CalHFA California Housing Finance Agency

Public Meeting Agenda

California Housing Finance Agency Board of Directors
Thursday, October 20, 2022
10:00 a.m.

Click on the link to register:
https://attendee.gotowebinar.com/register/6636726278727272719
Webinar I.D. Number 660-006-331
To listen only by telephone without public comment:
Dial: + 1 (415) 655-0060
Enter Access Code: 821-787-667

1. Roll Call

2. Approval of the minutes of the September 22, 2022 Board of Directors meeting 1

3. Chairperson/Executive Director comments

4. Discussion, recommendation, and possible action regarding a Final Loan Commitment for the following project: (Kate Ferguson) 7

NUMBER	DEVELOPMENT	LOCALITY	UNITS
22-009-A/X/N	Fiddyment Apartments	Roseville/Placer	330

Resolution No. 22-27 42

5. Discussion, recommendation, and possible action regarding a Final Loan Commitment for the following project: (Kate Ferguson) 45

NUMBER	DEVELOPMENT	LOCALITY	UNITS
21-033-A/X/N	La Vista Residential	Hayward/Alameda	176

Resolution No. 22-28 84

MINUTES

California Housing Finance Agency (CalHFA)
Board of Directors Meeting
September 22, 2022
Meeting noticed on September 9, 2022

1. ROLL CALL

The California Housing Finance Agency Board of Directors Meeting was called to order at 10:02 a.m. A quorum of members was present.

MEMBERS PRESENT:	Avila Farias, Cabildo, Kergan (for Castro Ramírez), Cervantes, Johnson Hall, Ma, Russell, Silber (for Assefa), Sotelo, Velasquez, White
MEMBERS ARRIVING AFTER ROLL CALL:	Gunn (for Imbasciani)
MEMBERS ABSENT:	Stephenshaw, Prince
STAFF PRESENT:	Claire Tauriainen, Melissa Flores, Don Cavier, Ellen Martin, Kate Ferguson

*Early departure: Ma (replaced by STO delegate Noah Starr)

2. Approval of the Minutes – July 21, 2022

The minutes were approved by unanimous consent of all members in attendance.

3. Chairperson/Executive Director comments

Executive Director comments:

- Executive Director Johnson Hall began her comments by announcing member Cervantes was recently appointed as Chairperson of the CalHFA Board of Directors. She thanked member Sotelo for her outstanding work as Acting Board Chair during the past several months.

- She shared that CalHFA was recently certified as a “Great Place to Work” based on results from a survey staff completed.

- She shared that Governor Newsom's recent Executive Order on equity, which directs state government agencies and departments to embed policies and procedures in their strategic plans to further advance equity and opportunity, is an order that CalHFA can happily and easily comply with as it currently aligns with CalHFA's focus to emphasize equity in our activities.

- She recently spoke at several events including a housing policy class for graduate students at UC Berkeley, a Cal-Vet conference in San Diego and the San Joaquin Housing Collaborative Affordable Housing Conference.

- She ended her remarks by thanking members Russell and Avila Farias for their participation at project groundbreaking events in San Jose and National City.

Chairperson comments:

- Chair Cervantes thanked the Governor and his staff for his appointment as Board Chair. He expressed his excitement regarding his new position and looks forward to helping serve Californians by increasing sustainable affordable housing. He also expressed his gratitude for member Sotelo and her willingness to act as Board chair when the position was vacant.

- He announced that all vacancies on Board committees have been filled. He and member Russell will join Secretary Castro Ramírez on the Executive Evaluation Committee. Member White will join member Sotelo and Treasurer Ma on the Audit Committee.

