><td>Low/Mod Census Tract:</td><td>Moderate</td><td>Below Poverty line:</td><td>11%</td></tr><tr><td>Minority Census Tract:</td><td>64%</td><td>Rural Area:</td><td>No</td></tr></table>   |  |                     |         |         |         |            |                       |                      | Central City:            | No      | Underserved: | No      | Low/Mod Census Tract: | Moderate | Below Poverty line: | 11%                   | Minority Census Tract: | 64%              | Rural Area: | No     |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| Central City:  | No   | Underserved:        | No      |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| Low/Mod Census Tract:  | Moderate                                       | Below Poverty line: | 11%     |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |
| Minority Census Tract:   | 64%  | Rural Area:         | No      |         |         |            |                       |                      |                          |         |              |         |                       |          |                     |                       |                        |                  |             |        |        |        |        |        |            |       |                     |   |   |    |   |   |   |      |       |                   |   |    |   |   |    |   |      |       |                |   |    |   |   |   |       |     |      |       |   |    |    |   |       |     |    |       |             |   |   |    |      |     |   |    |      |   |   |   |      |          |   |   |   |   |   |   |      |               |   |   |   |   |   |   |      |                |   |   |   |   |   |   |      |       |    |   |    |    |    |   |        |

**CURRENT PORTFOLIO LOAN**

|            |   |             |                                       |          |
|------------|---|-------------|---------------------------------------|----------|
| <b>16.</b> | Existing CalHFA Financing (to be paid off): |             |                                       |          |
|            | Unpaid Principal Balance:                   | \$1,745,657 | Loan Maturity Date:                   | 6/1/2040 |
|            | Yield Maintenance Due:                      | \$297,855   | <b>Affordability Expiration Date:</b> | 6/1/2040 |
|            | Other CalHFA Debt:                          | N/A         |                                       |          |

**ANTICIPATED PROJECT MILESTONES & SCHEDULE**

|            |   |           |                                 |            |
|------------|---|-----------|---------------------------------|------------|
| <b>17.</b> | CDLAC/TCAC Closing Deadline:                            | 4/16/2020 | Est. Construction Loan Closing: | 12/20/2019 |
|            | Estimated Construction Start:                           | 1/6/2020  | Est. Construction Completion:   | 3/1/2021   |
|            | Estimated Stabilization and Conversion to Perm Loan(s): | 6/1/2021  |                                 |            |

**SOURCES OF FUNDS**

|            |                                      |                     |                      |  |
|------------|--------------------------------------|---------------------|----------------------|--|
| <b>18.</b> | <b>Construction Period Financing</b> |                     |                      |  |
|            | <b>SOURCE</b>                        | <b>AMOUNT</b>       | <b>LIEN POSITION</b> | <b>DEBT TYPE</b>                       |
|            | Construction Loan                    | \$13,650,000        | 1st                  | Interest Only                          |
|            | City of Tracy                        | \$2,575,994         | 2nd                  | Deferred Loan                          |
|            | San Joaquin County 1                 | \$471,738           | 3d                   | Residual Receipt                       |
|            | San Joaquin County 2                 | \$219,286           | 4th                  | Residual Receipt                       |
|            | Seller Note                          | \$4,125,082         | 6th                  | Residual Receipt                       |
|            | Existing Reserves                    | \$103,727           |                      |  |
|            | Tax Credit Equity                    | \$818,003           |                      |  |
|            | <b>Total</b>                         | <b>\$21,963,831</b> | <b>\$305,053</b>     | <b>Per Unit</b>                        |
| <b>19.</b> | <b>Permanent Financing</b>           |                     |                      |  |
|            | <b>SOURCE</b>                        | <b>AMOUNT</b>       | <b>LIEN POSITION</b> | <b>DEBT TYPE</b>                       |
|            | CalHFA Permanent Loan Tranche A      | \$2,946,000         | 1st                  | 35-year amortization, due in 20 years. |
|            | CalHFA Permanent Loan Tranche B      | \$643,000           | 2nd                  | Fully Amortizing                       |
|            | CalHFA Subsidy Loan                  | \$2,390,000         | 3rd                  | Residual Receipt Loan                  |
|            | City of Tracy                        | \$2,575,994         | 4th                  | Residual Receipt Loan                  |
|            | San Joaquin County 1                 | \$471,738           | 5th                  | Residual Receipt Loan                  |
|            | San Joaquin County 2                 | \$219,286           | 6th                  | Residual Receipt Loan                  |
|            | Seller Note                          | \$4,125,082         | 7th                  | Residual Receipt Loan                  |
|            | Operating Income                     | \$272,603           | N/A                  | N/A                                    |
|            | Existing Reserves                    | \$103,727           | N/A                  | N/A                                    |
|            | LIWP Energy Rebates                  | \$470,070           | N/A                  | N/A                                    |
|            | Tax Credit Equity                    | \$8,184,660         | N/A                  | N/A                                    |
|            | Estimated Deferred Developer Fee     | \$2,157,185         | N/A                  | Payable from Cash Flow                 |
|            | <b>TOTAL DEVELOPMENT COST:</b>       | <b>\$24,559,345</b> | <b>341,102</b>       | <b>Per Unit</b>                        |
| <b>20.</b> | <b>Equity – Cash Out (estimate)</b>  | <b>\$N/A</b>        |                      |  |

The seller carry back is calculated as follows:

|                           |                    |
|---------------------------|--------------------|
| Purchase price:           | \$10,000,000       |
| -CalHFA loan pay-off      | \$2,043,512        |
| -Existing City loan       | \$2,575,994        |
| -Existing County loans    | \$691,024          |
| -Eden loan                | \$564,388          |
| <b>=Seller carry back</b> | <b>\$4,125,082</b> |

The Project's purchase price of \$10,000,000 includes repayment a loan Eden Housing made to the Borrower in 1998 to pay for repair costs due to a fire. The repayment of the loan plus interest totals \$564,388, which includes \$350,000 principal and \$214,388 of accrued interest (effective interest rate of 2.9%). While this is not a cash out transaction, it does represent a payment to Eden Housing.

### FINANCIAL ANALYSIS

|  |                                       |   |                                   |                                 |
|--|---------------------------------------|---|-----------------------------------|---------------------------------|
| 21.  | Tax Credit Assumptions 4%             |   | Status: Award received            |                                 |
|  | \$8,184,660<br>\$ N/A                 | Federal credits<br>State credits  | Tax Credit Pricing:<br>Investor   | \$ .989<br>National Equity Fund |
| 22.  | Development Cost Contingencies:       |   |                                   |                                 |
|  | Hard Development Contingency Amount   | \$1,026,000   | % of Hard Development Costs:      | 17%                             |
|  | Soft Cost Contingency Amount          | \$229,809   | % of Total Development Cost:      | 1.1%                            |
| 23.  | Capitalized Reserves:                 |   |                                   |                                 |
|  | Replacement Reserves (RR):            | Initial reserves of \$1,000 per unit and \$500 per unit   |                                   |                                 |
|  | Operating Expense Reserve (OER):      | \$181,729 based on 3 months of expenses, debt service and reserves and held for the life of the CalHFA Perm Loan. |                                   |                                 |
|  | Transitional Operating Reserve (TOR): | N/A   |                                   |                                 |
|  | Supplemental Operating Reserve (SOR): | N/A   |                                   |                                 |
| 24.  | Cash Flow Analysis                    |   |                                   |                                 |
|  | 1 <sup>st</sup> Year DSCR:            | 1.15  | # Years of Project Based Subsidy: | 12                              |
|  | End Year DSCR:                        | 1.19  | Annual Replacement Reserve:       | \$500 /unit                     |
|  | Residential Vacancy Rate:             | 5%  | Rental Income Inflation Rate:     | 2.5%                            |
|  |                                       |   | Subsidy Income Inflation Rate:    | 1.5%                            |
|  | Non-residential Vacancy Rate:         | N/A   | Project Expenses Inflation Rate:  | 3.5%                            |
|  |                                       |   | Property Tax Inflation Rate:      | 1.25%                           |
|  |                                       |   |                                   |                                 |
| 25.  | Loan Security                         |   |                                   |                                 |
| • The CalHFA loans will be secured against the fee interest. |                                       |   |                                   |                                 |

### APPRAISAL AND MARKET ANALYSIS

|            |  |   |            |
|------------|--|---|------------|
| <b>26.</b> | <b>Appraisal Review</b>  |   |            |
|            | For TCAC application purposes, the owner provided an appraisal dated July 22, 2019, prepared James G. Palmer Appraisals Inc., which estimates restricted value at \$10,000,000. A joint appraisal with BBVA Mortgage Corporation, construction lender, is expected by 11/15/2019. Prior to construction loan closing, an appraisal acceptable to CalHFA is required. |   |            |
| <b>27.</b> | <b>Market Study:</b>   | Not Required as the Project has sustained an average 95% occupancy rate over the past 15 years. | Dated: N/A |

|  |  |
|--|--|
|  | <b>Regional Market Overview – N/A</b>  |
|  | <b>Local Market Area Analysis -N/A</b> |
|  | <b>Supply -N/A</b>                     |
|  | <b>Demand/Absorption – N/A</b>         |

**DEVELOPMENT SUMMARY**

|            |  |   |
|------------|--|---|
| <b>28.</b> | <b>Site Description</b>  | <b>Requires Flood Insurance:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No      |
|            | <ul style="list-style-type: none"> <li>The property is located on the north side of Grant Line Road, in the City of Tracy, San Joaquin County.</li> <li>The site consists of one parcel that is approximately 4 acres.</li> <li>The site is zoned High Density Residential HDR), with conforming multifamily residential use.</li> <li>The subject is located in Flood Zone X. Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood.</li> </ul> |   |
| <b>29.</b> | <b>Form of Site Control &amp; Expiration Date</b>  |   |
|            | Purchase and Sale Agreement dated July 31, 2019 between SPM Housing Associates and Stone Pine Meadow Two, L.P. expires 12/31/2020.   |   |
| <b>30.</b> | <b>Current Ownership Entity of Record</b>  |   |
|            | Title is currently vested in SPM Housing Associate, a California limited partnership as the fee owner.   |   |
| <b>31.</b> | <b>Environmental Review Findings</b>   |   |
|            | <ul style="list-style-type: none"> <li>A Phase I Environmental Site Assessment prepared by Essel Environmental Engineering dated 10/31/2019 revealed no evidence of recognized environmental conditions.</li> <li>A termite report by Terminix dated 8/5/2019 indicated limited areas impacted by termites and dry rot, all of which will be remediated during rehab.</li> </ul>   |   |
| <b>32.</b> | <b>Seismic</b>   | <b>Requires Earthquake Insurance:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|            | A Seismic Risk Assessment by Partner Engineering dated 10/25/2019 concluded a Probable Maximum Loss of 9%, which is well below CalHFA's maximum PML of 20%. Therefore this project qualifies for an earthquake waiver.   |   |
| <b>33.</b> | <b>Relocation</b>  |   |
|            | Relocation services will be provided by Autotemp. Per a relocation plan from Autotemp dated July 2019, relocation is temporary and there is no permanent relocation required. The Community Development Department of San Joaquin County found the Relocation Plan follows the County standards and that no occupants would be permanently displaced.  |   |

**PROJECT DETAILS**

|            |  |   |                                    |                |
|------------|--|---|------------------------------------|----------------|
| <b>34.</b> | <b>Residential Areas:</b>  |   |                                    |                |
|            | <b>Residential Square Footage:</b>   | 69,456  | <b>Residential Units per Acre:</b> | 18             |
|            | <b>Community Area Sq. Ft:</b>  | 4,148   | <b>Total Parking Spaces:</b>       | 120            |
|            | <b>Supportive Service Areas:</b>   | N/A   | <b>Total Building Sq. Footage:</b> | 73,604         |
| <b>35.</b> | <b>Mixed-Use Project:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No        |   |                                    |                |
|            | <b>Non-Residential Sq. Footage:</b>  | N/A   | <b>Number of Lease Spaces:</b>     | N/A            |
|            | <b>Master Lease:</b>   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <b>Number of Parking Spaces:</b>   | N/A            |
| <b>36.</b> | <b>Construction Type:</b>  |   |                                    |                |
|            | Existing Project, 1 and 2-story type-V wood-framed residential building with surface parking spaces. |   |                                    |                |
|            | <b># Buildings:</b>  | 14  | <b># Stories:</b>                  | 1 and 2        |
|            | <b># Elevators:</b>  | 0   | <b>Unit Style:</b>                 | Flats, walk-up |

|  |   |             |      |                     |           |
|--|---|-------------|------|---------------------|-----------|
|  |   | Year Built: | 1999 | Year of Last Rehab: | N/A       |
| 37.  | Hard Development Costs:   | \$6,018,190 |      | Per Unit:           | \$261,660 |
| 38.  | Construction / Rehab Scope Demolition Involved: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |             |      |                     |           |
| <ul style="list-style-type: none"><li>• The PNA prepared by EMG on 7/22/2019 found approximately \$37,400 in immediate repairs and an additional \$1,132,276 in suggested rehab needs, all of which are included in the final Scope of Work. The final Scope of Work includes \$6,018,190 in hard costs with an 17% contingency reserve of \$1,026,000 for cost overruns.</li><li>• In addition to the PNA required work, the developer is electing to replace all the windows and sliding glass doors, replace 45 kitchen cabinets, sinks and faucets and countertops.</li><li>• There are 58 bathrooms that will receive new vanities, sinks and faucets.</li><li>• The Community room and Kitchen is being remodeled and redesigned together with an integrated patio area.</li><li>• Energy Savings: The existing water heaters are being replaced with tankless systems, lighting is being converted to LED and a water saving irrigation system is being installed with a redesigned landscape plan.</li><li>• Water Savings: Low water plants and shrubs have been incorporated in the landscape plans, the irrigation systems shall be converted to a water saving system.</li></ul> |   |             |      |                     |           |
| 39.  | Construction Budget Comments:   |             |      |                     |           |
| <ul style="list-style-type: none"><li>• The budget matches the Scope of Work.</li></ul>  |   |             |      |                     |           |

### DEVELOPMENT TEAM OVERVIEW

|            |  |
|------------|--|
| <b>40.</b> | <b>Borrower Affiliated Entities</b>  |
|            | <ul style="list-style-type: none"> <li>General Partner: Eden Investments, Inc. Sole Member/ Eden Housing Inc. <i>Non-Member Manager/.0 1%</i> interest</li> <li>Investor Limited Partner: National Equity Fund / 99.99% interest</li> </ul>  |
| <b>41.</b> | <b>Developer/Sponsor</b>   |
|            | Eden Housing Inc. is a non-profit corporation has been in business since 1968 and has developed numerous affordable multifamily projects in Northern California. CalHFA is familiar with Eden Housing and Stone Pine Meadow has been in the CalHFA portfolio for 19 years.   |
| <b>42.</b> | <b>Management Agent</b>  |
|            | EDEN Housing Management, Inc. is an affiliate of Eden Housing Inc., they are the current Property Manager and are acceptable to CalHFA.  |
| <b>43.</b> | <b>Service Provider</b>  |
|            | The Borrower has elected to provide social services to meet CTCAC requirements during the initial 15-year tax credit compliance period and the expense for these services is in the operating budget.  |
| <b>44.</b> | <b>Contractor</b>  |
|            | Tricorp Group is an established General Contractor and Construction Management company that has completed several multifamily rehabs and ground-up construction projects in California. They recently completed the Eviva Midtown apartment project in mid-town Sacramento and a rehab of Foothill Farms in Sacramento county. |
| <b>45.</b> | <b>Architect</b>   |
|            | LPAS Architecture is a well-known firm that has designed several award-winning apartment projects in California.   |
| <b>46.</b> | <b>Local Review via Locality Contribution Letter</b>   |
|            | The City of Tracy returned the Locality Contribution Letter on 8/8/ 2019, with positive comments and a recommendation strongly supporting the project.   |

