



CalHFASM BOARD OF DIRECTORS

California Housing Finance Agency Board of Directors

REVISED AGENDA

Board Meeting
February 6, 2020
10:00 a.m.

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

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

1. Roll Call
2. Approval of the minutes of the:
 - A. November 21, 2019 Board of Directors meeting1
 - B. December 3, 2019 Board of Directors meeting5
 - C. December 6, 2019 Board of Directors Special meeting8
3. Chairman/Executive Director comments
4. Discussion, recommendation, and possible action to amend the Executive Evaluation Committee Charter (Jennifer LeBoeuf)11
- Resolution No. 20-0114**
5. Report regarding Mixed-Income Program (Kate Ferguson)19
 - A. Arena Senior Staff Report22
 - B. Glen Loma Ranch Staff Report32
 - C. Village at Burlingame Staff Report43

6. Report and discussion on CalHFA's administration of Federal rental assistance programs (Andre Massey)
7. Closed session pursuant to Government Code §11126 (c)(7) to provide direction to its negotiators regarding price and terms for leasing of real property located at 500 Capitol Mall in Sacramento. Negotiating parties: California Housing Finance Agency and 500 Capitol Mall Tower, LLC, a California limited liability company
8. Discussion, recommendation, and possible action authorizing possible amendment of a lease (Jennifer LeBoeuf)

Resolution No. 20-0256

9. Reports:

A. Single Family Loan Production Update58

B. Conduit Issuance Program Update62

10. Discussion of other Board matters

11. Public comment: Opportunity for members of the public to address the Board on matters within the Board's authority

12. Adjournment

NOTES*

PARKING:

CalSTRS PARKING NOTICE – Due to construction of a 10-story expansion tower at CalSTRS, the south entrance to the parking garage is closed to the public. Parking is available at 1) the Ziggurat parking garage (DGS offices) next to CalSTRS at 707 3rd Street (\$1 per 20 minutes, \$15 daily maximum); 2) Minimal metered street parking is available for up to two hours.

REFRESHMENTS:

Available at Waterfront Café in CalSTRS. No food is allowed inside the Boardroom.

NEXT MEETING DATE:

March 17, 2020 – Board Meeting and Workshop
Bank of the West Tower
500 Capitol Mall, 18th Floor Conference Center
Sacramento, CA

MINUTES

California Housing Finance Agency (CalHFA)

Board of Directors Meeting

November 21, 2019

Meeting noticed on November 8, 2019

1. ROLL CALL

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

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

MEMBERS ARRIVING

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

MEMBERS ABSENT: Johnson Hall

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

2. APPROVAL OF MINUTES – September 12, 2019

The minutes were approved by unanimous consent of members present.

3. CHAIRMAN/EXECUTIVE DIRECTOR COMMENTS

Chair Comments:

a) None

Executive Director Comments:

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

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

4. GOVERNMENT FINANCE OFFICERS ASSOCIATION AWARD PRESENTATION

Presented by Cavier

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

5. 2019 LEGISLATIVE WRAP-UP PRESENTATION

Presented by Cavier

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

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

Presented by Ferguson

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

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

NOES: Avila Farias, Prince, Russell

ABSTENTIONS: None

ABSENT: Johnson Hall

7. DISCUSSION OF CALHFA 2020 MIXED-INCOME PROGRAM

Presented by Ferguson

Ferguson presented the 2020 CalHFA Mixed-Income Program (MIP) policies, term sheet, and identified key changes made to the Program. Ferguson shared that CalHFA surveyed the developer community and their feedback informed some of the changes made. Board members discussed the recommendations. The discussion included affirmation of the new policy because it incorporated the Board's original intentions. Also, several Board members questioned the MIP program's limitations on use of funds for projects utilizing certain HCD programs. Acting Chair Gunning asked if there were any comments from the public and the following attendees spoke to the Board regarding Agenda Item 7:

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

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

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

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

Presented by LeBoeuf

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

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

NOES: None

ABSTENTIONS: None

ABSENT: Russell, Johnson Hall

10. REPORTS

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

11. PUBLIC COMMENT:

Acting Chair Gunning asked if there were any public comments and there were none.

12. ADJOURNMENT

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

13. HANDOUTS

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

MINUTES

California Housing Finance Agency (CalHFA)

Board of Directors Meeting

December 3, 2019

Meeting noticed on November 22, 2019

1. ROLL CALL

The California Housing Finance Agency Board of Directors meeting was called to order at **10:08 a.m.** by Acting Chair Gunning. A quorum of members was not present.

MEMBERS PRESENT: Agee (for Ma), Gunn (for Imbasciani), Gunning, Hague (for Gordon), Johnson Hall, Olmstead (for McCauley), Podesta, Patterson

MEMBERS ARRIVING
AFTER ROLL CALL: None

MEMBERS ABSENT: Avila Farias, Gallagher, Hunter, Prince, Russell, Sotelo, Bosler

STAFF PRESENT: Don Cavier, Claire Tauriainen, Melissa Flores, Kate Ferguson, Stephen Beckman, Shenna Kho, Ruth Vakili

2. APPROVAL OF MINUTES – November 21, 2019

No action was taken on this agenda item as a quorum was not established.

3. CHAIRMAN/EXECUTIVE DIRECTOR COMMENTS

Chair Comments:

- a) Acting Chair Gunning explained a change was made to the November 21, 2019 meeting minutes after they were distributed in the Board package, but the change was technical in nature. Since there was a quorum was not established, no action was taken. Due to the prospect of a Board member arriving late, it was decided to continue with the meeting.

Executive Director Comments:

- a) Patterson congratulated Johnson Hall, Prince, and Sotelo on their recent re-appointments to the Board. Each will serve another 6 years on the Board. She introduced Sheena Kho and Andre Massey, the Agency's new Credit Officer

and Deputy Director of Multifamily Programs, respectively. These hires mark the first time in over a decade that the Multifamily division has been fully staffed.

- b) She informed the Board that several suggestions received from the public at the November 21 Board meeting were incorporated into the 2020 Mixed-Income Program and applications are being received by the Agency.
- c) In December, the Agency will begin the 2020 Business Planning process, with offsite meetings planned over the next two months
- d) On December 19, the Agency will host a Board Housing Finance Workshop with presenter Richard Froehlich of the New York City Housing Development Corporation.
- e) In March, the Board Workshop will include guest speaker Richard Rothstein, author of *The Color of Law*.
- f) She provided an overview of upcoming events which include:
 - December 8-10, special meeting of the National Council of State Housing Agencies Board of Directors in Washington, D.C.
 - December 11, CDLAC/TCAC meeting will discuss 2019 applications for reservations of 4% low-income housing tax credits.
 - December 12, CalHFA will host a joint HUD, HCD, and BCSH housing agency coordination meeting.
 - January 9, Housing Justice of Los Angeles panel discussion, which she is scheduled to speak at.
 - January 28-30, Freddie Mac Housing for Tomorrow council meeting.

4. **Final Loan Commitment for Panas Place, No. 19-037-N, for 66 units located in Santa Rosa/Sonoma – Resolution No. 19-21**

Presented by Ferguson and Beckman

No action was taken on this agenda item as a quorum was not established.

5. **Final Loan Commitment for West Oaks, No. 19-039-N, for 53 units located in Santa Rosa/Sonoma – Resolution No. 19-22**

Presented by Ferguson and Beckman

No action was taken on this agenda item as a quorum was not established.

6. **Final Loan Commitment for Bernal Dwellings, No. 18-031-A/N, for 160 units located in San Francisco/San Francisco - Resolution No. 19-23**

Presented by Ferguson and Kho

No action was taken on this agenda item as a quorum was not established.

7. **Final Loan Commitment for Stone Pine Meadow, No. 18-010-N/A, for 72 units located in Tracy/San Joaquin – Resolution No. 19-24**

No action was taken on this agenda item as a quorum was not established.

8. **Discussion, recommendation, and possible action to amend the Executive Evaluation Committee Charter – Resolution No. 19-25**

No action was taken on this agenda item as a quorum was not established.

Chairman Gunning asked and was told that there had been no contact with the potentially late arriving Board member. Discussion ensued about the lack of quorum. The developer representative from Bernal informed the Board that the project was scheduled to close on December 13th and needed docs by December 10th. Patterson recommended that agenda items 4-8 be continued to a meeting to take place on December 5 or 6 as allowed by the statutes and noticed within the timeframes to comply with the Special Meeting statute. Chairman Gunning agreed as did other members. Staff was directed to coordinate the Special Meeting.

9. **REPORTS**

Not discussed.

10. **PUBLIC COMMENT**

Acting Chair Gunning asked if there were any comments from the public or items of discussion from the Board. There were no public comments, but Johnson Hall did want to thank the Agency for their offer of condolences to the Blackwell Garza Hall family due to the tragic loss of her nephew.

11. **ADJOURNMENT**

As there was no business that could be conducted as a quorum was not established, the meeting was adjourned at 11:15 a.m.

MINUTES

California Housing Finance Agency (CalHFA) Board of Directors Special Meeting December 6, 2019

Meeting noticed on December 4, 2019

1. ROLL CALL

The California Housing Finance Agency Board of Directors Special Meeting was called to order at **3:12 p.m.** by Acting Chair Gunning. A quorum of members was present.

MEMBERS PRESENT: Agee (for Ma), Gunning, Olmstead (for McCauley),
Patterson, von Koch-Liebert (for Podesta)

MEMBERS PRESENT

BY TELECONFERENCE: Sotelo, Russell, Johnson Hall

MEMBERS ARRIVING

AFTER ROLL CALL: None

MEMBERS ABSENT: Gallagher, Hunter, Avila Farias, Bosler, Prince, Imbasciani,
Gordon

STAFF PRESENT: Don Cavier, Claire Tauriainen, Melissa Flores, Kate
Ferguson, Shenna Kho

2. CHAIRMAN/EXECUTIVE DIRECTOR COMMENTS

Chair Comments:

- Acting Chair Gunning thanked the members for their attendance and moved on to the first business item on the agenda.

3. DETERMINATION OF NEED FOR SPECIAL MEETING AND BOARD ADOPTION

Presented by Tauriainen

On a motion by von Koch-Liebert, the Board approved staff recommendation for **Resolution No. 19-21.** The votes were as follows:

AYES: von Koch-Liebert (for Podesta), Olmstead (for McCauley), Agee (for Ma), Russell, Sotelo, Johnson Hall, Gunning

NOES:

ABSTENTIONS:

ABSENT: Imbasciani, Avila Farias, Gallagher, Prince, Hunter

4. **Final Loan Commitment for Panas Place, No. 19-037-N, for 66 units located in Santa Rosa/Sonoma – Resolution No. 19-22**

Presented by Ferguson

5. **Final Loan Commitment for West Oaks, No. 19-039-N, for 53 units located in Santa Rosa/Sonoma – Resolution No. 19-23**

Presented by Ferguson

6. **Final Loan Commitment for Bernal Dwellings, No. 18-031-A/N, for 160 units located in San Francisco/San Francisco - Resolution No. 19-24**

Presented by Ferguson

7. **Final Loan Commitment for Stone Pine Meadow, No. 18-010-N/A, for 72 units located in Tracy/San Joaquin – Resolution No. 19-25**

Presented by Ferguson

On a motion by Agee, the Board decided to vote on Agenda items 4, 5, 6, and 7 as a group rather than by each item. The votes for **Resolutions 19-22, 19-23, 19-24, 19 25** were as follows:

AYES: von Koch-Liebert (for Podesta), Olmstead (for McCauley), Agee (for Ma), Russell, Sotelo, Johnson Hall, Gunning

NOES:

ABSTENTIONS:

ABSENT: Imbasciani, Avila Farias, Gallagher, Prince, Hunter

8. **PUBLIC COMMENT**

Acting Chair Gunning asked if there were any comments from the public and there were none.

9. **ADJOURNMENT**

As there was not further business to be conducted, Acting Chair Gunning adjourned the meeting at 3:34 p.m.

PROPOSED REVISIONS

California Housing Finance Agency Executive Evaluation Committee Charter Revised February, 2020

Mission

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

Membership

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

Authority

The Committee was established by Board Resolution 06-16 revised by Resolution 08-17, amended and restated* by and further revised by Resolution 13-10 and further amended by Resolution 20-01. The Committee will act in an advisory capacity to the Board. Staff of the Agency will serve as a resource to Committee. The Committee has the authority to conduct any review appropriate to fulfilling its responsibilities. All employees of the Agency are directed to cooperate as requested by members of the Committee and the Committee will have complete access to Agency records and data.

Meetings

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

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

Minutes

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

Duties

The Committee will conduct the following activities:

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

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

Other Committee Duties

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

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

BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION 20-01

RESOLUTION TO AMEND AND REVISE THE EXECUTIVE EVALUATION COMMITTEE CHARTER

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

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

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

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

1. The attached “California Housing Finance Agency Executive Evaluation Committee Charter revised February 2020” is hereby approved and adopted.

SECRETARY'S CERTIFICATE

I, Claire Taurianinen, 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 20-01 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 6th day of February 2020, 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 hereto this 6th day of February 2020

ATTEST:

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

**California Housing Finance Agency
Executive Evaluation Committee Charter
Revised February, 2020**

Mission

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

Membership

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

Authority

The Committee was established by Board Resolution 06-16 revised by Resolution 08-17, amended and restated by Resolution 13-10 and further amended by Resolution 20-01. The Committee will act in an advisory capacity to the Board. Staff of the Agency will serve as a resource to Committee. The Committee has the authority to conduct any review appropriate to fulfilling its responsibilities. All employees of the Agency are directed to cooperate as requested by members of the Committee and the Committee will have complete access to Agency records and data.

Meetings

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

Minutes

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

Duties

The Committee will conduct the following activities:

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

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

Other Committee Duties

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

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

MEMORANDUM

To: Board of Directors

Date: February 6, 2020

From: Kate Ferguson, Director of Multifamily
CALIFORNIA HOUSING FINANCE AGENCY

Subject: UPDATE OF MIXED-INCOME PROGRAM FOR DISCUSSION

The CalHFA Mixed-Income Program (MIP) provides competitive long-term subordinate financing for new construction multifamily housing projects restricting units (tax credit or CalHFA) between 30% and 120% county Area Median Income (“AMI”). MIP resources will take the form of a subordinate loan to incentivize newly developed multifamily housing projects that serve a range of very low to moderate income renters. Eligible projects must create newly constructed regulated units that meet the income and occupancy requirements.

