



Kiku Crossing

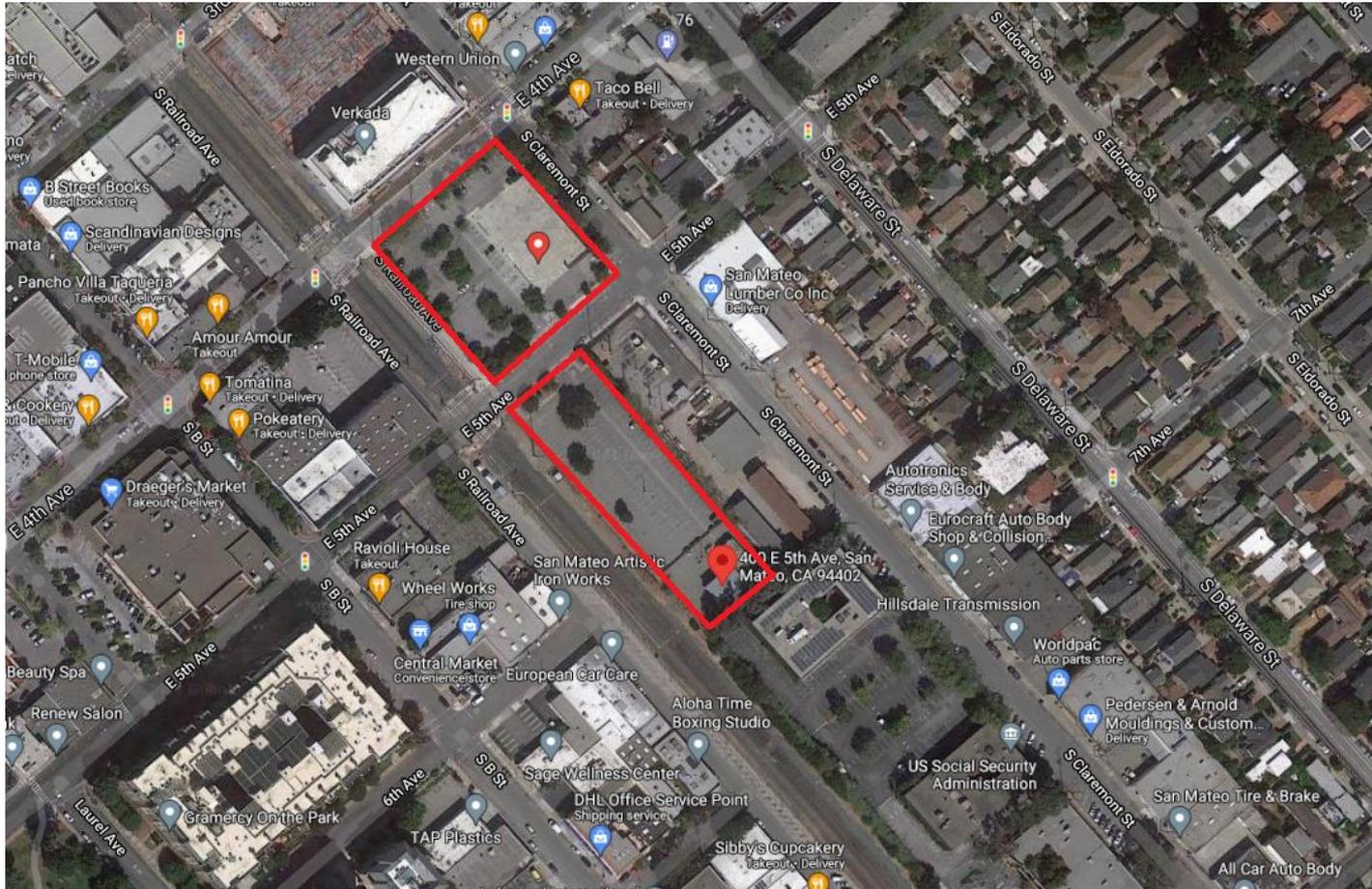
Kate Ferguson
Multifamily Programs Director
kferguson@calhfa.ca.gov

Kiku Crossing



Subject Site – View from 4th Ave.

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Subject Site - Aerial Map

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Site Plan

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Subject Site – View of residential and parking structures

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View of East 4th Avenue

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Strengths (Section 7 of Staff Report)

- Experienced developer/sponsor.
- 80 units supplemented by County Section 8 Project-Based vouchers with a 20-year term and an automatic 20-year renewal option.
- Strong Local Support.
- \$4.96M in Developer Fees to be funded at permanent loan conversion provides additional cushion to cover cost overruns and/or unforeseen issues during construction.
- Exit analysis assumes 3% increase in the cap rate and 2% increase of the underwriting interest rate while still proving the Project's ability to fully repay both the Permanent and MIP loans.

Weaknesses & Mitigants (Section 8 of Staff Report)

- Identified Weakness: Phase I dated 2/9/2021 identified soil and soil vapor environmental issues of potential concern.
- Mitigation: Remediation of all environmental findings is a part of the construction plan and budget. Additionally, the operating expense budget includes the cost of on-going vapor monitoring for the residential building. Evidence of environmental clearance will be required as a prerequisite to closing of the Permanent and MIP loans.



California Housing Finance Agency

Questions?