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

| PROJECT SUMMARY  |                         | Final Commitment                          |  |                 |                     |                        |
|--|-------------------------|---|--|-----------------|---------------------|------------------------|
| Acquisition, Rehab, Construction & Permanent Loans     |                         | Project Number 18-010-N/A                 |  |                 |                     |                        |
| <b>Project Full Name</b>                               | Stone Pine Meadows      | <b>Borrower Name:</b>                     | Stone Pine Meadow Two, L.P.  |                 |                     |                        |
| <b>Project Address</b>                                 | 227 West Grantline Road | <b>Managing GP:</b>                       | --   |                 |                     |                        |
| <b>Project City</b>                                    | Tracy                   | <b>Developer Name:</b>                    | Eden Housing Inc.  |                 |                     |                        |
| <b>Project County</b>                                  | San Joaquin             | <b>Investor Name:</b>                     | NEF Assignment Corporation, a not for profit corporation of Illinois |                 |                     |                        |
| <b>Project Zip Code</b>                                | 95376                   | <b>Prop Management:</b>                   | Eden Housing Management Inc.   |                 |                     |                        |
|  |                         | <b>Tax Credits:</b>                       | 4  |                 |                     |                        |
| <b>Project Type:</b>                                   | Permanent Loan Only     | <b>Total Land Area (acres):</b>           | 4.40   |                 |                     |                        |
| <b>Tenancy/Occupancy:</b>                              | Individuals/Families    | <b>Residential Square Footage:</b>        | 69,456   |                 |                     |                        |
| <b>Total Residential Units:</b>                        | 72                      | <b>Residential Units Per Acre:</b>        | 16.36  |                 |                     |                        |
| <b>Total Number of Buildings:</b>                      | 14                      |   |  |                 |                     |                        |
| <b>Number of Stories:</b>                              | 2                       | <b>Covered Parking Spaces:</b>            | 76   |                 |                     |                        |
| <b>Unit Style:</b>                                     | Flat                    | <b>Total Parking Spaces:</b>              | 120  |                 |                     |                        |
| <b>Elevators:</b>                                      | none                    |   |  |                 |                     |                        |
| Acq/Construction/Rehab Financing                       |                         | Loan Amount (\$)                          | Loan Fees  | Loan Term (Mo.) | Amort. Period (Yr.) | Starting Interest Rate |
| BBVA Compass   |                         | 13,650,000                                | 0.500%   | 18              | --                  | 4.040%                 |
| City of Tracy  |                         | 2,575,994                                 | 0.000%   | 55              | --                  | 2.210%                 |
| San Joaquin County Home 1                              |                         | 471,738                                   | 0.000%   | 55              | --                  | 0.000%                 |
| San Joaquin County Home 2                              |                         | 219,286                                   | 0.000%   | 55              | --                  | 0.000%                 |
| Seller Note  |                         | 4,125,082                                 | 0.000%   | 55              | --                  | 2.210%                 |
| Gen Partner (Existing Reserves)                        |                         | 103,727                                   |  |                 |                     |                        |
| Investor Equity Contribution                           |                         | 818,003                                   |  |                 |                     |                        |
|  |                         |   |  |                 |                     |                        |
| Permanent Financing                                    |                         | Loan Amount (\$)                          | Loan Fees  | Loan Term (Yr.) | Amort. Period (Yr.) | Starting Interest Rate |
| CalHFA Permanent Loan-Tranche B                        |                         | 2,946,000                                 | 1.000%   | 20              | 35                  | 4.840%                 |
| CalHFA Permanent Loan-Tranche A                        |                         | 643,000                                   | 1.000%   | 12              | 12                  | 4.350%                 |
| CalHFA Subsidy Loan                                    |                         | 2,390,000                                 | 1.000%   | 40              | --                  | 2.500%                 |
| City of Tracy RDA                                      |                         | 2,575,994                                 | --   | 55              | --                  | 2.210%                 |
| San Joaquin Co Home 1                                  |                         | 471,738                                   | --   | 55              | --                  | 2.210%                 |
| San Joaquin Co Home 2                                  |                         | 219,286                                   | --   | 55              | --                  | --                     |
| Seller Carry Back                                      |                         | 4,125,082                                 | --   | 55              | --                  | 2.210%                 |
| General Partner Existing Reserves                      |                         | 103,727                                   | NA   | NA              | NA                  | NA                     |
| General Partner LIWP Energy Reb                        |                         | 470,070                                   | NA   | NA              | NA                  | NA                     |
| Operating Income Prior to Conv                         |                         | 272,603                                   | NA   | NA              | NA                  | NA                     |
| Deferred Developer Fees                                |                         | 2,157,185                                 |  |                 |                     |                        |
| Investor Equity Contributions                          |                         | 8,184,660                                 | NA   | NA              | NA                  | NA                     |
| Appraised Values Upon Completion of Rehab/Construction |                         |   |  |                 |                     |                        |
| <b>Appraisal Date:</b>                                 | --                      | <b>Capitalization Rate:</b>               |  |                 |                     | TBD                    |
| <b>Investment Value (\$)</b>                           | --                      | <b>Restricted Value (\$)</b>              |  |                 |                     | TBD                    |
| <b>Construct/Rehab LTC</b>                             | N/A                     | <b>CalHFA Permanent Loan to Cost</b>      |  |                 |                     | TBD                    |
| <b>Construct/Rehab LTV</b>                             | N/A                     | <b>CalHFA 1st Permanent Loan to Value</b> |  |                 |                     | TBD                    |
|  |                         | <b>Combined CalHFA Perm Loan to Value</b> |  |                 |                     | TBD                    |
| Additional Loan Terms, Conditions & Comments           |                         |   |  |                 |                     |                        |
| <u>Construction/Rehab Loan</u>                         |                         |   |  |                 |                     |                        |
| <b>Payment/Performance Bond</b>                        | Required                |   |  |                 |                     |                        |
| <b>Completion Guarantee Letter of Credit</b>           | N/A                     |   |  |                 |                     |                        |
| <u>Permanent Loan</u>                                  |                         |   |  |                 |                     |                        |
| <b>Operating Expense Reserve Deposit</b>               | \$181,729               | Cash                                      |  |                 |                     |                        |
| <b>Initial Replacement Reserve Deposit</b>             | \$72,000                | Cash                                      |  |                 |                     |                        |
| <b>Annual Replacement Reserve Per Unit</b>             | \$500                   | Cash                                      |  |                 |                     |                        |
| <b>Date Prepared:</b>                                  | 11/12/19                | <b>Senior Staff Date:</b>                 |  |                 |                     | 11/13/19               |

**UNIT MIX AND RENT SUMMARY****Final Commitment**

Stone Pine Meadows

Project Number 18-010-N/A

| PROJECT UNIT MIX   |                    |                 |                        |                 |                     |
|--------------------|--------------------|-----------------|------------------------|-----------------|---------------------|
| Unit Type of Style | Number of Bedrooms | Number of Baths | Average Size (Sq. Ft.) | Number of Units | Est. No. of Tenants |
| Flat               | 1                  | 1               | 630                    | 15              | 22.5                |
| Flat               | 2                  | 1               | 834                    | 23              | 69                  |
| Flat               | 3                  | 2               | 1,161                  | 28              | 126                 |
| Flat               | 4                  | 2               | 1,386                  | 6               | 36                  |
| -                  | -                  | -               | -                      | -               | 0                   |
| -                  | -                  | -               | -                      | -               | 0                   |
|                    |                    |                 |                        | 72              | 253.5               |

| NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY |  |     |     |     |     |     |        |
|---|--|-----|-----|-----|-----|-----|--------|
| Agency  | Number of Units Restricted For Each AMI Category |     |     |     |     |     |        |
|   | 30%  | 40% | 50% | 60% | 80% | 90% | Market |
| CalHFA Bond/RiskShare   | 0  | 0   | 8   | 21  | 0   | 0   | 0      |
| CalHFA Subsidy  | 0  | 0   | 0   | 37  | 0   | 0   | 0      |
| Tax Credit  | 0  | 0   | 0   | 71  | 0   | 0   | 0      |
| San Joaquin County Home   | 0  | 0   | 1   | 5   | 0   | 0   | 0      |
| City of Tracy RDA   | 0  | 0   | 28  | 7   | 0   | 36  | 0      |
| HACSJ - Project based section 8                                       | 0  | 0   | 8   | 9   | 0   | 0   | 0      |
| -   |  |     |     |     |     |     |        |

| COMPARISON OF AVERAGE MONTHLY RESTRICTED RENTS TO AVERAGE MARKET RENTS |                    |                         |                          |           |                      |                         |                   |
|--|--------------------|-------------------------|--------------------------|-----------|----------------------|-------------------------|-------------------|
| Unit Type  | Restricting Agency | % of Area Median Income | Average Restricted Rents |           | Average Market Rents | Average Monthly Savings | % of Market Rents |
|  |                    |                         | Number of Units          | Unit Rent |                      |                         |                   |
| Studios  | CTCAC              | 50%                     | -                        | -         | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
| 1 Bedroom  | CTCAC              | 50%                     | 15                       | \$587     | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
| 2 Bedrooms   | CTCAC              | 50%                     | 6                        | \$703     | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | 17                       | \$861     |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | -                       | -                        | -         |                      | -                       | -                 |
| 3 Bedrooms   | CTCAC              | 50%                     | 8                        | \$806     | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | 19                       | \$988     |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
| 4 Bedrooms   | CTCAC              | 50%                     | 1                        | \$879     | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | 5                        | \$1,082   |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
| 5 Bedrooms   | CTCAC              | 50%                     | -                        | -         | -                    | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 100%                    | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 60%                     | -                        | -         |                      | -                       | -                 |
|  | CTCAC              | 80%                     | -                        | -         |                      | -                       | -                 |

Date Prepared: 11/12/19

Senior Staff Date: 11/13/19

| SOURCES & USES OF FUNDS            |                   |                   | Final Commitment               |                |               |
|------------------------------------|-------------------|-------------------|--------------------------------|----------------|---------------|
| Stone Pine Meadows                 |                   |                   | Project Number 18-010-N/A      |                |               |
| SOURCES OF FUNDS                   | CONST/REHAB<br>\$ | PERMANENT<br>\$   | TOTAL PROJECT SOURCES OF FUNDS |                |               |
|                                    |                   |                   | SOURCES (\$)                   | PER UNIT (\$)  | %             |
| BBVA Compass                       | 13,650,000        |                   |                                |                | 0.0%          |
| -                                  | -                 |                   |                                |                | 0.0%          |
| -                                  | -                 |                   |                                |                | 0.0%          |
| City of Tracy                      | 2,575,994         |                   |                                |                | 0.0%          |
| San Joaquin County Home 1          | 471,738           |                   |                                |                | 0.0%          |
| San Joaquin County Home 2          | 219,286           |                   |                                |                | 0.0%          |
| Seller Note                        | 4,125,082         |                   |                                |                | 0.0%          |
| Cost Deferred Until Perm Closing   | -                 |                   |                                |                | 0.0%          |
| Gen Partner (Existing Reserves)    | 103,727           |                   |                                |                | 0.0%          |
| -                                  | -                 |                   |                                |                | 0.0%          |
| Construct/Rehab Net Oper. Inc.     | -                 |                   |                                |                | 0.0%          |
| Deferred Developer Fee             | -                 |                   |                                |                | 0.0%          |
| Developer Equity Contribution      | -                 |                   |                                |                | 0.0%          |
| Investor Equity Contribution       | 818,003           |                   |                                |                | 0.0%          |
| Perm - Small Loan                  |                   | 2,946,000         | 2,946,000                      | 40,917         | 12.0%         |
| Perm - Small Loan                  |                   | 643,000           | 643,000                        | 8,931          | 2.6%          |
| City of Tracy RDA                  |                   | 2,575,994         | 2,575,994                      | 35,778         | 10.5%         |
| Perm - Small Loan                  |                   | 2,390,000         | 2,390,000                      | 33,194         | 9.7%          |
| -                                  |                   | -                 | -                              | -              | 0.0%          |
| San Joaquin Co Home 1              |                   | 471,738           | 471,738                        | 6,552          | 1.9%          |
| San Joaquin Co Home 2              |                   | 219,286           | 219,286                        | 3,046          | 0.9%          |
| Seller Carry Back                  |                   | 4,125,082         | 4,125,082                      | 57,293         | 16.8%         |
| -                                  |                   | -                 | -                              | -              | 0.0%          |
| General Partner Existing Reserves  |                   | 103,727           | 103,727                        | 1,441          | 0.4%          |
| General Partner LIWP Energy Reb    |                   | 470,070           | 470,070                        | 6,529          | 1.9%          |
| Operating Income Prior to Conv     |                   | 272,603           | 272,603                        | 3,786          | 1.1%          |
| Construct/Rehab Net Oper. Inc.     |                   | -                 | -                              | -              | 0.0%          |
| Deferred Developer Fees            |                   | 2,157,185         | 2,157,185                      | 29,961         | 8.8%          |
| Developer Equity Contribution      |                   | -                 | -                              | -              | 0.0%          |
| Investor Equity Contributions      |                   | 8,184,660         | 8,184,660                      | 113,676        | 33.3%         |
| <b>TOTAL SOURCES OF FUNDS</b>      | <b>21,963,830</b> | <b>24,559,345</b> | <b>24,559,345</b>              | <b>341,102</b> | <b>54.4%</b>  |
| <b>TOTAL USES OF FUNDS (BELOW)</b> | <b>21,963,831</b> | <b>24,559,345</b> | <b>24,559,346</b>              | <b>341,102</b> | <b>100.0%</b> |
| <b>FUNDING SURPLUS (DEFICIT)</b>   | <b>(1)</b>        | <b>-</b>          | <b>(1)</b>                     |                |               |