MIP 2019 Estimated Allocation to CalHFA from SB-2: \$30 to \$45 million

MIP 2020 Estimated Allocation to CalHFA from SB-2 & AB101: \$180 million

The breakdown of 2019 & 2020 MIP projects that received initial and final commitments from CalHFA is as follows:

- **MIP 2019 Projects:** \$43.75 Million
 - 7 Projects
 - 1,296 Units
- **MIP 2020 Projects (to date):** \$92 Million
 - 12 Projects
 - 1530 Units

Project that was approved by CalHFA’s Senior Loan Committee for MIP under resolution 19-02:

- Arena Senior Apartments

Projects that were approved by CalHFA’s Senior Loan Committee for MIP under resolution 19-02 & 19-19:

- Glen Loma Ranch Apartments
- The Village at Burlingame

MIP 2019

	<u>Project Name</u>	<u>Project Type</u>	<u>County</u>	<u>MIP Amount</u>	<u>MIP/Unit Amount</u>	<u>Total Units</u>	<u>CalHFA Approval</u>	<u>Anticipate TCAC/CDLAC Awards</u>	<u>Estimated Closing</u>
1	Arena Senior	Senior	Sacramento	\$ 6,000,000	\$ 25,210	240	Final Commitment	2019	Construction Closed
2	Glen Loma Ranch	Family & Senior	Santa Clara	\$ 7,850,000	\$ 50,321	158	Final Commitment	February	March 2020
3	Village at Burlingame	Family & Senior	San Mateo	\$ 9,700,000	\$ 74,046	132	Final Commitment	February	March 2020
4	Hayward Mission	Family	Alameda	\$ 5,000,000	\$ 35,971	140	Initial Commitment	March	June 2020
5	Antioch Seniors	Family & Senior	Contra Costa	\$ 6,000,000	\$ 15,385	394	Initial Commitment	March	July 2020
6	Valencia Point	Family	San Diego	\$ 4,040,000	\$ 40,000	102	Initial Commitment	March	June 2020
7	Twin Oaks Senior (Formerly: Oakley Senior)	Senior	Contra Costa	\$ 5,160,000	\$ 40,000	130	Initial Commitment	March	September 2020
	TOTAL/Average			\$43,750,000	\$ 33,758	1,296			

MIP 2020

	<u>Project Name</u>	<u>Project Type</u>	<u>County</u>	<u>MIP Amount</u>	<u>MIP/Unit Amount</u>	<u>Total Units</u>	<u>CalHFA Approval</u>	<u>Anticipate TCAC/CDLAC Awards</u>	<u>Estimated Closing</u>
1	The Atchison - Pittsburg	Family	Contra Costa	\$10,700,000	\$ 53,500	202	Initial Commitment	March	June 2020
2	Beacon Villa	Family	Contra Costa	\$ 6,350,000	\$ 117,593	54	Initial Commitment	March	June 2020
3	Frishman Hollos II - Truckee	Family	Nevada	\$ 4,388,000	\$ 65,493	68	Initial Commitment	March	June 2020
4	The Parkway Apts - Folsom	Family	Sacramento	\$ 3,350,000	\$ 47,183	72	Initial Commitment	March	September 2020
5	Arden Way Apts- Sacramento	Family	Sacramento	\$ 7,606,522	\$ 63,920	120	Initial Commitment	March	August 2020
6	1717 S Street	Family	Sacramento	\$10,250,000	\$ 92,342	112	Initial Commitment	March	July 2020
7	The Courtyard @ Kimball - Nat'l City	Family	San Diego	\$ 6,500,000	\$ 50,000	131	Initial Commitment	March	September 2020
8	Santa Rosa Apartments	Family	Sonoma	\$ 9,850,000	\$ 64,803	154	Initial Commitment	March	June 2020
9	Kawana Springs - Santa Rosa	af	Sonoma	\$ 9,500,000	\$ 63,758	151	Initial Commitment	March	June 2020
10	The Redwood Apartments - Santa Rosa	Family	Sonoma	\$ 4,750,000	\$ 50,000	96	Initial Commitment	March	September 2020
11	One Lake Family Apts	Family		\$14,255,771	\$ 75,829	190	Initial Commitment	March	September 2020
12	Fancher Creek Senior Apts	Senior	Fresno	\$ 4,500,000	\$ 25,281	180	Initial Commitment	March	July 2020
	TOTAL/Average			\$92,000,293	\$ 62,037	1,530			

California Housing Finance Agency ("CalHFA")**February 2, 2020****Staff Report for Discussion****Tax-Exempt & Taxable Conduit Issuance and Mixed Income Program
Loan ("MIP")****CalHFA Project Number: 19-014-A/X**

Purpose: Staff is providing Arena Senior Apartment's staff report that was approved by Senior Loan Committee (Executive Director) on October 7, 2019 under resolution 19-02 for discussion.

Borrower: Arena Senior Investors, LP, a California limited partnership

Loan Amount(s):

CalHFA Conduit Issuance Amounts (TE/taxable): \$37,592,515 T/E and \$1,632,126 Taxable

Perm Loan Amount (& Lender): \$27,019,599 - Citibank

Perm Loan Term: 35 year amortized, due in 18

CalHFA MIP Loan Amount: \$6,000,000 (\$25,210/unit)

Project Information:

Name: Arena Senior Apartments

Address: Truxel Road & E. Sports Parkway

City, County, Zip Code: Sacramento, Sacramento County, 95834

Project Description, # of Units, Types and Restrictions: The Project is a mixed-income senior project consists of 240 total units, which comprise of 1 and 2-bedroom units that will be restricted between 40% to 81% of AMI. There will be two non-restricted manager's units. The project offers a pool, spa, exercise room, picnic area, community garden, computer and laundry rooms and gated access.

Development Team:

Sponsor/Developer: Adarte, LLC is the developer and Paul Stamas is its sole member. Paul is the president of Stamas Corporation (Stamas) which is a real estate development company specializing in the design, development, and construction of affordable housing Sacramento County and surrounding areas. Under Stamas

Corporation, Paul has developed 13 affordable multifamily projects, totaling 1,752 units, since its inception in 2003. There are currently 4 projects under construction.

Property Management Company: FPI Management, Inc. (FPI) was established in 1968 and has a geographic market that covers 13 states. FPI manages 100,000 units in its portfolio and manages 40,000 affordable housing units that range from: LIHTC, HUD Insured, Section 8, Bond Finance, USDA, Inclusionary Housing and other local jurisdictions. FPI currently manages 14 projects, totaling 1,644 units in CalHFA's portfolio.

General Contractor: Stamas Corporation (Stamas), formed in 1978, has constructed 13 affordable multifamily projects, totaling 1,752 units, since its inception. There are currently 4 projects under construction.

Architect: Borges Architectural Group (Borges), formed in 1985 and is located in Roseville, CA. Borges has experience with a wide variety of building types, including multifamily housing, commercial, retail, and adaptive reuse. Borges has developed 6 senior housing projects including approximately 580 units.

Affordability Restrictions & Term: This Project provides 238 units of much needed rental housing that will remain affordable at rents ranging from 40% of AMI to 81% of AMI for 55 years. The MIP funds will restrict 10% of the units (24 units) to 50% of AMI or less, 10% of the units (24 units) to 80% of AMI or less, 10% of the units (24 units) between 81% to 120% of AMI, and the remaining 190 units to 120% of AMI or less for 55 years.

Affordability Restriction Summary Table

Regulating Agency	40% AMI	50% AMI	60% AMI	80% AMI	81%-120% AMI	<= 120%	Mgrs. Unit	Total Units Regulated	% of Regulated Units
CalHFA Bond Reg. Agmt.		24	72				2	96	40.0%
CalHFA MIP Reg Agrmt.		24		24	24	166	2	238	99.2%
Tax Credits	57		112	45			2	214	89.2%
								238	99.2%

Rent Limit Summary Table							
Restrictions @ AMI	Total	Studio	1-bd	2-bd	3-bd	4-bd	% of Total
30%	0	-	-	-	-	-	0.0%
40%	57	-	32	25	-	-	23.8%
50%	0	-	-	-	-	-	0.0%
60%	112	-	66	46	-	-	46.7%
70%	0	-	-	-	-	-	0.0%
80%	45	-	25	20	-	-	18.8%
81%-120%	24	-	14	10	-	-	10.0%
120% or below	0	-	-	-	-	-	0.0%
Manager's Unit	2	-	1	1	-	-	0.8%
Total	240	0	138	102	0	0	100.0%

Note: The affordability averages 65% of AMI.

Staff Comments & Project Status: This Project meets the terms of MIP Program Documents under resolution 19-02, which limits the maximum amount of MIP subordinate financing to \$5 million, however, it is subject to an exception that could increase financing by no more than an additional \$1 million or \$6 million total.

The Citibank construction loan closed on December 17, 2019 and construction has started. Construction is anticipated to be complete in September 2021 and the permanent loan closing will take place in March 2022.

Attachments:

Project Financing Summary

Project Sources & Uses of Funds

Project Cashflow

PROJECT SUMMARY			Final Commitment			
Acquisition, Rehab, Construction & Permanent Loans			Project Number 19-014-A/X			
Project Full Name	Arena Senior Apartments	Borrower Name:	Arena Senior Investors, LP, a California limited			
Project Address	Truxel Road & E. Sports Parkway	Managing GP:	Greek Orthodox Housing Corporation, a			
Project City	Sacramento	Developer Name:	Adarte, LLC, a California limited liability			
Project County	Sacramento	Investor Name:	Boston Financial			
Project Zip Code	95834	Prop Management:	FPI Management, Inc.			
		Tax Credits:	4			
Project Type:	Mixed Income Loan Only (Conduit Perm Loan)	Total Land Area (acres):	9.74			
Tenancy/Occupancy:	Senior	Residential Square Footage:	180,972			
Total Residential Units:	240	Residential Units Per Acre:	24.64			
Total Number of Buildings:	5	Covered Parking Spaces:	165			
Number of Stories:	3	Total Parking Spaces:	251			
Unit Style:	Flat					
Elevators:	4					
Acq/Construction/Rehab Financing		Loan Amount (\$)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
Conduit T/E Citibank		37,592,515	1.000%	24	24	4.050%
Conduit Taxable Citibank		1,632,126	0.000%	24	24	4.050%
Investor Equity Contribution		1,707,157	--	--	--	--
Permanent Financing		Loan Amount (\$)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
--		--	--	--	--	--
MIP		6,000,000	1.000%	55	--	3.000%
Conduit First Lien Loan- Citibank		27,019,599	--	18	35	3.950%
Deferred Developer Fees		2,672,330	NA	NA	NA	NA
--		--	NA	NA	NA	NA
Investor Equity Contributions		11,381,046	NA	NA	NA	NA
Appraised Values Upon Completion of Rehab/Construction						
Appraisal Date:	--	Capitalization Rate:	--			
Investment Value (\$)	TBD	Restricted Value (\$)	--			
Construct/Rehab LTC	TBD	CalHFA Permanent Loan to Cost	--			
Construct/Rehab LTV	TBD	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	Waived					
Completion Guarantee Letter of Credit	Waived					
<u>Permanent Loan</u>						
Operating Expense Reserve Deposit	\$0	Cash				
Initial Replacement Reserve Deposit	\$0	Cash				
Annual Replacement Reserve Per Unit	\$250	Cash				
Date Prepared:	9/27/19	Senior Staff Date:	10/7/19			

SOURCES & USES OF FUNDS			Final Commitment		
Arena Senior Apartments			Project Number 19-014-A/X		
SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
Conduit T/E Citibank	37,592,515				0.0%
Conduit Taxable Citibank	1,632,126				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Deferred Reserves	598,553				0.0%
-	-				0.0%
-	-				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	-				0.0%
Developer Equity Contribution	-				0.0%
Investor Equity Contribution	1,707,157				0.0%
-		-	-	-	0.0%
MIP		6,000,000	6,000,000	25,000	12.7%
-		-	-	-	0.0%
-		-	-	-	0.0%
Conduit First Lien Loan- Citibank		27,019,599	27,019,599	112,582	57.4%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
Construct/Rehab Net Oper. Inc.		-	-	-	0.0%
Deferred Developer Fees		2,672,330	2,672,330	11,135	5.7%
Developer Equity Contribution		-	-	-	0.0%
Investor Equity Contributions		11,381,046	11,381,046	47,421	24.2%
TOTAL SOURCES OF FUNDS	41,530,351	47,072,975	47,072,975	196,137	70.1%
TOTAL USES OF FUNDS (BELOW)	41,530,351	47,072,974	47,072,975	196,137	100.0%
FUNDING SURPLUS (DEFICIT)	(0)	1	0		

USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		41,530,351			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	3,100,000	-	3,100,000	12,917	6.6%
Demolition Costs	-	-	-	-	0.0%
Legal & Other Closing Costs	-	-	-	-	0.0%
Escrow & other closing costs	-	-	-	-	0.0%
Verifiable Carrying Costs	-	-	-	-	0.0%
Existing Improvements Value	-	-	-	-	0.0%
Delinquent Taxes Paid @ Closing	-	-	-	-	0.0%
CalHFA Yield Maintenance Paid @ Closing	-	-	-	-	0.0%
Existing Replacement Reserve	-	-	-	-	0.0%
Broker Fees Paid to Related Party	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL ACQUISITION COSTS	3,100,000	-	3,100,000	12,917	6.6%
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	-	-	-	-	0.0%
Environmental Remediation (Hard Costs)	-	-	-	-	0.0%
Site Work (Hard Cost)	2,225,548	-	2,225,548	9,273	4.7%
Structures (Hard Cost)	24,821,194	-	24,821,194	103,422	52.7%

SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
General Requirements	1,008,025	-	1,008,025	4,200	2.1%
Contractor Overhead	504,012	-	504,012	2,100	1.1%
Contractor Profit	756,019	-	756,019	3,150	1.6%
Contractor Bond	-	-	-	-	0.0%
Contractor Liability Insurance	125,000	-	125,000	521	0.3%
Personal Property	-	-	-	-	0.0%
HVAC/Resident Damage	-	-	-	-	0.0%
TOTAL CONSTRUCT/REHAB COSTS	29,439,798	-	29,439,798	122,666	62.5%
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>RELOCATION COSTS</u>					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	-	-	-	-	0.0%
<u>ARCHITECTURAL FEES</u>					
Design	50,000	-	50,000	208	0.1%
Supervision	-	-	-	-	0.0%
TOTAL ARCHITECTURAL FEES	50,000	-	50,000	208	0.1%
<u>SURVEY & ENGINEERING FEES</u>					
Engineering	125,000	-	125,000	521	0.3%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	-	-	-	-	0.0%
TOTAL SURVEY & ENGINEERING FEES	125,000	-	125,000	521	0.3%
<u>CONTINGENCY RESERVES</u>					
Hard Cost Contingency Reserve	1,352,337	-	1,352,337	5,635	2.9%
Soft Cost Contingency Reserve	199,138	-	199,138	830	0.4%
TOTAL CONTINGENCY RESERVES	1,551,475	-	1,551,475	6,464	3.3%
<u>CONSTRUCT/REHAB PERIOD COSTS</u>					
Loan Interest Reserve					
Conduit T/E Citibank	2,000,000	-	2,000,000	8,333	4.2%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees					
Conduit T/E Citibank	376,000	-	376,000	1,567	0.8%
Conduit Taxable Citibank	-	-	-	-	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	15,000	-	15,000	63	0.0%
Owner Paid Bonds/Insurance	-	-	-	-	0.0%
CalHFA Inspection Fees	-	-	-	-	0.0%
Real Estate Taxes During Rehab	20,000	-	20,000	83	0.0%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Prev	-	-	-	-	0.0%
Insurance During Rehab	50,000	-	50,000	208	0.1%
Title & Recording Fees	40,000	-	40,000	167	0.1%
Construction Management & Testing	-	-	-	-	0.0%

SOURCES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT SOURCES OF FUNDS		
	\$	\$	SOURCES (\$)	PER UNIT (\$)	%
Predevelopment Interest Expense	-	-	-	-	0.0%
Bond Issuer Fee	59,225	-	59,225	247	0.1%
-	-	-	-	-	0.0%
TOTAL CONST/REHAB PERIOD COSTS	2,560,225	-	2,560,225	10,668	5.4%
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%
-	-	-	-	-	0.0%
MIP	-	60,000	60,000	250	0.1%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Conduit First Lien Loan- Citibank	-	10,000	10,000	42	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Title & Recording (closing costs)	-	-	-	-	0.0%
Year 1 - Taxes & Special Assessments and Insurance	-	-	-	-	0.0%
CalHFA Fees	-	-	-	-	0.0%
Tax Exempt Bond Allocation Fee	-	-	-	-	0.0%
Other (Specify): Various CalHFA Fees	-	0	0	0	0.0%
TOTAL PERMANENT LOAN COSTS	-	70,000	70,000	292	0.1%
<u>LEGAL FEES</u>					
CalHFA Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
Other Construction/Rehab Loan Legal Fees	60,000	-	60,000	250	0.1%
CalHFA Permanent Loan Legal Fees	-	15,000	15,000	63	0.0%
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	120,000	-	120,000	500	0.3%
CalHFA Bond Counsel	60,000	-	60,000	250	0.1%
TOTAL LEGAL FEES	240,000	15,000	255,000	1,063	0.5%
<u>OPERATING RESERVES</u>					
Operating Expense Reserve Deposit	-	-	-	-	0.0%
Initial Replacement Reserve Deposit	-	-	-	-	0.0%
Transition Operating Reserve Deposit	-	-	-	-	0.0%
Rent-Up Reserve Deposit	-	-	-	-	0.0%
HOME Program Replacement Reserve	-	-	-	-	0.0%
Investor Required Reserve- OER	-	598,553	598,553	2,494	1.3%
Other (Specify)	-	-	-	-	0.0%
TOTAL OPERATING RESERVES	-	598,553	598,553	2,494	1.3%
<u>REPORTS & STUDIES</u>					
Appraisal Fee	10,000	-	10,000	42	0.0%
Market Study Fee	7,500	-	7,500	31	0.0%
Physical Needs Assessment Fee	-	-	-	-	0.0%
Environmental Site Assessment Reports	7,000	-	7,000	29	0.0%
HUD Risk Share Environmental / NEPA Review Fee	-	-	-	-	0.0%
CalHFA Earthquake Waiver Review Fee	-	-	-	-	0.0%
Relocation Consultant	-	-	-	-	0.0%
Soils Reports	-	-	-	-	0.0%
Acoustical Reports	-	-	-	-	0.0%
Termite/Dry Rot	-	-	-	-	0.0%

SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
Consultant/Processing Agent	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL REPORTS & STUDIES	24,500	-	24,500	102	0.1%
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>OTHER COSTS</u>					
TCAC Application, Allocation & Monitor Fees	112,087	-	112,087	467	0.2%
CDLAC Fees	13,729	-	13,729	57	0.0%
Local Permits & Fees	24,084	-	24,084	100	0.1%
Local Impact Fees	3,520,536	-	3,520,536	14,669	7.5%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	40,000	-	40,000	167	0.1%
Accounting & Audits	20,000	-	20,000	83	0.0%
Advertising & Marketing Expenses	25,000	-	25,000	104	0.1%
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	3,755,436	-	3,755,436	15,648	8.0%
SUBTOTAL PROJECT COSTS	40,846,433	42,213,904	41,529,987	173,042	88.2%
<u>DEVELOPER FEES & COSTS</u>					
Developer Fees, Overhead & Profit	683,918	4,859,070	5,542,988	23,096	11.8%
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	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	683,918	4,859,070	5,542,988	23,096	11.8%
TOTAL PROJECT COSTS	41,530,351	47,072,974	47,072,975	196,137	100.0%

PROJECTED PERMANENT LOAN CASH FLOWS											Arena Senior Apartments					
Final Commitment											Project Number		19-014-A/X			
	YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
RENTAL INCOME		CPI														
Restricted Unit Rents	2.50%	2,846,614	2,917,779	2,990,723	3,065,491	3,142,129	3,220,682	3,301,199	3,383,729	3,468,322	3,555,030	3,643,906	3,735,004	3,828,379	3,924,088	
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%	14,352	14,352	14,352	14,352	14,352	14,352	14,352	14,352	14,352	14,352	14,352	14,352	14,352	14,352	
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
GROSS POTENTIAL INCOME (GPI)		2,860,966	2,932,131	3,005,075	3,079,843	3,156,481	3,235,034	3,315,551	3,398,081	3,482,674	3,569,382	3,658,268	3,749,356	3,842,731	3,938,440	
VACANCY ASSUMPTIONS		Vacancy														
Restricted Unit Rents	5.00%	142,331	145,889	149,536	153,275	157,106	161,034	165,060	169,186	173,416	177,752	182,195	186,750	191,419	196,204	
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%	718	718	718	718	718	718	718	718	718	718	718	718	718	718	
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Income	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL PROJECTED VACANCY LOSS		143,048	146,607	150,254	153,992	157,824	161,752	165,778	169,904	174,134	178,469	182,913	187,468	192,137	196,922	
EFFECTIVE GROSS INCOME (EGI)		2,717,917	2,785,524	2,854,822	2,925,851	2,998,657	3,073,282	3,149,774	3,228,177	3,308,541	3,390,913	3,475,345	3,561,888	3,650,594	3,741,518	
OPERATING EXPENSES		CPI/Fee														
Administrative Expenses	3.50%	215,280	222,815	230,613	238,685	247,039	255,685	264,634	273,896	283,483	293,405	303,674	314,302	325,303	336,688	
Management Fee	4.81%	140,125	143,984	137,317	140,733	144,235	147,825	151,504	155,275	159,141	163,103	167,164	171,327	175,594	179,967	
Utilities	3.50%	128,488	130,915	135,498	140,240	145,148	150,229	155,487	160,928	166,561	172,391	178,424	184,669	191,133	197,822	
Operating & Maintenance	3.50%	263,925	273,162	282,723	292,618	302,860	313,460	324,431	335,786	347,539	359,703	372,292	385,323	398,809	412,767	
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	
Mixed Income Loan Fee	0.00%	94,345	93,845	93,325	92,784	92,222	91,637	91,028	90,394	89,736	89,050	88,338	87,596	86,825	86,022	
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Real Estate Taxes	2.00%	36,700	36,414	37,142	37,885	38,643	39,416	40,204	41,008	41,828	42,665	43,518	44,388	45,276	46,182	
Other Taxes & Insurance	3.50%	115,920	119,977	124,176	128,523	133,021	137,677	142,495	147,483	152,645	157,987	163,517	169,240	175,163	181,294	
Required Reserve Payments	0.00%	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	
TOTAL OPERATING EXPENSES		1,059,284	1,078,613	1,108,295	1,138,969	1,170,668	1,203,427	1,237,283	1,272,272	1,308,432	1,346,803	1,384,427	1,424,345	1,465,602	1,508,243	
NET OPERATING INCOME (NOI)		1,658,633	1,706,911	1,746,527	1,786,883	1,827,989	1,869,855	1,912,491	1,955,905	2,000,109	2,045,110	2,090,919	2,137,543	2,184,992	2,233,276	
DEBT SERVICE PAYMENTS		Lien #														
Conduit First Lien Loan- Citibank	1	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	1,425,924	
CASH FLOW AFTER DEBT SERVICE		232,710	280,988	320,603	360,959	402,065	443,931	486,567	529,982	574,185	619,187	664,995	711,619	759,069	807,352	
DEBT SERVICE COVERAGE RATIO		1.16	1.20	1.22	1.25	1.28	1.31	1.34	1.37	1.40	1.43	1.47	1.50	1.53	1.57	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
LESS: Asset Management Fee	3%	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878	27,685	28,515	29,371	
LESS: Partnership Management Fee	3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net CF available for distribution		212,710	260,388	299,385	339,104	379,555	420,746	462,686	505,384	548,850	593,091	638,117	683,935	730,554	777,981	
Developer Distribution of Net Cash Flow		50%	106,355	130,194	149,693	169,552	189,777	210,373	231,343	252,692	274,425	296,546	319,058	341,967	365,277	
Deferred developer fee repayment		2,672,330	2,672,330	2,565,975	2,435,781	2,286,089	2,116,536	1,926,759	1,716,386	1,485,043	1,232,351	957,926	661,380	342,322	-	
		106,355	130,194	149,693	169,552	189,777	210,373	231,343	252,692	274,425	296,546	319,058	341,967	-	-	
		2,565,975	2,435,781	2,286,089	2,116,536	1,926,759	1,716,386	1,485,043	1,232,351	957,926	661,380	342,322	355	-	-	
Payments for Residual Receipt Payments		50%														
RESIDUAL RECEIPTS LOANS		Payment %														
MIP	100.00%	106,355	130,194	149,693	169,552	189,777	210,373	231,343	252,692	274,425	296,546	319,058	341,967	365,277	388,991	
Total Residual Receipts Payments		100.00%	106,355	130,194	149,693	169,552	189,777	210,373	231,343	252,692	274,425	296,546	319,058	341,967	365,277	
Balances for Residual Receipt Payments																
RESIDUAL RECEIPTS LOANS		Interest Rate														
MIP---Simple	3.00%	6,000,000	6,073,645	6,123,451	6,153,759	6,164,206	6,154,429	6,124,056	6,072,713	6,000,021	5,905,596	5,786,218	5,640,746	5,468,001	5,266,765	
Total Residual Receipts Payments			6,000,000	6,073,645	6,123,451	6,153,759	6,164,206	6,154,429	6,124,056	6,072,713	6,000,021	5,905,596	5,786,218	5,640,746	5,468,001	
Date Prepared:		09/27/19														
												Senior Staff Date:		10/7/19		

PROJECTED PERMANENT LOAN CASH FLOWS		Arena Senior Apartments			
Final Commitment		Project Number 19-014-A/X			
	YEAR	15	16	17	18
RENTAL INCOME	CPI				
Restricted Unit Rents	2.50%	4,022,190	4,122,745	4,225,814	4,331,459
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%	14,352	14,352	14,352	14,352
Parking & Storage Income	2.50%	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		4,036,542	4,137,097	4,240,166	4,345,811
VACANCY ASSUMPTIONS	Vacancy				
Restricted Unit Rents	5.00%	201,110	206,137	211,291	216,573
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%	718	718	718	718
Parking & Storage Income	50.00%	-	-	-	-
Miscellaneous Income	5.00%	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		201,827	206,866	212,008	217,291
EFFECTIVE GROSS INCOME (EGI)		3,834,715	3,930,242	4,028,158	4,128,521
OPERATING EXPENSES	CPI/Fee				
Administrative Expenses	3.50%	348,473	360,669	373,293	386,358
Management Fee	4.81%	184,450	189,045	193,754	198,582
Utilities	3.50%	204,746	211,912	219,329	227,006
Operating & Maintenance	3.50%	427,214	442,166	457,642	473,660
Ground Lease Payments	3.50%	-	-	-	-
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500
Mixed Income Loan Fee	0.00%	85,188	84,319	83,416	82,477
Other Agency Monitoring Fee	0.00%	-	-	-	-
Real Estate Taxes	2.00%	47,105	48,047	49,008	49,989
Other Taxes & Insurance	3.50%	187,639	194,206	201,004	208,039
Required Reserve Payments	0.00%	60,000	60,000	60,000	60,000
TOTAL OPERATING EXPENSES		1,552,314	1,597,866	1,644,947	1,693,609
NET OPERATING INCOME (NOI)		2,282,401	2,332,377	2,383,211	2,434,911
DEBT SERVICE PAYMENTS	Lien #				
Conduit First Lien Loan- Citibank	1	1,425,924	1,425,924	1,425,924	1,425,924
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,425,924	1,425,924	1,425,924	1,425,924
CASH FLOW AFTER DEBT SERVICE		856,477	906,453	957,287	1,008,988
DEBT SERVICE COVERAGE RATIO		1.60	1.64	1.67	1.71

		15	16	17	18
LESS: Asset Management Fee	3%	30,252	31,159	32,094	33,057
LESS: Partnership Management Fee	3%	-	-	-	-
Net CF available for distribution		826,226	875,294	925,193	975,931
Developer Distribution of Net Cash Flow	50%	413,113	437,647	462,597	487,965

Deferred developer fee repayment	2,672,330	-	-	-	-
		-	-	-	-
		-	-	-	-

Payments for Residual Receipt Payments	50%				
RESIDUAL RECEIPTS LOANS	Payment %				
MIP	100.00%	413,113	437,647	462,597	487,965
Total Residual Receipts Payments	100.00%	413,113	437,647	462,597	487,965

Balances for Residual Receipt Payments

RESIDUAL RECEIPTS LOANS	Interest Rate				
MIP--Simple	3.00%	5,035,777	4,773,738	4,479,303	4,151,085
Total Residual Receipts Payments		5,035,777	4,773,738	4,479,303	4,151,085
Date Prepared: 09/27/19		Senior Staff Date: 10/7/19			

California Housing Finance Agency (“CalHFA”)

February 2, 2020

Staff Report for Discussion

Tax-Exempt & Taxable Conduit Issuance and Mixed Income Program Loan (“MIP”)

CalHFA Project Number: 19-019-A/X

Purpose: Staff is providing Glen Loma Ranch’s staff report that was approved by Senior Loan Committee (Executive Director) on January 16, 2020 under resolution 19-02 for discussion.

Borrower: Gilroy Glen Loma Pacific Associates, a California Limited Partnership

Loan Amount(s):

CalHFA Conduit Issuance Amounts (TE/taxable): \$33,000,000 T/E, \$27,000,000 Taxable, and \$15,000,000 T/E (B series)

Perm Loan Amount (& Lender): \$33,000,000 - Citibank

Perm Loan Term: 40 year amortized, due in 30

CalHFA MIP Loan Amount: \$7,850,000 (\$50,321/unit)

Project Information:

Name: Glen Loma Ranch

Address: N.W. Corner of W. Luchessa Ave & Miller Ave., Gilroy, 95020

City, County, Zip Code: Gilroy, Santa Clara County, 9020

Project Description, # of Units, Types and Restrictions: The Project is a mixed-income family and senior project consists of 158 total units, which comprise of 1, 2 and 3-bedroom units that will be restricted between 50% to 80% of AMI. There will be 77 senior units (1 and 2-bedrooms), 79 family units (2 and 3 bedrooms), and two non-restricted manager’s units. The project offers a community building with fitness and computer rooms, offices and meeting space, a laundry building, picnic and play areas, a half-basketball court, fenced dog park and a bocce ball court

Development Team:

Pacific West Communities (“PWC”) is a real estate development company specializing in design, development and construction of affordable housing in the western United States. The company has developed 169 affordable multifamily projects since its

inception in 1998. PWC completes about 10 projects a year and there are currently 16 projects under construction. Caleb Roope is President and CEO of PWC and has considerable experience with financing structures which include tax credits, bonds, HOME, MHP, CDBG and other state, local and federal sources.

Property Management Company: Aperto Property Management Inc. (“APM”) will be the property manager for this Project. APM has a broad experience managing market rate and affordable tax credit projects. APM manages 63 tax credit projects in California totaling over 6,100 units, five of which are in the CalHFA portfolio and are operating well. APM’s services include marketing, leasing, property maintenance/preservation, accounting/financial reporting, resident services, and affordable housing compliance.

General Contractor: Pacific West Builders (“PWB”), formed in 2003, is the construction arm of PWC and will be the general for this project as well. PWB has built 70% of the projects developed by PWC and currently has 11 projects in construction. PWB specializes in energy-efficient multifamily, single-family and modular construction.

Architect: Pacific West Architecture (“PWA”) is the architect for this project. PWA is an affiliate of the Developer and has designed over 80 multifamily projects. PWA is licensed in 18 states in western United States. PWA has built residential projects including workforce, senior, assisted living housing projects, as well as commercial and retail developments. PWA’s services include entitlements, master use planning, design development, construction documentation and contract administration.

Affordability Restrictions & Term: This Project provides 158 units of much needed rental housing that will remain affordable at rents ranging from 50% AMI to 120% of AMI for 55 years. The MIP funds will restrict 10% of the units (16 units) to 50% of AMI or less, 10% of units (16 units) to 80% of AMI or less, 10% of the units between 81% to 120% of AMI, and the remaining 108 units to 120% AMI or less for 55 years.

Affordability Restriction Summary Table

Regulating Agency	50% AMI	60% AMI	80% AMI	81%-120% AMI	<= 120%	Mgrs. Unit	Total Units Regulated	% of Regulated Units
CalHFA Bond Reg. Agrmt.	16	47				2	63	39.9%
CalHFA MIP Reg Agrmt.	16		16	16	108	2	156	98.7%
City of Gilroy	76	42	38			2	156	70.9%
Tax Credits	76	42	38			2	156	88.6%

Rent Limit Summary Table							
Restrictions @ AMI	Total	Studio	1-bd	2-bd	3-bd	4-bd	% of Total
30%	0	-	-	-	-	-	0.0%
40%	0	-			-	-	0.0%
50%	76	-	22	30	24	-	48.1%
60%	42	-	11	17	14	-	26.6%
70%	0	-	-	-	-	-	0.0%
80%	38	-	28	8	2	-	24.1
81%-120%	0	-			-	-	0.0%
120% or below	0	-	-	-	-	-	0.0%
Manager's Unit	2	-		2	-	-	1.3%
Total	158	0	61	57	40	0	100.0%

Note: The affordability averages 60% of AMI.

Staff Comments & Project Status: MIP Program Documents require that projects “be prepared to submit CLDAC and TCAC by no later than December 2019 CDLAC allocation meeting”. MIP Program Documents also limit the maximum amount of MIP subordinate financing to \$5 million (subject to exception that could increase the financing to no more than an additional \$1 million). Project was preliminarily approved by Agency for MIP financing with an anticipation to access the new State Tax Credits subsequently approved pursuant to Assembly Bill 101, which was signed by Governor Gavin Newsom in July 2019. CDLAC subsequently announced bond allocation for the remainder of 2019 would be allocated on a first come first serve basis and that the allocation in 2020 would be competitive. TCAC decided they would not allocate the new State Tax Credits until 2020 resulting in the projects receiving 2019 CDLAC allocation being ineligible for the new State Tax Credits. The inability to access the new State Tax Credits results in significant financing gaps for projects. For this Project, staff recommended and Board approved under resolution 19-19 that the maximum amount of MIP subordinate financing per project is lifted such that all MIP eligible units may receive MIP subsidy, respectively as the Agency determines to be necessary to offset the loss of State Tax Credits.

Underwriting standard/term sheet variation for MIP subordinate loan:

- The MIP loan per unit is \$49,683 which exceeds the term sheet maximum of \$40,000 for a project with affordability levels between 30% to 120% AMI. This is an exception to Policy and is recommended by Multi-Family Underwriting and Credit Staff based on the following: approval facilitates the progression of a shovel ready project without delay; the project has received a CDLAC Bond Allocation in December 2019; the higher amount of MIP/unit allows the Developer to eliminate their state tax credit request and financing gap.
- The MIP term sheet requires repayment of the MIP loan to be 50% of net cash flow and of that 50%, subordinate lenders share on a pro-rata basis. It also allows for deferment of repayment for up to 15 years. Therefore, request is made to defer payments to the MIP loan until the developer fee is paid off, estimated to be in year 12 after which time the MIP loan will be repaid by 12.5% of net cash flow.

