



BOARD OF DIRECTORS

California Housing Finance Agency Board of Directors

Special Meeting December 6, 2019 3:00 p.m.

Bank of the West Tower
500 Capitol Mall, 14th Floor
Main Conference Room
Sacramento, CA 95814

California Housing Finance Agency
Los Angeles Office
100 Corporate Pointe, Suite 250
Culver City, CA 90230

San Diego Housing Federation
3939 Iowa Street, Suite 1
San Diego, CA 92104

Pursuant to Government Code §11125.4(a)(7), the Board will hold a Special Meeting to consider action on a loan related to affordable housing

1.	Roll Call			
2.	Determination of Need for Special Meeting and Board adoption			
	Resolution No. 19-21			1
3.	Chairman/Executive Director comments			
4.	Discussion, recommendation, and possible action regarding final loan commitment for the following project (Presented by Kate Ferguson, Steve Beckman)			4
	<u>NUMBER</u>	<u>DEVELOPMENT</u>	<u>LOCALITY</u>	<u>UNITS</u>
	19-037-N	Panas Place	Santa Rosa/Sonoma	66
	Resolution No. 19-22			36
5.	Discussion, recommendation, and possible action regarding final loan commitment for the following project (Presented by Kate Ferguson, Steve Beckman).....			39
	<u>NUMBER</u>	<u>DEVELOPMENT</u>	<u>LOCALITY</u>	<u>UNITS</u>
	19-039-N	West Oaks	Santa Rosa/Sonoma	53
	Resolution No. 19-23			71
6.	Discussion, recommendation, and possible action regarding final loan commitment for the following project (Presented by Kate Ferguson, Sheena Kho).....			74
	<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. 19-24			100

7. Discussion, recommendation, and possible action regarding final loan commitment for the following project (Presented by Kate Ferguson, Ruth Vakili)103

<u>NUMBER</u>	<u>DEVELOPMENT</u>	<u>LOCALITY</u>	<u>UNITS</u>
18-010-N/A	Stone Pine Meadow	Tracy/San Joaquin	72

Resolution No. 19-25.....127

8. Public Comment: Opportunity for members of the public to address the Board on Matters within the Board’s authority
9. Adjournment

PUBLIC PARKING:

- 1) Bank of the West parking structure (\$2 per 20 minutes, \$6 per hour, \$24 daily maximum)
- 2) Metered street parking available
- 3) Other nearby parking structures

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

5 RESOLUTION NO. 19-21
6

7 RESOLUTION OF THE CALIFORNIA HOUSING FINANCE AGENCY FINDING
8 NECESSITY FOR A SPECIAL MEETING UNDER GOVERNMENT CODE
9 SECTION 11125.4(a)(7)
10
11

12 WHEREAS, The Bagley-Keene Act (Government Code 11120 et seq.) generally
13 requires 10 days' notice before state bodies such as the Board of Directors of the California
14 Housing Finance Agency may hold meetings; and
15

16 WHEREAS, actions of the Board of Directors (the "Board") of the California Housing
17 Finance Agency (the "Agency") may be taken only by a concurrence of a majority of the entire
18 membership thereof, excepting nonvoting ex officio members, pursuant to Health and Safety
19 Code §50914(b); and
20

21 WHEREAS, at the regular meeting of the Board of Directors of the California Housing
22 Finance Agency duly called on the 3rd day of December, a quorum of members was not
23 established; and
24

25 WHEREAS, at the regular meeting duly called on the 3rd day of December, four
26 affordable housing projects seeking loans from the Agency (the "Projects") were scheduled to
27 be presented to the Board for their consideration for approval; and
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29 WHEREAS, there are various external deadlines for financial transactions of the Projects
30 that need to occur within a time-frame of less than 10 days; and
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32 WHEREAS, the Legislature finds and declares that the subject of housing is of vital
33 statewide importance to the health, safety, and welfare of the residents of California; and
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35 WHEREAS, the state of California is experiencing a severe shortage of available
36 affordable housing units statewide; and
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38 WHEREAS, without the Board's immediate consideration of the Projects, harm would
39 be caused to the public by preventing the development and preservation of said affordable
40 housing units;
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42
43 NOW, THEREFORE, BE IT RESOLVED that the Board of the Agency hereby:
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- 45 1. FINDS that it must meet on fewer than 10 days' notice to consider action on
46 loans related to affordable housing.

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- 2. FINDS the delay necessitated by providing notice 10 days prior to a meeting as required by Government Code §11125 would cause harm to the public interest and that the immediate action of the Board is needed, pursuant to Government Code §11125.4(a)(7), to consider action on loans related to affordable housing.

- 3. ADOPTS all the preceding preamble clauses.

SECRETARY’S CERTIFICATE

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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 19-21 duly adopted at a special meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 6th 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 6th 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: 12/6/19

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

TRANSACTION OVERVIEW

7.	Proposal and Project Strengths
	<ul style="list-style-type: none"> The Project serves low-income families and provides much-needed workforce housing in Sonoma County. 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. 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. 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%).
8.	Project Weaknesses with Mitigants:
	<ul style="list-style-type: none"> 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.
9.	Underwriting Standards or Term Sheet Variations
	<ul style="list-style-type: none"> None
10.	Project Specific Conditions of Approval
	<p>Approval is conditioned upon:</p> <ul style="list-style-type: none"> A portion of the Cash Equity-Out will be withheld until completion of all approved rehabilitation. 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. Borrower obtains TCAC approval for new CalHFA loan and TCAC agrees to subordinate to CalHFA.
11.	Staff Conclusion/Recommendation:
	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"> • The existing and new CalHFA Permanent financing Regulatory Agreement will restrict 20% of the units to 50% of AMI for a 30-year term. • NOTE: 11 of the Santa Rosa Housing Authority regulated units will overlay the CalHFA regulated units restricted to 50% of AMI. 																																																																																																						
14.	Project Affordability & Occupancy Restrictions	<ul style="list-style-type: none"> • 100% of the units will be restricted to families earning less than 60% of AMI. 																																																																																																						
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15.	Geocoder Information																																																																																																							

Final Board Staff Report for: Panas Place
CalHFA Project Number: 19-037-N

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

16.	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

17.	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

18.	Construction Period Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	Construction Loan	N/A		Interest Only
19.	Permanent Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	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		
	TOTAL DEVELOPMENT COST:	\$9,861,109	\$149,411	Per Unit
20.	Equity – Cash Out (estimate)	\$2,123,150	<i>Subject to change depending on cost overruns</i>	

* 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		
	1st 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: 2.5% Subsidy Income Inflation Rate: N/A
	Non-residential Vacancy Rate:	N/A	Project Expenses Inflation Rate: 3.5% Property Tax Inflation Rate: 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

28.	Site Description	Requires Flood Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> The property is located on the east side of Old Stony Point Road, in the City of Santa Rosa, Sonoma County. The site contains the Project, with level topography at street grade, measuring approximately 4.24 acres and is generally rectangular in shape. The site consists of a single parcel. The site is zoned Med Residential/PD 0434, with permitted multifamily residential use and a maximum of 16 units per acre. 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. 		

29.	Form of Site Control & Expiration Date
N/A – ownership will not change in this refinancing transaction.	
30.	Current Ownership Entity of Record
Title is currently vested in Stony Point Apartment Investors, L.P., a California limited partnership as the fee owner.	
31.	Environmental Review Findings
<ul style="list-style-type: none"> • A Phase I Environmental Site Assessment performed by Harris & Lee Environmental Sciences, LLC, dated September 26, 2019 revealed no evidence of recognized environmental conditions, so no additional investigation was recommended. • A NEPA review will be performed by AEM, and a Categorical Exemption is expected. 	
32.	Seismic Requires Earthquake Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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%.	
33.	Relocation (if any)
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

34.	Residential Areas:												
	<table border="1" style="width: 100%;"> <tr> <td>Residential Square Footage:</td> <td>70,174</td> <td>Residential Units per Acre:</td> <td>15.57</td> </tr> <tr> <td>Community Area (laundry & other space) Sq. Ftg:</td> <td>2,284</td> <td>Total Parking Spaces:</td> <td>147</td> </tr> <tr> <td>Supportive Service Areas:</td> <td></td> <td>Total Building Sq. Footage:</td> <td>72,458</td> </tr> </table>	Residential Square Footage:	70,174	Residential Units per Acre:	15.57	Community Area (laundry & other space) Sq. Ftg:	2,284	Total Parking Spaces:	147	Supportive Service Areas:		Total Building Sq. Footage:	72,458
Residential Square Footage:	70,174	Residential Units per Acre:	15.57										
Community Area (laundry & other space) Sq. Ftg:	2,284	Total Parking Spaces:	147										
Supportive Service Areas:		Total Building Sq. Footage:	72,458										
35.	Mixed-Use Project: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No												
	<table border="1" style="width: 100%;"> <tr> <td>Non-Residential Sq. Footage:</td> <td></td> <td>Number of Lease Spaces:</td> <td></td> </tr> <tr> <td>Master Lease:</td> <td><input type="checkbox"/> Yes <input type="checkbox"/> No</td> <td>Number of Parking Spaces:</td> <td></td> </tr> </table>	Non-Residential Sq. Footage:		Number of Lease Spaces:		Master Lease:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Number of Parking Spaces:					
Non-Residential Sq. Footage:		Number of Lease Spaces:											
Master Lease:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Number of Parking Spaces:											
36.	Construction Type:												
	Existing Project, 1&2-story type-V wood-framed residential building with wood panel siding, pitched roof and surface parking spaces.												
	<table border="1" style="width: 100%;"> <tr> <td># Buildings:</td> <td>15</td> <td># Stories:</td> <td>1&2</td> </tr> <tr> <td># Elevators:</td> <td>0</td> <td>Unit Style:</td> <td>Townhome & Flat</td> </tr> <tr> <td>Year Built:</td> <td>1999</td> <td>Year of Last Rehab:</td> <td>N/A</td> </tr> </table>	# Buildings:	15	# Stories:	1&2	# Elevators:	0	Unit Style:	Townhome & Flat	Year Built:	1999	Year of Last Rehab:	N/A
# Buildings:	15	# Stories:	1&2										
# Elevators:	0	Unit Style:	Townhome & Flat										
Year Built:	1999	Year of Last Rehab:	N/A										
37.	Hard Development Costs : \$450,000 Per Unit: \$6,818												
38.	Rehab Scope Demolition Involved: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No												

- 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.

43.	Service Provider
<p>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.</p>	
44.	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)
45.	Architect: N/A
46.	Local Review via Locality Contribution Letter
<p>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.</p>	

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

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

UNIT MIX AND RENT SUMMARY **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
AlHFA RiskShare			14				
g 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%	-	-	-	-	-
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%	-	-	-	-	-
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%	-	-	-	-	-
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%	-	-	-	-	-
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%	-	-	-	-	-
5 Bedrooms	CTCAC	50%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	CTCAC	100%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
Date Prepared:		10/3/19		Senior Staff Date:		11/7/19	

SOURCES & USES OF FUNDS			Final Commitment		
Panias Place			Project Number 19-037-N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
RELOCATION COSTS					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	-	-	-	-	0.0%
ARCHITECTURAL FEES					
Design	-	-	-	-	0.0%
Supervision	-	-	-	-	0.0%
TOTAL ARCHITECTURAL FEES	-	-	-	-	0.0%
SURVEY & ENGINEERING FEES					
Engineering	-	-	-	-	0.0%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	-	-	-	-	0.0%
TOTAL SURVEY & ENGINEERING FEES	-	-	-	-	0.0%
CONTINGENCY RESERVES					
Hard Cost Contingency Reserve	-	45,000	45,000	682	0.5%
Soft Cost Contingency Reserve	-	-	-	-	0.0%
TOTAL CONTINGENCY RESERVES	-	45,000	45,000	682	0.5%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	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, Preva	-	-	-	-	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%
TOTAL CONST/REHAB PERIOD COSTS	-	2,000	2,000	30	0.0%

SOURCES & USES OF FUNDS			Final Commitment		
Panos Place			Project Number 19-037-N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>PERMANENT LOAN COSTS</u>					
Loan Fees					
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%
TOTAL PERMANENT LOAN COSTS	-	202,000	202,000	3,061	2.0%
<u>LEGAL FEES</u>					
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%
TOTAL LEGAL FEES	-	35,000	35,000	530	0.4%
<u>OPERATING RESERVES</u>					
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%
TOTAL OPERATING RESERVES	-	510,712	510,712	7,738	5.2%
<u>REPORTS & STUDIES</u>					
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%
TOTAL REPORTS & STUDIES	-	22,200	22,200	336	0.2%

SOURCES & USES OF FUNDS			Final Commitment		
Panos Place			Project Number 19-037-N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
OTHER COSTS					
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%
TOTAL OTHER COSTS	-	-	-	-	0.0%
SUBTOTAL PROJECT COSTS					
	-	7,737,959	7,737,959	117,242	78.5%
DEVELOPER FEES & COSTS					
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%
TOTAL DEVELOPER FEES & COSTS	-	2,123,150	2,123,150	32,169	21.5%
TOTAL PROJECT COSTS					
	-	9,861,109	9,861,109	149,411	100.0%

PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET		Final Commitment	
Panas Place	Project Number	19-037-N	
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								
	YEAR	1	2	3	4	5	6	7
RENTAL INCOME	CPI							
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%	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		1,021,644	1,046,945	1,072,875	1,099,449	1,126,684	1,154,596	1,183,202
VACANCY ASSUMPTIONS	Vacancy							
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%	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		51,082	52,347	53,644	54,972	56,334	57,730	59,160
EFFECTIVE GROSS INCOME (EGI)		970,562	994,598	1,019,231	1,044,477	1,070,350	1,096,866	1,124,042
OPERATING EXPENSES	CPI / Fee							
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
TOTAL OPERATING EXPENSES		518,618	535,101	552,139	569,750	587,954	606,772	626,225
NET OPERATING INCOME (NOI)		451,944	459,496	467,092	474,727	482,395	490,094	497,817
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						
CASH FLOW AFTER DEBT SERVICE		64,344	71,896	79,492	87,126	94,795	102,494	110,217
DEBT SERVICE COVERAGE RATIO		1.17	1.19	1.21	1.22	1.24	1.26	1.28
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%	-	-	-	-	-	-	-
net CF available for distribution		39,404	46,208	53,033	59,874	66,725	73,581	80,437
Deferred developer fee repayment		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Payments for Residual Receipt Payments		50%						
RESIDUAL RECEIPTS LOANS	<i>Payment %</i>	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
Total Residual Receipts Payments	100.00%	19,702	23,104	26,517	29,937	33,363	36,791	40,219
Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<i>Interest Rate</i>							
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
Total Residual Receipts Payments		3,163,724	3,238,934	3,310,742	3,379,137	3,444,112	3,505,661	3,563,782

PROJECTED PERMANENT LOAN CASH FLOWS		Panas Place						
Final Commitment	YEAR	Project Number				19-037-N		
		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%	-	-	-	-	-	-	-
net CF available for distribution		87,287	94,123	100,940	107,729	114,484	121,196	127,857
Deferred developer fee repayment		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Payments for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<i>Payment %</i>	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
Total Residual Receipts Payments	100.00%	43,643	47,062	50,470	53,865	57,242	60,598	63,928
Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<i>Interest Rate</i>							
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
Total Residual Receipts Payments		3,618,475	3,669,743	3,717,593	3,762,035	3,803,082	3,840,752	3,875,066