| USES OF FUNDS                              | CONST/REHAB<br>\$ | PERMANENT<br>\$   | TOTAL PROJECT USES OF FUNDS |                |              |
|--|-------------------|-------------------|-----------------------------|----------------|--------------|
|  |                   |                   | USES (\$)                   | PER UNIT (\$)  | %            |
| <b>CONSTRUCTION/REHAB SOURCES OF FUNDS</b> |                   | <b>21,963,830</b> |                             |                |              |
| <b>ACQUISITION COSTS</b>                   |                   |                   |                             |                |              |
| Lesser of Land Cost or Appraised Value     | 207,000           | -                 | 207,000                     | 2,875          | 0.8%         |
| Demolition Costs                           | -                 | -                 | -                           | -              | 0.0%         |
| Legal & Other Closing Costs                | 36,000            | -                 | 36,000                      | 500            | 0.1%         |
| Escrow & other closing costs               | 20,000            | -                 | 20,000                      | 278            | 0.1%         |
| Verifiable Carrying Costs                  | -                 | -                 | -                           | -              | 0.0%         |
| Existing Improvements Value                | 9,793,000         | -                 | 9,793,000                   | 136,014        | 39.9%        |
| Transfer Taxes Paid @ Closing              | -                 | -                 | -                           | -              | 0.0%         |
| CalHFA Yield Maintenance Paid @ Closing    | -                 | -                 | -                           | -              | 0.0%         |
| Existing Replacement Reserve               | -                 | -                 | -                           | -              | 0.0%         |
| Broker Fees Paid to Related Party          | -                 | -                 | -                           | -              | 0.0%         |
| Predevelopment Interest/Holding Costs      | -                 | -                 | -                           | -              | 0.0%         |
| Legal & Other Closing Costs                | -                 | -                 | -                           | -              | 0.0%         |
| <b>TOTAL ACQUISITION COSTS</b>             | <b>10,056,000</b> | <b>-</b>          | <b>10,056,000</b>           | <b>139,667</b> | <b>40.9%</b> |
| <b>CONSTRUCTION/REHAB COSTS</b>            |                   |                   |                             |                |              |
| Offsite Improvements                       | -                 | -                 | -                           | -              | 0.0%         |
| Environmental Remediation (Hard Costs)     | -                 | -                 | -                           | -              | 0.0%         |
| Site Work (Hard Cost)                      | 381,611           | -                 | 381,611                     | 5,300          | 1.6%         |
| Structures (Hard Cost)                     | 5,636,579         | -                 | 5,636,579                   | 78,286         | 23.0%        |
| General Requirements                       | 240,220           | -                 | 240,220                     | 3,336          | 1.0%         |
| Contractor Overhead                        | 170,000           | -                 | 170,000                     | 2,361          | 0.7%         |
| Contractor Profit                          | 341,850           | -                 | 341,850                     | 4,748          | 1.4%         |
| Contractor Bond                            | 36,740            | -                 | 36,740                      | 510            | 0.1%         |
| Contractor Liability Insurance             | 100,000           | -                 | 100,000                     | 1,389          | 0.4%         |
| Other                                      | -                 | -                 | -                           | -              | 0.0%         |
| Other                                      | -                 | -                 | -                           | -              | 0.0%         |
| <b>TOTAL CONSTRUCT/REHAB COSTS</b>         | <b>6,907,000</b>  | <b>-</b>          | <b>6,907,000</b>            | <b>95,931</b>  | <b>28.1%</b> |



| SOURCES & USES OF FUNDS                             |                   |                 | Final Commitment            |               |             |
|---|-------------------|-----------------|-----------------------------|---------------|-------------|
| Stone Pine Meadows                                  |                   |                 | Project Number 18-010-N/A   |               |             |
| USES OF FUNDS                                       | CONST/REHAB<br>\$ | PERMANENT<br>\$ | TOTAL PROJECT USES OF FUNDS |               |             |
|   |                   |                 | USES (\$)                   | PER UNIT (\$) | %           |
| <b><u>RELOCATION COSTS</u></b>                      |                   |                 |                             |               |             |
| Relocation Expense                                  | 1,300,000         | -               | 1,300,000                   | 18,056        | 5.3%        |
| Relocation Compliance Monitoring                    | -                 | -               | -                           | -             | 0.0%        |
| Other (Specify)                                     | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL RELOCATION COSTS</b>                       | <b>1,300,000</b>  | <b>-</b>        | <b>1,300,000</b>            | <b>18,056</b> | <b>5.3%</b> |
| <b><u>ARCHITECTURAL FEES</u></b>                    |                   |                 |                             |               |             |
| Design  | 250,000           | -               | 250,000                     | 3,472         | 1.0%        |
| Supervision   | 30,000            | -               | 30,000                      | 417           | 0.1%        |
| <b>TOTAL ARCHITECTURAL FEES</b>                     | <b>280,000</b>    | <b>-</b>        | <b>280,000</b>              | <b>3,889</b>  | <b>1.1%</b> |
| <b><u>SURVEY &amp; ENGINEERING FEES</u></b>         |                   |                 |                             |               |             |
| Engineering   | 230,000           | -               | 230,000                     | 3,194         | 0.9%        |
| Supervision   | -                 | -               | -                           | -             | 0.0%        |
| ALTA Land Survey                                    | 20,000            | -               | 20,000                      | 278           | 0.1%        |
| <b>TOTAL SURVEY &amp; ENGINEERING FEES</b>          | <b>250,000</b>    | <b>-</b>        | <b>250,000</b>              | <b>3,472</b>  | <b>1.0%</b> |
| <b><u>CONTINGENCY RESERVES</u></b>                  |                   |                 |                             |               |             |
| Hard Cost Contingency Reserve                       | 1,026,000         | -               | 1,026,000                   | 14,250        | 4.2%        |
| Soft Cost Contingency Reserve                       | 229,809           | -               | 229,809                     | 3,192         | 0.9%        |
| <b>TOTAL CONTINGENCY RESERVES</b>                   | <b>1,255,809</b>  | <b>-</b>        | <b>1,255,809</b>            | <b>17,442</b> | <b>5.1%</b> |
| <b><u>CONSTRUCT/REHAB PERIOD COSTS</u></b>          |                   |                 |                             |               |             |
| <b>Loan Interest Reserve</b>                        |                   |                 |                             |               |             |
| BBVA Compass  | 497,493           | -               | 497,493                     | 6,910         | 2.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| City of Tracy                                       | -                 | -               | -                           | -             | 0.0%        |
| San Joaquin County Home 1                           | -                 | -               | -                           | -             | 0.0%        |
| Loan Origination Fee                                | -                 | -               | -                           | -             | 0.0%        |
| Seller Note   | -                 | -               | -                           | -             | 0.0%        |
| <b>Loan Fees</b>                                    |                   |                 |                             |               |             |
| BBVA Compass  | 68,250            | -               | 68,250                      | 948           | 0.3%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| -   | -                 | -               | -                           | -             | 0.0%        |
| City of Tracy                                       | -                 | -               | -                           | -             | 0.0%        |
| San Joaquin County Home 1                           | -                 | -               | -                           | -             | 0.0%        |
| San Joaquin County Home 2                           | -                 | -               | -                           | -             | 0.0%        |
| <b>Other Const/Rehab Period Costs</b>               |                   |                 |                             |               |             |
| Deficit Const/Rehab NOI (Net Operating Income)      | -                 | -               | -                           | -             | 0.0%        |
| Credit Enhancement & Application Fees               | -                 | -               | -                           | -             | 0.0%        |
| Owner Paid Bonds/Insurance                          | -                 | -               | -                           | -             | 0.0%        |
| CalHFA Inspection Fees                              | 9,000             | -               | 9,000                       | 125           | 0.0%        |
| Real Estate Taxes During Rehab                      | -                 | -               | -                           | -             | 0.0%        |
| Completion Guaranty Fee                             | -                 | -               | -                           | -             | 0.0%        |
| Wage Monitoring Fee (Davis Bacon, Prevailing, etc.) | -                 | -               | -                           | -             | 0.0%        |
| Insurance During Rehab                              | -                 | -               | -                           | -             | 0.0%        |
| Title & Recording Fees                              | 32,500            | -               | 32,500                      | 451           | 0.1%        |
| Construction Management & Testing                   | -                 | -               | -                           | -             | 0.0%        |
| Predevelopment Interest Expense                     | 15,000            | -               | 15,000                      | 208           | 0.1%        |
| Bond Issuer Fee                                     | 27,300            | -               | 27,300                      | 379           | 0.1%        |
| Lender Expense and Counsel                          | 35,000            | -               | 35,000                      | 486           | 0.1%        |
| <b>TOTAL CONST/REHAB PERIOD COSTS</b>               | <b>684,543</b>    | <b>-</b>        | <b>684,543</b>              | <b>9,508</b>  | <b>2.8%</b> |

| SOURCES & USES OF FUNDS                            |                   |                 | Final Commitment            |               |             |
|--|-------------------|-----------------|-----------------------------|---------------|-------------|
| Stone Pine Meadows                                 |                   |                 | Project Number              |               | 18-010-N/A  |
| USES OF FUNDS                                      | CONST/REHAB<br>\$ | PERMANENT<br>\$ | TOTAL PROJECT USES OF FUNDS |               |             |
|  |                   |                 | USES (\$)                   | PER UNIT (\$) | %           |
| <b><u>PERMANENT LOAN COSTS</u></b>                 |                   |                 |                             |               |             |
| <b>Loan Fees</b>                                   |                   |                 |                             |               |             |
| CalHFA Application Fee                             | -                 | -               | -                           | -             | 0.0%        |
| Perm - Small Loan                                  | 14,730            | 14,730          | 29,460                      | 409           | 0.1%        |
| Perm - Small Loan                                  | 3,050             | 3,050           | 6,100                       | 85            | 0.0%        |
| City of Tracy RDA                                  | -                 | -               | -                           | -             | 0.0%        |
| Perm - Small Loan                                  | 11,950            | 11,950          | 23,900                      | 332           | 0.1%        |
| -  | -                 | -               | -                           | -             | 0.0%        |
| San Joaquin Co Home 1                              | -                 | -               | -                           | -             | 0.0%        |
| San Joaquin Co Home 2                              | -                 | -               | -                           | -             | 0.0%        |
| Seller Carry Back                                  | -                 | -               | -                           | -             | 0.0%        |
| Permanent Loan Cost of Issuance Fee                | -                 | -               | -                           | -             | 0.0%        |
| Credit Enhancement & Application Fees              | -                 | -               | -                           | -             | 0.0%        |
| Title & Recording (closing costs)                  | -                 | -               | -                           | -             | 0.0%        |
| Year 1 - Taxes & Special Assessments and Insurance | -                 | 15,000          | 15,000                      | 208           | 0.1%        |
| CalHFA Fees Tax Monitor                            | -                 | -               | -                           | -             | 0.0%        |
| Tax Exempt Bond Allocation Fee                     | -                 | 2,548           | 2,548                       | 35            | 0.0%        |
| Other - CalHFA Montioring Fee                      | -                 | 7,500           | 7,500                       | 104           | 0.0%        |
| <b>TOTAL PERMANENT LOAN COSTS</b>                  | <b>29,730</b>     | <b>54,778</b>   | <b>84,508</b>               | <b>1,174</b>  | <b>0.3%</b> |
| <b><u>LEGAL FEES</u></b>                           |                   |                 |                             |               |             |
| CalHFA Construction/Rehab Loan Legal Fees          | -                 | -               | -                           | -             | 0.0%        |
| Other Construction/Rehab Loan Legal Fees           | 60,000            | -               | 60,000                      | 833           | 0.2%        |
| CalHFA Permanent Loan Legal Fees                   | -                 | 35,000          | 35,000                      | 486           | 0.1%        |
| Other Permanent Loan Legal Fees                    | -                 | -               | -                           | -             | 0.0%        |
| Sponsor Legal Fees                                 | -                 | -               | -                           | -             | 0.0%        |
| Organizational Legal Fees                          | -                 | -               | -                           | -             | 0.0%        |
| Syndication Legal Fees                             | -                 | -               | -                           | -             | 0.0%        |
| Borrower Legal Fee                                 | 26,900            | -               | 26,900                      | 374           | 0.1%        |
| Orrick Bond Counsel                                | 60,000            | -               | 60,000                      | 833           | 0.2%        |
| <b>TOTAL LEGAL FEES</b>                            | <b>146,900</b>    | <b>35,000</b>   | <b>181,900</b>              | <b>2,526</b>  | <b>0.7%</b> |
| <b><u>OPERATING RESERVES</u></b>                   |                   |                 |                             |               |             |
| Operating Expense Reserve Deposit                  | -                 | 181,729         | 181,729                     | 2,524         | 0.7%        |
| Initial Replacement Reserve Deposit                | -                 | 72,000          | 72,000                      | 1,000         | 0.3%        |
| Transition Operating Reserve Deposit               | -                 | -               | -                           | -             | 0.0%        |
| Rent-Up Reserve Deposit                            | -                 | -               | -                           | -             | 0.0%        |
| HOME Program Replacement Reserve                   | -                 | -               | -                           | -             | 0.0%        |
| Investor Required Reserve                          | -                 | 99,992          | 99,992                      | 1,389         | 0.4%        |
| Other (Specify)                                    | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL OPERATING RESERVES</b>                    | <b>-</b>          | <b>353,721</b>  | <b>353,721</b>              | <b>4,913</b>  | <b>1.4%</b> |
| <b><u>REPORTS &amp; STUDIES</u></b>                |                   |                 |                             |               |             |
| Appraisal Fee                                      | 7,500             | -               | 7,500                       | 104           | 0.0%        |
| Market Study Fee                                   | 7,500             | -               | 7,500                       | 104           | 0.0%        |
| Physical Needs Assessment Fee                      | 7,500             | -               | 7,500                       | 104           | 0.0%        |
| Environmental Site Assessment Reports              | 6,700             | -               | 6,700                       | 93            | 0.0%        |
| HUD Risk Share Environmental / NEPA Review Fee     | -                 | -               | -                           | -             | 0.0%        |
| CalHFA Earthquake Waiver Review Fee                | -                 | -               | 3,300                       | 46            | 0.0%        |
| Relocation Consultant                              | 3,300             | -               | -                           | -             | 0.0%        |
| Soils Reports                                      | -                 | -               | -                           | -             | 0.0%        |
| Acoustical Reports                                 | -                 | -               | -                           | -             | 0.0%        |
| Termite/Dry Rot                                    | -                 | -               | -                           | -             | 0.0%        |
| Consultant/Processing Agent                        | -                 | -               | -                           | -             | 0.0%        |
| Other (Specify)                                    | -                 | -               | -                           | -             | 0.0%        |
| <b>TOTAL REPORTS &amp; STUDIES</b>                 | <b>32,500</b>     | <b>-</b>        | <b>32,500</b>               | <b>451</b>    | <b>0.1%</b> |