Attachments:

Project Financing Summary

Project Sources & Uses of Funds

Project Cashflow

PROJECT SUMMARY		Final Commitment	
Acquisition, Rehab, Construction & Permanent Loans		Project Number 19-019-A/X	
Project Full Name	Glen Loma Ranch	Borrower Name:	Gilroy Glen Loma Pacific Associates
Project Address	N.W. Corner of W. Luchessa Ave & Miller	Managing GP:	Caleb Roope
Project City	Gilroy	Developer Name:	Pacific West Communities, Inc.
Project County	Santa Clara	Investor Name:	Boston Capital
Project Zip Code	95020	Prop Management:	Aperto Property Management, Inc.
		Tax Credits:	4
Project Type:	Mixed Income Loan Only (Conduit Perm Loan)	Total Land Area (acres):	9.58
Tenancy/Occupancy:	Fam/Sen	Residential Square Footage:	122,029
Total Residential Units:	158	Residential Units Per Acre:	16.49
Total Number of Buildings:	12		
Number of Stories:	1 to 3	Covered Parking Spaces:	158
Unit Style:	Flat	Total Parking Spaces:	272
Elevators:	1		
Acq/Construction/Rehab Financing	Loan Amount (\$)	Loan Fees	Loan Term (Mo.)
	Amort. Period (Yr.)	Starting Interest Rate	
Citibank, N.A.	60,000,000	1.000%	24
Bonneville "B Bonds"	15,000,000	0.550%	24
--	--	--	--
Investor Equity Contribution	1,425,973	--	--
Permanent Financing	Loan Amount (\$)	Loan Fees	Loan Term (Yr.)
	Amort. Period (Yr.)	Starting Interest Rate	
MIP	7,850,000	1.000%	55
Conduit First Lien Loan-Citibank	33,000,000	--	30
Bonneville "B Bonds"	15,000,000	--	45
--	--	--	45
Deferred Developer Fees	5,940,000	NA	NA
--	--	NA	NA
Investor Equity Contributions	25,182,721	NA	NA
Appraised Values Upon Completion of Rehab/Construction			
Appraisal Date:	TBD	Capitalization Rate:	TBD
Investment Value (\$)	TBD	Restricted Value (\$)	TBD
Construct/Rehab LTC	TBD	CalHFA Permanent Loan to Cost	TBD
Construct/Rehab LTV	TBD	CalHFA 1st Permanent Loan to Value	TBD
		Combined CalHFA Perm Loan to Value	TBD
Additional Loan Terms, Conditions & Comments			
Construction/Rehab Loan			
Payment/Performance Bond	0		
Completion Guarantee Letter of Credit	0.00%		
Permanent Loan			
Operating Expense Reserve Deposit	\$0	Cash	
Initial Replacement Reserve Deposit	\$0	Cash	
Annual Replacement Reserve Per Unit	\$250	Cash	
Date Prepared:	12/10/19	Senior Staff Date:	1/22/20

SOURCES & USES OF FUNDS			Final Commitment		
Glen Loma Ranch			Project Number 19-019-A/X		
SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
Citibank, N.A.	60,000,000				0.0%
Bonneville "B Bonds"	15,000,000				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	-				0.0%
Developer Equity Contribution	-				0.0%
Investor Equity Contribution	1,425,973				0.0%
MIP		7,850,000	7,850,000	49,684	9.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
Conduit First Lien Loan-Citibank		33,000,000	33,000,000	208,861	37.9%
Bonneville "B Bonds"		15,000,000	15,000,000	94,937	17.2%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
Construct/Rehab Net Oper. Inc.		-	-	-	0.0%
Deferred Developer Fees		5,940,000	5,940,000	37,595	6.8%
Developer Equity Contribution		-	-	-	0.0%
Investor Equity Contributions		25,182,721	25,182,721	159,384	29.0%
TOTAL SOURCES OF FUNDS	76,425,973	86,972,721	86,972,721	550,460	64.2%
TOTAL USES OF FUNDS (BELOW)	76,425,973	86,972,721	86,972,721	550,460	100.0%
FUNDING SURPLUS (DEFICIT)	-	-	-		

USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		76,425,973			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	-	-	-	-	0.0%
Demolition Costs	-	-	-	-	0.0%
Legal & Other Closing Costs	-	-	-	-	0.0%
Escrow & other closing costs	-	-	-	-	0.0%
Verifiable Carrying Costs	-	-	-	-	0.0%
Existing Improvements Value	-	-	-	-	0.0%
Delinquent Taxes Paid @ Closing	-	-	-	-	0.0%
CalHFA Yield Maintenance Paid @ Closing	-	-	-	-	0.0%
Existing Replacement Reserve	-	-	-	-	0.0%
Broker Fees Paid to Related Party	-	-	-	-	0.0%
Other (Off-site improvements)	5,310,000	-	5,310,000	33,608	6.1%
Other (Specify)	-	-	-	-	0.0%
TOTAL ACQUISITION COSTS	5,310,000	-	5,310,000	33,608	6.1%
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	-	-	-	-	0.0%
Environmental Remediation (Hard Costs)	-	-	-	-	0.0%
Site Work (Hard Cost)	5,056,000	-	5,056,000	32,000	5.8%
Structures (Hard Cost)	39,382,510	-	39,382,510	249,256	45.3%
General Requirements	2,984,911	-	2,984,911	18,892	3.4%
Contractor Overhead	1,054,666	-	1,054,666	6,675	1.2%
Contractor Profit	3,164,005	-	3,164,005	20,025	3.6%
Contractor Bond	-	-	-	-	0.0%
Contractor Liability Insurance	-	-	-	-	0.0%
Personal Property	-	-	-	-	0.0%
HVAC/Resident Damage	-	-	-	-	0.0%
TOTAL CONSTRUCT/REHAB COSTS	51,642,092	-	51,642,092	326,849	59.4%

SOURCES & USES OF FUNDS			Final Commitment		
Glen Loma Ranch			Project Number 19-019-A/X		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>RELOCATION COSTS</u>					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	-	-	-	-	0.0%
<u>ARCHITECTURAL FEES</u>					
Design	400,000	-	400,000	2,532	0.5%
Supervision	100,000	-	100,000	633	0.1%
TOTAL ARCHITECTURAL FEES	500,000	-	500,000	3,165	0.6%
<u>SURVEY & ENGINEERING FEES</u>					
Engineering	250,000	-	250,000	1,582	0.3%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	-	-	-	-	0.0%
TOTAL SURVEY & ENGINEERING FEES	250,000	-	250,000	1,582	0.3%
<u>CONTINGENCY RESERVES</u>					
Hard Cost Contingency Reserve	2,850,000	-	2,850,000	18,038	3.3%
Soft Cost Contingency Reserve	800,000	-	800,000	5,063	0.9%
TOTAL CONTINGENCY RESERVES	3,650,000	-	3,650,000	23,101	4.2%
<u>CONSTRUCT/REHAB PERIOD COSTS</u>					
Loan Interest Reserve					
Citibank, N.A.	2,550,000	1,000,000	3,550,000	22,468	4.1%
Bonneville "B Bonds"	2,400,000	-	2,400,000	15,190	2.8%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees					
Citibank, N.A.	600,000	-	600,000	3,797	0.7%
Bonneville "B Bonds"	82,500	-	82,500	522	0.1%
-	-	-	-	-	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	150,000	-	150,000	949	0.2%
Owner Paid Bonds/Insurance	-	-	-	-	0.0%
CalHFA Inspection Fees	-	-	-	-	0.0%
Real Estate Taxes During Rehab	80,000	-	80,000	506	0.1%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Preva	-	-	-	-	0.0%
Insurance During Rehab	897,000	-	897,000	5,677	1.0%
Title & Recording Fees	80,000	-	80,000	506	0.1%
Construction Management & Testing	-	-	-	-	0.0%
Predevelopment Interest Expense	-	-	-	-	0.0%
Bond Issuer Fee	95,000	-	95,000	601	0.1%
Construction Lender Costs (Legal, etc), Bo	100,000	-	100,000	633	0.1%
TOTAL CONST/REHAB PERIOD COSTS	7,034,500	1,000,000	8,034,500	50,851	9.2%

SOURCES & USES OF FUNDS			Final Commitment		
Glen Loma Ranch			Project Number 19-019-A/X		
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	63	0.0%
MIP	39,250	39,250	78,500	497	0.1%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Conduit First Lien Loan-Citibank	-	-	-	-	0.0%
Bonneville "B Bonds"	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	88,140	88,140	558	0.1%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Title & Recording (closing costs)	-	30,000	30,000	190	0.0%
Year 1 - Taxes & Special Assessments and Insurance	-	-	-	-	0.0%
CalHFA Fees	-	11,860	11,860	75	0.0%
Tax Exempt Bond Allocation Fee	85,000	-	85,000	538	0.1%
Other (Bond Counsel, Financial Advisor, Etc.)	130,252	-	130,252	824	0.1%
TOTAL PERMANENT LOAN COSTS	264,502	169,250	433,752	2,745	0.5%
<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	-	15,000	15,000	95	0.0%
Other Permanent Loan Legal Fees	-	-	-	-	0.0%
Sponsor Legal Fees	-	-	-	-	0.0%
Organizational Legal Fees	-	-	-	-	0.0%
Syndication Legal Fees	30,000	-	30,000	190	0.0%
Borrower Legal Fee	100,000	-	100,000	633	0.1%
CalHFA Bond Counsel	50,000	-	50,000	316	0.1%
TOTAL LEGAL FEES	180,000	15,000	195,000	1,234	0.2%
<u>OPERATING RESERVES</u>					
Operating Expense Reserve Deposit	-	-	-	-	0.0%
Initial Replacement Reserve Deposit	-	-	-	-	0.0%
Transition Operating Reserve Deposit	-	-	-	-	0.0%
Rent-Up Reserve Deposit	-	-	-	-	0.0%
HOME Program Replacement Reserve	-	-	-	-	0.0%
Investor Required Reserve -Post Construction Interest	-	696,748	696,748	4,410	0.8%
Other (Specify)	-	-	-	-	0.0%
TOTAL OPERATING RESERVES	-	696,748	696,748	4,410	0.8%
<u>REPORTS & STUDIES</u>					
Appraisal Fee	10,000	-	10,000	63	0.0%
Market Study Fee	10,000	-	10,000	63	0.0%
Physical Needs Assessment Fee	-	-	-	-	0.0%
Environmental Site Assessment Reports	7,500	-	7,500	47	0.0%
HUD Risk Share Environmental / NEPA Review Fee	-	-	-	-	0.0%
CalHFA Earthquake Waiver Review Fee	-	-	-	-	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	27,500	-	27,500	174	0.0%

SOURCES & USES OF FUNDS			Final Commitment		
Glen Loma Ranch			Project Number 19-019-A/X		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
OTHER COSTS					
TCAC Application, Allocation & Monitor Fees	93,335	-	93,335	591	0.1%
CDLAC Fees	26,250	-	26,250	166	0.0%
Local Permits & Fees	560,000	-	560,000	3,544	0.6%
Local Impact Fees	6,292,439	-	6,292,439	39,826	7.2%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	80,000	-	80,000	506	0.1%
Accounting & Audits	10,000	-	10,000	63	0.0%
Advertising & Marketing Expenses	171,105	-	171,105	1,083	0.2%
Financial Consulting	-	-	-	-	0.0%
Miscellaneous Administrative Fees	-	-	-	-	0.0%
HUD Risk Share Insurance (First Year Prepaid)	-	-	-	-	0.0%
Other (Specify): Special Counsel & Servicing Cost	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL OTHER COSTS	7,233,129	-	7,233,129	45,779	8.3%
SUBTOTAL PROJECT COSTS	76,091,723	78,306,971	77,972,721	493,498	89.7%
DEVELOPER FEES & COSTS					
Developer Fees, Overhead & Profit	334,250	8,665,750	9,000,000	56,962	10.3%
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	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	334,250	8,665,750	9,000,000	56,962	10.3%
TOTAL PROJECT COSTS	76,425,973	86,972,721	86,972,721	550,460	100.0%

PROJECTED PERMANENT LOAN CASH FLOWS																	
Glen Loma Ranch																	
Final Commitment	Project Number 19-019-A/X																
YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
RENTAL INCOME	CPI																
Restricted Unit Rents	2.50%	3,336,609	3,420,024	3,505,525	3,593,163	3,682,992	3,775,066	3,869,443	3,966,179	4,065,334	4,166,967	4,271,141	4,377,920	4,487,368	4,599,552	4,714,541	4,832,404
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%	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		3,352,383	3,435,799	3,521,299	3,608,937	3,698,766	3,790,841	3,885,218	3,981,954	4,081,108	4,182,742	4,286,916	4,393,694	4,503,142	4,615,327	4,730,315	4,848,179
VACANCY ASSUMPTIONS	Vacancy																
Restricted Unit Rents	5.00%	166,830	171,001	175,276	179,658	184,150	188,753	193,472	198,309	203,267	208,348	213,557	218,896	224,368	229,978	235,727	241,620
Unrestricted Unit Rents	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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%	789	789	789	789	789	789	789	789	789	789	789	789	789	789	789	789
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		167,619	171,790	176,065	180,447	184,938	189,542	194,261	199,098	204,055	209,137	214,346	219,685	225,157	230,766	236,516	242,409
EFFECTIVE GROSS INCOME (EGI)		3,184,764	3,264,009	3,345,234	3,428,490	3,513,828	3,601,299	3,690,957	3,782,856	3,877,053	3,973,605	4,072,570	4,174,010	4,277,985	4,384,560	4,493,800	4,605,770
OPERATING EXPENSES	CPI / Fee																
Administrative Expenses	3.50%	145,759	150,861	156,141	161,606	167,262	173,116	179,175	185,446	191,937	198,655	205,608	212,804	220,252	227,961	235,939	244,197
Management Fee	3.98%	133,718	129,908	133,140	136,454	139,850	143,332	146,900	150,558	154,307	158,149	162,088	166,126	170,264	174,506	178,853	183,310
Utilities	3.50%	178,848	185,108	191,586	198,292	205,232	212,415	219,850	227,545	235,509	243,751	252,283	261,113	270,252	279,710	289,500	299,633
Operating & Maintenance	3.50%	416,795	431,382	446,481	462,108	478,281	495,021	512,347	530,279	548,839	568,048	587,930	608,507	629,805	651,848	674,663	698,276
Ground Lease Payments	0.00%	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
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
Mixed Income Loan Fee	0.00%	115,246	114,678	114,086	113,468	112,825	112,154	111,455	110,727	109,967	109,176	108,351	107,491	106,594	105,660	104,686	103,671
Other Agency Monitoring Fee	0.00%	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Real Estate Taxes	1.25%	42,424	42,954	43,491	44,035	44,585	45,142	45,707	46,278	46,856	47,442	48,035	48,636	49,244	49,859	50,482	51,113
Other Taxes & Insurance	3.50%	72,233	74,761	77,377	80,086	82,889	85,790	88,792	91,900	95,117	98,446	101,891	105,457	109,148	112,969	116,923	121,015
Assisted Living/Board & Care	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Required Reserve Payments	1.00%	39,500	39,895	40,294	40,697	41,104	41,515	41,930	42,349	42,773	43,201	43,633	44,069	44,510	44,955	45,404	45,858
TOTAL OPERATING EXPENSES		1,160,022	1,185,046	1,218,096	1,252,245	1,287,528	1,323,985	1,361,656	1,400,582	1,440,804	1,482,368	1,525,318	1,569,702	1,615,568	1,662,968	1,711,951	1,762,574
NET OPERATING INCOME (NOI)		2,024,742	2,078,963	2,127,138	2,176,246	2,226,300	2,277,314	2,329,301	2,382,275	2,436,249	2,491,237	2,547,252	2,604,308	2,662,417	2,721,593	2,781,848	2,843,196
DEBT SERVICE PAYMENTS	Lien #																
MIP	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conduit First Lien Loan-Citibank	1	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170
Bonneville "B Bonds"	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170
CASH FLOW AFTER DEBT SERVICE		332,572	386,792	434,968	484,076	534,130	585,143	637,131	690,104	744,079	799,067	855,082	912,137	970,247	1,029,423	1,089,678	1,151,026
DEBT SERVICE COVERAGE RATIO		1.20	1.23	1.26	1.29	1.32	1.35	1.38	1.41	1.44	1.47	1.51	1.54	1.57	1.61	1.64	1.68
Date Prepared:	12/10/19																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
LESS: Asset Management Fee	3%	20,800	21,424	22,067	22,729	23,411	24,113	24,836	25,581	26,349	27,139	27,953	28,792	29,656	30,546	31,462	32,406
LESS: Ground Lease Payment	3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
net CF available for distribution		311,772	365,368	412,901	461,347	510,719	561,031	612,294	664,523	717,730	771,927	827,128	883,345	940,591	998,877	1,058,216	1,118,620
		90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	12.50%	12.50%	12.50%	12.50%	12.50%
Residual Receipts to Developer		280,595	337,966	381,933	426,746	472,415	518,953	566,372	614,684	663,900	714,033	765,094	803,650	820,451	834,112	848,019	862,177
Deferred developer fee repayment	5,940,000	5,940,000	5,659,405	5,321,439	4,939,506	4,512,760	4,040,345	3,521,392	2,955,020	2,340,336	1,676,436	962,403	197,309	-	-	-	-
		280,595	337,966	381,933	426,746	472,415	518,953	566,372	614,684	663,900	714,033	765,094	197,309	-	-	-	-
		5,659,405	5,321,439	4,939,506	4,512,760	4,040,345	3,521,392	2,955,020	2,340,336	1,676,436	962,403	197,309	-	-	-	-	-
Payments for Residual Receipt Payments		10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	88%	88%	88%	87.5%	88%
RESIDUAL RECEIPTS LOANS	Payment %	31,177	36,537	41,290	46,135	51,072	56,103	61,229	66,452	71,773	77,193	82,713	88,345	94,059	99,877	105,742	111,620
MIP	12.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conduit First Lien Loan-Citibank	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville "B Bonds"	75.0%	31,177	27,403	30,968	34,601	38,304	42,077	45,922	49,839	53,830	57,895	62,035	67,263	72,600	78,140	83,900	89,770
Total Residual Receipts Payments	87.50%	31,177	27,403	30,968	34,601	38,304	42,077	45,922	49,839	53,830	57,895	62,035	67,263	72,600	78,140	83,900	89,7