PROJECTED PERMANENT LOAN CASH FLOWS						Panas Place			
Final Commitment	YEAR	15	16	17	18	19	20	21	
	CPI								
RENTAL INCOME									
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%	-	-	-	-	-	-	-
net CF available for distribution		134,457	140,988	147,439	153,800	160,060	166,207	172,228
Deferred developer fee repayment		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Payments for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<i>Payment %</i>	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
Total Residual Receipts Payments	100.00%	67,229	70,494	73,720	76,900	80,030	83,103	86,114
Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<i>Interest Rate</i>							
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
Total Residual Receipts Payments		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						
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%	-	-	-	-	-	-	-
net CF available for distribution		178,111	183,842	189,407	194,791	199,978	204,951	209,694
Deferred developer fee repayment		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-

Payments for Residual Receipt Payments**RESIDUAL RECEIPTS LOANS**

	<i>Payment %</i>	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
Total Residual Receipts Payments	100.00%	89,055	91,921	94,703	97,395	99,989	102,476	104,847

Balances for Residual Receipt Payments**RESIDUAL RECEIPTS LOANS**

	<i>Interest Rate</i>	1,403,821	1,405,860	1,406,901	1,406,973	1,406,109	1,404,342	1,401,709
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
Total Residual Receipts Payments		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
RENTAL INCOME	CPI							
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%	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		2,028,193	2,078,533	2,130,127	2,183,004	2,237,198	2,292,742	2,349,667
VACANCY ASSUMPTIONS	Vacancy							
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%	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		101,410	103,927	106,506	109,150	111,860	114,637	117,483
EFFECTIVE GROSS INCOME (EGI)		1,926,783	1,974,607	2,023,620	2,073,854	2,125,339	2,178,104	2,232,184
OPERATING EXPENSES	CPI / Fee							
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
TOTAL OPERATING EXPENSES		1,267,935	1,309,821	1,353,135	1,397,925	1,444,242	1,492,139	1,541,671
NET OPERATING INCOME (NOI)		658,848	664,785	670,486	675,929	681,096	685,965	690,513
DEBT SERVICE PAYMENTS	Lien #							
Perm	1	387,600	387,600	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
SRHA CDBG	2	-	-	-	-	-	-	-
Santa Rosa Housing Authority	3	-	-	-	-	-	-	-
SRHA HOME	4	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		387,600	387,600	-	-	-	-	-
CASH FLOW AFTER DEBT SERVICE		271,248	277,185	670,486	675,929	681,096	685,965	690,513
DEBT SERVICE COVERAGE RATIO		1.70	1.72	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%	57,061	58,773	60,536	62,352	64,223	66,149	68,134
LESS: Partnership Management Fee	3%	-	-	-	-	-	-	-
net CF available for distribution		214,187	218,413	609,950	613,577	616,874	619,816	622,379
Deferred developer fee repayment	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Payments for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<i>Payment %</i>	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
Total Residual Receipts Payments	100.00%	107,094	109,206	304,975	306,789	308,437	309,908	311,190
Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<i>Interest Rate</i>							
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
Total Residual Receipts Payments		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	YEAR	36	37	38	Project Number	19-037-N
	CPI				39	40
RENTAL INCOME						
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
VACANCY ASSUMPTIONS						
	Vacancy					
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
OPERATING EXPENSES						
	CPI / Fee					
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
DEBT SERVICE PAYMENTS						
	Lien #					
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%	-	-	-	-	-
net CF available for distribution		624,539	626,268	627,539	628,324	628,590
Deferred developer fee repayment		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
Payments for Residual Receipt Payments						
RESIDUAL RECEIPTS LOANS	<i>Payment %</i>	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
Total Residual Receipts Payments	100.00%	312,270	313,134	313,770	314,162	314,295
Balances for Residual Receipt Payments						
RESIDUAL RECEIPTS LOANS	<i>Interest Rate</i>					
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
Total Residual Receipts Payments		2,922,905	2,698,323	2,466,139	2,226,353	1,978,982



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").

Qualifications	<ul style="list-style-type: none"> Available to for-profit, non-profit, and public agency sponsors. The Perm Loan may be used with or without 9% low income housing tax credits. For Section 8 Projects, final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract. The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program. For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Loan Amount	<ul style="list-style-type: none"> Minimum Perm Loan amount of \$5,000,000. Minimum 1.15x for debt service coverage ratio (include any financing with amortizing debt). 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.
Fees (subject to change)	<ul style="list-style-type: none"> Application Fee: \$10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Loan Fee. Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing. Cost of Issuance Fee: \$110,000, half due at final commitment, with balance due at Perm Loan closing. Credit Enhancement Fee: included in the interest rate. Annual Administrative Fee: \$7,500 annually. Inspection fees should be estimated at \$500 - \$1,000 per month (reports and fees can be shared with other construction lenders). Legal Fee: \$35,000 due at Perm Loan closing. Administrative Fee: \$1,000 due at Perm Loan closing. Letter of Interest Fee: \$5,000 at LOI request, and is credited towards the CalHFA Perm Loan Fee <p>Some fees may be consolidated if combined with other CalHFA financing.</p>

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TAXABLE PERMANENT LOAN PROGRAM

<p>Rate & Terms (subject to change)</p>	<p>Interest Rate:</p> <ul style="list-style-type: none"> • 17 Year Balloon: 10 Year Constant Maturing Treasury plus CalHFA spread • 30 Year Balloon and Fully Amortizing Loans: 10 Year Constant Maturing Treasury plus CalHFA spread • Estimated CalHFA Spread: 2.75% to 3.50% • 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. <p>Amortization/Term:</p> <ul style="list-style-type: none"> • Amortization: Up to 35 Year Amortization¹ • Term: Fully Amortizing, and 17 or 30 Year Balloons available² • A six-month extension is permitted upon payment of a fee equal to 0.50% of the Perm Loan amount. • Perm Loan Reduction – up to 10% reduction at Perm Loan closing is permitted at no cost. • Breakage Fee – if applicable; between construction loan closing and Perm Loan closing and calculated based on hedge termination cost. <p>1. The Agency may offer up to a 40 year amortization at its discretion. 2. Balloon loans subject to agency approved exit strategy.</p>
<p>Loan Closing Requirements</p>	<ul style="list-style-type: none"> • 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls. • 90% of tax credit investor equity shall have been paid into the Project. • Project income is sufficient to pay operating expense and the required debt service and reserves. • For mixed-use Projects 100% non-residential occupancy as evidenced by executed leases or guarantees.
<p>Prepayment</p>	<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"> • 5% of the principal balance after the end of year 10 • 4% of the principal balance after the end of year 11 • 3% of the principal balance after the end of year 12 • 2% of the principal balance after the end of year 13 • 1% of the principal balance after the end of year 14 <p>All prepayments require a prior written 120-day notice to CalHFA.</p>
<p>Subordinate Financing</p>	<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

Occupancy Requirements	<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>
Due Diligence	<p>The following due diligence is required to be provided at the Owner/Borrower's expense:</p> <ul style="list-style-type: none"> • Appraisal (a construction lender's appraisal may be acceptable). • HUD-2530 previous participation clearance. • Construction costs review for new construction Projects (construction lender's review may be acceptable). • 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). • Phase I Environmental Site Assessment including but not limited to impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation). • Market Study satisfactory to CalHFA. • NEPA Review. • Termite/Dry Rot reports by licensed company. • Seismic review and other studies may be required at CalHFA's discretion.
Required Impounds and Reserves	<ul style="list-style-type: none"> • 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. • 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. • 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. • Transition Operating Reserve (TOR): required for Projects with rental subsidy contracts with contract terms that are less than 20 years. • Other reserves as required (at CalHFA's discretion).

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.



2496 Old Stony Point Rd.
Santa Rosa, Sonoma County

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Scale 1 : 14,400

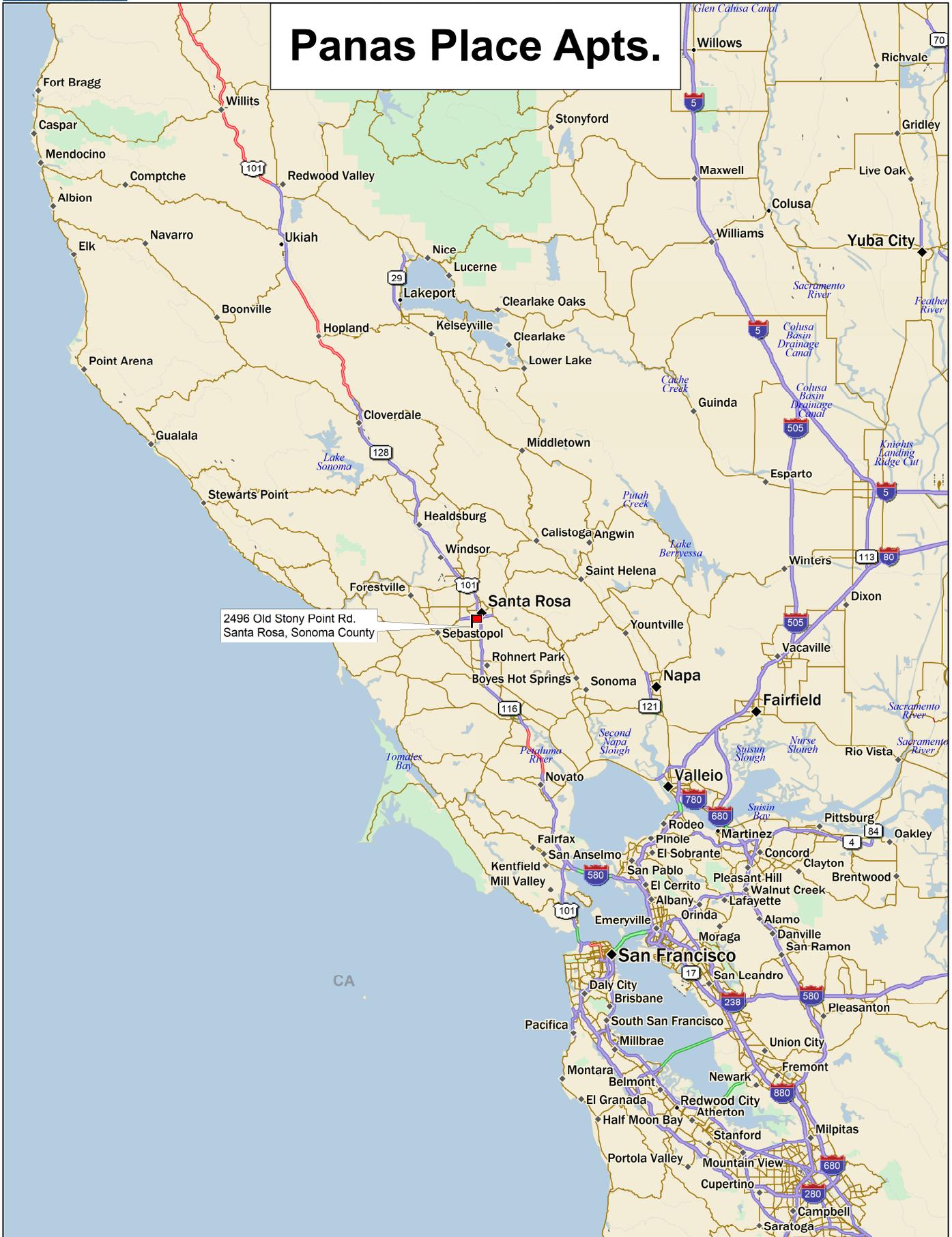


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Panas Place Apts.

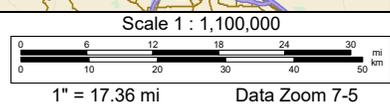
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Santa Rosa, Sonoma County



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1 BOARD OF DIRECTORS
 2 OF THE CALIFORNIA HOUSING FINANCE AGENCY

3
 4 RESOLUTION NO. 19-22

5
 6 RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

7
 8 WHEREAS, the California Housing Finance Agency (the “Agency”) has
 9 received a loan application on behalf of Stony Point Apartment Investors, L.P., a
 10 California limited partnership, (the “Borrower”), seeking a loan commitment, the
 11 proceeds of which are to be used to provide financing for a multifamily housing
 12 development located in Santa Rosa, Sonoma County, California, known as Panas Place
 13 (the “Development”); and

14
 15 WHEREAS, the loan application has been reviewed by Agency staff which
 16 prepared a report presented to the Board on the meeting date recited below (the “Staff
 17 Report”), recommending Board approval subject to certain recommended terms and
 18 conditions; and

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

26
 27 WHEREAS, the Board wishes to grant the staff the authority to enter into a loan
 28 commitment upon Agency staff determining in its judgment that reasonable and prudent
 29 financing mechanisms can be achieved;

30
 31 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the
 32 “Board”) of the California Housing Finance Agency as follows:

33
 34 1. The Executive Director, or in her absence, the Chief Deputy Director, is
 35 hereby authorized to execute and deliver a final commitment letter, in a form acceptable
 36 to the Agency, and subject to recommended terms and conditions set forth in the Staff
 37 Report and any terms and conditions as the Board has designated in the Minutes of the
 38 Board Meeting, in relation to the Development described above and as follows:

39

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

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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.

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SECRETARY'S CERTIFICATE

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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 special meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 6th 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 6th 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: 12/6/19

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

TRANSACTION OVERVIEW

7.	Proposal and Project Strengths
	<ul style="list-style-type: none"> • The Project serves low-income families and provides much-needed workforce housing in Sonoma County. • 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. • Loan-to-value is only 63% • 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%). • 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.
8.	Project Weaknesses with Mitigants:
	<ul style="list-style-type: none"> • 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.
9.	Underwriting Standards or Term Sheet Variations
	<ul style="list-style-type: none"> • None
10.	Project Specific Conditions of Approval
	<p>Approval is conditioned upon:</p> <ul style="list-style-type: none"> • A portion of the Cash Equity-Out will be withheld until completion of all approved rehabilitation. • 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. • Borrower shall obtain TCAC approval for new CalHFA loan and TCAC shall agree to subordinate to CalHFA.
11.	Staff Conclusion/Recommendation:
	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

- The existing and new CalHFA Permanent financing Regulatory Agreement will restrict 20% of the units to 50% of AMI for a 30-year term.
- NOTE: 12 of the Santa Rosa Housing Authority regulated units will overlay the CalHFA regulated units restricted to 50% of AMI.

14. Project Affordability & Occupancy Restrictions

- 100% of the units will be restricted to families earning less than 60% of AMI.

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

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

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

16.	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

17.	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

18.	Construction Period Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	Construction Loan	N/A		Interest Only
19.	Permanent Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	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		
	TOTAL DEVELOPMENT COST:	\$6,985,845	\$131,808	Per Unit
20.	Equity – Cash Out (estimate)	\$1,075,568	<i>Subject to change depending on cost overruns</i>	

* 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
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24. Cash Flow Analysis				
	1st 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% (underwritten at 5.00%)	Rental Income Inflation Rate:	2.5%
			Subsidy Income Inflation Rate:	N/A
	Non-residential Vacancy Rate:	N/A	Project Expenses Inflation Rate:	3.5%
			Property Tax Inflation Rate:	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"> The property is located on the south side of Guerneville Road, in the City of Santa Rosa, Sonoma County. The site contains the Project, with level topography at street grade, measuring approximately 2.47 acres and is irregular in shape. The site consists of a single parcel. The site is zoned Med Residential/PD 004112, with permitted multifamily residential use and a maximum of 25 units per acre. 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. 	
29. Form of Site Control & Expiration Date	
N/A – ownership will not change in this refinancing transaction.	