| SOURCES & USES OF FUNDS                       |                   |                   | Final Commitment            |                |               |
|---|-------------------|-------------------|-----------------------------|----------------|---------------|
| Stone Pine Meadows                            |                   |                   | Project Number 18-010-N/A   |                |               |
| USES OF FUNDS                                 | CONST/REHAB<br>\$ | PERMANENT<br>\$   | TOTAL PROJECT USES OF FUNDS |                |               |
|   |                   |                   | USES (\$)                   | PER UNIT (\$)  | %             |
| <b><u>OTHER COSTS</u></b>                     |                   |                   |                             |                |               |
| TCAC Application, Allocation & Monitor Fees   | 39,378            | -                 | 39,378                      | 547            | 0.2%          |
| CDLAC Fees                                    | 4,778             | -                 | 4,778                       | 66             | 0.0%          |
| Local Permits & Fees                          | 40,000            | -                 | 40,000                      | 556            | 0.2%          |
| Local Impact Fees                             | -                 | -                 | -                           | -              | 0.0%          |
| Other Local Fees                              | -                 | -                 | -                           | -              | 0.0%          |
| Syndicator/Investor Fees & Expenses           | -                 | -                 | -                           | -              | 0.0%          |
| Furnishings                                   | -                 | -                 | -                           | -              | 0.0%          |
| Accounting & Audits                           | 30,000            | -                 | 30,000                      | 417            | 0.1%          |
| Advertising & Marketing Expenses              | 15,000            | -                 | 15,000                      | 208            | 0.1%          |
| Financial Consulting                          | -                 | -                 | -                           | -              | 0.0%          |
| Miscellaneous Administrative Fees             | -                 | -                 | -                           | -              | 0.0%          |
| HUD Risk Share Insurance (First Year Prepaid) | -                 | -                 | -                           | -              | 0.0%          |
| GC Consultation/Mock-Up                       | 30,000            | -                 | 30,000                      | 417            | 0.1%          |
| CDIAC   | 2,024             | -                 | 2,024                       | 28             | 0.0%          |
| <b>TOTAL OTHER COSTS</b>                      | <b>161,180</b>    | <b>-</b>          | <b>161,180</b>              | <b>2,239</b>   | <b>0.7%</b>   |
|   |                   |                   |                             |                |               |
| <b>SUBTOTAL PROJECT COSTS</b>                 | <b>21,103,662</b> | <b>22,407,329</b> | <b>21,547,161</b>           | <b>299,266</b> | <b>87.7%</b>  |
|   |                   |                   |                             |                |               |
| <b><u>DEVELOPER FEES &amp; COSTS</u></b>      |                   |                   |                             |                |               |
| Developer Fees, Overhead & Profit             | 805,169           | 2,152,016         | 2,957,185                   | 41,072         | 12.0%         |
| Consultant Processing Agent                   | -                 | -                 | -                           | -              | 0.0%          |
| Project Administration                        | -                 | -                 | -                           | -              | 0.0%          |
| Syndicator Consultant Fees                    | 55,000            | -                 | 55,000                      | 764            | 0.2%          |
| Guarantee Fees                                | -                 | -                 | -                           | -              | 0.0%          |
| Construction Oversight & Management           | -                 | -                 | -                           | -              | 0.0%          |
| Other Administration Fees                     | -                 | -                 | -                           | -              | 0.0%          |
| -   | -                 | -                 | -                           | -              | 0.0%          |
| -   | -                 | -                 | -                           | -              | 0.0%          |
| <b>TOTAL DEVELOPER FEES &amp; COSTS</b>       | <b>860,169</b>    | <b>2,152,016</b>  | <b>3,012,185</b>            | <b>41,836</b>  | <b>12.3%</b>  |
|   |                   |                   |                             |                |               |
| <b>TOTAL PROJECT COSTS</b>                    | <b>21,963,831</b> | <b>24,559,345</b> | <b>24,559,346</b>           | <b>341,102</b> | <b>100.0%</b> |

| PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET |                |                             | Final Commitment |
|--|----------------|-----------------------------|------------------|
| Stone Pine Meadows                               | Project Number | 18-010-N/A                  |                  |
|  |                |                             |                  |
| INCOME   | AMOUNT         | PER UNIT                    | %                |
| Rental Income                                    |                |                             |                  |
| Restricted Unit Rents                            | \$ 710,028     | \$ 9,862                    | 93.57%           |
| Unrestricted Unit Rents                          | -              | -                           | 0.00%            |
| Commercial Rents                                 | -              | -                           | 0.00%            |
| Rental & Operating Subsidies                     |                |                             |                  |
| Project Based Rental Subsidy                     | 85,920         | 1,193                       | 11.32%           |
| Other Project Based Subsidy                      | -              | -                           | 0.00%            |
| Income during renovations                        | -              | -                           | 0.00%            |
| Other Subsidy (Specify)                          | -              | -                           | 0.00%            |
| Other Income                                     |                |                             |                  |
| Laundry Income                                   | 2,808          | 39                          | 0.37%            |
| Parking & Storage Income                         | -              | -                           | 0.00%            |
| Miscellaneous Income                             | -              | -                           | 0.00%            |
| GROSS POTENTIAL INCOME (GPI)                     | \$ 798,756     | \$ 11,094                   | 105.26%          |
| Less: Vacancy Loss                               | \$ 39,937      | \$ 555                      | 5.26%            |
| EFFECTIVE GROSS INCOME (EGI)                     | \$ 758,819     | \$ 11,649                   | 100.00%          |
|  |                |                             |                  |
| OPERATING EXPENSES                               | AMOUNT         | PER UNIT                    | %                |
| Administrative Expenses                          | \$ 125,019     | \$ 1,736                    | \$ 0             |
| Management Fee                                   | 41,356         | 574                         | 5.45%            |
| Social Programs & Services                       | -              | -                           | 0.00%            |
| Utilities  | 54,432         | 756                         | 7.17%            |
| Operating & Maintenance                          | 145,296        | 2,018                       | 19.15%           |
| Ground Lease Payments                            | -              | -                           | 0.00%            |
| CalHFA Monitoring Fee                            | 7,500          | 104                         | 0.99%            |
| Other Monitoring Fees                            | -              | -                           | 0.00%            |
| Real Estate Taxes                                | 2,729          | 38                          | 0.36%            |
| Other Taxes & Insurance                          | 70,884         | 985                         | 9.34%            |
| SUBTOTAL OPERATING EXPENSES                      | \$ 447,216     | \$ 6,211                    | 58.94%           |
| Operating Reserves                               | \$ 36,000      | \$ 500                      | 4.74%            |
| TOTAL OPERATING EXPENSES                         | \$ 483,216     | \$ 6,711                    | 63.68%           |
|  |                |                             |                  |
| NET OPERATING INCOME (NOI)                       | \$ 275,603     | \$ 3,828                    | 36.32%           |
|  |                |                             |                  |
| DEBT SERVICE PAYMENTS                            | AMOUNT         | PER UNIT                    | %                |
| Perm - Small Loan                                | \$ 174,826     | \$ 2,428                    | 23.04%           |
| Perm - Small Loan                                | \$ 68,875      | 957                         | 9.08%            |
| Perm - Small Loan                                | \$ -           | -                           | 0.00%            |
| -  | \$ -           | -                           | 0.00%            |
| San Joaquin Co Home 1                            | \$ -           | -                           | 0.00%            |
| San Joaquin Co Home 2                            | \$ -           | -                           | 0.00%            |
| -  | \$ -           | -                           | 0.00%            |
| -  | \$ -           | -                           | 0.00%            |
| TOTAL DEBT SERVICE & OTHER PAYMENTS              | \$ 243,701     | \$ 3,385                    | 32.12%           |
|  |                |                             |                  |
| EXCESS AFTER DEBT SERVICE & MONITORING FEES      | \$ 31,902      | \$ 443                      | 4.20%            |
|  |                |                             |                  |
| DEBT SERVICE COVERAGE RATIO (DSCR)               |                | \$ 1 to 1                   |                  |
|  |                |                             |                  |
| Date: 11/12/19                                   |                | Senior Staff Date: 11/13/19 |                  |

| PROJECTED PERMANENT LOAN CASH FLOWS            |                  |                |                |                |                |                |                |                |
|--|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Final Commitment                               |                  |                |                |                |                |                |                |                |
|  | YEAR             | 1              | 2              | 3              | 4              | 5              | 6              | 7              |
| <b>RENTAL INCOME</b>                           | <b>CPI</b>       |                |                |                |                |                |                |                |
| Restricted Unit Rents                          | 2.50%            | 727,779        | 745,973        | 764,622        | 783,738        | 803,332        | 823,415        | 844,000        |
| Unrestricted Unit Rents                        | 2.50%            | -              | -              | -              | -              | -              | -              | -              |
| Commercial Rents                               | 2.00%            | -              | -              | -              | -              | -              | -              | -              |
| Project Based Rental Subsidy                   | 1.50%            | 87,209         | 88,517         | 89,845         | 91,192         | 92,560         | 93,949         | 95,358         |
| Other Project Based Subsidy                    | 1.50%            | -              | -              | -              | -              | -              | -              | -              |
| Income during renovations                      | 0.00%            | -              | -              | -              | -              | -              | -              | -              |
| Other Subsidy (Specify)                        | 0.00%            | -              | -              | -              | -              | -              | -              | -              |
| Laundry Income                                 | 2.50%            | 2,878          | 2,950          | 3,024          | 3,100          | 3,177          | 3,256          | 3,338          |
| Parking & Storage Income                       | 2.50%            | -              | -              | -              | -              | -              | -              | -              |
| Miscellaneous Income                           | 2.50%            | -              | -              | -              | -              | -              | -              | -              |
| <b>GROSS POTENTIAL INCOME (GPI)</b>            |                  | <b>817,866</b> | <b>837,440</b> | <b>857,491</b> | <b>878,030</b> | <b>899,069</b> | <b>920,620</b> | <b>942,696</b> |
| <b>VACANCY ASSUMPTIONS</b>                     | <b>Vacancy</b>   |                |                |                |                |                |                |                |
| Restricted Unit Rents                          | 5.00%            | 36,389         | 37,299         | 38,231         | 39,187         | 40,167         | 41,171         | 42,200         |
| Unrestricted Unit Rents                        | 7.00%            | -              | -              | -              | -              | -              | -              | -              |
| Commercial Rents                               | 50.00%           | -              | -              | -              | -              | -              | -              | -              |
| Project Based Rental Subsidy                   | 5.00%            | 4,360          | 4,426          | 4,492          | 4,560          | 4,628          | 4,697          | 4,768          |
| Other Project Based Subsidy                    | 3.00%            | -              | -              | -              | -              | -              | -              | -              |
| Income during renovations                      | 20.00%           | -              | -              | -              | -              | -              | -              | -              |
| Other Subsidy (Specify)                        | 0.00%            | -              | -              | -              | -              | -              | -              | -              |
| Laundry Income                                 | 5.00%            | 144            | 148            | 151            | 155            | 159            | 163            | 167            |
| Parking & Storage Income                       | 50.00%           | -              | -              | -              | -              | -              | -              | -              |
| Miscellaneous Income                           | 50.00%           | -              | -              | -              | -              | -              | -              | -              |
| <b>TOTAL PROJECTED VACANCY LOSS</b>            |                  | <b>40,893</b>  | <b>41,872</b>  | <b>42,875</b>  | <b>43,901</b>  | <b>44,953</b>  | <b>46,031</b>  | <b>47,135</b>  |
| <b>EFFECTIVE GROSS INCOME (EGI)</b>            |                  | <b>776,972</b> | <b>795,568</b> | <b>814,617</b> | <b>834,128</b> | <b>854,115</b> | <b>874,589</b> | <b>895,561</b> |
| <b>OPERATING EXPENSES</b>                      | <b>CPI / Fee</b> |                |                |                |                |                |                |                |
| Administrative Expenses                        | 3.50%            | 129,395        | 133,923        | 138,611        | 143,462        | 148,483        | 153,680        | 159,059        |
| Management Fee                                 | 5.45%            | 41,356         | 43,358         | 44,397         | 45,460         | 46,549         | 47,665         | 48,808         |
| Utilities                                      | 3.50%            | 56,337         | 58,309         | 60,350         | 62,462         | 64,648         | 66,911         | 69,253         |
| Operating & Maintenance                        | 3.50%            | 150,381        | 155,645        | 161,092        | 166,731        | 172,566        | 178,606        | 184,857        |
| Ground Lease Payments                          | 3.50%            | -              | -              | -              | -              | -              | -              | -              |
| CalHFA Monitoring Fee                          | 0.00%            | 7,500          | 7,500          | 7,500          | 7,500          | 7,500          | 7,500          | 7,500          |
| Other Agency Monitoring Fee                    | 0.00%            | -              | -              | -              | -              | -              | -              | -              |
| Real Estate Taxes                              | 1.25%            | 2,763          | 2,798          | 2,833          | 2,868          | 2,904          | 2,940          | 2,977          |
| Other Taxes & Insurance                        | 3.50%            | 73,365         | 75,933         | 78,590         | 81,341         | 84,188         | 87,135         | 90,184         |
| Required Reserve Payments                      | 1.00%            | 36,000         | 36,360         | 36,724         | 37,091         | 37,462         | 37,836         | 38,215         |
| <b>TOTAL OPERATING EXPENSES</b>                |                  | <b>497,097</b> | <b>513,826</b> | <b>530,096</b> | <b>546,915</b> | <b>564,300</b> | <b>582,273</b> | <b>600,853</b> |
| <b>NET OPERATING INCOME (NOI)</b>              |                  | <b>279,875</b> | <b>281,742</b> | <b>284,521</b> | <b>287,214</b> | <b>289,815</b> | <b>292,316</b> | <b>294,708</b> |
| <b>DEBT SERVICE PAYMENTS</b>                   | <b>Lien #</b>    |                |                |                |                |                |                |                |
| Perm - Small Loan                              | 1                | 174,826        | 174,826        | 174,826        | 174,826        | 174,826        | 174,826        | 174,826        |
| Perm - Small Loan                              | 2                | 68,875         | 68,875         | 68,875         | 68,875         | 68,875         | 68,875         | 68,875         |
| Perm - Small Loan                              | 3                | -              | -              | -              | -              | -              | -              | -              |
| City of Tracy RDA                              | 4                | -              | -              | -              | -              | -              | -              | -              |
| San Joaquin Co Home 1                          | 5                | -              | -              | -              | -              | -              | -              | -              |
| San Joaquin Co Home 2                          | 6                | -              | -              | -              | -              | -              | -              | -              |
| -  | 7                | -              | -              | -              | -              | -              | -              | -              |
| -  | -                | -              | -              | -              | -              | -              | -              | -              |
| <b>TOTAL DEBT SERVICE &amp; OTHER PAYMENTS</b> |                  | <b>243,701</b> | <b>243,701</b> | <b>243,701</b> | <b>243,701</b> | <b>243,701</b> | <b>243,701</b> | <b>243,701</b> |
| <b>CASH FLOW AFTER DEBT SERVICE</b>            |                  | <b>36,174</b>  | <b>38,041</b>  | <b>40,820</b>  | <b>43,513</b>  | <b>46,114</b>  | <b>48,615</b>  | <b>51,007</b>  |
| <b>DEBT SERVICE COVERAGE RATIO</b>             |                  | <b>1.15</b>    | <b>1.16</b>    | <b>1.17</b>    | <b>1.18</b>    | <b>1.19</b>    | <b>1.20</b>    | <b>1.21</b>    |
| Date Prepared: 11/12/19                        |                  |                |                |                |                |                |                |                |