4. Discussion, recommendation, and possible action to adopt a Board Member Code of Conduct – Resolution No. 22-16

Presented by Claire Tauriainen

On a motion by Gunn, the Board approved staff recommendation for **Resolution No. 22-16**. The votes were as follows:

AYES:	Avila Farias, Cabildo, Cervantes, Gunn (for Imbasciani), Starr (for Ma), Velasquez, Kergan (for Castro Ramírez), Russell, Sotelo, White
NOES:	None

ABSTENTIONS: None

ABSENT: Prince

5. **<u>Discussion, recommendation, and possible action to establish the Dream for All Loan Appreciation Program – Resolution No. 22-21</u>**

Presented by Ellen Martin

On a motion by Cabildo, the Board approved staff recommendation for **Resolution No. 22-21**. The votes were as follows:

AYES: Avila Farias, Cabildo, Cervantes, Gunn (for Imbasciani), Starr (for Ma), Velasquez, Kergan (for Castro Ramírez), Russell, Sotelo, White

NOES: None

ABSTENTIONS: None

ABSENT: Prince

6. **<u>Presentation on supplemental subsidy for 2022 Mixed-Income Program Loans</u>**

Presented by Kate Ferguson

Ferguson updated the Board on the impact current market conditions have had on the 2022 Mixed-Income Program allocations. These conditions have left some projects with major funding gaps and supplemental allocations were deemed necessary. Developers, investors, local government agencies and general contractors also found ways to reduce costs so that projects were able to be funded appropriately despite market conditions.

7. **<u>Final loan commitment for Serra Apartments, No. 22-016-A/X/N, for 179 units located in Fremont/Alameda – Resolution No. 22-22</u>**

Presented by Kate Ferguson

On a motion by Russell, the Board approved staff recommendation for **Resolution No. 22-22**. The votes were as follows:

AYES: Avila Farias, Cabildo, Cervantes, Gunn (for Imbasciani), Starr (for Ma), Velasquez, Kergan (for Castro Ramírez), Russell, White

NOES: None

ABSTENTIONS: None

ABSENT: Prince, Sotelo

8. Agenda item 8 (Final Loan Commitment for Mainline North Apartments – Resolution No. 22-23) was removed from the agenda

9. Final loan commitment for 8181 Allison, No. 22-018-A/X/S, for 147 units located in La Mesa/San Diego – Resolution No. 22-24

Presented by Kate Ferguson

On a motion by Gunn, the Board approved staff recommendation for **Resolution No. 22-24**. The votes were as follows:

AYES: Avila Farias, Cabildo, Cervantes, Gunn (for Imbasciani), Starr (for Ma), Velasquez, Kergan (for Castro Ramírez), White

NOES: None

RECUSED: Russell

ABSENT: Prince, Sotelo

10. Final loan commitment for 515 Pioneer, No. 22-014-A/X/S, for 340 units located in Glendale/Los Angeles – Resolution No. 22-25

On a motion by Russell, the Board approved staff recommendation for **Resolution No. 22-25**. The votes were as follows:

AYES: Avila Farias, Cabildo, Cervantes, Gunn (for Imbasciani), Starr (for Ma), Velasquez, Kergan (for Castro Ramírez), Russell, White

NOES: None

ABSTENTIONS: None

ABSENT: Prince, Sotelo

11. <u>Final loan commitment for Anton Power Inn, No. 21-002-A/X/N, for 194 units located in Sacramento/Sacramento – Resolution No. 22-26</u>

On a motion by Russell, the Board approved staff recommendation for **Resolution No. 22-26**. The votes were as follows:

AYES: Avila Farias, Cabildo, Cervantes, Gunn (for Imbasciani), Starr (for Ma), Velasquez, Kergan (for Castro Ramirez), Russell, White

NOES: None

ABSTENTIONS: None

ABSENT: Prince, Sotelo

12. Informational Reports:

Chair Cervantes asked if there were any questions or comments about the informational reports. Member Russell requested a legislative update focusing on the end of the current session and a look ahead at the upcoming session. Member Kergan requested that a discussion about single family performance by region be had at a future meeting.

13. Other Board matters

Chair Cervantes asked if there were any other Board matters to be discussed. Member Avila Farias requested an update on the Accessory Dwelling Unit Grant Program at a future meeting.