30.	Current Ownership Entity of Record
Title is currently vested in West Oaks Apartments, L.P., a California limited partnership as the fee owner.	
31.	Environmental Review Findings
<ul style="list-style-type: none"> • A Phase I Environmental Site Assessment performed by Harris & Lee Environmental Sciences, LLC, dated October 3, 2019 revealed no evidence of recognized environmental conditions, so no additional investigation was recommended. • A NEPA review will be performed by AEM, and a Categorical Exemption is expected. 	
32.	Seismic Requires Earthquake Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> • According to a geotechnical report by Partner Engineering & 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%. 	
33.	Relocation (if any)
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

34.	Residential Areas:												
	<table border="1"> <tr> <td>Residential Square Footage:</td> <td>51,891</td> <td>Residential Units per Acre:</td> <td>21.46</td> </tr> <tr> <td>Community Area (including laundry and other) Sq. Ftg:</td> <td>2,273</td> <td>Total Parking Spaces:</td> <td>121</td> </tr> <tr> <td>Supportive Service Areas:</td> <td></td> <td>Total Building Sq. Footage:</td> <td>54,164</td> </tr> </table>	Residential Square Footage:	51,891	Residential Units per Acre:	21.46	Community Area (including laundry and other) Sq. Ftg:	2,273	Total Parking Spaces:	121	Supportive Service Areas:		Total Building Sq. Footage:	54,164
Residential Square Footage:	51,891	Residential Units per Acre:	21.46										
Community Area (including laundry and other) Sq. Ftg:	2,273	Total Parking Spaces:	121										
Supportive Service Areas:		Total Building Sq. Footage:	54,164										
35.	Mixed-Use Project: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No												
	<table border="1"> <tr> <td>Non-Residential Sq. Footage:</td> <td></td> <td>Number of Lease Spaces:</td> <td></td> </tr> <tr> <td>Master Lease:</td> <td><input type="checkbox"/> Yes <input type="checkbox"/> No</td> <td>Number of Parking Spaces:</td> <td></td> </tr> </table>	Non-Residential Sq. Footage:		Number of Lease Spaces:		Master Lease:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Number of Parking Spaces:					
Non-Residential Sq. Footage:		Number of Lease Spaces:											
Master Lease:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Number of Parking Spaces:											
36.	Construction Type: Existing Project/rehabilitation, X-story type-V wood-framed residential building with surface/subterranean/tuck-under/podium parking spaces.												
	<table border="1"> <tr> <td># Buildings:</td> <td>18</td> <td># Stories:</td> <td>2</td> </tr> <tr> <td># Elevators:</td> <td>0</td> <td>Unit Style:</td> <td>Townhomes & flats</td> </tr> <tr> <td>Year Built:</td> <td>1999</td> <td>Year of Last Rehab:</td> <td>N/A</td> </tr> </table>	# Buildings:	18	# Stories:	2	# Elevators:	0	Unit Style:	Townhomes & flats	Year Built:	1999	Year of Last Rehab:	N/A
# Buildings:	18	# Stories:	2										
# Elevators:	0	Unit Style:	Townhomes & flats										
Year Built:	1999	Year of Last Rehab:	N/A										
37.	Hard Development Costs: \$55,000 Per Unit: \$1,038												
38.	Rehab Scope Demolition Involved: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No												
<ul style="list-style-type: none"> • Light 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 10/14/19 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"> 1. Trees: Trim trees away from all buildings; remove roots damaging pavement and install root barriers (\$5,000) 2. Water supply: Insulate water supply lines at each building (\$900) 3. Main gas plumbing service and metering: Install seismic shut-off valves on all gas meters (\$24,300) 4. Transformer: Install bollards (steel protective posts) at transformer (\$2,000) 5. Fire extinguishers: Service overdue (\$750) 													

	<ol style="list-style-type: none"> 6. Shingle roof: Schedule maintenance for all roofing (\$5,400) 7. Roof gutter and downspouts: Clear debris from downspouts and gutters; repair or replace damaged gutters and downspouts (\$3,000) 8. Exterior trim: Paint trellis (\$500) 9. Smoke detectors: Replace all smoke detectors with new combination CO/smoke detectors (\$13,200)
39.	Construction Budget Comments:
<p>Burbank Housing is a licensed general contractor and will perform the work using local subcontractors and internal maintenance staff when appropriate.</p>	

DEVELOPMENT TEAM OVERVIEW

40.	Borrower Affiliated Entities: West Oaks Apartments, L.P.
<ul style="list-style-type: none"> • 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
<p>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.</p>	
42.	Management Agent: Burbank Housing Management Corporation, a California nonprofit public benefit corporation
<p>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.</p>	
43.	Service Provider
<p>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.</p>	
44.	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)
45.	Architect: N/A

46.	Local Review via Locality Contribution Letter
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	
Project Full Name	West Oaks	Borrower Name:	West Oaks Apartments, L.P.			
Project Address	2594 Guerneville Road	Managing GP:	Burbank Housing Development Corporation			
Project City	Santa Rosa	Developer Name:	Burbank Housing Corporation			
Project County	Sonoma	Investor Name:	N/A			
Project Zip Code	95401	Prop Management:	Burbank Housing Management Corporation			
		Tax Credits:	None			
Project Type:	Permanent Loan Only	Total Land Area (acres):	2.47			
Tenancy/Occupancy:	Individuals/Families	Residential Square Footage:	51,891			
Total Residential Units:	53	Residential Units Per Acre:	21.46			
Total Number of Buildings:	18					
Number of Stories:	2	Covered Parking Spaces:	53			
Unit Style:	Townhomes & Flats	Total Parking Spaces:	121			
Elevators:	--					
Acq/Construction/Rehab Financing		Loan Amount (\$)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
--		--	--	--	--	
Permanent Financing		Loan Amount (\$)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
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
Appraised Values Upon Completion of Rehab/Construction						
Appraisal Date:	10/18/19	Capitalization Rate:	5.25%			
Investment Value (\$)	16,600,000	Restricted Value (\$)	7,530,000			
Construct/Rehab LTC	N/A	CalHFA Permanent Loan to Cost	68%			
Construct/Rehab LTV	N/A	CalHFA 1st Permanent Loan to Value	63%			
		Combined CalHFA Perm Loan to Value	63%			
Additional Loan Terms, Conditions & Comments						
Construction/Rehab Loan						
Payment/Performance Bond	Waived					
Completion Guarantee Letter of Credit	N/A					
Permanent Loan						
Operating Expense Reserve Deposit	\$364,072	Cash				
Initial Replacement Reserve Deposit	\$465,400	Cash				
Annual Replacement Reserve Per Unit	\$500	Cash				
Date Prepared:	10/30/19	Senior Staff Date:	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						Market
	30%	40%	50%	60%	80%	120%	
Land/RiskShare			11				
Planning 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	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	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%	-	-		-	-
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	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	80%	-	-		-	-
5 Bedrooms	CTCAC	30%	-	-		-	-
	CTCAC	50%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
	CTCAC	100%	-	-		-	-
	CTCAC	80%	-	-		-	-

Date Prepared: 10/30/19 Senior Staff Date: 11/7/19

SOURCES & USES OF FUNDS		Project Number		Final Commitment	
West Oaks				19-039-N	
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
RELOCATION COSTS					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	-	-	-	-	0.0%
ARCHITECTURAL FEES					
Design	-	-	-	-	0.0%
Supervision	-	-	-	-	0.0%
TOTAL ARCHITECTURAL FEES	-	-	-	-	0.0%
SURVEY & ENGINEERING FEES					
Engineering	-	-	-	-	0.0%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	-	-	-	-	0.0%
TOTAL SURVEY & ENGINEERING FEES	-	-	-	-	0.0%
CONTINGENCY RESERVES					
Hard Cost Contingency Reserve	-	-	-	-	0.0%
Soft Cost Contingency Reserve	-	-	-	-	0.0%
TOTAL CONTINGENCY RESERVES	-	-	-	-	0.0%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Other Const/Rehab Period Costs	-	-	-	-	0.0%
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	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, Preva	-	-	-	-	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%
TOTAL CONST/REHAB PERIOD COSTS	-	-	-	-	0.0%

SOURCES & USES OF FUNDS			Final Commitment		
West Oaks			Project Number 19-039-N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
PERMANENT LOAN COSTS					
Loan Fees					
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 Insura	-	-	-	-	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%
TOTAL PERMANENT LOAN COSTS	-	185,500	185,500	3,500	2.7%
LEGAL FEES					
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%
TOTAL LEGAL FEES	-	35,000	35,000	660	0.5%
OPERATING RESERVES					
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%
TOTAL OPERATING RESERVES	-	790,355	790,355	14,912	11.3%
REPORTS & STUDIES					
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 F	-	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%
TOTAL REPORTS & STUDIES	-	22,200	22,200	419	0.3%

SOURCES & USES OF FUNDS		Final Commitment			
West Oaks		Project Number		19-039-N	
USES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT USES OF FUNDS		
	\$	\$	USES (\$)	PER UNIT (\$)	%
OTHER COSTS					
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%
TOTAL OTHER COSTS	-	-	-	-	0.0%
SUBTOTAL PROJECT COSTS					
	-	5,910,277	5,910,277	111,515	84.6%
DEVELOPER FEES & COSTS					
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%
TOTAL DEVELOPER FEES & COSTS	-	1,075,568	1,075,568	20,294	15.4%
TOTAL PROJECT COSTS					
	-	6,985,845	6,985,845	131,808	100.0%

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
RENTAL INCOME	CPI							
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%	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		816,190	836,147	856,603	877,570	899,061	921,090	943,669
VACANCY ASSUMPTIONS	Vacancy							
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%	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		40,810	41,807	42,830	43,878	44,953	46,055	47,183
EFFECTIVE GROSS INCOME (EGI)		775,381	794,340	813,773	833,691	854,108	875,036	896,486
OPERATING EXPENSES	CPI / Fee							
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
TOTAL OPERATING EXPENSES		440,473	454,463	468,925	483,874	499,328	515,304	531,819
NET OPERATING INCOME (NOI)		334,908	339,876	344,848	349,817	354,780	359,732	364,667
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						
CASH FLOW AFTER DEBT SERVICE		47,236	52,204	57,176	62,145	67,108	72,060	76,995
DEBT SERVICE COVERAGE RATIO		1.16	1.18	1.20	1.22	1.23	1.25	1.27
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%	-	-	-	-	-	-	-
net CF available for distribution		22,296	26,516	30,717	34,893	39,038	43,148	47,216
Deferred developer fee repayment		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Payments for Residual Receipt Payments		50%						
RESIDUAL RECEIPTS LOANS	<u>Payment %</u>	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
Total Residual Receipts Payments	100.00%	11,148	13,258	15,358	17,446	19,519	21,574	23,608
Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<u>Interest Rate</u>							
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
Total Residual Receipts Payments		2,088,535	2,140,043	2,189,441	2,236,739	2,281,949	2,325,086	2,366,168

PROJECTED PERMANENT LOAN CASH FLOWS		West Oaks						
Final Commitment	YEAR	Project Number 19-039-N						
		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%	-	-	-	-	-	-	-
net CF available for distribution		51,236	55,201	59,106	62,942	66,702	70,377	73,961
Deferred developer fee repayment		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Payments for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<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
Total Residual Receipts Payments	100.00%	25,618	27,601	29,553	31,471	33,351	35,189	36,980
Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<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
Total Residual Receipts Payments		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%	-	-	-	-	-	-	-
net CF available for distribution		77,443	80,814	84,065	87,185	90,163	92,989	95,650
Deferred developer fee repayment		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Payments for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<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
Total Residual Receipts Payments	100.00%	38,721	40,407	42,032	43,592	45,081	46,494	47,825
Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<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
Total Residual Receipts Payments		2,624,046	2,647,981	2,670,230	2,690,854	2,709,918	2,727,492	2,743,654

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						
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%	-	-	-	-	-	-	-
net CF available for distribution		98,134	100,427	102,517	104,389	106,027	107,417	108,541
Deferred developer fee repayment	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Payments for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<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
Total Residual Receipts Payments	100.00%	49,067	50,214	51,259	52,194	53,014	53,708	54,271
Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<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
Total Residual Receipts Payments		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
RENTAL INCOME	CPI							
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%	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		1,611,668	1,651,512	1,692,352	1,734,213	1,777,120	1,821,100	1,866,180
VACANCY ASSUMPTIONS	Vacancy							
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%	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		80,583	82,576	84,618	86,711	88,856	91,055	93,309
EFFECTIVE GROSS INCOME (EGI)		1,531,085	1,568,936	1,607,734	1,647,502	1,688,264	1,730,045	1,772,871
OPERATING EXPENSES	CPI / Fee							
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
TOTAL OPERATING EXPENSES		1,076,969	1,112,568	1,149,381	1,187,450	1,226,819	1,267,533	1,309,637
NET OPERATING INCOME (NOI)		454,116	456,369	458,353	460,052	461,445	462,513	463,234
DEBT SERVICE PAYMENTS	Lien #							
Perm Refi	1	287,672	287,672	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
Santa Rosa Housing Authority	2	-	-	-	-	-	-	-
Santa Rosa HA CDBG	3	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		287,672	287,672	-	-	-	-	-
CASH FLOW AFTER DEBT SERVICE		166,444	168,697	458,353	460,052	461,445	462,513	463,234
DEBT SERVICE COVERAGE RATIO		1.58	1.59	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%	57,061	58,773	60,536	62,352	64,223	66,149	68,134
LESS: Partnership Management Fee	3%	-	-	-	-	-	-	-
net CF available for distribution		109,383	109,924	397,817	397,700	397,222	396,363	395,100
Deferred developer fee repayment	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Payments for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<i>Payment %</i>	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
Total Residual Receipts Payments	100.00%	54,691	54,962	198,909	198,850	198,611	198,182	197,550
Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS	<i>Interest Rate</i>							
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
Total Residual Receipts Payments		2,833,351	2,841,316	2,849,010	2,712,757	2,576,564	2,440,608	2,305,083

PROJECTED PERMANENT LOAN CASH FLOWS						West Oaks
Final Commitment	YEAR	36	37	38	Project Number	19-039-N
	CPI				39	40
RENTAL INCOME						
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	<u>Payment %</u>	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	<u>Interest Rate</u>					
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").