PROJECTED PERMANENT LOAN CASH FLOWS														Glen Loma Ranch	
Final Commitment		Project Number			19-019-A/X						Project Number			19-019-A/X	
	YEAR	18	19	20	21	22	23	24	25	26	27	28	29	30	
RENTAL INCOME		CPI													
Restricted Unit Rents	2.50%	5,077,045	5,203,971	5,334,070	5,467,422	5,604,107	5,744,210	5,887,815	6,035,011	6,185,886	6,340,533	6,499,046	6,661,523	6,828,061	
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%	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	15,775	
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	
GROSS POTENTIAL INCOME (GPI)		5,092,819	5,219,746	5,349,845	5,483,197	5,619,882	5,759,985	5,903,590	6,050,785	6,201,661	6,356,308	6,514,821	6,677,297	6,843,835	
VACANCY ASSUMPTIONS		Vacancy													
Restricted Unit Rents	5.00%	253,852	260,199	266,704	273,371	280,205	287,211	294,391	301,751	309,294	317,027	324,952	333,076	341,403	
Unrestricted Unit Rents	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	
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%	789	789	789	789	789	789	789	789	789	789	789	789	789	
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL PROJECTED VACANCY LOSS		254,641	260,987	267,492	274,160	280,994	287,999	295,180	302,539	310,083	317,815	325,741	333,865	342,192	
EFFECTIVE GROSS INCOME (EGI)		4,838,178	4,958,758	5,082,353	5,209,037	5,338,888	5,471,986	5,608,411	5,748,246	5,891,578	6,038,492	6,189,080	6,343,433	6,501,644	
OPERATING EXPENSES		CPI/ Fee													
Administrative Expenses	3.50%	261,590	270,746	280,222	290,030	300,181	310,687	321,561	332,816	344,464	356,521	368,999	381,914	395,281	
Management Fee	3.98%	192,560	197,359	202,278	207,320	212,488	217,785	223,215	228,780	234,485	240,332	246,325	252,469	258,765	
Utilities	3.50%	320,974	332,208	343,836	355,870	368,325	381,217	394,559	408,369	422,662	437,455	452,766	468,613	485,014	
Operating & Maintenance	3.50%	748,011	774,191	801,288	829,333	858,360	888,402	919,496	951,679	984,988	1,019,462	1,055,143	1,092,073	1,130,296	
Ground Lease Payments	0.00%	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
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	
Mixed Income Loan Fee	0.00%	101,511	100,362	99,164	97,915	96,614	95,258	93,844	92,370	90,834	89,233	87,565	85,826	84,013	
Other Agency Monitoring Fee	0.00%	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
Real Estate Taxes	1.25%	52,399	53,054	53,717	54,389	55,069	55,757	56,454	57,160	57,874	58,598	59,330	60,072	60,823	
Other Taxes & Insurance	3.50%	129,634	134,171	138,867	143,728	148,758	153,965	159,353	164,931	170,703	176,678	182,862	189,262	195,886	
Assisted Living/Board & Care	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	
Required Reserve Payments	1.00%	46,780	47,248	47,720	48,198	48,679	49,166	49,658	50,155	50,656	51,163	51,674	52,191	52,713	
TOTAL OPERATING EXPENSES		1,868,959	1,924,839	1,982,592	2,042,282	2,103,974	2,167,737	2,233,641	2,301,759	2,372,166	2,444,941	2,520,164	2,597,919	2,678,291	
NET OPERATING INCOME (NOI)		2,969,219	3,033,919	3,099,761	3,166,755	3,234,914	3,304,249	3,374,770	3,446,487	3,519,411	3,593,551	3,668,916	3,745,514	3,823,353	
DEBT SERVICE PAYMENTS		Lien #													
MIP	2	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Conduit First Lien Loan-Citibank	1	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	
Bonneville "B Bonds"	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	1,692,170	
CASH FLOW AFTER DEBT SERVICE		1,277,049	1,341,749	1,407,590	1,474,585	1,542,744	1,612,079	1,682,600	1,754,317	1,827,241	1,901,381	1,976,746	2,053,344	2,131,183	
DEBT SERVICE COVERAGE RATIO		1.75	1.79	1.83	1.87	1.91	1.95	1.99	2.04	2.08	2.12	2.17	2.21	2.26	
Date Prepared: 12/10/19		Senior Staff Date: 1/22/20			Senior Staff Date: 1/22/20			Senior Staff Date: 1/22/20			Senior Staff Date: 1/22/20				
		18	19	20	21	22	23	24	25	26	27	28	29	30	
LESS: Asset Management Fee	3%	34,379	35,411	36,473	37,567	38,694	39,855	41,051	42,282	43,551	44,857	46,203	47,589	49,017	
LESS: Ground Lease Payment	3%	-	-	-	-	-	-	-	-	-	-	-	-	-	
net CF available for distribution		1,242,670	1,306,338	1,371,117	1,437,018	1,504,050	1,572,224	1,641,549	1,712,035	1,783,691	1,856,524	1,930,543	2,005,755	2,082,166	
		12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	
Residual Receipts to Developer		291,251	306,173	321,356	336,801	352,512	368,490	384,738	401,258	418,052	435,123	452,471	470,099	488,008	
Deferred developer fee repayment	5,940,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	-	-	-	-	-	
Payments for Residual Receipt Payments		88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	
RESIDUAL RECEIPTS LOANS		Payment %	1,087,336	1,143,046	1,199,728	1,257,391	1,316,044	1,375,696	1,436,355	1,498,031	1,560,729	1,624,458	1,689,225	1,755,035	
MIP	12.50%	135,917	142,881	149,966	157,174	164,505	171,962	179,544	187,254	195,091	203,057	211,153	219,379	227,737	
Conduit First Lien Loan-Citibank	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
Bonneville "B Bonds"	75.0%	815,502	857,285	899,796	943,043	987,033	1,031,772	1,077,267	1,123,523	1,170,547	1,218,344	1,266,919	1,316,277	1,366,422	
Total Residual Receipts Payments	87.50%	951,419	1,000,165	1,049,762	1,100,217	1,151,538	1,203,734	1,256,811	1,310,777	1,365,638	1,421,401	1,478,072	1,535,656	1,594,159	
														76.56%	
Balances for Residual Receipt Payments															
RESIDUAL RECEIPTS LOANS		Interest Rate													
MIP---Simple	3.00%	11,274,206	11,373,789	11,466,408	11,551,942	11,630,268	11,701,263	11,764,801	11,820,756	11,869,002	11,909,411	11,941,854	11,966,201	11,982,321	
Conduit First Lien Loan-Citibank---Simple	4.15%	-	-	-	-	-	-	-	-	-	-	-	-	-	
Bonneville "B Bonds"---Simple	5.00%	29,031,835	29,667,924	30,294,036	30,908,942	31,511,346	32,099,881	32,673,103	33,229,491	33,767,443	34,285,268	34,781,188	35,253,328	35,699,718	
Total Residual Receipts Payments---		40,306,040	41,041,713	41,760,444	42,460,884	43,141,614	43,801,143	44,437,903	45,050,248	45,636,445	46,194,679	46,723,042	47,219,529	47,682,040	

California Housing Finance Agency (“CalHFA”)

February 2, 2020

Staff Report for Discussion

Tax-Exempt & Taxable Conduit Issuance and Mixed Income Program Loan (“MIP”)

CalHFA Project Number: 19-020-A/X

Purpose: Staff is providing The Village at Burlingame’s staff report that was approved by Senior Loan Committee (Executive Director) on January 16, 2020 under resolution 19-02 and 19-19 for discussion.

Borrower: Burlingame Pacific Associates, a California Limited Partnership

Loan Amount(s):

CalHFA Conduit Issuance Amounts (TE/taxable): \$48,000,000 (A series) T/E, \$24,000,000 Taxable, and \$20,000,000 T/E (B series)

Perm Loan Amount (& Lender): \$32,500,000 - Citibank

Perm Loan Term: 40 year amortized, due in 30

CalHFA MIP Loan Amount: \$9,700,000 (\$74,046/unit)

Project Information:

Name: The Village at Burlingame

Address: 150 Park Road

City, County, Zip Code: Burlingame, San Mateo County, 94010

Project Description, # of Units, Types and Restrictions: The Project is a mixed-income family (77) and seniors (54) project; 132 total units (comprise of studios, 1, and 2-bedroom units) restricted between 50% to 80% of AMI. The Project will be a one 5-story elevator-served building. The project offers community space, fitness room and small park.

Development Team:

Sponsor/Developer: Pacific West Communities (“PWC”) is a real estate development company specializing in design, development and construction of affordable housing in the western United States. The company has developed 169 affordable multifamily projects since its inception in 1998. There are currently 16 projects under construction and PWC completes about 10 projects a year.

Property Management Company: Aperto Property Management Inc. (“APM”) will be the property manager for this Project. APM has a broad experience managing market rate and affordable tax credit projects. APM manages 63 tax credit projects in California totaling over 6,100 units, five of which are in the CalHFA portfolio.

General Contractor: Pacific West Builders (“PWB”), formed in 2003, is the construction arm of PWC and will be the general for this project as well. PWB has built 70% of the projects developed by PWC and currently has 11 projects in construction. PWB specializes in energy-efficient multifamily, single-family and modular construction.

Architect: Pacific West Architecture (“PWA”) is the architect for this project. PWA is an affiliate of the Developer and has designed over 80 multifamily projects. PWA is licensed in 18 states in western United States.

Affordability Restrictions & Term: This Project provides 131 units of much needed rental housing that will remain affordable at rents ranging from 50% AMI to 120% of AMI for 55 years. The MIP funds will restrict 10% of the units (14 units) to 50% of AMI or less, 10% of the units (14 units) to 80% of AMI or less, 10% of the units (14 units) between 81% to 120% of AMI, and the remaining 89 units to 120% AMI or less for 55 years.

Affordability Restriction Summary Table

Regulating Agency	50% AMI	60% AMI	80% AMI	81% to 120% AMI	120% AMI or below**	Mgrs. Unit*	Total Units Regulated	% of Regulated Units
CalHFA Bond Reg. Agmt.	14	40				1	54	40.9%
CalHFA MIP Reg Agrmt.	14		14	14	89	1	131	99.2%
City of Burlingame*	82		35		14	1	131	99.2%
TCAC	82		35			1	117	88.6%

Rent Limit Summary Chart

Bedroom Size						
Restrictions @ AMI	Studio	1-bdrm	2-bdrm	3-bdrm	4-bdrm	Subtotal
30%						0
40%						0
50%**	1	68	13			82
60%**						0
70%						0
80%*	1	24	10			35
81%-120%*	1	10	3			14
120% or below						0
Super's Unit (non-restricted)			1			1
Total	3	102	27	0		132

Note: The affordability averages 61% of AMI.

Staff Comments & Project Status: MIP Program Documents require that projects “be prepared to submit CLDAC and TCAC by no later than December 2019 CDLAC allocation meeting”. MIP Program Documents also limit the maximum amount of MIP subordinate financing to \$5 million (subject to exception that could increase the financing to no more than an additional \$1 million). Project was preliminarily approved by Agency for MIP financing with an anticipation to access the new State Tax Credits subsequently approved pursuant to Assembly Bill 101, which was signed by Governor Gavin Newsom in July 2019. CDLAC announced bond allocation for the remainder of 2019 would be allocated on a first come first serve basis and that the allocation in 2020 would be competitive. TCAC decided they would not allocate the new State Tax Credits until 2020 resulting in the projects receiving 2019 CDLAC allocation being ineligible for the new State Tax Credits. The inability to access the new State Tax Credits results in significant financing gaps for certain projects that contemplated equity generated by the new State Tax Credits. For this Project, staff recommended and Board approved under resolution 19-19 that the maximum amount of MIP subordinate financing per project is lifted such that all MIP eligible units may receive MIP subsidy, respectively as the Agency determines to be necessary to offset the loss of State Tax Credits.

Underwriting standard/term sheet variation for MIP subordinate loan:

- MIP loan amount exceeds program maximum of \$5 million per project and \$40,000 per unit; The waiver of the maximum subordinate loan amount and per unit allocation were recommended by staff because it is necessary to facilitate the progression of a shovel ready project without delay and to eliminate the Project's financing gap. This Project that will create 131 affordable units that will serve a broad income range of families and senior individuals and households in San Mateo County.
- The MIP term sheet requires repayment of the MIP loan to be 50% of net cash flow and of that 50%, subordinate lenders share on a pro-rata basis. It also allows for deferment of repayment for up to 15 years. Therefore, request is made to defer payments to the MIP loan until the developer fee is paid off, estimated to be in year 14 after which time the MIP loan will be repaid by 12.5% of net cash flow.

Weaknesses (High Cost Explanation):

The total development costs are \$872,165 per unit. High costs are contributed by the following unique factors:

- Small site (.68 acres) requiring extensive site work, shoring and environmental remediation costs are estimated to be \$4,000,000.
- The City contributed the land, formerly a public parking lot, and required construction of an adjacent public parking garage to replace the existing parking spaces. The parking structure includes a car storage and retrieval system to enable 3 levels of parking in one space for a total of 137 parking stalls in the subterranean parking area of the structure. The amount of land donation and parking garage is approximately \$14,250,000.
- The permit and impact fees is approximately \$15,542,000.

The adjustment to total development costs of the Project, assuming the above unique factors are not relevant to the Project would be approximately \$616,165 per unit as shown on the chart below:

	Amount	Per Unit Amount
Total Development Cost (TDC):	\$115,125,814	\$872,165
Site work	\$4,000,000	\$30,303
City Land & Parking:	\$14,250,000	\$107,955
Permit & Impact Fees:	\$15,542,000	\$117,742
Adjusted TDC:	\$81,333,814	\$616,165

The Project received a bond allocation from CDLAC in December 2019. The TCAC application was recently submitted on January 17, 2020 and the Project expects to receive 4% federal tax credits award by March 2020 and is scheduled to close on construction financing shortly after.