14. Public comment

Chair Cevantes asked if there were any members of the public who would like to provide a comment. The following people made a public comment:

- Ryan O'Connell
- Robert Walls

15. Adjournment

As there was no further business to be conducted, Chair Cervantes adjourned the meeting at 12:48 pm

CalHFA MULTIFAMILY PROGRAMS DIVISION

Final Commitment Staff Report & Request for Loan Approval of Permanent Take-Out Loan for Tax Exempt financing with Mixed Income Program Subsidy Financing

Senior Loan Committee "Approval": 10/5/2022 for Board Meeting on: 10/20/2022

Project Name, County:	**Fiddyment Apartments, Placer County**	
Address:	**2700 N. Hayden Parkway, Roseville, 95747**	
Type of Project:	**New Construction**	
CalHFA Project Number:	22-009-A/X/N	**Total Units: 330/Family**
Requested Financing by Loan Program:	**$61,000,000**	**CalHFA Tax-Exempt Bond – Conduit Issuance Amount (allocated by CDLAC on 6/15/22)**
	$2,000,000	**CalHFA Tax-Exempt Bond (Supplemental) – Conduit Issuance Amount (allocated by CDLAC on 9/1/22)**
	Up to $43,000,000	**CalHFA Taxable Bond – Conduit Issuance Amount (a portion of which may include recycled bonds) (includes 10% cushion)**
	$37,400,000	**CalHFA Tax-Exempt or FFB Permanent Loan with HUD Risk Sharing**
	$8,000,000	**CalHFA MIP Subsidy Loan**

DEVELOPMENT/PROJECT TEAM

Developer:	Pacific West Communities, Inc.	**Borrower:**	Roseville Pacific Associates, a California Limited Partnership
Permanent Lender:	CalHFA	**Construction Lender:**	Bank of America
Equity Investor:	Bank of America	**Management Company:**	ConAm Management Corporation
Contractor:	Pacific West Builders, Inc.	**Architect**	SDG Architects, Inc.
Loan Officer:	Kevin Brown	**Loan Specialist:**	N/A
Asset Manager:	Jessica Doan	**Loan Administration:**	Ashley Carroll
Legal (Internal):	Paul Steinke	**Legal (External):**	Orrick, Herrington, Sutcliffe
Concept Meeting Date:	09/05/2022	**Approval Expiration Date:**	180 days from Approval

LOAN TERMS

1.		**CONDUIT ISSUANCE/ Bank of America CONSTRUCTION LOAN**	**PERMANENT LOAN**	**CalHFA MIP SUBSIDY LOAN AND SUPPLEMENTAL MIP LOAN**
	Total Loan Amount	$63,000,000 (T/E) $38,580,297 (Taxable) Total Conduit Issuance: $101,580,297	$37,400,000	$8,000,000 ($24,540/restricted unit)
	Loan Term & Lien Position	36 months- interest only; 1st Lien Position during construction.	40 years –partially	30 year - Residual Receipts; 2nd Lien Position during

		One 6-month extension available.	amortizing due in year 30; 1st Lien Position during permanent loan term.	permanent loan term.
	Interest Rate	BSBY Daily Floating Rate + 2.50% Underwritten at 5.00% variable rate	Underwriting Rate: 6.21% (Fixed Rate locked*) Estimated rate based on a 36 month forward commitment.	Greater of 1% Simple Interest or the Applicable Federal Rate (AFR) at time of MIP closing (3% Simple was used for underwriting purposes)
	Loan to Value (LTV)	LTV is 73% of investment value	LTV is 54% of restricted value	N/A
	Loan to Cost	82%	30%	N/A

** The Agency has determined that the Indicative Rate of 6.21%, and not the Maximum Rate, is the fixed rate that shall be locked upon Borrower's request as set forth in the Indicative Rate Lock Agreement.*

PROJECT SUMMARY

2.	**Legislative Districts**	**Congress:**	#4 Tom McClintock	**Assembly:**	#6 Kevin Kiley	**State Senate:**	#4 Jim Nielsen