Qualifications	<ul style="list-style-type: none"> Available to for-profit, non-profit, and public agency sponsors. The Perm Loan may be used with or without 9% low income housing tax credits. For Section 8 Projects, final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract. The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program. For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Loan Amount	<ul style="list-style-type: none"> Minimum Perm Loan amount of \$5,000,000. Minimum 1.15x for debt service coverage ratio (include any financing with amortizing debt). 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.
Fees (subject to change)	<ul style="list-style-type: none"> Application Fee: \$10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Loan Fee. Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing. Cost of Issuance Fee: \$110,000, half due at final commitment, with balance due at Perm Loan closing. Credit Enhancement Fee: included in the interest rate. Annual Administrative Fee: \$7,500 annually. Inspection fees should be estimated at \$500 - \$1,000 per month (reports and fees can be shared with other construction lenders). Legal Fee: \$35,000 due at Perm Loan closing. Administrative Fee: \$1,000 due at Perm Loan closing. Letter of Interest Fee: \$5,000 at LOI request, and is credited towards the CalHFA Perm Loan Fee <p>Some fees may be consolidated if combined with other CalHFA financing.</p>

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TAXABLE PERMANENT LOAN PROGRAM

<p>Rate & Terms (subject to change)</p>	<p>Interest Rate:</p> <ul style="list-style-type: none"> • 17 Year Balloon: 10 Year Constant Maturing Treasury plus CalHFA spread • 30 Year Balloon and Fully Amortizing Loans: 10 Year Constant Maturing Treasury plus CalHFA spread • Estimated CalHFA Spread: 2.75% to 3.50% • 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. <p>Amortization/Term:</p> <ul style="list-style-type: none"> • Amortization: Up to 35 Year Amortization¹ • Term: Fully Amortizing, and 17 or 30 Year Balloons available² • A six-month extension is permitted upon payment of a fee equal to 0.50% of the Perm Loan amount. • Perm Loan Reduction – up to 10% reduction at Perm Loan closing is permitted at no cost. • Breakage Fee – if applicable; between construction loan closing and Perm Loan closing and calculated based on hedge termination cost. <p>1. The Agency may offer up to a 40 year amortization at its discretion. 2. Balloon loans subject to agency approved exit strategy.</p>
<p>Loan Closing Requirements</p>	<ul style="list-style-type: none"> • 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls. • 90% of tax credit investor equity shall have been paid into the Project. • Project income is sufficient to pay operating expense and the required debt service and reserves. • For mixed-use Projects 100% non-residential occupancy as evidenced by executed leases or guarantees.
<p>Prepayment</p>	<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"> • 5% of the principal balance after the end of year 10 • 4% of the principal balance after the end of year 11 • 3% of the principal balance after the end of year 12 • 2% of the principal balance after the end of year 13 • 1% of the principal balance after the end of year 14 <p>All prepayments require a prior written 120-day notice to CalHFA.</p>
<p>Subordinate Financing</p>	<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

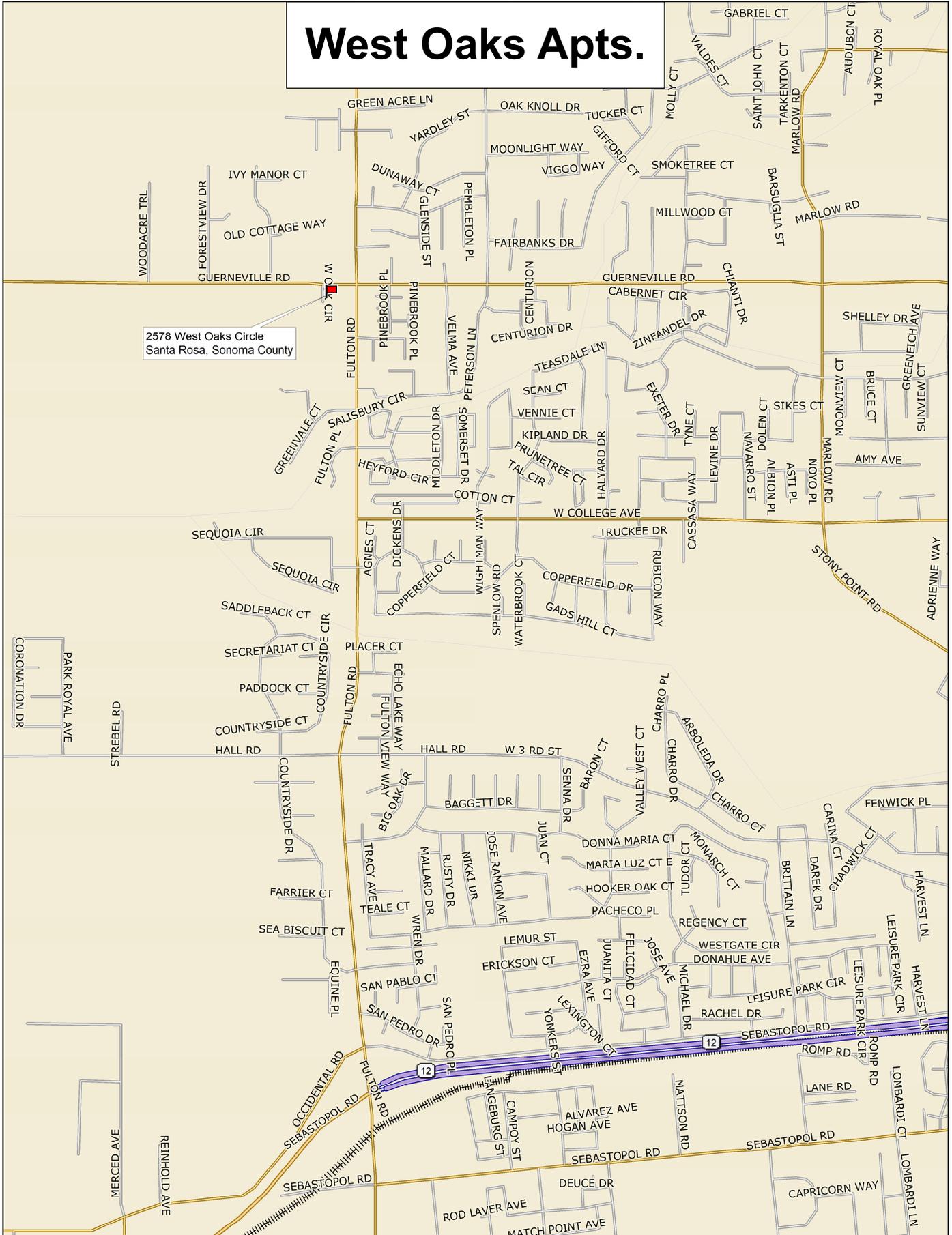
Occupancy Requirements	<p>Must maintain the greater of (A) existing affordability restrictions, or (B) either (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area (county) median gross income as determined by HUD ("AMI") with adjustments for 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>
Due Diligence	<p>The following due diligence is required to be provided at the Owner/Borrower's expense:</p> <ul style="list-style-type: none"> • Appraisal (a construction lender's appraisal may be acceptable). • HUD-2530 previous participation clearance. • Construction costs review for new construction Projects (construction lender's review may be acceptable). • 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). • Phase I Environmental Site Assessment including but not limited to impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation). • Market Study satisfactory to CalHFA. • NEPA Review. • Termite/Dry Rot reports by licensed company. • Seismic review and other studies may be required at CalHFA's discretion.
Required Impounds and Reserves	<ul style="list-style-type: none"> • 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. • 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. • 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. • Transition Operating Reserve (TOR): required for Projects with rental subsidy contracts with contract terms that are less than 20 years. • Other reserves as required (at CalHFA's discretion).

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.

West Oaks Apts.

2578 West Oaks Circle
Santa Rosa, Sonoma County



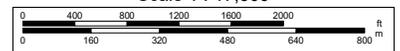
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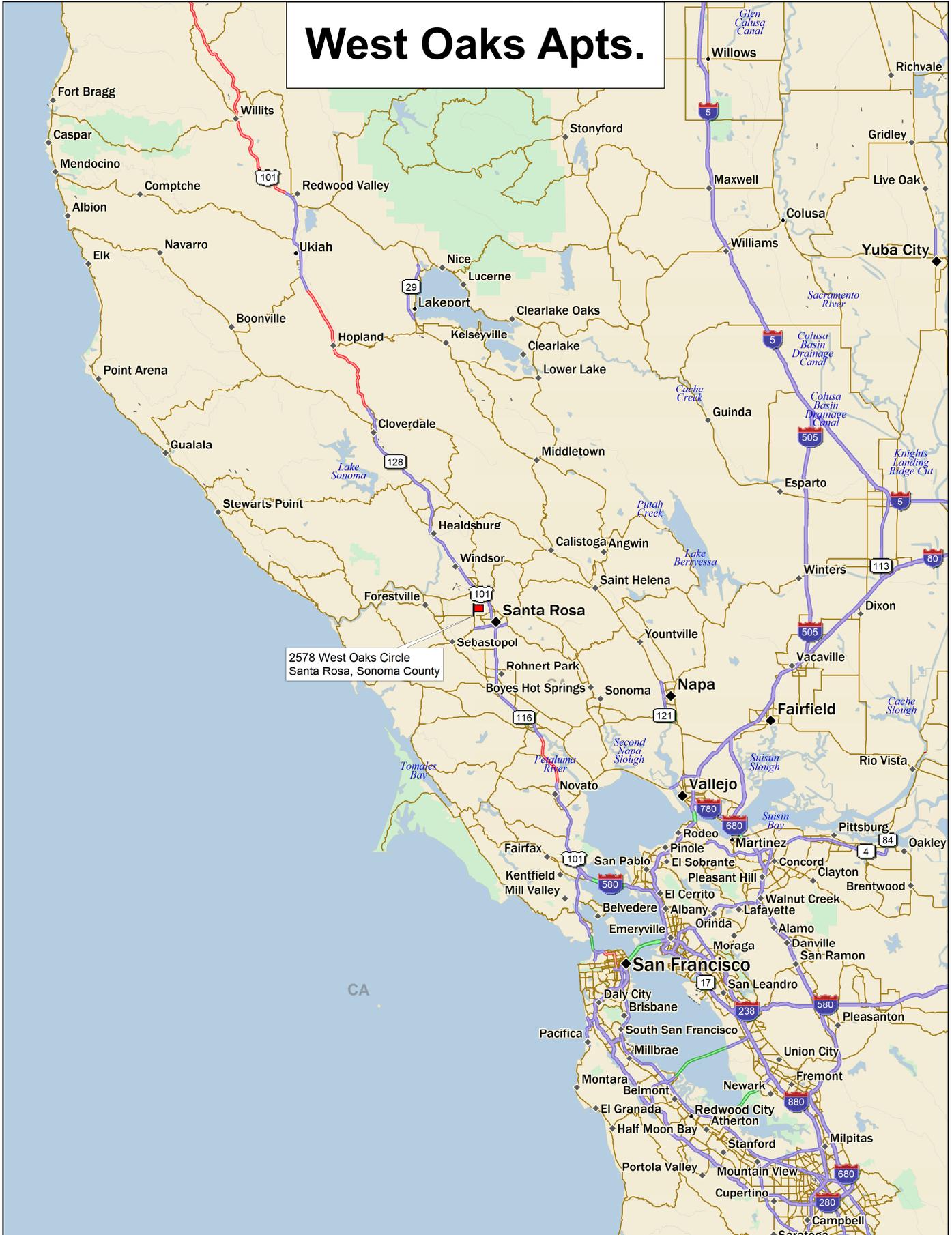
Scale 1 : 17,600



1" = 1,466.7 ft

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West Oaks Apts.

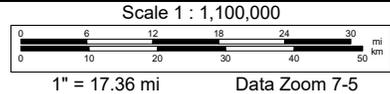


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Santa Rosa, Sonoma County

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BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 19-23

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

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SECRETARY'S CERTIFICATE

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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. 19-23 duly adopted at a special meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 6th 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 6th 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
Tax Exempt Perm Takeout Loan with Subsidy Financing
For Board Meeting on: December 6, 2019

Project Name, County:	Bernal Dwellings, San Francisco County	
Address:	3138 Kamille 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>Bernal Dwellings (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>					

2.	Brief Project Description Continued	<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>Rehabilitation: 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>Relocation: Overland, Pacific & 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>Ground Lease: 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>Subsidies: 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>Supplemental Occupancy Restrictions: 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.	Sponsor/Developer	McCormack Baron Salazar
4.	Borrower Name	Bernal Homes, L.P., a California limited partnership

CALHFA LOAN TERMS

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

TRANSACTION OVERVIEW

7.	Proposal and Project Strengths
	<ul style="list-style-type: none"> • The Project is receiving 4% tax credits that generate estimated tax credit equity representing 34.91% of the total financing sources. • 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 & Section 18) rental subsidy contract administered by the San Francisco Housing Authority. • 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. • The project is underwritten at an initial DSCR of 1.15 with an upward DSCR trending to 1.42 at maturity. • 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. • The Project budget includes a 17.5% hard cost contingency and a 1% soft cost contingency. • Two full time service coordinators will provide onsite services as required by SFHA and the expense is included in the operating budget. • Onsite child care Head Start Program is available onsite with a preference for residents. • 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. • 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. • 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.
8.	Project Weaknesses with Mitigants:
	<ul style="list-style-type: none"> • 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 & 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.

9.	Underwriting Standards or Term Sheet Variations
<ul style="list-style-type: none"> • 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. • 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. 	
10.	Project Specific Conditions of Approval
<p>Approval is conditioned upon:</p> <ul style="list-style-type: none"> • 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. • The final ground lease between SFHA and borrower shall be subject to CalHFA approval prior to construction loan closing. • SFHA and or MOHCD must accept the terms of CalHFA's Ground Lease Rider. • Subordination of the SFHA loan documents to CalHFA's Regulatory Agreement and Deed of Trust. • Subordination of the MOHCD loan documents to CalHFA's Regulatory Agreement and Deed of Trust. • Evidence of all environmental remediation prior to Perm Loan conversion. • Certification from the engineer on record verifying that seismic upgrades pursuant to the plans and specification have been incorporated in the rehabilitation. • No site work or construction commenced prior to the issuance of a HUD Firm Approval Letter. • AHAP for the PBV's shall be approved prior to construction close and HAP shall be approved prior to permanent loan closing. • 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. • The final appraisal shall be approved by CalHFA provided all requisite values meet and or exceed our underwriting standards. • Evidence of relocation plan approved by HUD. • 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. • Final HUD Use Agreement shall be subject to CalHFA review and approval prior to construction loan closing. 	
11.	Staff Conclusion/Recommendation:
<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
<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

- 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.
- The Subsidy funds will restrict 82 units (51% of total units) at or below 80% of AMI for 55 years.

14. Project Affordability & Occupancy Restrictions

- 100% of the units will be restricted to families earning between 50% of AMI to 80% of AMI.
- 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.

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%

Rent Limit Summary Table							
Restrictions @ AMI	Total	2-					% of Total
		Studio	1-bdrm	bdrm	3-bdrm	4-bdrm	
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

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

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

ANTICIPATED PROJECT MILESTONES & SCHEDULE

17.	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

18.	Construction Period Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	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		
	TOTAL DEVELOPMENT COST:	\$112,246,367	\$701,540	Per Unit
19.	Permanent Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	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		
	TOTAL DEVELOPMENT COST:	\$112,246,367	\$701,540	Per Unit
20.	Equity – Cash Out (estimate)	N/A		

FINANCIAL ANALYSIS

21.	Tax Credit Assumptions 4%			Status: Received	
	\$3,732,249	Federal credits	Tax Credit Pricing:	\$1.05/ negotiated price	
	\$0	State credits	Potential Investor	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.					
	1st 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:	2.5%	
			Subsidy Inflation Rate:	2.00%	
	Non-residential Vacancy Rate:	N/A	Project Expenses Inflation Rate:	3.5%	
			Property Tax Inflation Rate:	1.25%	
25.	Loan Security				
	<ul style="list-style-type: none"> 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). 				