Attachments:

Project Financing Summary

Project Sources & Uses of Funds

Project Cashflow

PROJECT SUMMARY		Final Commitment				
Acquisition, Rehab, Construction & Permanent Loans		Project Number 19-020-A/X				
Project Full Name	The Villages at Burlingame	Borrower Name:	Burlingame Pacific Associates, a CA LP			
Project Address	150 Park Road	Managing GP:	Central Valley Coalition for Affordable Housing			
Project City	Burlingame	Developer Name:	Pacific West Communities, Inc.			
Project County	San Mateo	Investor Name:	TBD			
Project Zip Code	94010	Prop Management:	Aperto Property Management, Inc.			
		Tax Credits:	4			
Project Type:	Mixed Income Loan Only (Conduit Perm Loan)	Total Land Area (acres):	0.68			
Tenancy/Occupancy:	Fam/Sen	Residential Square Footage:	82,332			
Total Residential Units:	132	Residential Units Per Acre:	194.12			
Total Number of Buildings:	1					
Number of Stories:	5	Covered Parking Spaces:	137			
Unit Style:	Flat	Total Parking Spaces:	144			
Elevators:	2					
Acq/Construction/Rehab Financing		Loan Amount (\$)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
Citibank, N.A.		72,000,000	1.000%	30	--	4.750%
Bonneville "B Bonds"		20,000,000	--	30	--	8.000%
City of Burlingame - Land Loan		10,000,000	--	30	--	3.000%
City of Burlingame - Parking Fund		1,850,000	--	30	--	3.000%
Investor Equity Contribution		745,244	--	--	--	--
Permanent Financing		Loan Amount (\$)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
MIP		9,700,000	1.000%	55	--	3.000%
Citibank, N.A.		32,500,000	1.000%	30	40	4.000%
Bonneville "B Bonds"		20,000,000	--	55	--	5.000%
City of Burlingame - Land Loan		10,000,000	--	55	--	3.000%
City of Burlingame - Parking Fund Loan		1,850,000	--	55		3.000%
Deferred Developer Fees		6,190,000	NA	NA	NA	NA
Investor Equity Contributions		34,885,814	NA	NA	NA	NA
Appraised Values Upon Completion of Rehab/Construction						
Appraisal Date:	--	Capitalization Rate:		--		
Investment Value (\$)	--	Restricted Value (\$)		--		
Construct/Rehab LTC	--	CalHFA Permanent Loan to Cost		--		
Construct/Rehab LTV	--	CalHFA 1st Permanent Loan to Value		--		
		Combined CalHFA Perm Loan to Value		--		
Additional Loan Terms, Conditions & Comments						
<u>Construction/Rehab Loan</u>						
Payment/Performance Bond	0					
Completion Guarantee Letter of Credit	0.00%					
<u>Permanent Loan</u>						
Operating Expense Reserve Deposit	\$0	Cash				
Initial Replacement Reserve Deposit	\$0	Cash				
Annual Replacement Reserve Per Unit	\$250	Cash				
Date Prepared:	12/30/19	Senior Staff Date:				1/22/20

SOURCES & USES OF FUNDS			Final Commitment		
The Villages at Burlingame			Project Number 19-020-A/X		
SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
Citibank, N.A.	72,000,000				0.0%
Bonneville "B Bonds"	20,000,000				0.0%
City of Burlingame - Land Loan	10,000,000				0.0%
City of Burlingame - Parking Fund	1,850,000				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Burlingame Pacific Assoc - Def. Costs	-				0.0%
-	-				0.0%
-	-				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	-				0.0%
Developer Equity Contribution	-				0.0%
Investor Equity Contribution	745,244				0.0%
MIP		9,700,000	9,700,000	73,485	8.4%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
Citibank, N.A.		32,500,000	32,500,000	246,212	28.2%
Bonneville "B Bonds"		20,000,000	20,000,000	151,515	17.4%
City of Burlingame - Land Loan		10,000,000	10,000,000	75,758	8.7%
City of Burlingame - Parking Fund Loan		1,850,000	1,850,000	14,015	1.6%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
Construct/Rehab Net Oper. Inc.		-	-	-	0.0%
Deferred Developer Fees		6,190,000	6,190,000	46,894	5.4%
Developer Equity Contribution		-	-	-	0.0%
Investor Equity Contributions		34,885,814	34,885,814	264,286	30.3%
TOTAL SOURCES OF FUNDS	104,595,244	115,125,814	115,125,814	872,165	64.3%
TOTAL USES OF FUNDS (BELOW)	104,595,244	115,125,814	115,125,814	872,165	100.0%
FUNDING SURPLUS (DEFICIT)	-	-	-		

USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		104,595,244			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	10,000,000	-	10,000,000	75,758	8.7%
Demolition Costs	-	-	-	-	0.0%
Legal & Other Closing Costs	-	-	-	-	0.0%
Escrow & other closing costs	-	-	-	-	0.0%
Verifiable Carrying Costs	-	-	-	-	0.0%
Existing Improvements Value	-	-	-	-	0.0%
Delinquent Taxes Paid @ Closing	-	-	-	-	0.0%
CalHFA Yield Maintenance Paid @ Closing	-	-	-	-	0.0%
Existing Replacement Reserve	-	-	-	-	0.0%
Broker Fees Paid to Related Party	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL ACQUISITION COSTS	10,000,000	-	10,000,000	75,758	8.7%
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	-	-	-	-	0.0%
Environmental Remediation (Hard Costs)	-	-	-	-	0.0%
Site Work (Hard Cost)	9,900,000	-	9,900,000	75,000	8.6%
Structures (Hard Cost)	44,370,100	-	44,370,100	336,137	38.5%

SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
General Requirements	3,256,206	-	3,256,206	24,668	2.8%
Contractor Overhead	1,150,526	-	1,150,526	8,716	1.0%
Contractor Profit	3,451,578	-	3,451,578	26,148	3.0%
Contractor Bond	-	-	-	-	0.0%
Contractor Liability Insurance	-	-	-	-	0.0%
Personal Property	-	-	-	-	0.0%
HVAC/Resident Damage	-	-	-	-	0.0%
TOTAL CONSTRUCT/REHAB COSTS	62,128,410	-	62,128,410	470,670	54.0%
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>RELOCATION COSTS</u>					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	-	-	-	-	0.0%
<u>ARCHITECTURAL FEES</u>					
Design	800,000	-	800,000	6,061	0.7%
Supervision	100,000	-	100,000	758	0.1%
TOTAL ARCHITECTURAL FEES	900,000	-	900,000	6,818	0.8%
<u>SURVEY & ENGINEERING FEES</u>					
Engineering	450,000	-	450,000	3,409	0.4%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	-	-	-	-	0.0%
TOTAL SURVEY & ENGINEERING FEES	450,000	-	450,000	3,409	0.4%
<u>CONTINGENCY RESERVES</u>					
Hard Cost Contingency Reserve	3,150,000	-	3,150,000	23,864	2.7%
Soft Cost Contingency Reserve	900,000	-	900,000	6,818	0.8%
TOTAL CONTINGENCY RESERVES	4,050,000	-	4,050,000	30,682	3.5%
<u>CONSTRUCT/REHAB PERIOD COSTS</u>					
Loan Interest Reserve					
Citibank, N.A.	4,050,000	900,000	4,950,000	37,500	4.3%
Bonneville "B Bonds"	4,000,000	-	4,000,000	30,303	3.5%
City of Burlingame - Land Loan	-	-	-	-	0.0%
City of Burlingame - Parking Fund	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees					
Citibank, N.A.	720,000	-	720,000	5,455	0.6%
Bonneville "B Bonds"	-	-	-	-	0.0%
City of Burlingame - Land Loan	-	-	-	-	0.0%
City of Burlingame - Parking Fund	-	-	-	-	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	-	-	-	-	0.0%
Real Estate Taxes During Rehab	150,000	-	150,000	1,136	0.1%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Preva	-	-	-	-	0.0%
Insurance During Rehab	979,200	-	979,200	7,418	0.9%
Title & Recording Fees	120,000	-	120,000	909	0.1%
Construction Management & Testing	-	-	-	-	0.0%

SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
Predevelopment Interest Expense	-	-	-	-	0.0%
Bond Issuer Fee	112,000	-	112,000	848	0.1%
Construction Lender Costs (Legal, etc), B	128,000	-	128,000	970	0.1%
TOTAL CONST/REHAB PERIOD COSTS	10,259,200	900,000	11,159,200	84,539	9.7%
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%
MIP	48,500	48,500	97,000	735	0.1%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Citibank, N.A.	-	350,000	350,000	2,652	0.3%
Bonneville "B Bonds"	-	-	-	-	0.0%
City of Burlingame - Land Loan	-	-	-	-	0.0%
City of Burlingame - Parking Fund Loan	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Credit Enhancement & Application Fees	-	25,000	25,000	189	0.0%
Title & Recording (closing costs)	-	35,000	35,000	265	0.0%
Year 1 - Taxes & Special Assessments and Insurance	-	-	-	-	0.0%
CalHFA Fees	-	10,085	10,085	76	0.0%
Tax Exempt Bond Allocation Fee	-	-	-	-	0.0%
Other (Bond Counsel, Financial Advisor, Etc.)	140,800	-	140,800	1,067	0.1%
TOTAL PERMANENT LOAN COSTS	189,300	468,585	657,885	4,984	0.6%
<u>LEGAL FEES</u>					
CalHFA Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
Other Construction/Rehab Loan Legal Fees	75,000	-	75,000	568	0.1%
CalHFA Permanent Loan Legal Fees	-	35,000	35,000	265	0.0%
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	110,000	-	110,000	833	0.1%
CalHFA Bond Counsel	50,000	-	50,000	379	0.0%
TOTAL LEGAL FEES	235,000	35,000	270,000	2,045	0.2%
<u>OPERATING RESERVES</u>					
Operating Expense Reserve Deposit	-	-	-	-	0.0%
Initial Replacement Reserve Deposit	-	-	-	-	0.0%
Transition Operating Reserve Deposit	-	-	-	-	0.0%
Rent-Up Reserve Deposit	-	-	-	-	0.0%
HOME Program Replacement Reserve	-	-	-	-	0.0%
Investor Required Reserve	-	630,570	630,570	4,777	0.5%
Other (Specify)	-	-	-	-	0.0%
TOTAL OPERATING RESERVES	-	630,570	630,570	4,777	0.5%
<u>REPORTS & STUDIES</u>					
Appraisal Fee	10,000	-	10,000	76	0.0%
Market Study Fee	10,000	-	10,000	76	0.0%
Physical Needs Assessment Fee	-	-	-	-	0.0%
Environmental Site Assessment Reports	10,000	-	10,000	76	0.0%
HUD Risk Share Environmental / NEPA Review	-	-	-	-	0.0%
CalHFA Earthquake Waiver Review Fee	-	-	-	-	0.0%
Relocation Consultant	-	-	-	-	0.0%
Soils Reports	5,000	-	5,000	38	0.0%
Acoustical Reports	-	-	-	-	0.0%
Termite/Dry Rot	-	-	-	-	0.0%

SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
Consultant/Processing Agent	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL REPORTS & STUDIES	35,000	-	35,000	265	0.0%
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>OTHER COSTS</u>					
TCAC Application, Allocation & Monitor Fees	87,127	-	87,127	660	0.1%
CDLAC Fees	32,200	-	32,200	244	0.0%
Local Permits & Fees	500,000	-	500,000	3,788	0.4%
Local Impact Fees	15,042,000	-	15,042,000	113,955	13.1%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	60,000	-	60,000	455	0.1%
Accounting & Audits	10,000	-	10,000	76	0.0%
Advertising & Marketing Expenses	98,507	-	98,507	746	0.1%
Financial Consulting	-	-	-	-	0.0%
Miscellaneous Administrative Fees	-	-	-	-	0.0%
HUD Risk Share Insurance (First Year Prepaid)	-	-	-	-	0.0%
Other (Specify)sts	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL OTHER COSTS	15,829,834	-	15,829,834	119,923	13.8%
SUBTOTAL PROJECT COSTS	104,076,744	106,629,399	106,110,899	803,870	92.2%
<u>DEVELOPER FEES & COSTS</u>					
Developer Fees, Overhead & Profit	503,585	8,496,415	9,000,000	68,182	7.8%
Consultant Processing Agent	-	-	-	-	0.0%
Project Administration	-	-	-	-	0.0%
Syndicator Consultant Fees	-	-	-	-	0.0%
Guarantee Fees	-	-	-	-	0.0%
Construction Oversight & Management	-	-	-	-	0.0%
Other Adminstration Fees	-	-	-	-	0.0%
Other (Specify) correction to balance	14,915	-	14,915	113	0.0%
CASH EQUITY OUT TO DEVELOPER	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	518,500	8,496,415	9,014,915	68,295	7.8%
TOTAL PROJECT COSTS	104,595,244	115,125,814	115,125,814	872,165	100.0%

PROJECTED PERMANENT LOAN CASH FLOWS											The Villages at Burlingame			
Final Commitment											Project Number		19-020-A/X	
	YEAR	1	2	3	4	5	6	7	8	9	10	11		
RENTAL INCOME														
Restricted Unit Rents	CPI	3,065,640	3,142,281	3,220,838	3,301,359	3,383,893	3,468,490	3,555,202	3,644,082	3,735,184	3,828,564	3,924,278		
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%	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200		
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-		
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-		
GROSS POTENTIAL INCOME (GPI)		3,078,840	3,155,481	3,234,038	3,314,559	3,397,093	3,481,690	3,568,402	3,657,282	3,748,384	3,841,764	3,937,478		
VACANCY ASSUMPTIONS														
Restricted Unit Rents	5.00%	153,282	157,114	161,042	165,068	169,195	173,424	177,760	182,204	186,759	191,428	196,214		
Unrestricted Unit Rents	5.00%	-	-	-	-	-	-	-	-	-	-	-		
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%	660	660	660	660	660	660	660	660	660	660	660		
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-		
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-		
TOTAL PROJECTED VACANCY LOSS		153,942	157,774	161,702	165,728	169,855	174,084	178,420	182,864	187,419	192,088	196,874		
EFFECTIVE GROSS INCOME (EGI)		2,924,898	2,997,707	3,072,336	3,148,831	3,227,238	3,307,605	3,389,982	3,474,418	3,560,965	3,649,676	3,740,604		
OPERATING EXPENSES														
Administrative Expenses	3.50%	149,402	154,631	160,043	165,645	171,443	177,443	183,654	190,081	196,734	203,620	210,747		
Management Fee	3.98%	127,693	119,309	122,279	125,323	128,444	131,643	134,921	138,282	141,726	145,257	148,876		
Utilities	3.50%	159,287	164,862	170,632	176,604	182,785	189,182	195,804	202,657	209,750	217,091	224,689		
Operating & Maintenance	3.50%	317,228	328,330	339,822	351,716	364,026	376,767	389,954	403,602	417,728	432,349	447,481		
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		
Mixed Income Loan Fee	0.00%	113,486	112,896	112,281	111,641	110,975	110,282	109,561	108,811	108,030	107,217	106,371		
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-	-	-	-	-		
Real Estate Taxes	1.25%	65,408	66,225	67,053	67,891	68,740	69,599	70,469	71,350	72,242	73,145	74,059		
Other Taxes & Insurance	3.50%	71,280	73,775	76,357	79,030	81,796	84,659	87,622	90,689	93,863	97,148	100,548		
Assisted Living/Board & Care	0.00%	-	-	-	-	-	-	-	-	-	-	-		
Required Reserve Payments	1.00%	33,330	33,663	34,000	34,340	34,683	35,030	35,380	35,734	36,092	36,453	36,817		
TOTAL OPERATING EXPENSES		1,044,613	1,061,191	1,089,967	1,119,690	1,150,392	1,182,105	1,214,865	1,248,706	1,283,664	1,319,779	1,357,088		
NET OPERATING INCOME (NOI)		1,880,285	1,936,515	1,982,369	2,029,141	2,076,846	2,125,500	2,175,117	2,225,713	2,277,301	2,329,897	2,383,517		
DEBT SERVICE PAYMENTS														
Citibank, N.A.	Lien #	1	1	1	1	1	1	1	1	1	1	1		
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960		
CASH FLOW AFTER DEBT SERVICE		250,324	306,555	352,409	399,181	446,886	495,540	545,157	595,753	647,341	699,937	753,556		
DEBT SERVICE COVERAGE RATIO		1.15	1.19	1.22	1.24	1.27	1.30	1.33	1.37	1.40	1.43	1.46		
Date Prepared: 12/30/19		Senior Staff Date: 1/22/20												
		1	2	3	4	5	6	7	8	9	10	11		
LESS: Asset Management Fee	3%	23,200	23,896	24,613	25,351	26,112	26,895	27,702	28,533	29,389	30,271	31,179		
LESS: Partnership Management Fee	3%	-	-	-	-	-	-	-	-	-	-	-		
net CF available for distribution		227,124	282,659	327,796	373,829	420,774	468,645	517,455	567,219	617,952	669,666	722,378		