**PROJECTED PERMANENT LOAN CASH FLOWS****Final Commitment**

|   |                      | <b>1</b>         | <b>2</b>      | <b>3</b>      | <b>4</b>      | <b>5</b>      | <b>6</b>      | <b>7</b>      |
|---|----------------------|------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| LESS: Asset Management Fee                    | 3%                   | 5,000            | 5,150         | 5,305         | 5,464         | 5,628         | 5,796         | 5,970         |
| LESS: Partnership Management Fee              | 3%                   | -                | -             | -             | -             | -             | -             | -             |
| <b>net CF available for distribution</b>      |                      | <b>31,174</b>    | <b>32,891</b> | <b>35,515</b> | <b>38,049</b> | <b>40,487</b> | <b>42,819</b> | <b>45,037</b> |
| Deferred developer fee repayment              | 2,157,185            | 2,157,185        | 2,126,011     | 2,093,119     | 2,057,604     | 2,019,554     | 1,979,068     | 1,936,249     |
|   |                      | <u>31,174</u>    | <u>32,891</u> | <u>35,515</u> | <u>38,049</u> | <u>40,487</u> | <u>42,819</u> | <u>45,037</u> |
|   |                      | 2,126,011        | 2,093,119     | 2,057,604     | 2,019,554     | 1,979,068     | 1,936,249     | 1,891,212     |
| <b>Payments for Residual Receipt Payments</b> |                      | 50%              |               |               |               |               |               |               |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     | -                | -             | -             | -             | -             | -             | -             |
| 0   | 0.00%                | -                | -             | -             | -             | -             | -             | -             |
| Perm - Small Loan                             | 24.43%               | -                | -             | -             | -             | -             | -             | -             |
| City of Tracy RDA                             | 26.33%               | -                | -             | -             | -             | -             | -             | -             |
| San Joaquin Co Home 1                         | 4.82%                | -                | -             | -             | -             | -             | -             | -             |
| San Joaquin Co Home 2                         | 2.24%                | -                | -             | -             | -             | -             | -             | -             |
| Seller Carry Back                             | 42.17%               | -                | -             | -             | -             | -             | -             | -             |
| 0   | 0.00%                | -                | -             | -             | -             | -             | -             | -             |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       | -                | -             | -             | -             | -             | -             | -             |
| <b>Balances for Residual Receipt Payments</b> |                      |                  |               |               |               |               |               |               |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |                  |               |               |               |               |               |               |
| 0---  | 0.00%                | -                | -             | -             | -             | -             | -             | -             |
| Perm - Small Loan---Compounding               | 2.50%                | 2,390,000        | 2,449,750     | 2,510,994     | 2,573,769     | 2,638,113     | 2,704,066     | 2,771,667     |
| City of Tracy RDA---Compounding               | 2.21%                | 2,575,994        | 2,632,923     | 2,691,111     | 2,750,585     | 2,811,373     | 2,873,504     | 2,937,008     |
| San Joaquin Co Home 1---Simple                | 2.21%                | 471,738          | 482,163       | 492,589       | 503,014       | 513,440       | 523,865       | 534,290       |
| San Joaquin Co Home 2---Compounding           | 0.00%                | 219,286          | 219,286       | 219,286       | 219,286       | 219,286       | 219,286       | 219,286       |
| Seller Carry Back ---                         | 2.21%                | 4,125,082        | 4,216,246     | 4,309,425     | 4,404,664     | 4,502,007     | 4,601,501     | 4,703,194     |
| 0---  | 0.00%                | -                | -             | -             | -             | -             | -             | -             |
| <b>Total Residual Receipts Payments</b>       |                      | <b>9,782,100</b> | 10,000,369    | 10,223,405    | 10,451,317    | 10,684,218    | 10,922,222    | 11,165,446    |
| <b>Developer Distribution</b>                 |                      | 50.0%            |               |               |               |               |               |               |
|   |                      | -                | -             | -             | -             | -             | -             | -             |



| PROJECTED PERMANENT LOAN CASH FLOWS    |           |               | Stone Pine Meadows |            |            |            |            |            |            |            |  |
|--|-----------|---------------|--------------------|------------|------------|------------|------------|------------|------------|------------|--|
| Final Commitment                       |           |               | Project Number     |            | 18-010-N/A |            |            |            |            |            |  |
|  |           |               | 8                  | 9          | 10         | 11         | 12         | 13         | 14         | 15         |  |
| LESS: Asset Management Fee             | 3%        |               | 6,149              | 6,334      | 6,524      | 6,720      | 6,921      | 7,129      | 7,343      | 7,563      |  |
| LESS: Partnership Management Fee       | 3%        |               | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| net CF available for distribution      |           |               | 47,134             | 49,099     | 50,923     | 52,596     | 54,108     | 30,665     | 30,416     | 29,949     |  |
| Deferred developer fee repayment       | 2,157,185 |               | 1,891,212          | 1,844,079  | 1,794,980  | 1,744,057  | 1,691,460  | 1,637,352  | 1,606,687  | 1,576,271  |  |
|  |           |               | 47,134             | 49,099     | 50,923     | 52,596     | 54,108     | 30,665     | 30,416     | 29,949     |  |
|  |           |               | 1,844,079          | 1,794,980  | 1,744,057  | 1,691,460  | 1,637,352  | 1,606,687  | 1,576,271  | 1,546,323  |  |
| Payments for Residual Receipt Payments |           |               |                    |            |            |            |            |            |            |            |  |
| RESIDUAL RECEIPTS LOANS                |           | Payment %     | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| 0                                      |           | 0.00%         | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| Perm - Small Loan                      |           | 24.43%        | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| City of Tracy RDA                      |           | 26.33%        | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| San Joaquin Co Home 1                  |           | 4.82%         | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| San Joaquin Co Home 2                  |           | 2.24%         | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| Seller Carry Back                      |           | 42.17%        | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| 0                                      |           | 0.00%         | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| Total Residual Receipts Payments       |           | 100.00%       | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| Balances for Residual Receipt Payments |           |               |                    |            |            |            |            |            |            |            |  |
| RESIDUAL RECEIPTS LOANS                |           | Interest Rate |                    |            |            |            |            |            |            |            |  |
| 0---                                   |           | 0.00%         | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| Perm - Small Loan---Compounding        |           | 2.50%         | 2,840,959          | 2,911,983  | 2,984,782  | 3,059,402  | 3,135,887  | 3,214,284  | 3,294,641  | 3,377,007  |  |
| City of Tracy RDA---Compounding        |           | 2.21%         | 3,001,916          | 3,068,259  | 3,136,067  | 3,205,374  | 3,276,213  | 3,348,617  | 3,422,622  | 3,498,262  |  |
| San Joaquin Co Home 1---Simple         |           | 2.21%         | 544,716            | 555,141    | 565,567    | 575,992    | 586,418    | 596,843    | 607,268    | 617,694    |  |
| San Joaquin Co Home 2---Compounding    |           | 0.00%         | 219,286            | 219,286    | 219,286    | 219,286    | 219,286    | 219,286    | 219,286    | 219,286    |  |
| Seller Carry Back ---                  |           | 2.21%         | 4,807,135          | 4,913,373  | 5,021,958  | 5,132,943  | 5,246,381  | 5,362,326  | 5,480,834  | 5,601,960  |  |
| 0---                                   |           | 0.00%         | -                  | -          | -          | -          | -          | -          | -          | -          |  |
| Total Residual Receipts Payments       |           |               | 11,414,012         | 11,668,041 | 11,927,660 | 12,192,998 | 12,464,185 | 12,741,357 | 13,024,651 | 13,314,209 |  |
| Developer Distribution                 |           |               | -                  | -          | -          | -          | -          | -          | -          | -          |  |



| PROJECTED PERMANENT LOAN CASH FLOWS |                                     |                             |           | Stone Pine Meadows |           |           |           |
|-------------------------------------|-------------------------------------|-----------------------------|-----------|--------------------|-----------|-----------|-----------|
| Final Commitment                    |                                     | Project Number 18-010-N/A   |           |                    |           |           |           |
|                                     | YEAR                                | 16                          | 17        | 18                 | 19        | 20        |           |
| RENTAL INCOME                       | CPI                                 |                             |           |                    |           |           |           |
|                                     | Restricted Unit Rents               | 2.50%                       | 1,054,041 | 1,080,392          | 1,107,401 | 1,135,086 | 1,163,464 |
|                                     | Unrestricted Unit Rents             | 2.50%                       | -         | -                  | -         | -         | -         |
|                                     | Commercial Rents                    | 2.00%                       | -         | -                  | -         | -         | -         |
|                                     | Project Based Rental Subsidy        | 1.50%                       | -         | -                  | -         | -         | -         |
|                                     | Other Project Based Subsidy         | 1.50%                       | -         | -                  | -         | -         | -         |
|                                     | Income during renovations           | 0.00%                       | -         | -                  | -         | -         | -         |
|                                     | Other Subsidy (Specify)             | 0.00%                       | -         | -                  | -         | -         | -         |
|                                     | Laundry Income                      | 2.50%                       | 4,168     | 4,273              | 4,380     | 4,489     | 4,601     |
|                                     | Parking & Storage Income            | 2.50%                       | -         | -                  | -         | -         | -         |
|                                     | Miscellaneous Income                | 2.50%                       | -         | -                  | -         | -         | -         |
|                                     | GROSS POTENTIAL INCOME (GPI)        |                             | 1,058,209 | 1,084,664          | 1,111,781 | 1,139,575 | 1,168,065 |
| VACANCY ASSUMPTIONS                 | Vacancy                             |                             |           |                    |           |           |           |
|                                     | Restricted Unit Rents               | 5.00%                       | 52,702    | 54,020             | 55,370    | 56,754    | 58,173    |
|                                     | Unrestricted Unit Rents             | 7.00%                       | -         | -                  | -         | -         | -         |
|                                     | Commercial Rents                    | 50.00%                      | -         | -                  | -         | -         | -         |
|                                     | Project Based Rental Subsidy        | 5.00%                       | -         | -                  | -         | -         | -         |
|                                     | Other Project Based Subsidy         | 3.00%                       | -         | -                  | -         | -         | -         |
|                                     | Income during renovations           | 20.00%                      | -         | -                  | -         | -         | -         |
|                                     | Other Subsidy (Specify)             | 0.00%                       | -         | -                  | -         | -         | -         |
|                                     | Laundry Income                      | 5.00%                       | 208       | 214                | 219       | 224       | 230       |
|                                     | Parking & Storage Income            | 50.00%                      | -         | -                  | -         | -         | -         |
|                                     | Miscellaneous Income                | 50.00%                      | -         | -                  | -         | -         | -         |
|                                     | TOTAL PROJECTED VACANCY LOSS        |                             | 52,910    | 54,233             | 55,589    | 56,979    | 58,403    |
| EFFECTIVE GROSS INCOME (EGI)        |                                     | 1,005,299                   | 1,030,431 | 1,056,192          | 1,082,597 | 1,109,662 |           |
| OPERATING EXPENSES                  | CPI / Fee                           |                             |           |                    |           |           |           |
|                                     | Administrative Expenses             | 3.50%                       | 216,781   | 224,369            | 232,221   | 240,349   | 248,761   |
|                                     | Management Fee                      | 5.45%                       | 54,789    | 56,158             | 57,562    | 59,002    | 60,477    |
|                                     | Utilities                           | 3.50%                       | 94,384    | 97,688             | 101,107   | 104,646   | 108,308   |
|                                     | Operating & Maintenance             | 3.50%                       | 251,941   | 260,759            | 269,886   | 279,332   | 289,108   |
|                                     | Ground Lease Payments               | 3.50%                       | -         | -                  | -         | -         | -         |
|                                     | CalHFA Monitoring Fee               | 0.00%                       | 7,500     | 7,500              | 7,500     | 7,500     | 7,500     |
|                                     | Other Agency Monitoring Fee         | 0.00%                       | -         | -                  | -         | -         | -         |
|                                     | Real Estate Taxes                   | 1.25%                       | 3,329     | 3,371              | 3,413     | 3,455     | 3,499     |
|                                     | Other Taxes & Insurance             | 3.50%                       | 122,912   | 127,214            | 131,666   | 136,275   | 141,044   |
|                                     | Required Reserve Payments           | 1.00%                       | 41,795    | 42,213             | 42,635    | 43,061    | 43,492    |
|                                     | TOTAL OPERATING EXPENSES            |                             | 793,431   | 819,271            | 845,991   | 873,619   | 902,189   |
| NET OPERATING INCOME (NOI)          |                                     | 211,867                     | 211,160   | 210,201            | 208,977   | 207,472   |           |
| DEBT SERVICE PAYMENTS               | Lien #                              |                             |           |                    |           |           |           |
|                                     | Perm - Small Loan                   | 1                           | 174,826   | 174,826            | 174,826   | 174,826   | 174,826   |
|                                     | Perm - Small Loan                   | 2                           | -         | -                  | -         | -         | -         |
|                                     | Perm - Small Loan                   | 3                           | -         | -                  | -         | -         | -         |
|                                     | City of Tracy RDA                   | 4                           | -         | -                  | -         | -         | -         |
|                                     | San Joaquin Co Home 1               | 5                           | -         | -                  | -         | -         | -         |
|                                     | San Joaquin Co Home 2               | 6                           | -         | -                  | -         | -         | -         |
|                                     | -                                   | 7                           | -         | -                  | -         | -         | -         |
|                                     | -                                   | -                           | -         | -                  | -         | -         | -         |
|                                     | TOTAL DEBT SERVICE & OTHER PAYMENTS |                             | 174,826   | 174,826            | 174,826   | 174,826   | 174,826   |
| CASH FLOW AFTER DEBT SERVICE        |                                     | 37,041                      | 36,334    | 35,375             | 34,151    | 32,646    |           |
| DEBT SERVICE COVERAGE RATIO         |                                     | 1.21                        | 1.21      | 1.20               | 1.20      | 1.19      |           |
| Date Prepared: 11/12/19             |                                     | Senior Staff Date: 11/13/19 |           |                    |           |           |           |