APPRAISAL AND MARKET ANALYSIS

26.	Appraisal Review	
	<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"> Land is valued at \$1,800,000; The prospective market value upon completion and stabilization as restricted value is \$37,800,000; The capitalization rate is 4.75%; and The combined loan to value is 74%. 	
27.	Market Study:	Dated: August 6, 2018
	<p>By Newport Realty Advisors</p> <p>Regional Market Overview - 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>Local Market Area Analysis – 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>Supply - 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>Demand/Absorption - 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>Site Description Requires Flood Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <ul style="list-style-type: none"> • The property address is 3138 Kammille Court, in the City of San Francisco, San Francisco County. • 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. • 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. • The site is zoned RM-1 Residential Mixed, with permitted multifamily residential use.
29.	<p>Form of Site Control & Expiration Date</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>Current Ownership Entity of Record</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>Environmental Review Findings</p> <ul style="list-style-type: none"> • 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. • 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

<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"> A NEPA review was performed by AEM Consulting, and except for the above stated environmental concerns, the Project site complies. 	
32.	<p>Seismic Requires Earthquake Insurance: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <ul style="list-style-type: none"> 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.
33.	<p>Relocation</p> <p>Overland, Pacific & 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

34.	Residential Areas:			
	Residential Square Footage:	167,025	Residential Units per Acre:	39.801
	Community Area Sq. Ftg:	11,319	Total Parking Spaces:	75
	Child Care Areas:	2,589	Total Building Sq. Footage:	180,933
35.	Mixed-Use Project: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (No revenue – space provided for SS provider)			
	Non-Residential Sq. Footage:	2,589	Number of Lease Spaces:	2
	Master Lease:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Number of Parking Spaces:	75
36.	Construction Type:			
	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.			
	# Buildings:	17	# Stories:	1&3
	# Elevators:	0	Unit Style:	Flats & Townhomes
	Year Built:	2001	Year of Last Rehab:	N/A
37.	Hard Development Costs:	\$36,121,316	Per Unit:	\$225,758
38.	Rehab Scope Demolition Involved: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	<ul style="list-style-type: none"> Substantial Rehabilitation The rehabilitation will include sitework, accessibility, environmental remediation, building envelop, and unit interior improvements that are necessary to meet current building code requirements. The CNA prepared by DG & 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, 			

<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"> • 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. • Water Savings: The units will include low-flow toilets and showerheads.
<p>39. Construction Budget Comments:</p>
<p>The General Contracting partnership has been involved early with DG & 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

<p>40. Borrower Affiliated Entities: Bernal Homes, LP, a California limited partnership</p>
<ul style="list-style-type: none"> • Managing General Partner: San Francisco Housing Development Corporation, a California 501(c)3 nonprofit public benefit corporation • Administrative General Partner: Bernal Homes MBS GP, Inc., a Missouri Corporation • Investor Limited Partner: RBC Capital Markets (Tax Credit LP TB)
<p>41. Developer/Sponsor: McCormack Baron Salazar</p>
<p>McCormack Baron Salazar (MBS) was founded in 1985 and is focused on developing sustainable communities by developing large-scale urban projects in distressed neighborhoods. MBS has developed affordable, market rate and mixed-use multifamily projects throughout California that include 11 projects totaling 1,408 units.</p> <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>
<p>42. Management Agent: John Stewart Company</p>
<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>
<p>43. Service Provider: San Francisco Housing Development Corporation (SFHDC)</p>
<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>
<p>44. Contractor: Nibbi Brothers Associates, Inc. & Baines Group, Inc. -Joint Venture</p>
<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 & II in June of 2018 for the SFHA RAD program. Phase I & 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>

45.	Architect: Saida + Sullivan Design Partners Architecture
Saida + Sullivan Design Partners Architecture (SSDPA) 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.	
46.	Local Review via Locality Contribution Letter
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			
Project Full Name	Bernal Dwellings	Borrower Name:	Bernal Homes, LP			
Project Address	3138 Kamilie Court	Managing GP:	MBS GP, Inc			
Project City	San Francisco	Developer Name:	McCormack Baron Salazar			
Project County	San Francisco	Investor Name:	RBC Capital Markets			
Project Zip Code	94110	Prop Management:	John Stewart Company			
		Tax Credits:	4			
Project Type:	Permanent Loan Only	Total Land Area (acres):	4.02			
Tenancy/Occupancy:	Individuals/Families	Residential Square Footage:	167,315			
Total Residential Units:	160	Residential Units Per Acre:	39.80			
Total Number of Buildings:	17					
Number of Stories:	1&3	Covered Parking Spaces:	0			
Unit Style:	Townhomes & Flats	Total Parking Spaces:	75			
Elevators:	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						
Appraisal Date:	11/1/19	Capitalization Rate:	4.75%			
Investment Value (\$)	80,193,000	Restricted Value (\$)	32,638,000			
Construct/Rehab LTC	N/A	CalHFA Permanent Loan to Cost	22%			
Construct/Rehab LTV	N/A	CalHFA 1st Permanent Loan to Value	74%			
		Combined CalHFA Perm Loan to Value	85%			
Additional Loan Terms, Conditions & Comments						
Construction/Rehab Loan						
Payment/Performance Bond			Required			
Completion Guarantee Letter of Credit			Required			
Permanent Loan						
Operating Expense Reserve Deposit	\$1,583,223	Cash				
Initial Replacement Reserve Deposit	\$225,000	Cash				
Annual Replacement Reserve Per Unit	\$400	Cash				
Date Prepared:	10/23/19	Senior Staff Date:	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
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%	-	-	-	-	-
1 Bedroom	NA	100%	-	-	-	-	-
	CTCAC	50%	-	-	\$3,219	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	Other	50%	1	\$747	-	\$2,472	23%
	Other	60%	2	\$747	-	\$2,472	23%
2 Bedrooms	Other	80%	-	-	-	-	-
	NA	100%	-	-	-	-	-
	CTCAC	50%	-	-	\$4,282	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	Other	50%	19	\$933	-	\$3,349	22%
3 Bedrooms	Other	60%	64	\$933	-	\$3,349	22%
	Other	100%	1	\$933	-	\$3,349	22%
	NA	-	-	-	-	-	-
	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%
4 Bedrooms	Other	50%	13	\$1,217	-	\$5,121	19%
	Other	60%	12	\$1,217	-	\$5,121	19%
	Other	80%	-	-	-	-	-
	NA	100%	-	-	-	-	-
	CTCAC	50%	1	\$1,506	\$6,544	\$5,038	23%
	CTCAC	60%	1	\$1,838	-	\$4,706	28%
5 Bedrooms	CTCAC	80%	-	-	-	-	-
	Other	50%	-	-	-	-	-
	Other	60%	-	-	-	-	-
	Other	80%	-	-	-	-	-
	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 \$	PERMANENT \$	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%
TOTAL SOURCES OF FUNDS	112,246,367	112,246,367	112,246,367	701,540	61.5%
TOTAL USES OF FUNDS (BELOW)	112,246,367	112,246,367	112,246,367	701,540	100.0%
FUNDING SURPLUS (DEFICIT)	-	-	-		

USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		112,246,367			
ACQUISITION COSTS					
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%
TOTAL ACQUISITION COSTS	41,687,689	-	41,687,689	260,548	37.1%
CONSTRUCTION/REHAB COSTS					
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%
TOTAL CONSTRUCT/REHAB COSTS	42,628,470	-	42,628,470	266,428	38.0%

SOURCES & USES OF FUNDS			Final Commitment		
Bernal Dwellings			Project Number 18-031-A/N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
RELOCATION COSTS					
Relocation Expense	3,697,000	-	3,697,000	23,106	3.3%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	3,697,000	-	3,697,000	23,106	3.3%
ARCHITECTURAL FEES					
Design	1,167,380	-	1,167,380	7,296	1.0%
Supervision	50,000	-	50,000	313	0.0%
TOTAL ARCHITECTURAL FEES	1,217,380	-	1,217,380	7,609	1.1%
SURVEY & ENGINEERING FEES					
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%
TOTAL SURVEY & ENGINEERING FEES	595,271	-	595,271	3,720	0.5%
CONTINGENCY RESERVES					
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%
TOTAL CONTINGENCY RESERVES	7,326,885	-	7,326,885	45,793	6.5%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
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%
Loan Fees					
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%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	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%
TOTAL CONST/REHAB PERIOD COSTS	5,063,274	-	5,063,274	31,645	4.5%

SOURCES & USES OF FUNDS			Final Commitment		
Bernal Dwellings			Project Number 18-031-A/N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>PERMANENT LOAN COSTS</u>					
Loan Fees					
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%
SFHA (Seller) Note	-	-	-	-	0.0%
MOHCD Note	-	-	-	-	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%
TOTAL PERMANENT LOAN COSTS	551,200	-	551,200	3,445	0.5%
<u>LEGAL FEES</u>					
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%
TOTAL LEGAL FEES	459,250	-	459,250	2,870	0.4%
<u>OPERATING RESERVES</u>					
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%
TOTAL OPERATING RESERVES	1,998,323	-	1,998,323	12,490	1.8%
<u>REPORTS & STUDIES</u>					
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%
TOTAL REPORTS & STUDIES	403,100	-	403,100	2,519	0.4%

SOURCES & USES OF FUNDS			Final Commitment		
Bernal Dwellings			Project Number 18-031-A/N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
OTHER COSTS					
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%
TOTAL OTHER COSTS	1,768,525	-	1,768,525	11,053	1.6%
SUBTOTAL PROJECT COSTS					
	107,396,367	112,246,367	107,396,367	671,227	95.7%
DEVELOPER FEES & COSTS					
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%
TOTAL DEVELOPER FEES & COSTS	4,850,000	-	4,850,000	30,313	4.3%
TOTAL PROJECT COSTS					
	112,246,367	112,246,367	112,246,367	701,540	100.0%

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
Less: Vacancy Loss	\$ 176,925	\$ 1,106	5.26%
EFFECTIVE GROSS INCOME (EGI)		\$ 3,361,575	\$ 23,221
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
Operating Reserves	\$ 64,000	\$ 400	1.90%
TOTAL OPERATING EXPENSES		\$ 1,824,057	\$ 11,400
NET OPERATING INCOME (NOI)		\$ 1,537,518	\$ 9,609
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
EXCESS AFTER DEBT SERVICE & MONITORING FEES		\$ 195,129	\$ 1,220
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	YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Project Number 18-031-A/N																		
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)		3,538,800	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	249,980	256,240	262,646
EFFECTIVE GROSS INCOME (EGI)		3,361,875	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)		1,537,818	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																
CASH FLOW AFTER DEBT SERVICE		195,429	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%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SFHA (Seller) Note	89.00%	-	-	-	-	-	70,924	136,604	146,747	156,837	166,860	176,803	186,654	196,398	206,019	215,502	224,830	233,984
MOHCD Note	3.16%	-	-	-	-	-	2,520	4,854	5,215	5,573	5,929	6,283	6,633	6,979				



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").

Qualifications	<ul style="list-style-type: none"> • Available to for-profit, non-profit, and public agency sponsors. • Tax-exempt bond authority must be obtained from the California Debt Limit Allocation Committee (CDLAC) or through a 501(c)(3) exemption. • The Tax-Exempt Permanent Loan may be used with or without 4% low income housing tax credits. • 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). • For Section 8 Projects, a final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract. • The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program. • For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Loan Amount	<ul style="list-style-type: none"> • Minimum Perm Loan amount of \$5,000,000. • Minimum 1.15x for debt service coverage ratio (include any financing with amortizing debt). • 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.
Fees (subject to change)	<ul style="list-style-type: none"> • Application Fee: \$10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Loan Fee. • Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing. • Cost of Issuance Fee: \$110,000, half due at final commitment, with balance due at Perm Loan Closing. • Credit Enhancement Fee: included in the interest rate. • Annual Administrative Fee: \$7,500 annually (not to be duplicated if used in conjunction with CalHFA's Conduit Program). • Inspection fees should be estimated at \$500 - \$1,000 per month (reports and fees can be shared with other construction lenders) • Legal Fee: \$35,000 due at Perm Loan closing. • Administrative Fee: \$1,000 at Perm Loan closing. • Letter of Interest Fee: \$5,000 at LOI request, and is credited towards the CalHFA Perm Loan Fee <p>See Conduit Issuer Program Term Sheet for information on conduit issuance fees.</p>

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TAX-EXEMPT PERMANENT LOAN PROGRAM

<p>Rate & Terms (subject to change)</p>	<p>Interest Rate:</p> <ul style="list-style-type: none"> • 17 Year Balloon: 15 Year “AAA” MMD (Municipal Market Data) plus CalHFA spread • 30 Year Balloon and Fully Amortizing Loans: 30 Year “AAA” MMD plus CalHFA spread • Estimated CalHFA Spread: 2.00% to 2.50% • 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. <p>Amortization/Term:</p> <ul style="list-style-type: none"> • Amortization: Up to 35 Year Amortization¹ • Term: Fully Amortizing, and 17 or 30 Year Balloons available² • Perm Loan Reduction: up to 10% reduction at Perm Loan closing permitted at no cost. • A six-month extension is permitted upon payment of a fee equal to 0.50% of the Perm Loan amount. • Breakage Fee (if applicable): between construction loan closing and Perm Loan closing and calculated based on hedge termination cost. <p>1. The Agency may offer up to a 40 year amortization at its discretion. 2. Balloon loans subject to agency approved exit strategy.</p>
<p>Loan Closing Requirements</p>	<ul style="list-style-type: none"> • 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls. • 90% of tax credit investor equity shall have been paid into the Project. • Project income is sufficient to pay operating expenses, required debt service, reserves and monitoring fees. • For mixed-use Projects, 100% non-residential occupancy as evidenced by executed leases or guarantees.
<p>Prepayment</p>	<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"> • 5% of the principal balance after the end of year 10 • 4% of the principal balance after the end of year 11 • 3% of the principal balance after the end of year 12 • 2% of the principal balance after the end of year 13 • 1% of the principal balance after the end of year 14 <p>All prepayments require a prior written 120-day notice to CalHFA.</p>
<p>Subordinate Financing</p>	<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

Occupancy Requirements	<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>
Due Diligence	<p>The following due diligence is required to be provided at the Owner/Borrower's expense:</p> <ul style="list-style-type: none"> • Appraisal (a construction lender's appraisal may be acceptable). • HUD-2530 previous participation clearance. • Construction Costs Review for new construction loans (other construction lender's review is acceptable). • 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). • Phase I Environmental Site Assessment including but not limited to impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation). • Market Study satisfactory to CalHFA. • NEPA Review. • Termite/Dry Rot reports by licensed company. • Seismic review and other studies may be required at CalHFA's discretion.
Required Impounds and Reserves	<ul style="list-style-type: none"> • 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. • 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. • 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. • Transition Operating Reserve (TOR): required for Projects with rental subsidy contracts with contract terms that are less than 20 years. • Other reserves as required (at CalHFA's discretion).

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.