PROJECTED PERMANENT LOAN CASH FLOWS													
The Villages at Burlingame													
Final Commitment		12	13	14	15	16	17	18	19	20	21	22	23
Project Number		19-020-AX											
	YEAR	12	13	14	15	16	17	18	19	20	21	22	23
RENTAL INCOME	CPI												
	2.50%	4,022,385	4,122,945	4,226,018	4,331,669	4,439,960	4,550,959	4,664,733	4,781,352	4,900,885	5,023,408	5,148,993	5,277,718
	2.50%	-	-	-	-	-	-	-	-	-	-	-	-
	2.00%	-	-	-	-	-	-	-	-	-	-	-	-
	1.50%	-	-	-	-	-	-	-	-	-	-	-	-
	1.50%	-	-	-	-	-	-	-	-	-	-	-	-
	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
	0.00%	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
	2.50%	-	-	-	-	-	-	-	-	-	-	-	-
	2.50%	-	-	-	-	-	-	-	-	-	-	-	-
	2.50%	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		4,035,585	4,136,145	4,239,218	4,344,869	4,453,160	4,564,159	4,677,933	4,794,552	4,914,085	5,036,608	5,162,193	5,290,918
VACANCY ASSUMPTIONS	Vacancy												
	5.00%	201,119	206,147	211,301	216,583	221,998	227,548	233,237	239,068	245,044	251,170	257,450	263,886
	5.00%	-	-	-	-	-	-	-	-	-	-	-	-
	50.00%	-	-	-	-	-	-	-	-	-	-	-	-
	5.00%	-	-	-	-	-	-	-	-	-	-	-	-
	3.00%	-	-	-	-	-	-	-	-	-	-	-	-
	20.00%	-	-	-	-	-	-	-	-	-	-	-	-
	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
	5.00%	660	660	660	660	660	660	660	660	660	660	660	660
	50.00%	-	-	-	-	-	-	-	-	-	-	-	-
	50.00%	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		201,779	206,807	211,961	217,243	222,658	228,208	233,897	239,728	245,704	251,830	258,110	264,546
EFFECTIVE GROSS INCOME (EGI)		3,833,806	3,929,337	4,027,257	4,127,625	4,230,502	4,335,951	4,444,037	4,554,824	4,668,381	4,784,777	4,904,083	5,026,372
OPERATING EXPENSES	CPI / Fee												
	3.50%	218,123	225,757	233,659	241,837	250,301	259,061	268,129	277,513	287,226	297,279	307,684	318,453
	3.98%	152,585	156,388	160,285	164,279	168,374	172,571	176,873	181,282	185,802	190,434	195,183	200,050
	3.50%	232,553	240,693	249,117	257,836	266,860	276,201	285,868	295,873	306,229	316,947	328,040	339,521
	3.50%	463,143	479,353	496,130	513,494	531,467	550,068	569,320	589,247	609,870	631,216	653,308	676,174
	3.50%	-	-	-	-	-	-	-	-	-	-	-	-
	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
	0.00%	105,490	104,574	103,620	102,627	101,594	100,519	99,400	98,236	97,024	95,763	94,450	93,084
	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
	1.25%	74,985	75,922	76,871	77,832	78,805	79,790	80,787	81,797	82,820	83,855	84,903	85,964
	3.50%	104,067	107,710	111,479	115,381	119,420	123,599	127,925	132,403	137,037	141,833	146,797	151,935
	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
1.00%	37,185	37,557	37,933	38,312	38,695	39,082	39,473	39,868	40,266	40,669	41,076	41,486	
TOTAL OPERATING EXPENSES		1,395,632	1,435,453	1,476,594	1,519,099	1,563,016	1,608,392	1,655,275	1,703,718	1,753,773	1,805,495	1,858,940	1,914,167
NET OPERATING INCOME (NOI)		2,438,174	2,493,885	2,550,664	2,608,526	2,667,486	2,727,560	2,788,762	2,851,106	2,914,608	2,979,282	3,045,143	3,112,205
DEBT SERVICE PAYMENTS	Lien #												
	1	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960
CASH FLOW AFTER DEBT SERVICE		808,214	863,925	920,704	978,566	1,037,526	1,097,600	1,158,802	1,221,146	1,284,648	1,349,322	1,415,183	1,482,245
DEBT SERVICE COVERAGE RATIO		1.50	1.53	1.56	1.60	1.64	1.67	1.71	1.75	1.79	1.83	1.87	1.91
Date Prepared: 12/30/19		Senior Staff Date: 1/22/20											
		12	13	14	15	16	17	18	19	20	21	22	23
LESS: Asset Management Fee	3%	32,114	33,078	34,070	35,092	36,145	37,229	38,346	39,496	40,681	41,902	43,159	44,454
LESS: Partnership Management Fee	3%	-	-	-	-	-	-	-	-	-	-	-	-
net CF available for distribution		776,100	830,847	886,634	943,474	1,001,381	1,060,371	1,120,455	1,181,650	1,243,967	1,307,421	1,372,024	1,437,791
		90.00%	90.00%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%
Residual Receipts to Developer		698,490	747,762	153,256	163,081	173,090	183,287	193,672	204,250	215,022	225,990	237,157	248,524
Deferred developer fee repayment		6,190,000	1,514,051	815,561	67,799	-	-	-	-	-	-	-	-
		698,490	747,762	67,799	-	-	-	-	-	-	-	-	-
		815,561	67,799	-	-	-	-	-	-	-	-	-	-
Payments for Residual Receipt Payments		0	10%	10%	88%	88%	88%	88%	88%	88%	88%	88%	88%
RESIDUAL RECEIPTS LOANS		Payment %	77,610	83,085	775,804	825,540	876,209	927,824	980,399	1,033,943	1,088,471	1,143,993	1,200,521
MIP		12.50%	-	-	96,976	103,192	109,526	115,978	122,550	129,243	136,059	142,999	150,065
Citibank, N.A.		0.0%	-	-	-	-	-	-	-	-	-	-	-
Bonneville "B Bonds"		75.0%	77,610	83,085	581,853	619,155	657,157	695,868	735,299	775,458	816,353	857,995	900,391
City of Burlingame - Land Loan		6.3%	-	-	48,488	51,596	54,763	57,989	61,275	64,621	68,029	71,500	75,033
City of Burlingame - Parking Fund Loan		6.3%	-	-	6,061	6,450	6,845	7,249	7,659	8,078	8,504	8,937	9,379
0		0.0%	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments		100.00%	77,610	83,085	733,378	780,393	828,291	877,084	926,783	977,400	1,028,945	1,081,431	1,134,868
		3.15											
Balances for Residual Receipt Payments					8								
RESIDUAL RECEIPTS LOANS		Interest Rate											
MIP		3.00%	12,901,000	13,192,000	13,483,000	13,677,024	13,864,832	14,046,306	14,221,328	14,389,778	14,551,535	14,706,476	14,854,477
Citibank, N.A.---Simple		4.00%	-	-	-	-	-	-	-	-	-	-	-
Bonneville "B Bonds"---Simple		5.00%	30,480,450	31,402,840	32,319,755	32,737,902	33,118,747	33,461,591	33,765,723	34,030,424	34,254,966	34,438,613	34,580,818
City of Burlingame - Land Loan---Simple		3.00%	13,300,000	13,600,000	13,900,000	14,151,512	14,399,916	14,645,153	14,887,164	15,125,889	15,361,268	15,593,238	15,821,739
City of Burlingame - Parking Fund Loan---		3.00%	2,560,833	2,637,658	2,716,787	2,792,230	2,869,547	2,948,788	3,030,003	3,113,244	3,198,564	3,286,017	3,375,660
Total Residual Receipts Payments			59,242,283	60,832,498	62,419,543	63,358,669	64,253,043	65,101,838	65,904,218	66,659,335	67,366,333	68,024,344	68,632,494

PROJECTED PERMANENT LOAN CASH FLOWS								The Villages at Burlingame	
Final Commitment		Project Number 19-020-A/X							
	YEAR	24	25	26	27	28	29	30	
RENTAL INCOME	CPI								
Restricted Unit Rents	2.50%	5,409,661	5,544,902	5,683,525	5,825,613	5,971,253	6,120,534	6,273,548	
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%	13,200	13,200	13,200	13,200	13,200	13,200	13,200	
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	
GROSS POTENTIAL INCOME (GPI)		5,422,861	5,558,102	5,696,725	5,838,813	5,984,453	6,133,734	6,286,748	
VACANCY ASSUMPTIONS	Vacancy								
Restricted Unit Rents	5.00%	270,483	277,245	284,176	291,281	298,563	306,027	313,677	
Unrestricted Unit Rents	5.00%	-	-	-	-	-	-	-	
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%	660	660	660	660	660	660	660	
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	
TOTAL PROJECTED VACANCY LOSS		271,143	277,905	284,836	291,941	299,223	306,687	314,337	
EFFECTIVE GROSS INCOME (EGI)		5,151,718	5,280,197	5,411,888	5,546,872	5,685,230	5,827,048	5,972,410	
OPERATING EXPENSES	CPI / Fee								
Administrative Expenses	3.50%	329,598	341,134	353,074	365,432	378,222	391,460	405,161	
Management Fee	3.98%	205,038	210,152	215,393	220,766	226,272	231,916	237,702	
Utilities	3.50%	351,404	363,703	376,433	389,608	403,244	417,358	431,966	
Operating & Maintenance	3.50%	699,840	724,335	749,686	775,925	803,083	831,191	860,282	
Ground Lease Payments	3.50%	-	-	-	-	-	-	-	
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500	7,500	7,500	7,500	
Mixed Income Loan Fee	0.00%	91,662	90,182	88,642	87,039	85,371	83,635	81,828	
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-	
Real Estate Taxes	1.25%	87,039	88,127	89,228	90,344	91,473	92,617	93,774	
Other Taxes & Insurance	3.50%	157,253	162,757	168,453	174,349	180,451	186,767	193,304	
Assisted Living/Board & Care	0.00%	-	-	-	-	-	-	-	
Required Reserve Payments	1.00%	41,901	42,320	42,743	43,171	43,603	44,039	44,479	
TOTAL OPERATING EXPENSES		1,971,236	2,030,210	2,091,154	2,154,134	2,219,219	2,286,482	2,355,996	
NET OPERATING INCOME (NOI)		3,180,481	3,249,987	3,320,735	3,392,738	3,466,011	3,540,566	3,616,414	
DEBT SERVICE PAYMENTS	Lien #								
Citibank, N.A.	1	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	1,629,960	
CASH FLOW AFTER DEBT SERVICE		1,550,521	1,620,027	1,690,775	1,762,778	1,836,051	1,910,606	1,986,454	
DEBT SERVICE COVERAGE RATIO		1.95	1.99	2.04	2.08	2.13	2.17	2.22	
Date Prepared: 12/30/19		Senior Staff Date: 1/22/20							
		24	25	26	27	28	29	30	
LESS: Asset Management Fee	3%	45,787	47,161	48,576	50,033	51,534	53,080	54,672	
LESS: Partnership Management Fee	3%	-	-	-	-	-	-	-	
net CF available for distribution		1,504,734	1,572,866	1,642,199	1,712,745	1,784,517	1,857,526	1,931,782	
		12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	
Residual Receipts to Developer		260,096	271,872	283,857	296,051	308,457	321,076	333,912	
Deferred developer fee repayment	6,190,000	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	
Payments for Residual Receipt Payments	0	88%	88%	88%	88%	88%	88%	88%	
RESIDUAL RECEIPTS LOANS	Payment %								
MIP	12.50%	1,316,642	1,376,258	1,436,924	1,498,652	1,561,452	1,625,335	1,690,309	
Citibank, N.A.	0.0%	164,580	172,032	179,616	187,332	195,182	203,167	211,289	
Bonneville "B Bonds"	75.0%	987,482	1,032,193	1,077,693	1,123,989	1,171,089	1,219,001	1,267,732	
City of Burlingame - Land Loan	6.3%	82,290	86,016	89,808	93,666	97,591	101,583	105,644	
City of Burlingame - Parking Fund Loan	6.3%	10,286	10,752	11,226	11,708	12,199	12,698	13,206	
0	0.0%	-	-	-	-	-	-	-	
Total Residual Receipts Payments	100.00%	1,244,638	1,300,994	1,358,342	1,416,695	1,476,061	1,536,449	1,597,871	
3.15		82.71%							
Balances for Residual Receipt Payments									
RESIDUAL RECEIPTS LOANS	Interest Rate								
MIP	3.00%	15,129,154	15,255,573	15,374,541	15,485,926	15,589,594	15,685,412	15,773,246	
Citibank, N.A.---Simple	4.00%	-	-	-	-	-	-	-	
Bonneville "B Bonds"---Simple	5.00%	34,736,677	34,749,195	34,717,002	34,639,309	34,515,320	34,344,230	34,125,229	
City of Burlingame - Land Loan---Simple	3.00%	16,268,077	16,485,787	16,699,771	16,909,963	17,116,297	17,318,706	17,517,123	
City of Burlingame - Parking Fund Loan---	3.00%	3,561,749	3,658,315	3,757,312	3,858,806	3,962,862	4,069,549	4,178,937	
Total Residual Receipts Payments		69,695,656	70,148,870	70,548,626	70,894,003	71,184,072	71,417,898	71,594,535	

BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 20-02

RESOLUTION AUTHORIZING POSSIBLE AMENDMENT OF LEASE

WHEREAS, California law requires that the headquarters of the California Housing Finance Agency (“Agency”) be located within the City of Sacramento; and

WHEREAS, the Agency has resided at 500 Capitol Mall since 2010 and has found the location to suit the Agency’s needs; and

WHEREAS, the Agency’s proximity to the Capitol and the State Treasurer’s office facilitates productive and necessary in-person meetings; and

WHEREAS, 2020 is an optimal year in which to assess and reconfigure the Agency’s space needs predicated upon expected new hires and attrition in advance of the current lease expiration; and

WHEREAS, the Agency may have an opportunity to amend the existing lease to include more favorable terms to accommodate the Agency’s current structure; and

WHEREAS, the Board of Directors supports the prospect of achieving more favorable lease terms for the Agency;

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

1. The Executive Director and her designated negotiator(s) are authorized to negotiate and execute an amendment to the existing lease if such amendment results in cost savings and/or other efficiencies furthering the Agency’s long-term success and mission.

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. 20-02 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 6th day of February 2020, 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 February 2020.

ATTEST:

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

State of California

MEMORANDUM

To: Board of Directors

Date: January 1, 2020



Timothy Hsu, Director of Single Family Programs

From: CALIFORNIA HOUSING FINANCE AGENCY

Subject: Single Family Loan Production Report (December 2019)

Highlights:

- Reservations Fiscal YTD: 8600+
 - In line with last year
- Securitization Fiscal YTD: 7900+ (\$2.4Bn)
- About 1/3 of our production are from 3 counties:
 - San Bernardino
 - Riverside
 - Sacramento

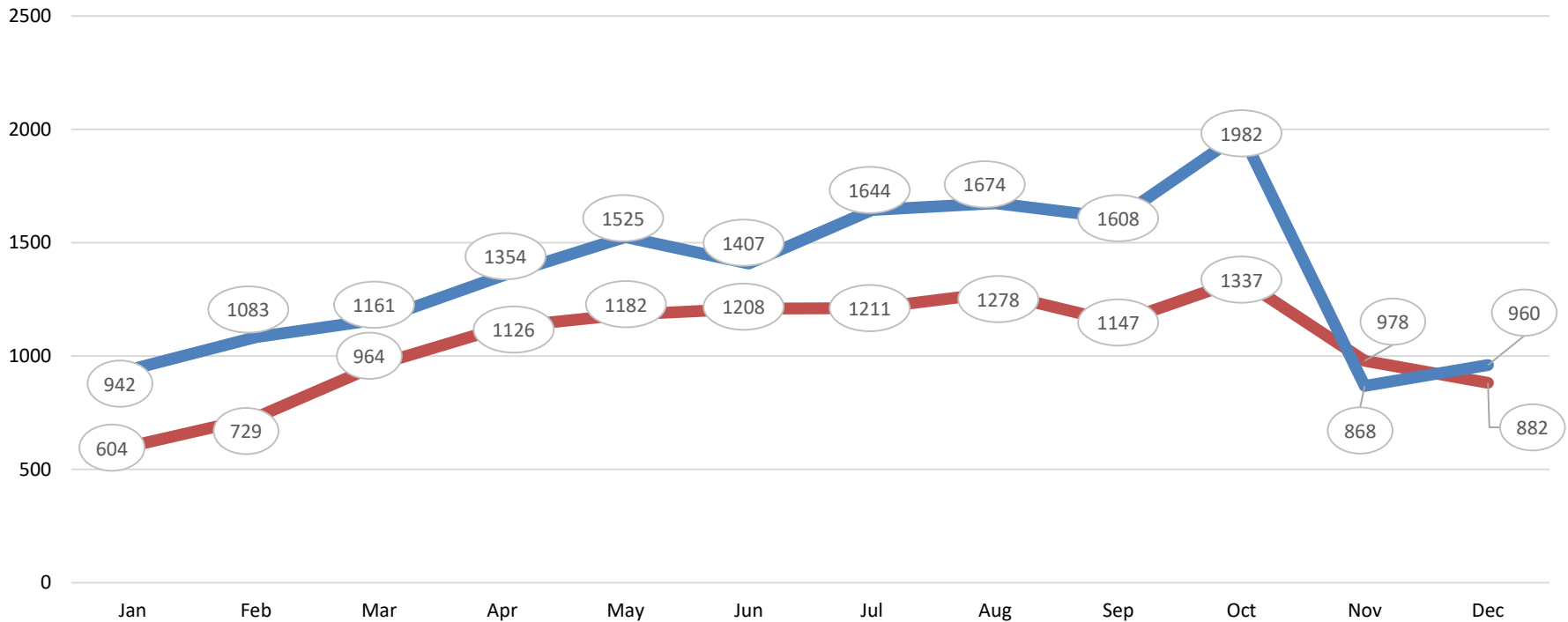
Reservations in line with last year

59

TOTAL RESERVATIONS

January 2018 - December 2018

January 2019 - December 2019



FY 2019/20 Totals:

Conventional	1489	17%
FHA	7193	83%
	8682	

Totals:

January 2018 - December 2018 = 12646

January 2019 - December 2019 = 16208

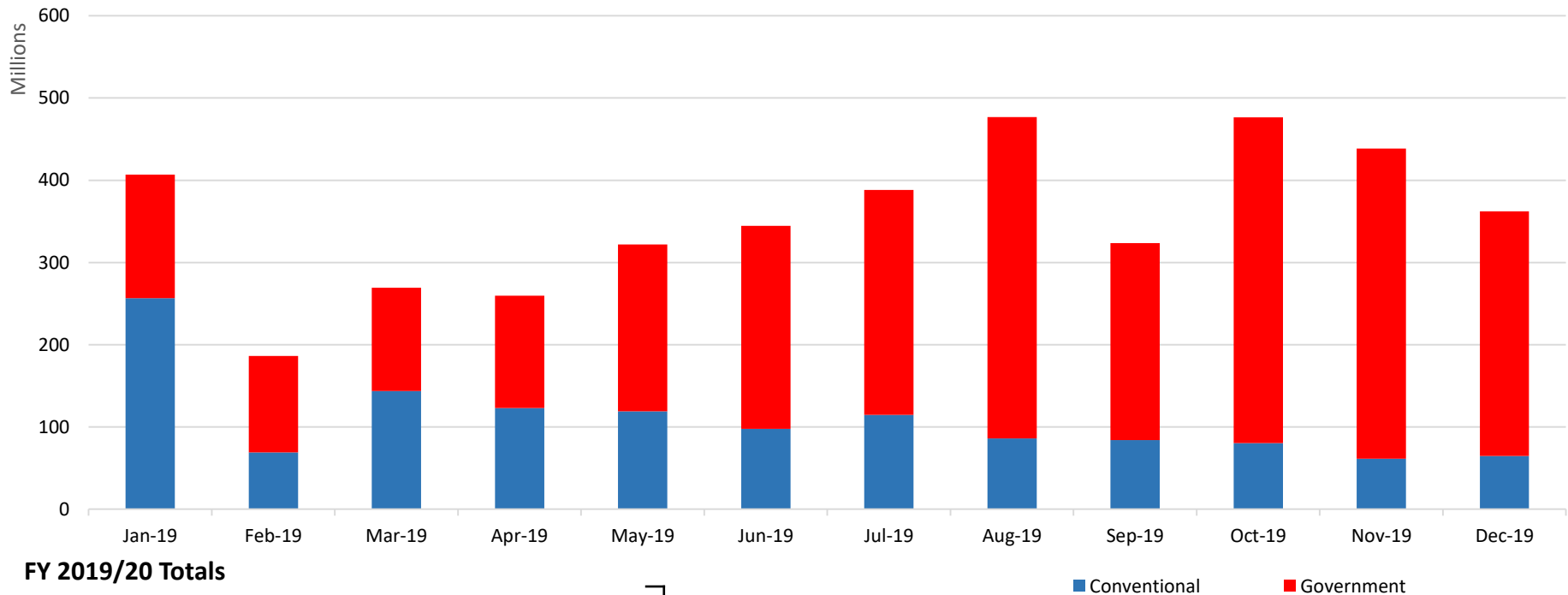
— 1st Mtg. Reservations January 2018 - December 2018

— 1st Mtg. Reservations January 2019 - December 2019

Expecting high volume of securitization

60

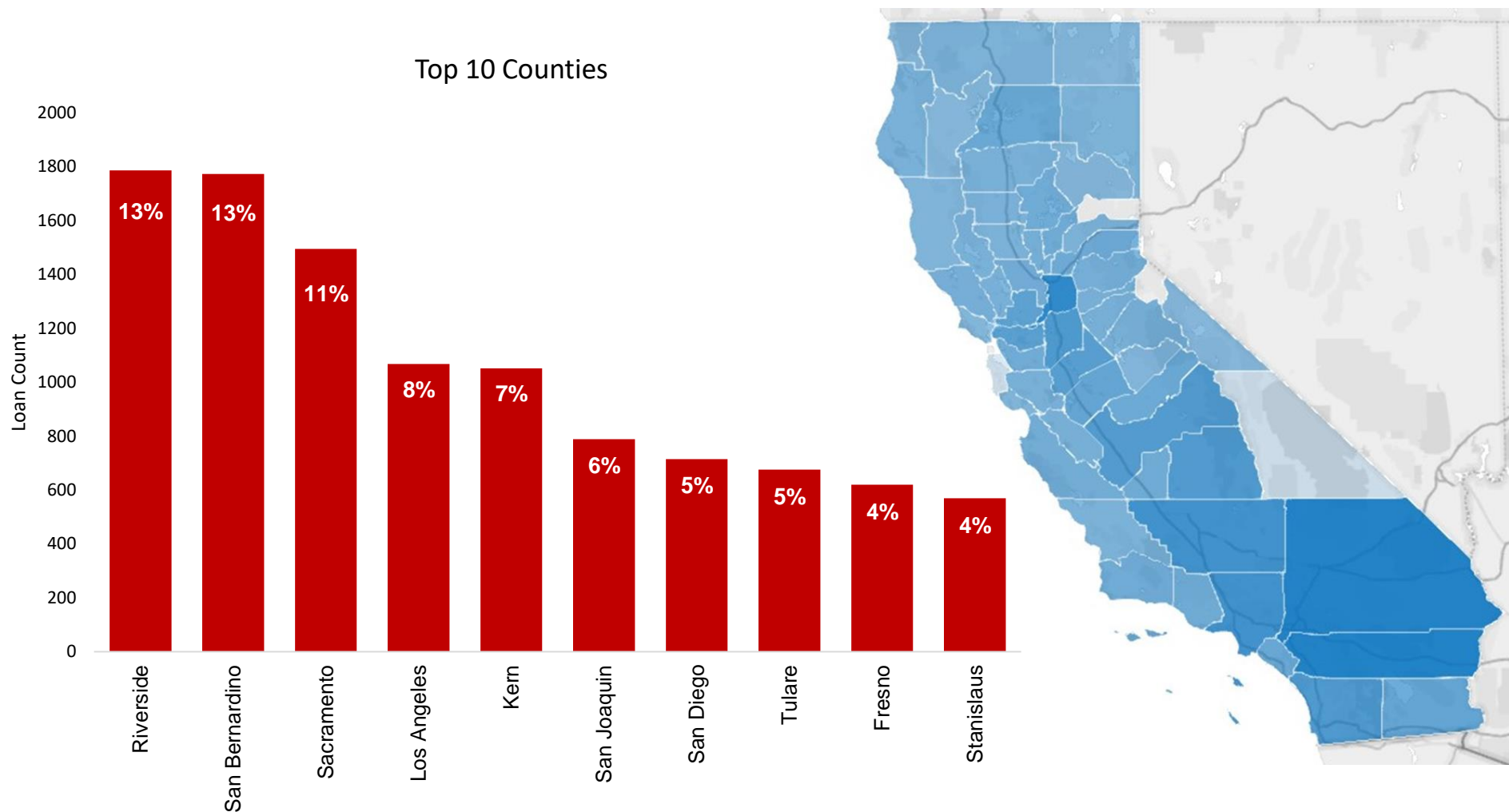
January-2019 - December-2019 Securitized



FY 2019/20 Totals

FHA with ZIP	5462	1,689,401,167	80%
FHA no ZIP	933	274,096,187	
VA	31	10,814,282	
USDA	7	1,612,118	
Conventional with ZIP	357	123,162,955	19%
Conventional no ZIP	387	139,286,530	
LE Conventional with ZIP	570	162,541,028	
LE Conventional no ZIP	226	66,346,265	
Totals	7973	2,467,260,532	

Where are our borrowers?



M E M O R A N D U M**To:** Board of Directors

Date: January 24, 2020

From: Kate Ferguson, Director of Multifamily
CALIFORNIA HOUSING FINANCE AGENCY**Subject:** UPDATE OF CONDUIT ISSUANCE PROGRAM

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

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

Actual conduit issuance amount for FY 19-20 is \$428.6 million. The breakdown between tax-exempt and taxable bond issuance is as follows:

- Tax-Exempt Conduit Issuance: \$426.8 Million
- Taxable Conduit Issuance: \$1.8 Million

Conduit Program - FY 19-20:								
	Project Name	Underwriting Type	City	Project Type	Units	Closing Date	Tax Exempt Loan Amount	Taxable Loan Amount
Conduit Pool Securitization Program								
1	2019-1 Class A & X Certificates	Conduit - Citi	Various	Various	1,771	8/7/2019	\$171,632,062	-
2	2019-2 Class A & B Certificates	Conduit - Citi	Various	Various	5,426	12/19/2019	\$464,582,495	-
					1,771		\$636,214,557	-
Multifamily Conduit Transactions								
<i>(Closed)</i>								
3	Walnut Windmere	Conduit - Reg Only	Davis	Family	136	10/15/2019	\$18,750,000	-
4	Blackstone McKinley TOD	Conduit - PTO	Fresno	Family	88	11/6/2019	\$29,050,000	\$1,760,000.00
5	Noble Tower Apts	Conduit - Reg Only	Oakland	Family	195	11/15/2019	\$74,000,000	-
6	Market St - Supplemental	Conduit - PTO	Redding	Family	-	11/21/2019	\$5,502,227	-
7	Arena Senior Apts	Conduit - MIP	Sacramento	Senior	240	12/17/2019	\$37,592,160	-
8	Bermuda Gardens	Conduit - Reg Only	San Leandro	Family	80	12/19/2019	\$22,500,000	-
9	Villa Valley Apartments	Conduit - Reg Only	Los Angeles	Senior	146	12/23/2019	\$43,570,734	-
10	Bernal Dwellings	Conduit - PTO	San Francisco	Family	160	12/24/2019	\$58,425,000	-
11	Woodlake Terrace	Conduit - PTO	Woodlake	Family	31	1/16/2020	\$8,600,000	-
12	Golden West Tower	Conduit - Reg Only	Torrance	Senior	180	1/23/2020	\$71,000,000	-
13	Longshore Cove Apts	Conduit - Reg Only	Vallejo	Family/Senior	236	1/23/2020	\$44,000,000	-
14	Stone Pine Meadow	Conduit - PTO	Tracy	Family	72	1/23/2020	\$13,842,000	-
					1,564		\$ 426,832,121	\$ 1,760,000
<i>(In Process to Close)</i>								
15	Granite Pointe Apts	Conduit - Reg Only	Oakland	Individuals/Families	99	02/27/2020	\$24,300,000	-
16	Glen Loma Ranch	Conduit - MIP	Gilroy	Individuals/Families	158	03/18/2020	\$48,000,000	\$27,000,000
17	Village at Burlingame	Conduit - MIP	Burlingame	Family/Senior	132	03/18/2020	\$68,000,000	\$24,000,000
18	Coldstream Commons	Conduit - Reg Only	Truckee	Individuals/Families	48	03/18/2020	\$18,000,000	-
19	Santa Ana Towers	Conduit - Reg Only	Santa Ana	Senior	200	3/25/2020	\$54,000,000	-
20	CCBA Senior Garden Apts	Conduit - Reg Only	San Diego	Senior	45	03/26/2020	\$10,000,000	-
21	Sepulveda Apartments	Conduit - MIP	Los Angeles	Individuals/Families	356	06/01/2020	\$90,000,000	\$8,000,000
22	Revolve	Conduit - Reg Only	Sacramento	Individuals/Families	332	06/01/2020	\$91,330,000	-
					1,370		\$ 403,630,000	\$ 59,000,000
<i>(Submitted to CDLAC - Have not received allocation yet)</i>								
February 12, 2020 CDLAC Meeting- CDLAC Due 11/15/19								
23	Doragon at Chinatown	Conduit - PTO	Fresno	Family	57	05/01/2020	\$17,204,343	-
24	Heritage Common Phase III	Conduit - Reg Only	Dixon	Individuals/Families	44	05/01/2020	\$7,000,000	-
25	Meadow View Place	Conduit - Reg Only	Truckee	Individuals/Families	56	05/01/2020	\$20,000,000	-
26	1322 O Street	Conduit - Reg Only	Sacramento	Family/Senior	45	6/5/2020	\$8,699,564	\$721,895
27	Valencia Point	Conduit - MIP & PTO	San Diego	Individuals/Families	96	06/10/2020	\$25,439,115	-
28	Lakehouse Commons Affordable Apartments	Conduit - PTO	Oakland	Family	91	6/17/2020	\$38,215,000	\$8,179,371
29	Hayward Mission Apts	Conduit - MIP	Hayward	Family/Senior	140	6/30/2020	\$40,700,000	\$15,800,000
30	Twin Oaks Senior Apts	Conduit - MIP	Oakley	Senior	130	6/30/2020	\$37,836,000	-
31	Antioch Senior & Family Apts	Conduit - MIP & PTO	Antioch	Family/Senior	394	7/1/2020	\$83,468,371.00	\$43,357,367.00
32	Courtyards at Cottonwood	Conduit - Reg Only	Moreno Valley	Individuals/Families	81	7/1/2020	\$18,000,000.00	\$4,665,434.00
33	Gateway Apartments	Conduit - PTO	Menlo Park	Individuals/Families	140	10/01/2020	\$61,915,000.00	\$29,632,957.00
					1,274		\$ 358,477,393	\$ 102,357,024
March 18, 2020 CDLAC Meeting- CDLAC Due 1/17/20								
34	Douglas Park Apts	Conduit - Reg Only	Compton	Individuals/Families	72	04/02/2020	\$19,400,000	\$3,600,000
35	Light Tree Two	Conduit - Reg Only	East Palo Alto	Individuals/Families	71	05/01/2020	\$55,785,000	\$28,212,853
36	Light Tree Three	Conduit - Reg Only	East Palo Alto	Individuals/Families	57	05/01/2020	\$24,642,500	\$4,622,741
37	Beacon Villa	Conduit - MIP & PTO	Pittsburg	Individuals/Families	54	06/01/2020	\$19,000,000	\$8,000,000
38	Frishman Hollow II	Conduit - MIP & PTO	Truckee	Individuals/Families	68	06/01/2020	\$17,000,000	\$7,000,000
39	Kawana Springs Apartments	Conduit - MIP & PTO	Santa Rosa	Individuals/Families	151	06/01/2020	\$38,250,000	\$15,250,000
40	Santa Rosa Avenue Apartments	Conduit - MIP & PTO	Sana Rosa	Individuals/Families	154	06/01/2020	\$39,700,000	\$16,750,000
41	Ridgeview Commons	Conduit - Reg Only	Pleasanton	Individuals/Families	200	06/15/2020	\$44,333,758	-
42	The Atchison	Conduit - MIP & PTO	Pittsburg	Individuals/Families	202	06/17/2020	\$47,100,000	\$22,700,000
43	1717 S Street	Conduit - MIP	Sacramento	Individuals/Families	112	07/01/2020	\$39,140,517	\$15,389,362
44	Fancher Creek Senior Apartments	Conduit - MIP & PTO	Fresno	Senior	180	07/01/2020	\$21,237,358	-
45	Hope on Avalon	Conduit - Reg Only	Los Angeles	Individuals/Families	88	07/01/2020	\$27,926,322	-
46	Arden Way Apartments	Conduit - MIP & PTO	Sacramento	Individuals/Families	120	08/01/2020	\$26,466,000	\$12,493,230
47	833 Bryant Street Apartments	Conduit - Reg Only	San Francisco	Individuals/Families	146	08/15/2020	\$38,930,000	-
48	Courtyards at Kimball	Conduit - MIP	National City	Individuals/Families	131	09/01/2020	\$48,000,000	\$22,000,000
49	One Lake Family Apartments	Conduit - MIP & PTO	Fairfield	Individuals/Families	190	09/01/2020	\$45,500,000	\$17,400,000
50	The Parkway Apartments	Conduit - MIP & PTO	Folsom	Individuals/Families	72	09/01/2020	\$16,800,000	\$2,200,000
51	The Redwood Apartments	Conduit - MIP & PTO	Santa Rosa	Individuals/Families	96	09/01/2020	\$24,000,000	\$10,000,000
					2,164		\$ 593,211,455	\$ 185,618,186