| PROJECTED PERMANENT LOAN CASH FLOWS           |                      |  | Stone Pine Meadows        |                   |                   |                   |                   |
|---|----------------------|--|---------------------------|-------------------|-------------------|-------------------|-------------------|
| Final Commitment                              |                      |  | Project Number 18-010-N/A |                   |                   |                   |                   |
|   |                      |  | 16                        | 17                | 18                | 19                | 20                |
| LESS: Asset Management Fee                    | 3%                   |  | 7,790                     | 8,024             | 8,264             | 8,512             | 8,768             |
| LESS: Partnership Management Fee              | 3%                   |  | -                         | -                 | -                 | -                 | -                 |
| <b>net CF available for distribution</b>      |                      |  | <b>29,251</b>             | <b>28,310</b>     | <b>27,111</b>     | <b>25,639</b>     | <b>23,879</b>     |
| Deferred developer fee repayment              | 2,157,185            |  | 1,546,323                 | 1,546,323         | 1,546,323         | 1,546,323         | 1,546,323         |
|   |                      |  | -                         | -                 | -                 | -                 | -                 |
|   |                      |  | <b>1,546,323</b>          | <b>1,546,323</b>  | <b>1,546,323</b>  | <b>1,546,323</b>  | <b>1,546,323</b>  |
| <b>Payments for Residual Receipt Payments</b> |                      |  |                           |                   |                   |                   |                   |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Payment %</u>     |  | 14,626                    | 14,155            | 13,555            | 12,819            | 11,939            |
| 0   | 0.00%                |  | -                         | -                 | -                 | -                 | -                 |
| Perm - Small Loan                             | 24.43%               |  | 3,573                     | 3,458             | 3,312             | 3,132             | 2,917             |
| City of Tracy RDA                             | 26.33%               |  | 3,851                     | 3,728             | 3,570             | 3,376             | 3,144             |
| San Joaquin Co Home 1                         | 4.82%                |  | 705                       | 683               | 654               | 618               | 576               |
| San Joaquin Co Home 2                         | 2.24%                |  | 328                       | 317               | 304               | 287               | 268               |
| Seller Carry Back                             | 42.17%               |  | 6,168                     | 5,969             | 5,716             | 5,406             | 5,035             |
| 0   | 0.00%                |  | -                         | -                 | -                 | -                 | -                 |
| <b>Total Residual Receipts Payments</b>       | <b>100.00%</b>       |  | <b>14,626</b>             | <b>14,155</b>     | <b>13,555</b>     | <b>12,819</b>     | <b>11,939</b>     |
| <b>Balances for Residual Receipt Payments</b> |                      |  |                           |                   |                   |                   |                   |
| <b>RESIDUAL RECEIPTS LOANS</b>                | <u>Interest Rate</u> |  |                           |                   |                   |                   |                   |
| 0---  | 0.00%                |  | -                         | -                 | -                 | -                 | -                 |
| Perm - Small Loan---Compounding               | 2.50%                |  | 3,461,433                 | 3,544,395         | 3,629,546         | 3,716,973         | 3,806,765         |
| City of Tracy RDA---Compounding               | 2.21%                |  | 3,575,573                 | 3,650,742         | 3,727,696         | 3,806,508         | 3,887,256         |
| San Joaquin Co Home 1---Simple                | 2.21%                |  | 628,119                   | 637,839           | 647,582           | 657,354           | 667,161           |
| San Joaquin Co Home 2---Compounding           | 0.00%                |  | 219,286                   | 218,958           | 218,641           | 218,337           | 218,050           |
| Seller Carry Back ---                         | 2.21%                |  | 5,725,764                 | 5,846,135         | 5,969,366         | 6,095,572         | 6,224,879         |
| 0---  | 0.00%                |  | -                         | -                 | -                 | -                 | -                 |
| <b>Total Residual Receipts Payments</b>       |                      |  | <b>13,610,175</b>         | <b>13,898,070</b> | <b>14,192,831</b> | <b>14,494,745</b> | <b>14,804,111</b> |
| Developer Distribution                        |                      |  | 14,626                    | 14,155            | 13,555            | 12,819            | 11,939            |



## TAXABLE PERMANENT LOAN PROGRAM

CalHFA's Taxable Permanent Loan Program ("Perm Loan") provides competitive long-term financing for affordable multifamily rental housing Projects. Eligible projects include newly constructed or acquisition/rehabilitation developments that provide affordable housing opportunities for individuals, families, seniors, veterans, and special needs tenants ("Project").

|                                    |  |
|------------------------------------|--|
| <b>Qualifications</b>              | <ul style="list-style-type: none"> <li>• Available to for-profit, non-profit, and public agency sponsors.</li> <li>• The Perm Loan may be used with or without 9% low income housing tax credits.</li> <li>• For Section 8 Projects, final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract.</li> <li>• The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program.</li> <li>• For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit <a href="http://www.calhfa.ca.gov">www.calhfa.ca.gov</a> for the <a href="#">CalHFA Portfolio Loan Prepayment Policy</a>.</li> </ul>  |
| <b>Loan Amount</b>                 | <ul style="list-style-type: none"> <li>• Minimum Perm Loan amount of \$5,000,000.</li> <li>• Minimum 1.15x for debt service coverage ratio (include any financing with amortizing debt).</li> <li>• Lesser of 90% of restricted value or 100% of development costs. For Projects with equity being cashed out, the Perm Loan amount will be restricted to no more than 80% of the restricted value.</li> </ul>   |
| <b>Fees</b><br>(subject to change) | <ul style="list-style-type: none"> <li>• Application Fee: \$10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Loan Fee.</li> <li>• Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing.</li> <li>• Cost of Issuance Fee: \$110,000, half due at final commitment, with balance due at Perm Loan closing.</li> <li>• Credit Enhancement Fee: included in the interest rate.</li> <li>• Annual Administrative Fee: \$7,500 annually.</li> <li>• Inspection fees should be estimated at \$500 - \$1,000 per month (reports and fees can be shared with other construction lenders).</li> <li>• Legal Fee: \$35,000 due at Perm Loan closing.</li> <li>• Administrative Fee: \$1,000 due at Perm Loan closing.</li> <li>• Letter of Interest Fee: \$5,000 at LOI request, and is credited towards the CalHFA Perm Loan Fee</li> </ul> <p>Some fees may be consolidated if combined with other CalHFA financing.</p> |

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## TAXABLE PERMANENT LOAN PROGRAM

|  |  |
|--|--|
| <b>Rate &amp; Terms</b><br>(subject to change) | <p>Interest Rate:</p> <ul style="list-style-type: none"> <li>• 17 Year Balloon: 10 Year Constant Maturing Treasury plus CalHFA spread</li> <li>• 30 Year Balloon and Fully Amortizing Loans: 10 Year Constant Maturing Treasury plus CalHFA spread</li> <li>• Estimated CalHFA Spread: 2.75% to 3.50%</li> <li>• Rate may be locked up to 30 days prior to the construction loan closing. Rate may be locked for the term of the construction period, not to exceed 3 years.</li> </ul> <p>Amortization/Term:</p> <ul style="list-style-type: none"> <li>• Amortization: Up to 35 Year Amortization<sup>1</sup></li> <li>• Term: Fully Amortizing, and 17 or 30 Year Balloons available<sup>2</sup></li> <li>• A six-month extension is permitted upon payment of a fee equal to 0.50% of the Perm Loan amount.</li> <li>• Perm Loan Reduction – up to 10% reduction at Perm Loan closing is permitted at no cost.</li> <li>• Breakage Fee – if applicable; between construction loan closing and Perm Loan closing and calculated based on hedge termination cost.</li> </ul> <p>1. The Agency may offer up to a 40 year amortization at its discretion.<br/>2. Balloon loans subject to agency approved exit strategy.</p> |
| <b>Loan Closing Requirements</b>               | <ul style="list-style-type: none"> <li>• 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls.</li> <li>• 90% of tax credit investor equity shall have been paid into the Project.</li> <li>• Project income is sufficient to pay operating expense and the required debt service and reserves.</li> <li>• For mixed-use Projects 100% non-residential occupancy as evidenced by executed leases or guarantees.</li> </ul>   |
| <b>Prepayment</b>                              | <p>The Perm Loan may be prepaid at par after 15 years of the Perm Loan period. However, the Perm Loan may be prepaid after 10 years of the Perm Loan period subject to a yield maintenance calculation of:</p> <ul style="list-style-type: none"> <li>• 5% of the principal balance after the end of year 10</li> <li>• 4% of the principal balance after the end of year 11</li> <li>• 3% of the principal balance after the end of year 12</li> <li>• 2% of the principal balance after the end of year 13</li> <li>• 1% of the principal balance after the end of year 14</li> </ul> <p>All prepayments require a prior written 120-day notice to CalHFA.</p>   |
| <b>Subordinate Financing</b>                   | <p>Financing or grants are encouraged from local governments and third parties to achieve project feasibility. All financing, leases, development and regulatory agreements must be coterminous (or have a longer term than the combined terms of any CalHFA Acq/Rehab Loan and Perm Loan) and be subordinate to CalHFA financing.</p>   |

## TAXABLE PERMANENT LOAN PROGRAM

|                                       |   |
|---------------------------------------|---|
| <b>Occupancy Requirements</b>         | <p>Must maintain the greater of (A) existing affordability restrictions, or (B) either (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area (county) median gross income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (ii) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI ("10% @ 50% AMI").</p> <p>CalHFA's regulated units must represent a pro-rata share of the available unit sizes (by bedroom count and square feet), and be disbursed throughout the project.</p>   |
| <b>Due Diligence</b>                  | <p>The following due diligence is required to be provided at the Owner/Borrower's expense:</p> <ul style="list-style-type: none"> <li>• Appraisal (a construction lender's appraisal may be acceptable).</li> <li>• HUD-2530 previous participation clearance.</li> <li>• Construction costs review for new construction Projects (construction lender's review may be acceptable).</li> <li>• Physical Needs Assessment ("PNA") for rehabilitation projects with a Replacement Reserve Needs Analysis ("RRNA") over time for the initial 20-year term (other lender's PNA/RRNA may be acceptable).</li> <li>• Phase I Environmental Site Assessment including but not limited to impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation).</li> <li>• Market Study satisfactory to CalHFA.</li> <li>• NEPA Review.</li> <li>• Termite/Dry Rot reports by licensed company.</li> <li>• Seismic review and other studies may be required at CalHFA's discretion.</li> </ul>     |
| <b>Required Impounds and Reserves</b> | <ul style="list-style-type: none"> <li>• Replacement Reserve: Initial cash deposit required for existing Projects with annual deposits between \$250 and \$500 per unit/per year are required depending on the Project type and PNA/RRNA findings.</li> <li>• Operating Expense Reserve: 3-6 months of operating expenses, reserves, debt service, and monitoring fees due at permanent loan closing (letter of credit or cash) and held for the life of the CalHFA Perm Loan.</li> <li>• Impounds held by CalHFA: One year's prepaid earthquake, hazard and liability insurance premiums, and property tax assessments are collected at loan closing. An earthquake insurance waiver is available for projects which have met CalHFA earthquake waiver standards during rehabilitation or construction.</li> <li>• Transition Operating Reserve (TOR): required for Projects with rental subsidy contracts with contract terms that are less than 20 years.</li> <li>• Other reserves as required (at CalHFA's discretion).</li> </ul> |

Last revised: 4/2019

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## CONDUIT ISSUER PROGRAM

### MULTIFAMILY HOUSING BONDS

The CalHFA Conduit Issuer Program is designed to facilitate access to tax-exempt and taxable bonds ("Bond") by developers that seek financing for eligible projects that provide affordable multifamily rental housing for individuals, families, seniors, veterans or special needs tenants ("Project"). The conduit Bonds may be used to finance the acquisition, rehabilitation, and/or development of an existing Project, or they can be used for the construction of a new Project.

|                                    |  |
|------------------------------------|--|
| <b>Qualifications</b>              | <ul style="list-style-type: none"> <li>Available to for-profit, non-profit or public agency sponsors.</li> <li>Non-profit borrowers may be eligible for 501(c)(3) bonds.</li> <li>If bond proceeds are utilized to pay off an existing CalHFA portfolio loan visit <a href="http://www.calhfa.ca.gov">www.calhfa.ca.gov</a> for the <a href="#">CalHFA Portfolio Loan Prepayment Policy</a>.</li> </ul>  |
| <b>Bond Amount</b>                 | Bond amount is determined by the loan amount of the selected construction lender.  |
| <b>Fees</b><br>(subject to change) | <ul style="list-style-type: none"> <li>Application Fee: \$5,000 non-refundable, due at time of application submittal (covers the cost of the TEFRA) and is credited towards the CalHFA Issuer Fee.</li> <li>Issuer Fee:             <ol style="list-style-type: none"> <li>The greater of \$15,000 or 0.20% of the Bond amount if less than \$20 million dollars</li> <li>If more than \$20 million dollars: \$40,000 + 0.10% of the amount above \$20 million dollars</li> </ol> </li> <li>Annual Administrative Fee: \$7,500 (scattered site projects may require increased fees) due and payable in advance in annual installments commencing on Bond issuance through the term of the regulatory period.</li> <li>Public Sale: additional fee of \$5,000 to \$10,000 applies when Bonds are sold to the public.</li> <li>CDLAC Allocation Fee: 0.035% of the Bond amount, \$1,200 of which is due at time of CDLAC application submittal with the remaining fee due at construction loan closing, and is payable to CDLAC.</li> <li>CDLAC Performance Deposit: 0.50% of the requested Bond amount, not to exceed \$100,000, due at time of CDLAC application submittal. Deposit to be refunded after the Bond closing, upon receipt of authorization letter from CDLAC.</li> </ul> <p>The Borrower shall be responsible for all other costs of Bond issuance including fees of the underwriter, trustee, rating agencies, lender, compliance administrator, all Bond counsel legal fees, and any other parties required to complete the transaction.</p> |

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## CONDUIT ISSUER PROGRAM

### Occupancy Requirements

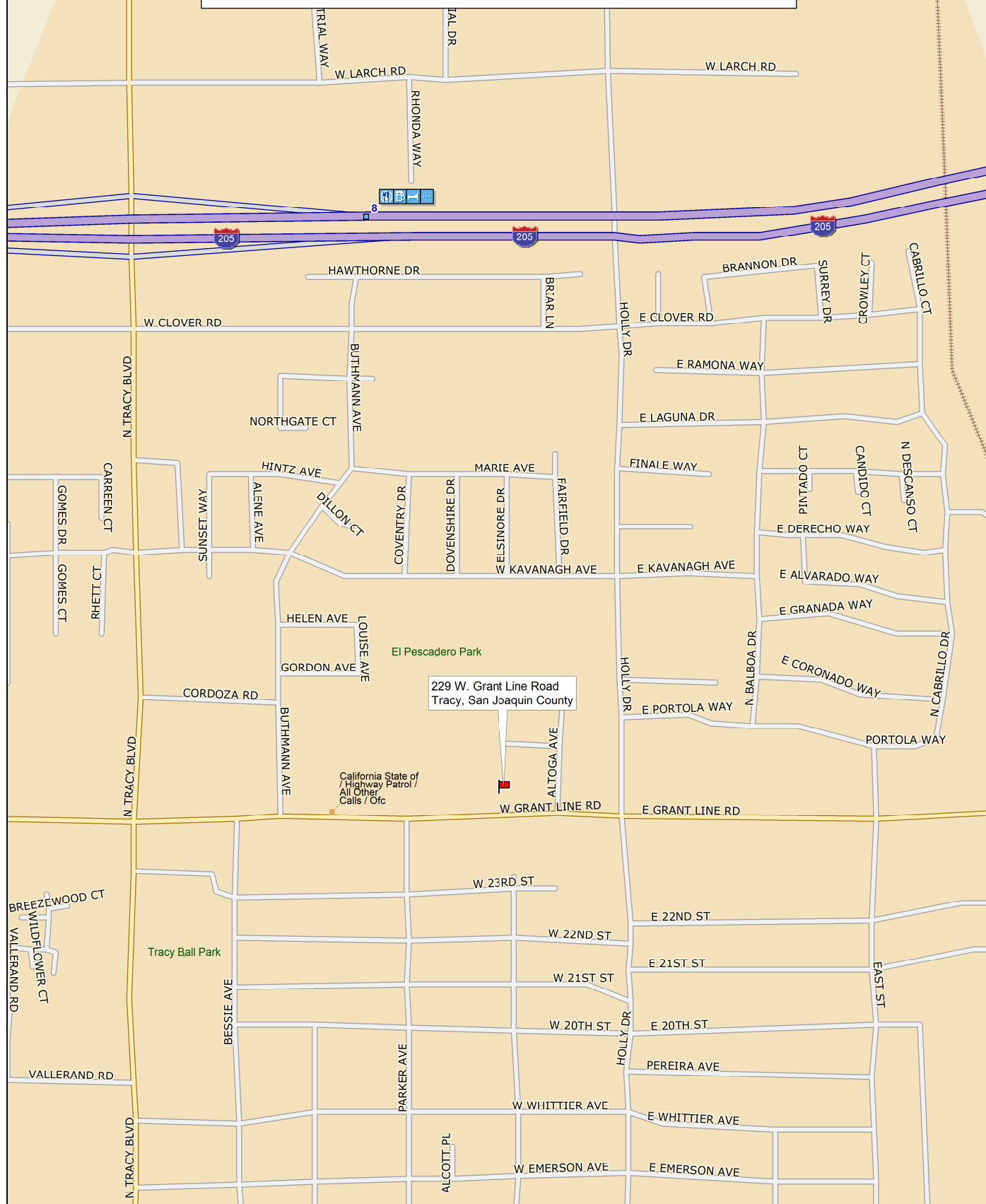
- Either (A) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area median income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (B) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI.
- Borrower will be required to enter into a Regulatory Agreement which will be recorded against the Project for the Qualified Project Period (as defined in the CalHFA Regulatory Agreement). This includes the latter of the federally-required qualified project period, repayment of the Bond funded loan, redemption of the Bonds or the full term of the CDLAC Resolution requirements.