Qualifications	<ul style="list-style-type: none"> Available to for-profit, non-profit or public agency sponsors. Non-profit borrowers may be eligible for 501(c)(3) bonds. If bond proceeds are utilized to pay off an existing CalHFA portfolio loan visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Bond Amount	Bond amount is determined by the loan amount of the selected construction lender.
Fees (subject to change)	<ul style="list-style-type: none"> 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. Issuer Fee: <ol style="list-style-type: none"> 1. The greater of \$15,000 or 0.20% of the Bond amount if less than \$20 million dollars 2. If more than \$20 million dollars: \$40,000 + 0.10% of the amount above \$20 million dollars 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. Public Sale: additional fee of \$5,000 to \$10,000 applies when Bonds are sold to the public. 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. 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. <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>

Brian Anderson, Financing Officer
 500 Capitol Mall, Suite 1400, MS-990
 Sacramento, CA 95814
 916.326.8651
banderson@calhfa.ca.gov

CONDUIT ISSUER PROGRAM

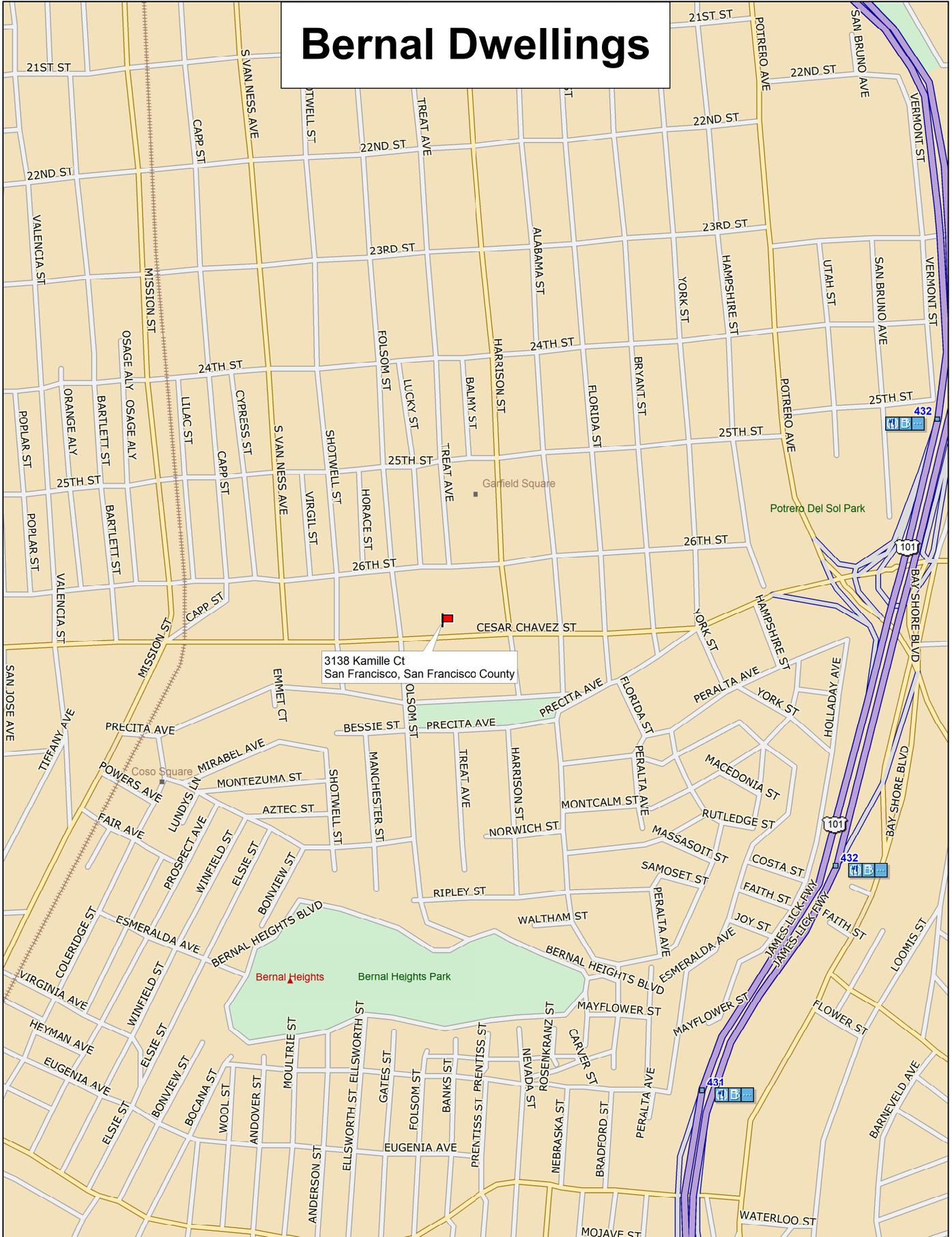
Occupancy Requirements

- 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



3138 Kamille Ct
San Francisco, San Francisco County

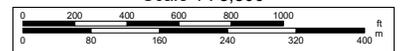
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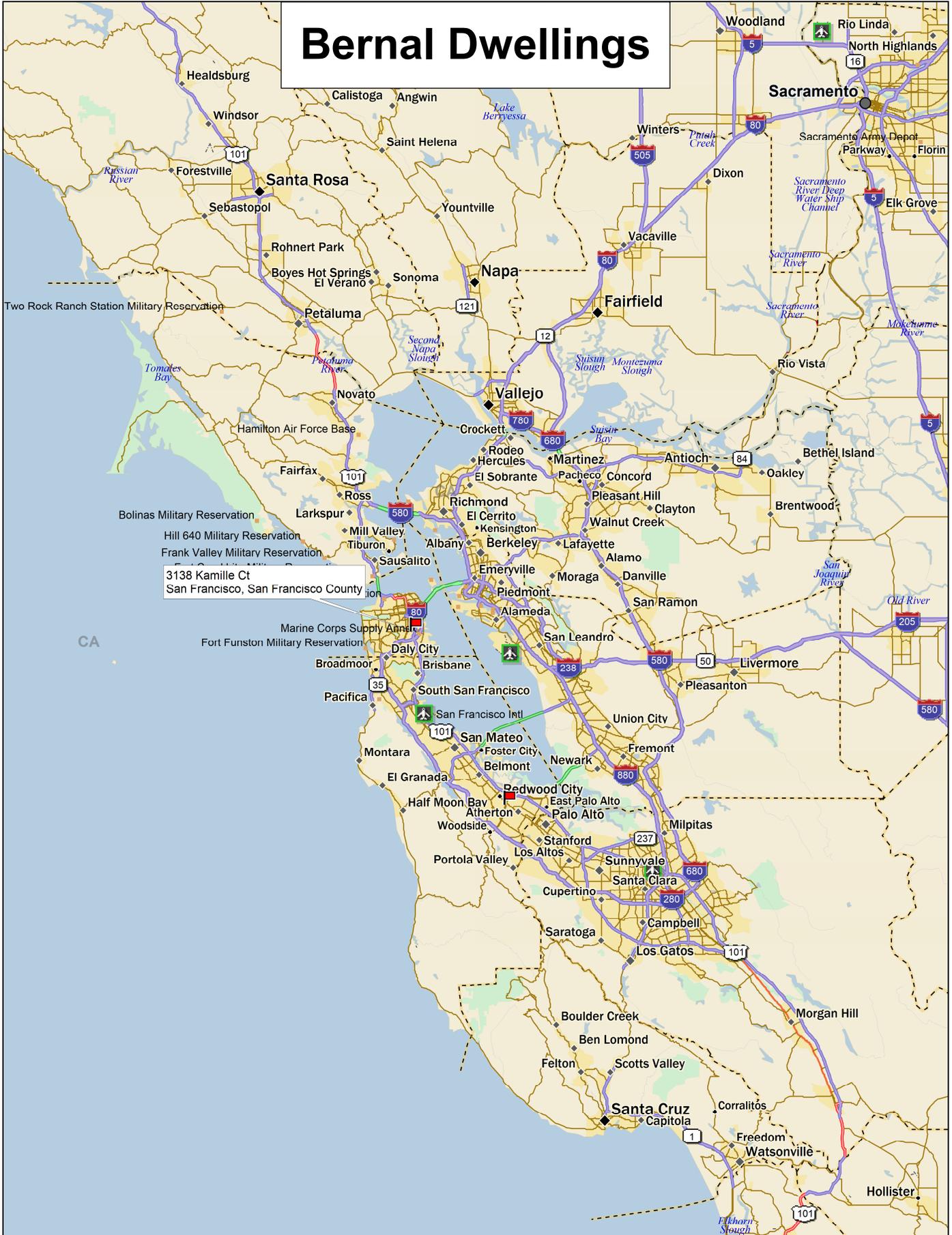


Scale 1 : 8,800



1" = 733.3 ft Data Zoom 14-5

Bernal Dwellings

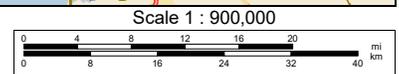


3138 Kamille Ct
San Francisco, San Francisco County

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Data Zoom 7-7

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 Bernal Homes, LP, a California limited partnership (the
11 "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide
12 financing for a multifamily housing development located in San Francisco, San Francisco
13 County, California, to be known as Bernal Dwellings (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 August 14, 2019, the Executive Director exercised the authority
39 delegated to her under Resolution 15-16 to declare the official intent of the Agency to reimburse
40 such prior 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

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

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

28
 29 2. The Executive Director may modify the terms and conditions of the loans or
 30 loans as described in the Staff Report, provided that major modifications, as defined below,
 31 must be submitted to this Board for approval. "Major modifications" as used herein means
 32 modifications which either (i) increase the total aggregate amount of any loans made pursuant to
 33 the Resolution by more than 7%; or (ii) modifications which in the judgment of the Executive
 34 Director, or in her absence, the Chief Deputy Director of the Agency, adversely change the
 35 financial or public purpose aspects of the final commitment in a substantial way.

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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. 19-24 duly adopted at a special meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 6th 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 6th day of December 2019.

ATTEST:

CLAIRE TAURIAINEN
Secretary of the Board of Directors of the
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
Senior Loan Committee "Approval": 11/13/2019 for Board Meeting on: 12/6/2019

Project Name, County:	Stone Pine Meadow Apartments, San Joaquin County	
Address:	229 W. Grant Line Road, Tracy, California 95376	
CalHFA Project Number:	18-010-A/N	
Requested Financing by Loan Program:	\$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

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

1.	Legislative Districts	Congress: 10	Josh Harder	Assembly: 13	Susan Eggman	State Senate: 5	Cathleen Calgiani
2.	Brief Project Description	<p>Stone Pine Meadow Apartments (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.	Brief Project Description Continued	<p>Subsidies: 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>Tax Credits: 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>Supplemental Occupancy Restrictions: 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.	Sponsor/Developer	Eden Housing Inc.
4.	Borrower Name	Stone Pine Meadow Two, L.P., a California limited partnership

CALHFA LOAN TERMS

5.		ACQUISITION AND REHAB LOAN BBVA MORTGAGE CORP.	PERMANENT LOAN	SUBSIDY (GAP) LOAN
	Total Loan Amount	\$13,650,000	Tranche "A" \$2,946,000 Tranche "B" \$643,000	\$2,390,000
	Loan Term	18 months- interest only	Tranche "A" 35 years amortizing, due in 17 years. Tranche "B" 12 yr. fully amortized	55 years, Residual Receipts repayment.
	Interest Rate <i>(subject to change and locked 30 days prior to loan closing)</i>	1-month Libor +1.10%	Tranche "A" 10-year treasury + 2.75% (Taxable) Underwritten at 4.53% Tranche "B" 10-year treasury + 2.34% (Taxable) Underwritten at 4.12% Rates based on an 18 month forward commitment.	Simple Interest based on AFR in the month of closing. Estimated at 2.50%
	Loan to Value	Lesser of 90% of investment value	Lesser of 90% of restricted value or 100% of development costs.	N/A
	Loan to Cost	55%	100%	N/A
6.	Projected Closing Date	12/30/2019	4/2021	4/2021

TRANSACTION OVERVIEW

7.	Proposal and Project Strengths
	<ul style="list-style-type: none"> • 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. • 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. • The As-Is Loan-to-Value is 60% for all CalHFA's loans providing very little risk to the Agency. • The Project budget includes an 18% construction cost contingency. • The Project has been in CalHFA's portfolio for 19 years and has performed well. • 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. • 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.
8.	Project Weaknesses with Mitigants:
	<ul style="list-style-type: none"> • 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.
9.	Underwriting Standards or Term Sheet Variations
	<ul style="list-style-type: none"> • The project meets the underwriting criteria required to reduce the operating expense reserve from 6 months to 3 months. • 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.
10.	Project Specific Conditions of Approval
	<p>Approval is conditioned upon:</p> <ul style="list-style-type: none"> • Subordination of City of Tracy and San Joaquin County loan documents to CalHFA's Regulatory Agreement and Deed of Trust. • Receipt of joint appraisal with BBVA that is acceptable to CalHFA's and provides for an LTV of 90% or less. • 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.
11.	Staff Conclusion/Recommendation:
	<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"> 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. 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. 																																																																																																	
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<table border="1"> <thead> <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> </thead> <tbody> <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>HACSI</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> </tbody> </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%	HACSI		8	9			1	17	23.6%	Tax Credits			71			1	71	98.6%																																	
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CURRENT PORTFOLIO LOAN

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

ANTICIPATED PROJECT MILESTONES & SCHEDULE

17.	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

18.	Construction Period Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	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		
	Total	\$21,963,831	\$305,053	Per Unit
19.	Permanent Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	CalHFA Permanent Loan Tranche A	\$2,946,000	1st	35-year amortization, due in 17 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
	TOTAL DEVELOPMENT COST:	\$24,559,345	341,102	Per Unit
20.	Equity – Cash Out (estimate)	\$N/A		

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
=Seller carry back	\$4,125,082

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	Federal credits	Tax Credit Pricing:	\$.989
	\$ N/A	State credits	Investor	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			
	1st 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			
	<ul style="list-style-type: none"> The CalHFA loans will be secured against the fee interest. 			

APPRAISAL AND MARKET ANALYSIS

26.	Appraisal Review		
	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.		
27.	Market Study:	Not Required as the Project has sustained an average 95% occupancy rate over the past 15 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"> The property is located on the north side of Grant Line Road, in the City of Tracy, San Joaquin County. The site consists of one parcel that is approximately 4 acres. The site is zoned High Density Residential (HDR), with conforming multifamily residential use. 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. 	
29. Form of Site Control & Expiration Date	
Purchase and Sale Agreement dated July 31, 2019 between SPM Housing Associates and Stone Pine Meadow Two, L.P. expires 12/31/2020.	
30. Current Ownership Entity of Record	
Title is currently vested in SPM Housing Associate, a California limited partnership as the fee owner.	
31. Environmental Review Findings	
<ul style="list-style-type: none"> A Phase I Environmental Site Assessment prepared by Essel Environmental Engineering dated 10/31/2019 revealed no evidence of recognized environmental conditions. 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. 	
32. Seismic	Requires Earthquake Insurance: <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.	
33. Relocation	
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

34. Residential Areas:				
	Residential Square Footage:	69,456	Residential Units per Acre:	18
	Community Area Sq. Ft:	4,148	Total Parking Spaces:	120
	Supportive Service Areas:	N/A	Total Building Sq. Footage:	73,604
35. Mixed-Use Project:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	Non-Residential Sq. Footage:	N/A	Number of Lease Spaces:	N/A
	Master Lease:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Number of Parking Spaces:
36. Construction Type:	Existing Project, 1 and 2-story type-V wood-framed residential building with surface parking spaces.			
	# Buildings:	14	# Stories:	1 and 2
	# Elevators:	0	Unit Style:	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"> 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. 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. There are 58 bathrooms that will receive new vanities, sinks and faucets. The Community room and Kitchen is being remodeled and redesigned together with an integrated patio area. 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. 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. 			
39.	Construction Budget Comments:			
	<ul style="list-style-type: none"> The budget matches the Scope of Work. 			