Last revised: 03/2019

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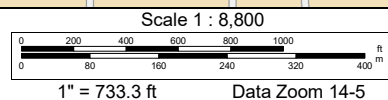
# Stone Pine Meadow Apts.



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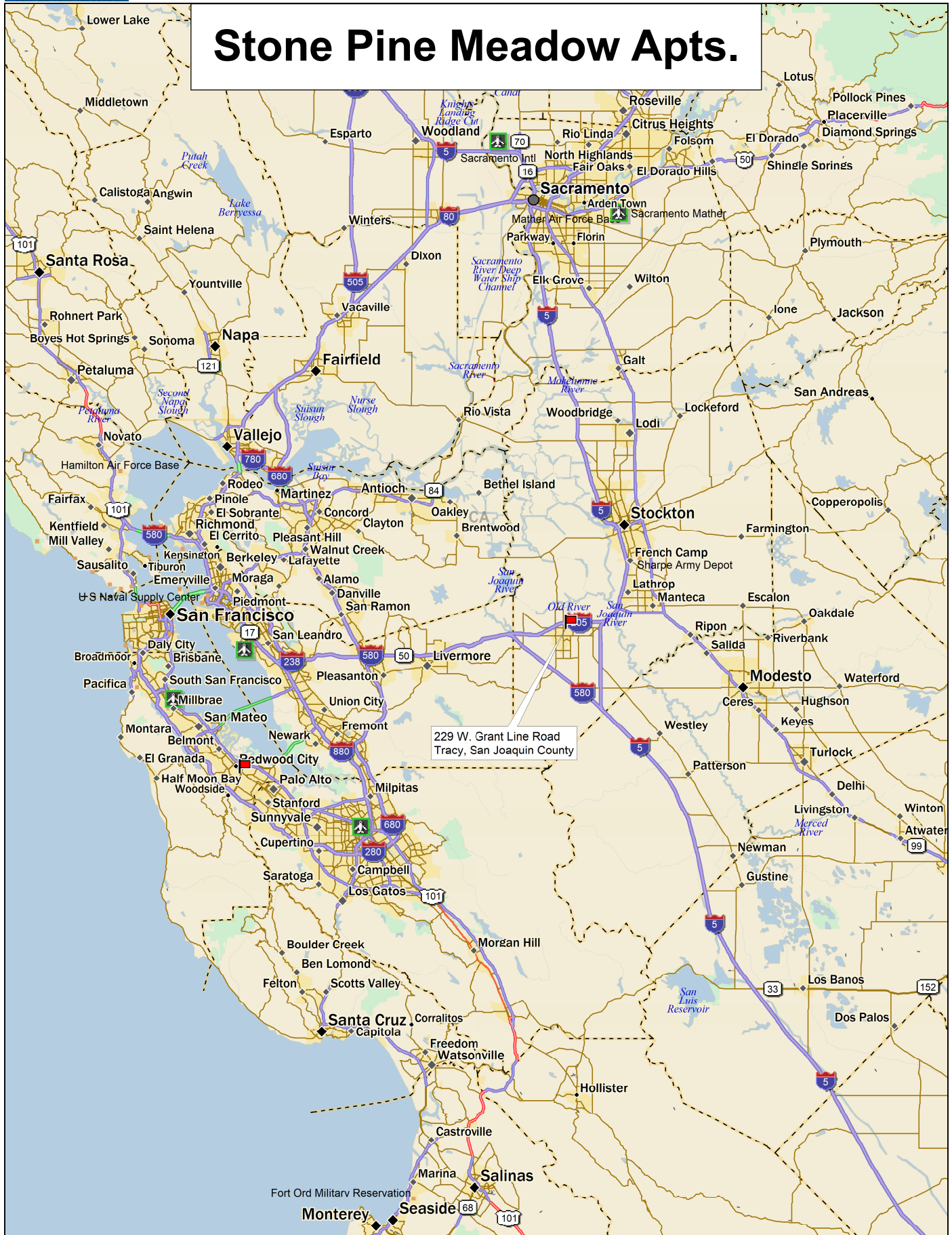
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# Stone Pine Meadow Apts.



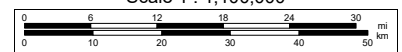
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Scale 1 : 1,100,000



1" = 17.36 mi

Data Zoom 7-5

1 BOARD OF DIRECTORS  
2 OF THE CALIFORNIA HOUSING FINANCE AGENCY  
3  
4

5 RESOLUTION NO. 19-24  
6

7 RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT  
8

9 WHEREAS, the California Housing Finance Agency (the "Agency") has received a  
10 loan application on behalf of Stone Pine Meadow Two, L.P., a California limited partnership  
11 (the "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide  
12 financing for a multifamily housing development located in Tracy, San Joaquin County,  
13 California, to be known as Stone Pine Meadow Apartments (the "Development"); and  
14

15 WHEREAS, the loan application has been reviewed by Agency staff which prepared a  
16 report presented to the Board on the meeting date recited below (the "Staff Report"),  
17 recommending Board approval subject to certain recommended terms and conditions; and  
18

19 WHEREAS, Agency staff has determined or expects to determine prior to making a  
20 binding commitment to fund the loan for which the application has been made, that (i) the  
21 Agency can effectively and prudently raise capital to fund the loan for which the application has  
22 been made, by direct access to the capital markets, by private placement, or other means and (ii)  
23 any financial mechanisms needed to insure prudent and reasonable financing of loans can be  
24 achieved; and  
25

26 WHEREAS, pursuant to the Executive Director's authority to issue Conduit Bonds,  
27 under Resolution 19-06 the Agency has filed an application with the California Debt Limit  
28 Allocation Committee ("CDLAC") for an allocation of California Qualified Private Activity  
29 Bonds for the Development; and  
30

31 WHEREAS, the Development has received a TEFRA Resolution as required by the  
32 Tax Equity and Fiscal Responsibility Act of 1983, and under 26 U.S.C. section 147(f); and  
33

34 WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Agency, as the  
35 issuer of tax-exempt bonds, to declare its reasonable official intent to reimburse prior  
36 expenditures for the Development with proceeds of a subsequent borrowing; and  
37

38 WHEREAS, on July 1, 2019, the Executive Director exercised the authority delegated  
39 to her under Resolution 15-16 to declare the official intent of the Agency to reimburse such prior  
40 expenditures for the Development; and  
41

42 WHEREAS, the Board wishes to grant the staff the authority to enter into a loan  
43 commitment to provide permanent financing for the development and taking out the Conduit  
44 Bonds upon Agency staff determining in its judgment that reasonable and prudent financing  
45 mechanisms can be achieved;  
46

1           NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of  
2 the California Housing Finance Agency as follows:

3  
4           1.       The Executive Director, or in her absence, the Chief Deputy Director, is hereby  
5 authorized to execute and deliver a final commitment letter, in a form acceptable to the Agency,  
6 and subject to recommended terms and conditions set forth in the Staff Report and any terms  
7 and conditions as the Board has designated in the Minutes of the Board Meeting, in relation to  
8 the Development described above and as follows:

| 9  | 10             | 11                        | 12                                |
|----|----------------|---------------------------|-----------------------------------|
|    | <u>PROJECT</u> | <u>DEVELOPMENT NAME/</u>  | <u>MORTGAGE</u>                   |
|    | <u>NUMBER</u>  | <u>LOCALITY</u>           | <u>AMOUNT</u>                     |
| 13 |                |                           |                                   |
| 14 | 18-010-A/N     | STONE PINE MEADOW APTS.   | \$2,946,000.00 (Taxable Permanent |
| 15 |                | Tracy, San Joaquin County | 35/20 Loan)                       |
| 16 |                | California                |                                   |
| 17 |                |                           |                                   |
| 18 |                |                           | \$ 643,000.00 (Taxable Permanent  |
| 19 |                |                           | 12 yr. Fully-Amortized            |
| 20 |                |                           | Loan)                             |
| 21 |                |                           |                                   |
| 22 |                |                           | \$2,390,000.00 (Subsidy GAP Loan  |
| 23 |                |                           | w/Earned Surplus)                 |
| 24 |                |                           |                                   |

25           The Board recognizes that in the event that staff cannot determine that reasonable and  
26 prudent financing mechanisms can be achieved, the staff will not enter into loan commitments to  
27 finance the Development. In addition, access to capital markets may require significant changes  
28 to the terms of loans submitted to the Board. Notwithstanding paragraph 2 below, the staff is  
29 authorized to make any needed modifications to the loan which in staff's judgment are directly  
30 or indirectly the result of the disruptions to the capital markets referred to above.

31  
32           2.       The Executive Director may modify the terms and conditions of the loans or  
33 loans as described in the Staff Report, provided that major modifications, as defined below,  
34 must be submitted to this Board for approval. "Major modifications" as used herein means  
35 modifications which either (i) increase the total aggregate amount of any loans made pursuant to  
36 the Resolution by more than 7%; or (ii) modifications which in the judgment of the Executive  
37 Director, or in her absence, the Chief Deputy Director of the Agency, adversely change the  
38 financial or public purpose aspects of the final commitment in a substantial way.

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## 1 SECRETARY'S CERTIFICATE

2  
3 I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized  
4 Secretary of the Board of Directors of the California Housing Finance Agency, and hereby  
5 further certify that the foregoing is a full, true, and correct copy of Resolution No. 19-24 duly  
6 adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency  
7 duly called and held on the 3<sup>rd</sup> day of December 2019, at which meeting all said directors had  
8 due notice, a quorum was present and that at said meeting said resolution was adopted by the  
9 following vote:

10  
11 AYES:12  
13 NOES:14  
15 ABSTENTIONS:16  
17 ABSENT:

18  
19 IN WITNESS WHEREOF, I have executed this certificate hereto this 3<sup>rd</sup> day of  
20 December 2019.

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23 ATTEST:24 \_\_\_\_\_  
25 CLAIRE TAURIAINEN26 Secretary of the Board of Directors of the  
27 California Housing Finance Agency  
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BOARD OF DIRECTORS  
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION 19-25

RESOLUTION TO AMEND AND REVISE THE EXECUTIVE EVALUATION CHARTER

WHEREAS, the California Housing Finance Agency (the “Agency”) has adopted Resolution 13-10 approving the current Charter of the Executive Evaluation Committee; and

WHEREAS, the Executive Evaluation Committee recommends changing the Committee’s minimum number of meetings frequency from two meetings per calendar year to one meeting per calendar year or more frequently as its members determine is necessary; and

WHEREAS, the Board has reviewed the revised charter attached hereto,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors as follows:

1. The attached “California Housing Finance Agency Executive Evaluation Committee Charter revised December, 2019” is hereby approved and adopted.

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5 SECRETARY'S CERTIFICATE  
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9 I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary  
10 of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the  
11 foregoing is a full, true, and correct copy of Resolution No. 19-25 duly adopted at a regular meeting of  
12 the Board of Directors of the California Housing Finance Agency duly called and held on the 3<sup>rd</sup> day of  
13 December 2019, at which meeting all said directors had due notice, a quorum was present and that at said  
14 meeting said resolution was adopted by the following vote:  
15

16 AYES:  
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19 NOES:  
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22 ABSTENTIONS:  
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25 ABSENT:  
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28 IN WITNESS WHEREOF, I have executed hereto this 3<sup>rd</sup> day of December 2019  
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32 ATTEST:

33 \_\_\_\_\_  
34 CLAIRE TAURIAINEN  
35 Secretary of the Board of Directors of the  
36 California Housing Finance Agency  
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**California Housing Finance Agency**  
**Executive Evaluation Committee Charter**  
**Revised December, 2019**

**Mission**

The Executive Evaluation Committee (the "Committee") is a committee of, and reports to, the Board of Directors of the California Housing Finance Agency (the "Board"). Through this Charter, the Board delegates certain responsibilities to assist the Board in fulfilling its oversight responsibilities to evaluate the Executive Director and compensation of key exempt management with the Agency. In performing its duties, the Committee will recommend its evaluation of the Executive Director to the Board for action. The Committee will also recommend to the Board compensation policies and procedures designed to attract and retain the best personnel to allow the Agency to achieve its goals and remain competitive in the marketplace.

**Membership**

The Committee will be comprised of no fewer than three voting members of the Board, to be selected by the Chair of the Board to serve on a rotational basis with staggered terms. The Committee Chair will be designated by the Board Chair.

**Authority**

The Committee was established by Board Resolution 06-16 revised by Resolution 08-17, amended and restated\* by Resolution 13-10 and further amended by Resolution 19-25. The Committee will act in an advisory capacity to the Board. Staff of the Agency will serve as a resource to Committee. The Committee has the authority to conduct any review appropriate to fulfilling its responsibilities. All employees of the Agency are directed to cooperate as requested by members of the Committee and the Committee will have complete access to Agency records and data.

**Meetings**

The Committee will meet as often as its members determine is necessary, but not less frequently than once each calendar year. The committee will report its proceedings and recommendations to the full Board, at the first regular meeting of the Board following a Committee meeting. All meetings of the Committee shall be open public meetings subject to the same notice and agenda procedures as are regular meetings of the Board. Any personnel evaluations may be held in closed session to the extent permitted or required by the Bagley-Keene Act; provided, however, that discussions of compensation issues shall take place in open session.