DEVELOPMENT TEAM OVERVIEW

40.	Borrower Affiliated Entities
	<ul style="list-style-type: none"> General Partner: Eden Investments, Inc. Sole Member/ Eden Housing Inc. <i>Non-Member Manager/.0 1%</i> interest Investor Limited Partner: National Equity Fund / 99.99% interest
41.	Developer/Sponsor
	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.
42.	Management Agent
	EDEN Housing Management, Inc. is an affiliate of Eden Housing Inc., they are the current Property Manager and are acceptable to CalHFA.
43.	Service Provider
	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.
44.	Contractor
	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.
45.	Architect
	LPAS Architecture is a well-known firm that has designed several award-winning apartment projects in California.
46.	Local Review via Locality Contribution Letter
	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			
Project Full Name	Stone Pine Meadows	Borrower Name:	Stone Pine Meadow Two, L.P.			
Project Address	227 West Grantline Road	Managing GP:	--			
Project City	Tracy	Developer Name:	Eden Housing Inc.			
Project County	San Joaquin	Investor Name:	NEF Assignment Corporation, a not for profit			
Project Zip Code	95376	Prop Management:	Eden Housing Management Inc.			
		Tax Credits:	4			
Project Type:	Permanent Loan Only	Total Land Area (acres):	4.40			
Tenancy/Occupancy:	Individuals/Families	Residential Square Footage:	69,456			
Total Residential Units:	72	Residential Units Per Acre:	16.36			
Total Number of Buildings:	14	Covered Parking Spaces:	76			
Number of Stories:	2	Total Parking Spaces:	120			
Unit Style:	Flat					
Elevators:	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 A		2,946,000	1.000%	17	35	4.530%
CalHFA Permanent Loan-Tranche B		643,000	1.000%	12	12	4.120%
CalHFA Subsidy Loan		2,390,000	1.000%	55	--	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						
Appraisal Date:	--	Capitalization Rate:		TBD		
Investment Value (\$)	--	Restricted Value (\$)		TBD		
Construct/Rehab LTC	N/A	CalHFA Permanent Loan to Cost		TBD		
Construct/Rehab LTV	N/A	CalHFA 1st Permanent Loan to Value		TBD		
		Combined CalHFA Perm Loan to Value		TBD		
Additional Loan Terms, Conditions & Comments						
<u>Construction/Rehab Loan</u>						
Payment/Performance Bond			Required			
Completion Guarantee Letter of Credit			N/A			
<u>Permanent Loan</u>						
Operating Expense Reserve Deposit		\$181,987	Cash			
Initial Replacement Reserve Deposit		\$72,000	Cash			
Annual Replacement Reserve Per Unit		\$500	Cash			
Date Prepared:	12/4/19	Senior Staff Date:		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
d/RiskShare	0	0	8	21	0	0	0
Subsidy	0	0	0	37	0	0	0
tax Credit	0	0	0	71	0	0	0
quinn County Home	0	0	1	5	0	0	0
City of Tracy RDA	0	0	28	7	0	36	0
ct 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%	-	-	-	-	-
1 Bedroom	CTCAC	50%	15	\$587	\$1,713	\$1,126	34%
	CTCAC	60%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	CTCAC	100%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
2 Bedrooms	CTCAC	50%	6	\$703	\$1,900	\$1,197	37%
	CTCAC	60%	17	\$861	-	1,039	45%
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	CTCAC	100%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
3 Bedrooms	CTCAC	50%	8	\$806	\$2,229	\$1,423	36%
	CTCAC	60%	19	\$988	-	\$1,241	44%
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	CTCAC	100%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
4 Bedrooms	CTCAC	50%	1	\$879	\$2,500	\$1,621	35%
	CTCAC	60%	5	\$1,082	-	\$1,418	76%
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	CTCAC	100%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
5 Bedrooms	CTCAC	50%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	CTCAC	100%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-

Date Prepared: 12/4/19

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 \$	PERMANENT \$	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%
TOTAL SOURCES OF FUNDS	21,963,830	24,559,345	24,559,345	341,102	54.4%
TOTAL USES OF FUNDS (BELOW)	21,963,831	24,559,345	24,559,346	341,102	100.0%
FUNDING SURPLUS (DEFICIT)	(1)	-	(1)		

USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		21,963,830			
ACQUISITION COSTS					
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%
TOTAL ACQUISITION COSTS	10,056,000	-	10,056,000	139,667	40.9%
CONSTRUCTION/REHAB COSTS					
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%
TOTAL CONSTRUCT/REHAB COSTS	6,907,000	-	6,907,000	95,931	28.1%

SOURCES & USES OF FUNDS			Final Commitment		
Stone Pine Meadows			Project Number 18-010-N/A		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
RELOCATION COSTS					
Relocation Expense	1,300,000	-	1,300,000	18,056	5.3%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	1,300,000	-	1,300,000	18,056	5.3%
ARCHITECTURAL FEES					
Design	250,000	-	250,000	3,472	1.0%
Supervision	30,000	-	30,000	417	0.1%
TOTAL ARCHITECTURAL FEES	280,000	-	280,000	3,889	1.1%
SURVEY & ENGINEERING FEES					
Engineering	230,000	-	230,000	3,194	0.9%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	20,000	-	20,000	278	0.1%
TOTAL SURVEY & ENGINEERING FEES	250,000	-	250,000	3,472	1.0%
CONTINGENCY RESERVES					
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%
TOTAL CONTINGENCY RESERVES	1,255,809	-	1,255,809	17,442	5.1%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
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%
Loan Fees					
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%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	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, Preva	-	-	-	-	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%
TOTAL CONST/REHAB PERIOD COSTS	684,543	-	684,543	9,508	2.8%

SOURCES & USES OF FUNDS			Final Commitment		
Stone Pine Meadows			Project Number 18-010-N/A		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>PERMANENT LOAN COSTS</u>					
Loan Fees					
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 Insura	-	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 Monitoring Fee	-	7,500	7,500	104	0.0%
TOTAL PERMANENT LOAN COSTS	29,730	54,778	84,508	1,174	0.3%
<u>LEGAL FEES</u>					
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%
TOTAL LEGAL FEES	146,900	35,000	181,900	2,526	0.7%
<u>OPERATING RESERVES</u>					
Operating Expense Reserve Deposit	-	181,987	181,987	2,528	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	-	99,734	99,734	1,385	0.4%
Other (Specify)	-	-	-	-	0.0%
TOTAL OPERATING RESERVES	-	353,721	353,721	4,913	1.4%
<u>REPORTS & STUDIES</u>					
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 F	-	-	-	-	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%
TOTAL REPORTS & STUDIES	32,500	-	32,500	451	0.1%

SOURCES & USES OF FUNDS			Final Commitment		
Stone Pine Meadows			Project Number 18-010-N/A		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
OTHER COSTS					
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%
TOTAL OTHER COSTS	161,180	-	161,180	2,239	0.7%
SUBTOTAL PROJECT COSTS					
	21,103,662	22,407,329	21,547,161	299,266	87.7%
DEVELOPER FEES & COSTS					
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%
TOTAL DEVELOPER FEES & COSTS	860,169	2,152,016	3,012,185	41,836	12.3%
TOTAL PROJECT COSTS					
	21,963,831	24,559,345	24,559,346	341,102	100.0%

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	53,117	738	7.00%
Social Programs & Services	-	-	0.00%
Utilities	51,432	714	6.78%
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	\$ 455,977	\$ 6,333	60.09%
Operating Reserves	\$ 36,000	\$ 500	4.74%
TOTAL OPERATING EXPENSES	\$ 491,977	\$ 6,833	64.83%
NET OPERATING INCOME (NOI)	\$ 266,842	\$ 3,706	35.17%
DEBT SERVICE PAYMENTS			
	AMOUNT	PER UNIT	%
Perm - Small Loan	\$ 167,963	\$ 2,333	22.13%
Perm - Small Loan	\$ 68,006	945	8.96%
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	\$ 235,969	\$ 3,277	31.10%
EXCESS AFTER DEBT SERVICE & MONITORING FEES	\$ 30,873	\$ 429	4.07%
DEBT SERVICE COVERAGE RATIO (DSCR)	\$ 1 to 1		
Date: 12/4/19	Senior Staff Date: 11/13/19		

PROJECTED PERMANENT LOAN CASH FLOWS		Stone Pine Meadows															
Final Commitment		Project Number 18-010-N/A															
	YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
RENTAL INCOME																	
	CPI																
Restricted Unit Rents	2.50%	727,779	745,973	764,622	783,738	803,332	823,415	844,000	865,100	886,728	908,896	931,618	954,909	978,781	1,003,251	1,028,332	1,054,041
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	96,788	98,240	99,714	101,209	102,728	-	-	-	-
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	3,421	3,507	3,594	3,684	3,776	3,871	3,968	4,067	4,168
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		817,866	837,440	857,491	878,030	899,069	920,620	942,696	965,310	988,475	1,012,204	1,036,512	1,061,413	982,652	1,007,219	1,032,399	1,058,209
VACANCY ASSUMPTIONS																	
	Vacancy																
Restricted Unit Rents	5.00%	36,389	37,299	38,231	39,187	40,167	41,171	42,200	43,255	44,336	45,445	46,581	47,745	48,939	50,163	51,417	52,702
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	4,839	4,912	4,986	5,060	5,136	-	-	-	-
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	171	175	180	184	189	194	198	203	208
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		40,893	41,872	42,875	43,901	44,953	46,031	47,135	48,265	49,424	50,610	51,826	53,071	49,133	50,361	51,620	52,910
EFFECTIVE GROSS INCOME (EGI)		776,972	795,568	814,617	834,128	854,115	874,589	895,561	917,044	939,051	961,594	984,686	1,008,342	933,520	956,858	980,779	1,005,299
OPERATING EXPENSES																	
	CPI / Fee																
Administrative Expenses	3.50%	129,395	133,923	138,611	143,462	148,483	153,680	159,059	164,626	170,388	176,352	182,524	188,912	195,524	202,368	209,450	216,781
Management Fee	7.00%	53,117	55,690	57,023	58,389	59,788	61,221	62,689	64,193	65,734	67,312	68,928	70,584	72,280	74,016	75,792	77,608
Utilities	3.50%	53,232	55,095	57,024	59,019	61,085	63,223	65,436	67,726	70,097	72,550	75,089	77,717	80,437	83,253	86,167	89,182
Operating & Maintenance	3.50%	150,381	155,645	161,092	166,731	172,566	178,606	184,857	191,327	198,024	204,954	212,128	219,552	227,237	235,190	243,421	251,941
Ground Lease Payments	3.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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
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	3,014	3,052	3,090	3,129	3,168	3,207	3,247	3,288	3,329
Other Taxes & Insurance	3.50%	73,365	75,933	78,590	81,341	84,188	87,135	90,184	93,341	96,608	99,989	103,488	107,111	110,859	114,740	118,755	122,912
Required Reserve Payments	1.00%	36,000	36,360	36,724	37,091	37,462	37,836	38,215	38,597	38,983	39,373	39,766	40,164	40,566	40,971	41,381	41,795
TOTAL OPERATING EXPENSES		505,753	522,944	539,396	556,401	573,976	592,142	610,917	630,324	650,384	671,119	692,552	714,708	730,677	754,248	778,617	803,812
NET OPERATING INCOME (NOI)		271,219	272,625	275,220	277,727	280,139	282,447	284,644	286,720	288,667	290,475	292,134	293,634	202,843	202,609	202,162	201,487
DEBT SERVICE PAYMENTS																	
	Lien #																
Perm - Small Loan	1	167,963	167,963	167,963	167,963	167,963	167,963	167,963	167,963	167,963	167,963	167,963	167,963	167,963	167,963	167,963	167,963
Perm - Small Loan	2	68,006	68,006	68,006	68,006	68,006	68,006	68,006	68,006	68,006	68,006	68,006	68,006	68,006	68,006	68,006	68,006
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		235,969	235,969	235,969	235,969	235,969	235,969	235,969	235,969	235,969	235,969	235,969	235,969	167,963	167,963	167,963	167,963
CASH FLOW AFTER DEBT SERVICE		35,250	36,655	39,251	41,758	44,170	46,478	48,674	50,751	52,697	54,505	56,165	57,665	34,880	34,646	34,199	33,524
DEBT SERVICE COVERAGE RATIO		1.15	1.16	1.17	1.18	1.19	1.20	1.21	1.22	1.23	1.23	1.24	1.24	1.21	1.21	1.20	1.20
Date Prepared: 12/04/19		Senior Staff Date: 11/13/19															

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
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
LESS: Partnership Management Fee	3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
net CF available for distribution		30,250	31,505	33,946	36,294	38,542	40,682	42,704	44,601	46,364	47,982	49,445	50,743	27,751	27,303	26,636	25,734
Deferred developer fee repayment	2,157,185	2,157,185	2,126,935	2,095,430	2,061,484	2,025,189	1,986,647	1,945,965	1,903,261	1,858,660	1,812,296	1,764,315	1,714,870	1,664,126	1,636,375	1,609,072	1,582,436
		<u>30,250</u>	<u>31,505</u>	<u>33,946</u>	<u>36,294</u>	<u>38,542</u>	<u>40,682</u>	<u>42,704</u>	<u>44,601</u>	<u>46,364</u>	<u>47,982</u>	<u>49,445</u>	<u>50,743</u>	<u>27,751</u>	<u>27,303</u>	<u>26,636</u>	<u>25,734</u>
		2,126,935	2,095,430	2,061,484	2,025,189	1,986,647	1,945,965	1,903,261	1,858,660	1,812,296	1,764,315	1,714,870	1,664,126	1,636,375	1,609,072	1,582,436	1,582,436
Payments for Residual Receipt Payments	50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS LOANS	Payment %																
0	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,867
Perm - Small Loan	24.43%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,144
City of Tracy RDA	26.33%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,388
San Joaquin Co Home 1	4.82%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	621
San Joaquin Co Home 2	2.24%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	288
Seller Carry Back	42.17%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,426
0	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments	100.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,867
Balances for Residual Receipt Payments	Interest Rate																
RESIDUAL RECEIPTS LOANS	Interest Rate																
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	2,840,959	2,911,983	2,984,782	3,05					

PROJECTED PERMANENT LOAN CASH FLOWS		
Final Commitment		
	YEAR	17
RENTAL INCOME		
	CPI	
Restricted Unit Rents	2.50%	1,080,392
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%	4,273
Parking & Storage Income	2.50%	-
Miscellaneous Income	2.50%	-
GROSS POTENTIAL INCOME (GPI)		1,084,664
VACANCY ASSUMPTIONS		
	Vacancy	
Restricted Unit Rents	5.00%	54,020
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%	214
Parking & Storage Income	50.00%	-
Miscellaneous Income	50.00%	-
TOTAL PROJECTED VACANCY LOSS		54,233
EFFECTIVE GROSS INCOME (EGI)		1,030,431
OPERATING EXPENSES		
	CPI / Fee	
Administrative Expenses	3.50%	224,369
Management Fee	7.00%	72,130
Utilities	3.50%	92,304
Operating & Maintenance	3.50%	260,759
Ground Lease Payments	3.50%	-
CalHFA Monitoring Fee	0.00%	7,500
Other Agency Monitoring Fee	0.00%	-
Real Estate Taxes	1.25%	3,371
Other Taxes & Insurance	3.50%	127,214
Required Reserve Payments	1.00%	42,213
TOTAL OPERATING EXPENSES		829,859
NET OPERATING INCOME (NOI)		200,572
DEBT SERVICE PAYMENTS		
	Lien #	
Perm - Small Loan	1	167,963
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		167,963
CASH FLOW AFTER DEBT SERVICE		32,609
DEBT SERVICE COVERAGE RATIO		1.19
Date Prepared: 12/04/19		

		17
LESS: Asset Management Fee	3%	8,024
LESS: Partnership Management Fee	3%	-
net CF available for distribution		24,585

Deferred developer fee repayment	2,157,185	1,582,436
		-
		1,582,436

Payments for Residual Receipt Payments		
RESIDUAL RECEIPTS LOANS	Payment %	
0	0.00%	-
Perm - Small Loan	24.43%	3,003
City of Tracy RDA	26.33%	3,237
San Joaquin Co Home 1	4.82%	593
San Joaquin Co Home 2	2.24%	276
Seller Carry Back	42.17%	5,184
0	0.00%	-
Total Residual Receipts Payments	100.00%	12,293

Balances for Residual Receipt Payments		
RESIDUAL RECEIPTS LOANS	Interest Rate	
0---	0.00%	-
Perm - Small Loan---Compounding	2.50%	3,544,825
City of Tracy RDA---Compounding	2.21%	3,651,205
San Joaquin Co Home 1---Simple	2.21%	637,924
San Joaquin Co Home 2---Compounding	0.00%	218,998
Seller Carry Back ---	2.21%	5,846,877
0---	0.00%	-
Total Residual Receipts Payments		13,899,828

Developer Distribution 12,293



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").