\* This correction is clerical, and accurately reflects what Resolution 13-10 effectuated.

## **Minutes**

Minutes of each meeting will be prepared and sent to all members of the Board. The Committee minutes need not be verbatim. Minutes of the Committee will be presented to the Committee for review and approval at the next meeting of the Committee. Minutes of Committee meetings are public records unless exempted under the California Public Records Act or other applicable law.

## **Duties**

The Committee will conduct the following activities:

1. Make recommendations to the full Board to enable the Board to carry out its duties and functions under Health and Safety Code section 50909;
2. Periodically cause to be conducted salary surveys that will form the basis of the design of a compensation plan that will attract and retain senior executive personnel qualified to lead the Agency in its mission and maintain its competitive posture in the marketplace. Such surveys will be conducted by independent outside advisors based on a comparison of compensation plans and compensation levels of other state and local housing finance agencies, other comparable agencies of the State of California, non-profit housing agencies, for-profit institutions and other relevant labor pools;
3. The Committee shall review any proposed contracts to engage consultants needed to carry out its duties under this Charter, including the outside advisor conducting the salary survey required by Health & Safety Code section 50909. The Committee shall make recommendations regarding such contracts to the Board, and the Board shall consider such recommendations. In the event that the Board approves any such contract, the Board shall direct the Executive Director to sign such contract on behalf of the Agency;
4. It shall be the policy of the Board and Committee to avoid any conflicts of interest in connection with the exercise of its duties. In carrying out its responsibilities under this Charter, the Committee shall endeavor to create a balanced process that avoids the appearance of conflicts of interest to the extent reasonably possible, while permitting the involvement of staff in a way reasonably necessary to accomplish its purposes and duties under this charter.
5. Periodically review and evaluate, with the assistance of Agency management, staff and outside advisors, the structure and level of Agency compensation of those senior executives whose salaries are established by the Board pursuant to section 50909;



6. Annually review the performance of the Executive Director;
7. Based on the annual review of the Executive Director's performance and the results of the salary surveys conducted by independent outside advisors, make a recommendation to the Board for the compensation level of the Executive Director;
8. At the direction of the Board of Directors, review that portion of the Agency's budget containing the compensation of key exempt management and recommend to the Board approval or amendments to those compensation levels. The Committee's recommendation will be based on a review of performance evaluations completed by the Executive Director and the results of the salary surveys conducted by outside advisors;
9. Review and discuss management succession at least annually;
10. Review legal and regulatory matters that may have a material impact on the Agency's compensation philosophy, structure and plans.

#### **Other Committee Duties**

In addition to the duties outlined above, the Committee annually will also:

1. Conduct a review of its performance, including a review of its compliance with this Charter;
2. Review and assess the adequacy of this Charter taking into account all legislative, regulatory and contractual requirements applicable as well as any best practices, and, if appropriate, will recommend Charter amendments to the Board.

**California Housing Finance Agency**  
**Executive Evaluation Committee Charter**  
**Revised ~~December, 2019~~September,**  
**2013**

**Mission**

The Executive Evaluation Committee (the "Committee") is a committee of, and reports to, the Board of Directors of the California Housing Finance Agency (the "Board"). Through this Charter, the Board delegates certain responsibilities to assist the Board in fulfilling its oversight responsibilities to evaluate the Executive Director and compensation of key exempt management with the Agency. In performing its duties, the Committee will recommend its evaluation of the Executive Director to the Board for action. The Committee will also recommend to the Board compensation policies and procedures designed to attract and retain the best personnel to allow the Agency to achieve its goals and remain competitive in the marketplace.

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**Meetings**

The Committee will meet as often as its members determine is necessary, but not less frequently than ~~twice~~ once each calendar year. The committee will report its proceedings and recommendations to the full Board, at the first regular meeting of the Board following a Committee meeting. All meetings of the Committee shall be open public meetings subject to the same notice and agenda procedures as are regular meetings of the Board. Any personnel evaluations may be held in closed session to the extent permitted or required by the Bagley-Keene Act; provided, however, that discussions of compensation issues shall take place in open session.

\* This correction is clerical, and accurately reflects what Resolution 13-10 effectuated.

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2. Review and assess the adequacy of this Charter taking into account all legislative, regulatory and contractual requirements applicable as well as any best practices, and, if appropriate, will recommend Charter amendments to the Board.

State of California

## MEMORANDUM

**To:** Board of Directors

Date: November 14, 2019

**From:** Tim Hsu, Interim Director of Financing  
**CALIFORNIA HOUSING FINANCE AGENCY**

**Subject:** UPDATE OF CONDUIT ISSUANCE PROGRAM

The CalHFA Conduit Issuer Program (Conduit Program) is designed to facilitate both for-profit and non-profit developers in accessing tax-exempt and taxable bonds for the financing of family and senior affordable and mixed-income housing developments. The goals of the program are to increase and preserve the supply of affordable rental housing, maintain a quality living environment, leverage private sector funds to the greatest extent possible, and to cooperate with local jurisdictions to advance affordable housing goals.

The Strategic Business Plan and Operating Budget for FY 19-20 estimated \$320.7 million.

Actual conduit issuance amount for FY 19-20 is \$190.4 million.

| Conduits Program - FY19-20:                                |   |                   |               |                      |              |              |                       |
|--|---|-------------------|---------------|----------------------|--------------|--------------|-----------------------|
|  | Project Name                            | Underwriting Type | City          | Project Type         | Units        | Closing Date | Loan Amount           |
| <b>Conduit Pool Securitization Program</b>                 |   |                   |               |                      |              |              |                       |
| 1  | 2019-1 Class A & X Certificates         | Conduit-Citi      | Various       | Various              | 1,771        | 8/7/2019     | \$ 171,632,062        |
|  |   |                   |               |                      | 1,771        |              | \$ 171,632,062        |
| <b>Multifamily Conduit Transactions</b>                    |   |                   |               |                      |              |              |                       |
| <i>(Closed)</i>  |   |                   |               |                      |              |              |                       |
| 2  | Walnut Windmere                         | Conduit-Reg Only  | Davis         | Family               | 136          | 10/15/2019   | \$ 18,750,000         |
| 3  | Blackstone McKinney TOD                 | Conduit - PTO     | Fresno        | Family               | 88           | 11/6/2019    | 29,050,000            |
| 4  | Noble Tower Apts                        | Conduit-Reg Only  | Oakland       | Family               | 195          | 11/15/2019   | 74,000,000            |
|  |   |                   |               |                      | 419          |              | \$ 121,800,000        |
| <i>(In Process to Close)</i>                               |   |                   |               |                      |              |              |                       |
| 5  | Market - Supplemental                   | Conduit - PTO     | Redding       | Family               | -            | 11/21/2019   | \$ 5,502,227          |
| 6  | Longshore Cove Apts                     | Conduit-Reg Only  | Vallejo       | Family               | 236          | 11/26/2019   | 40,275,000            |
| 7  | Arena Senior Apts                       | Conduit+MIP       | Sacramento    | Senior               | 240          | 12/12/2019   | 37,592,160            |
| 8  | Bermuda Gardens                         | Conduit-Reg Only  | San Leandro   | Family               | 80           | 12/13/2019   | 22,500,000            |
| 9  | Bernal Dwellings                        | Conduit - PTO     | San Francisco | Family               | 160          | 12/13/2019   | 62,000,000            |
| 10   | Villa Valley Apartments                 | Conduit-Reg Only  | Los Angeles   | Senior               | 146          | 12/15/2019   | 43,570,734            |
| 11   | Woodlake Terrace                        | Conduit - PTO     | Woodlake      | Family               | 31           | 12/16/2019   | 8,600,000             |
| 12   | Stone Pine Meadow                       | Conduit - PTO     | Tracy         | Family               | 72           | 12/20/2019   | 14,572,000            |
| 13   | Coldstream Commons                      | Conduit-Reg Only  | Truckee       | Individuals/Families | 48           | 4/13/2020    | 18,000,000            |
|  |   |                   |               |                      | 1,013        |              | \$ 252,612,121        |
| <b>December 11, 2019 CDLAC Meeting- CDLAC Due 10/11/19</b> |   |                   |               |                      |              |              |                       |
| 14   | Santa Ana Towers                        | Conduit-Reg Only  | Santa Ana     | Senior               | 200          | 1/15/2020    | \$ 50,000,000         |
| 15   | Golden West Tower                       |                   | Torrance      | Senior               | 180          | 2/13/2020    | 71,000,000            |
|  |   |                   |               |                      | 380          |              | \$ 121,000,000        |
| <b>January 15, 2020 CDLAC Meeting- CDLAC Due 11/15/19</b>  |   |                   |               |                      |              |              |                       |
| 16   | 1322 O Street                           | Conduit-Reg Only  | Sacramento    | Family/Senior        | 45           | 2/5/2020     | \$ 8,699,564          |
| 17   | Gateway Family Apartments               | Conduit - PTO     | Menlo Park    | Individuals/Families | 140          | 3/1/2020     | 61,915,000            |
| 18   | Revolve                                 | Conduit-Reg Only  | Sacramento    | Individuals/Families | 69           | 6/1/2020     | 14,000,000            |
| 19   | Heritage Common Place III               | Conduit-Reg Only  | Dixon         | Individuals/Families | 44           | 6/3/2020     | 8,000,000             |
| 20   | Lakehouse Commons Affordable Apartments | Conduit - PTO     | Oakland       | Family               | 91           | 6/17/2020    | 38,215,000            |
| 21   | Hayward Mission Apts                    | Conduit+MIP       | Hayward       | Family/Senior        | 140          | 6/30/2020    | 36,400,000            |
| 22   | Courtyards at Cottonwood                | Conduit-Reg Only  | Moreno Valley | Individuals/Families | 81           | 7/1/2020     | 18,000,000            |
| 23   | Meadow View Place                       | Conduit-Reg Only  | Truckee       | Individuals/Families | 56           | 7/2/2020     | 14,500,000            |
|  |   |                   |               |                      | 666          |              | \$ 199,729,564        |
| <b>Total:</b>  |   |                   |               |                      | <b>4,249</b> |              | <b>\$ 866,773,747</b> |

State of California

## MEMORANDUM

**To:** Board of Directors

Date: November 18, 2019

**From:** Andre Massey, Deputy Director of Multifamily Programs  
**CALIFORNIA HOUSING FINANCE AGENCY**

**Subject:** ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

The CalHFA Asset Management Portfolio is comprised of 729 projects with a balance of \$1.195 billion in financing as of September 30, 2019. The CalHFA portfolio consists of 17,854 affordable home units throughout the State of California.

The portfolio is broken down by type of program as follows:

|     |  |
|-----|--|
| 78  | Section 8 Housing Program                                |
| 96  | Risk Share   |
| 210 | 80/20 financing loans - CalHFA Financed Program          |
| 176 | Mental Health Services Act/Special Needs Housing Program |
| 42  | Conduit  |
| 12  | Section 811 Housing                                      |
| 115 | <u>School Facility Fee Reimbursement Program</u>         |
| 729 | Total  |

The portfolio has a low delinquency rate of 0.38% which includes four projects. There are six projects on the Watch List for various issues such as timely submission of annual reports, lack of compliance with the regulatory agreement, or pending completion of physical improvements recommended at time of inspection.

### Preservation Strategy

There are 57 Loans scheduled to mature within the next five years. The Multifamily Program has initiated a preservation strategy of the existing portfolio in an effort to extend affordability of the CalHFA financed projects.

The goals of the Multifamily Asset Management Program are to increase and preserve the supply of affordable housing, assure the maintenance of a quality living environment, assure the projects are financially sound and sustainable, and to cooperate with local jurisdictions to advance affordable housing throughout the State.

# ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

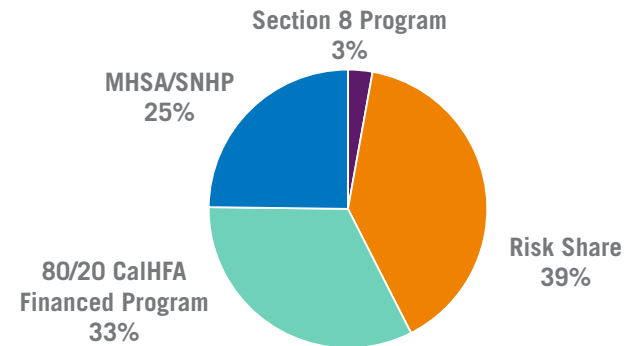
As of September 30, 2019

146

## PROGRAMS

| Type                                      | # Projects | UPB                    | %     |
|---|------------|------------------------|-------|
| Section 8 Program                         | 78         | \$33,916,056           | 2.8%  |
| Risk Share                                | 96         | \$474,139,525          | 39.7% |
| 80/20 CalHFA Financed Program             | 210        | \$390,584,849          | 32.7% |
| MHSA/SNHP                                 | 176        | \$296,399,619          | 24.8% |
| Conduit                                   | 42         | -                      | 0.0%  |
| Section 811                               | 12         | -                      | 0.0%  |
| School Facility Fee Reimbursement Program | 115        | -                      | 0.0%  |
| <b>TOTAL*</b>                             | <b>729</b> | <b>\$1,195,040,050</b> |       |

## UNPAID PRINCIPAL BALANCE (UPB) BY PROJECT TYPE



\*The unpaid principal balance is based on 483 existing projects with loan balances. The portfolio continues to maintain projects without loan balances for purposes of affordability requirements and compliance. 246 projects are being reviewed and maintained for compliance purposes only.

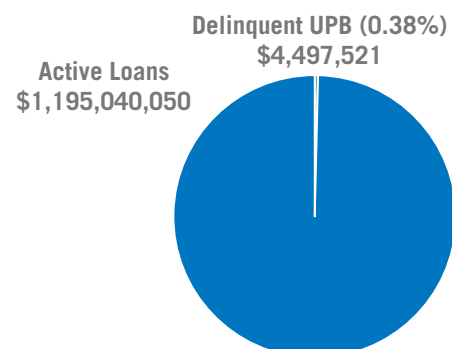
## PRESERVATION RISK INDICATORS

| Type                                      | # Projects | UPB           | %     |
|---|------------|---------------|-------|
| Projects to be Transferred to AM          | 48         | \$334,497,688 |       |
| Regulatory Agreement Expires <= 5 yrs.    | 57         | \$59,995,916  | 5.0%  |
| Loans Mature <= 5 yrs.                    | 57         | \$63,341,569  | 5.30% |
| Yield Maintenance Requests (last quarter) | 20         | \$46,503,992  | 3.89% |

## FINANCIAL RISK INDICATORS

| Type                   | # Projects | UPB          | %     |
|------------------------|------------|--------------|-------|
| Projects w/ DSCR < 1.0 | 16         | \$13,556,015 | 1.13% |
| Watch List             | 6          | \$4,827,739  | 0.40% |
| Delinquencies          | 4          | \$4,497,521  | 0.38% |

## DELINQUENCIES





As of September 30, 2019

## MAP OF CALHFA MULTIFAMILY PROJECTS IN CALIFORNIA