Qualifications	<ul style="list-style-type: none"> • Available to for-profit, non-profit, and public agency sponsors. • The Perm Loan may be used with or without 9% low income housing tax credits. • For Section 8 Projects, final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract. • The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program. • For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Loan Amount	<ul style="list-style-type: none"> • Minimum Perm Loan amount of \$5,000,000. • Minimum 1.15x for debt service coverage ratio (include any financing with amortizing debt). • 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.
Fees (subject to change)	<ul style="list-style-type: none"> • Application Fee: \$10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Loan Fee. • Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing. • Cost of Issuance Fee: \$110,000, half due at final commitment, with balance due at Perm Loan closing. • Credit Enhancement Fee: included in the interest rate. • Annual Administrative Fee: \$7,500 annually. • Inspection fees should be estimated at \$500 - \$1,000 per month (reports and fees can be shared with other construction lenders). • Legal Fee: \$35,000 due at Perm Loan closing. • Administrative Fee: \$1,000 due at Perm Loan closing. • Letter of Interest Fee: \$5,000 at LOI request, and is credited towards the CalHFA Perm Loan Fee <p>Some fees may be consolidated if combined with other CalHFA financing.</p>

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TAXABLE PERMANENT LOAN PROGRAM

<p>Rate & Terms (subject to change)</p>	<p>Interest Rate:</p> <ul style="list-style-type: none"> • 17 Year Balloon: 10 Year Constant Maturing Treasury plus CalHFA spread • 30 Year Balloon and Fully Amortizing Loans: 10 Year Constant Maturing Treasury plus CalHFA spread • Estimated CalHFA Spread: 2.75% to 3.50% • 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. <p>Amortization/Term:</p> <ul style="list-style-type: none"> • Amortization: Up to 35 Year Amortization¹ • Term: Fully Amortizing, and 17 or 30 Year Balloons available² • A six-month extension is permitted upon payment of a fee equal to 0.50% of the Perm Loan amount. • Perm Loan Reduction – up to 10% reduction at Perm Loan closing is permitted at no cost. • Breakage Fee – if applicable; between construction loan closing and Perm Loan closing and calculated based on hedge termination cost. <p>1. The Agency may offer up to a 40 year amortization at its discretion. 2. Balloon loans subject to agency approved exit strategy.</p>
<p>Loan Closing Requirements</p>	<ul style="list-style-type: none"> • 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls. • 90% of tax credit investor equity shall have been paid into the Project. • Project income is sufficient to pay operating expense and the required debt service and reserves. • For mixed-use Projects 100% non-residential occupancy as evidenced by executed leases or guarantees.
<p>Prepayment</p>	<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"> • 5% of the principal balance after the end of year 10 • 4% of the principal balance after the end of year 11 • 3% of the principal balance after the end of year 12 • 2% of the principal balance after the end of year 13 • 1% of the principal balance after the end of year 14 <p>All prepayments require a prior written 120-day notice to CalHFA.</p>
<p>Subordinate Financing</p>	<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

Occupancy Requirements	<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>
Due Diligence	<p>The following due diligence is required to be provided at the Owner/Borrower's expense:</p> <ul style="list-style-type: none"> • Appraisal (a construction lender's appraisal may be acceptable). • HUD-2530 previous participation clearance. • Construction costs review for new construction Projects (construction lender's review may be acceptable). • 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). • Phase I Environmental Site Assessment including but not limited to impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation). • Market Study satisfactory to CalHFA. • NEPA Review. • Termite/Dry Rot reports by licensed company. • Seismic review and other studies may be required at CalHFA's discretion.
Required Impounds and Reserves	<ul style="list-style-type: none"> • 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. • 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. • 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. • Transition Operating Reserve (TOR): required for Projects with rental subsidy contracts with contract terms that are less than 20 years. • Other reserves as required (at CalHFA's discretion).

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.

Qualifications	<ul style="list-style-type: none"> Available to for-profit, non-profit or public agency sponsors. Non-profit borrowers may be eligible for 501(c)(3) bonds. If bond proceeds are utilized to pay off an existing CalHFA portfolio loan visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Bond Amount	Bond amount is determined by the loan amount of the selected construction lender.
Fees (subject to change)	<ul style="list-style-type: none"> 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. Issuer Fee: <ol style="list-style-type: none"> 1. The greater of \$15,000 or 0.20% of the Bond amount if less than \$20 million dollars 2. If more than \$20 million dollars: \$40,000 + 0.10% of the amount above \$20 million dollars 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. Public Sale: additional fee of \$5,000 to \$10,000 applies when Bonds are sold to the public. 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. 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. <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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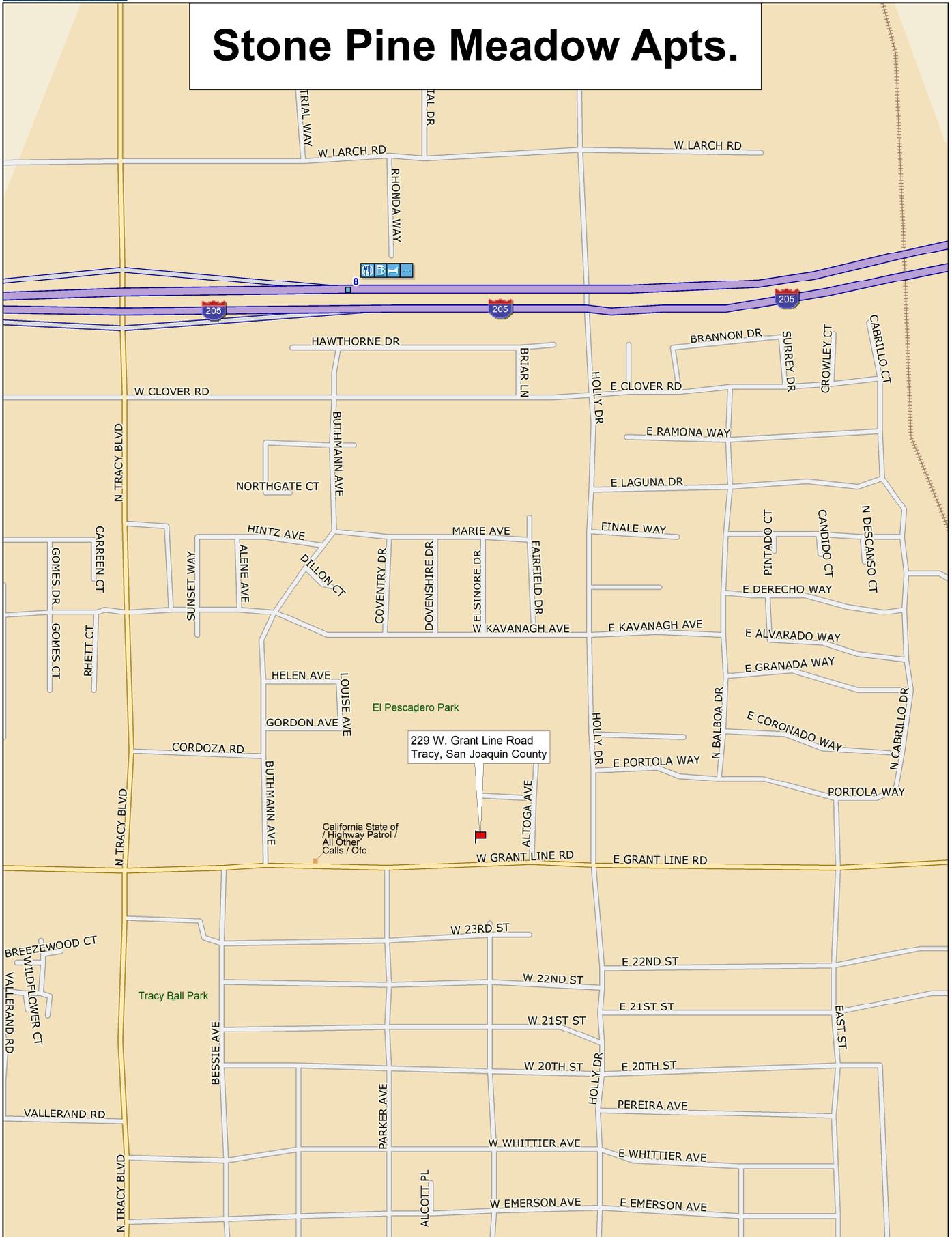
CONDUIT ISSUER PROGRAM**Occupancy Requirements**

- 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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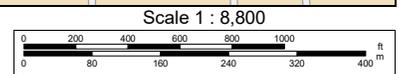
Stone Pine Meadow Apts.



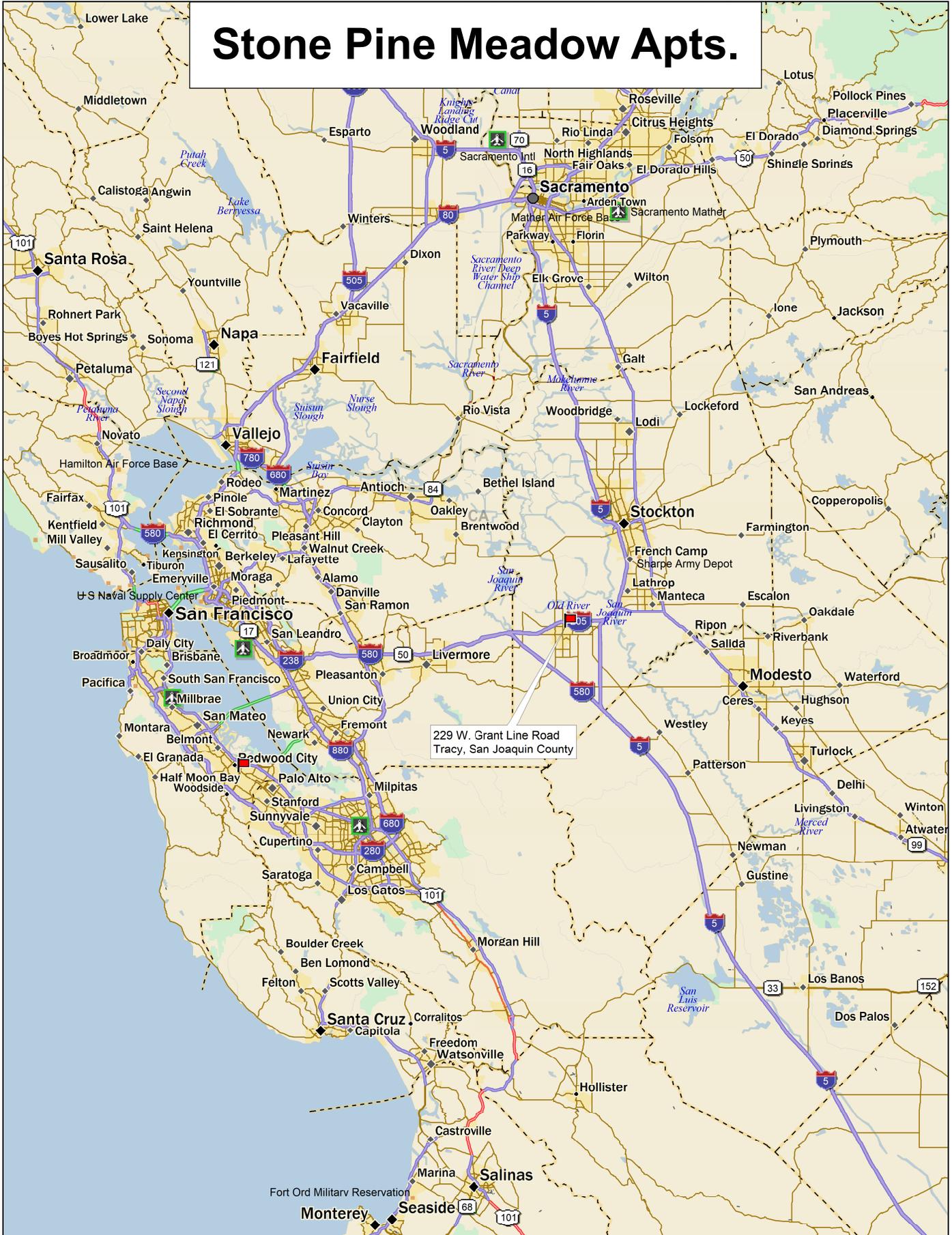
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Stone Pine Meadow Apts.



229 W. Grant Line Road
Tracy, San Joaquin County

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Scale 1 : 1,100,000



1" = 17.36 mi

Data Zoom 7-5

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BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 19-25

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of Stone Pine Meadow Two, 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 Tracy, San Joaquin County, California, to be known as Stone Pine Meadow Apartments (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, pursuant to the Executive Director's authority to issue Conduit Bonds, under Resolution 19-06 the Agency has filed an application with the California Debt Limit Allocation Committee ("CDLAC") for an allocation of California Qualified Private Activity Bonds for the Development; and

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

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

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

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

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:

PROJECT NUMBER	DEVELOPMENT NAME/ LOCALITY	MORTGAGE AMOUNT
18-010-A/N	STONE PINE MEADOW APTS. Tracy, San Joaquin County California	\$2,946,000.00 (Taxable Permanent 35/17 Loan)
		\$ 643,000.00 (Taxable Permanent 12 yr. Fully-Amortized Loan)
		\$2,390,000.00 (Subsidy GAP Loan w/Earned Surplus)

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 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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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. 19-25 duly adopted at a special meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 6th 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 6th day of December 2019.

ATTEST:

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

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