	Brief Project Description	**Fiddyment Apartments** (the "Project") is a new construction family, mixed income Project. It consists of 11 3-story residential walk-up buildings and 1 community building. There will be 330 total units, 326 of which will be restricted between 30% and 80% of the Placer County Area Median Income (AMI). There will be 162 one-bedroom units (626 s.f.), 84 two-bedroom units (950 s.f.), and 84 three-bedroom units (1,200 s.f.). 2 two-bedroom and 2 three-bedroom units will serve as the manager's units. This project is not in a disaster relief area. The site is currently vacant land. **Financing Structure:** The Project's financing structure includes financing from tax-exempt bonds, taxable construction loan, 4% Federal Tax Credit equity (4% Federal LIHTC allocation), and State Housing Tax Credit equity and Agency's tax-exempt loan program and Mixed-Income Program (no supplemental MIP allocation). The project will be income averaged, pursuant to TCAC regulations. **Tax Credits and/or CDLAC Status:** The developer received an allocation for 4% federal tax credits and California state tax credits and bond cap from TCAC/CDLAC on June 15, 2022 and an allocation of supplemental tax-exempt bonds from CDLAC on September 1, 2022. The supplemental allocation was requested to add a cushion to the project's 50% aggregate basis requirement (the "50% test") which was at approximately 50% and now will increase to approximately 52%. The supplemental allocation is necessary to accommodate a potential cost increase during construction. **Ground Lease:** Not applicable. **Project Amenities:** The Project includes a community room, swimming pool, playground, half basketball court, exercise room, picnic area, and central laundry facilities. Unit amenities will include central heating and air conditioning, dishwasher, garbage disposal, and potentially washer and dryer hook-ups in the units (residents will be required to provide their own laundry equipment). **Local Resources and Services:** For TCAC/CDLAC purposes, the Project is located within a highest resource area per TCAC/HCD's Opportunity Area Map.

The Project is in close proximity to the following local amenities and services:

- Grocery stores – 2.3 miles
- Schools – 1-2 miles
- Public Library – 3.0 miles
- Public transit – 2.3 miles
- Park and recreation – 0.5 miles
- Hospital – 7 miles
- Pharmacy – 2.3 miles
- Post Office – 5.9 miles

Non-displacement and No Net Loss: To the extent feasible, it is the Agency's priority to mitigate the overall effects upon affordable housing availability that may arise from multifamily developments that may result in permanent displacement of existing affordable housing residents and/or net loss of existing affordable housing units. The Project is a new construction project on vacant land, with no related demolition of existing affordable housing, hence no existing affordable housing units will be lost nor will existing residential households be displaced as a result of this development.

Commercial and/or Other (i.e. Parking) Space: The Project does not include commercial space.

MISSION

3.	CalHFA Mission/Goals

This Project and financing proposal provide 326 units of affordable housing with a range of restricted rents between 30% AMI and 80% of AMI which will support much needed rental housing that will remain affordable for 55 years.

ANTICIPATED PROJECT MILESTONES & SCHEDULE

4.	CDLAC/TCAC Closing Deadline:	3/12/2023*	Est. Construction Loan Closing:	12/2022
	Estimated Construction Start:	12/2022	Est. Construction Completion:	1/2025
	Estimated Conversion to Perm Loan(s):		12/2025	

* *On September 28, 2022 CDLAC approved a 90-day extension to the bond issuance deadline from 12/12/2022 to 3/12/2023 for all projects that received bond allocation on June 15, 2022.*

SOURCES OF FUNDS

5.

Construction Sources and Uses

Sources	Amount	Details (Lien Position/Rate/Debt Type)	Uses	Amount
Bank of America- Conduit- Tax Exempt	$63,000,000	1st/5.00%/Interest Only	Total Acquisition costs	$4,449,628
Bank of America- Conduit- Taxable	$38,580,297	2nd/5.00%/Interest Only	Construction/Rehab Costs	$73,137,550
Deferred Costs	$351,387	N/A	Soft Costs	$1,295,500
Deferred Developer Fee	$14,416,527	N/A	Hard Cost contingency	$3,700,000
Investor Equity Contribution	$7,225,396	N/A	Soft Cost contingency	$1,276,000
			Financing Costs	$6,638,317
			Local Impact Fees	$16,275,363
			Operating Reserves	$932,853

			Developer Fees	$14,666,527
			Other Costs	$1,201,869
TOTAL	**$123,573,607**			**$123,573,607**
TOTAL PER UNIT	**$374,465**			
Permanent Sources and Uses				
Sources:	**Amount**	**Details (Lien Position/Rate/Debt Type)**	**Uses**	**Amount**
CalHFA Perm Loan	$37,400,000	1st/6.21%/40 yr amortization due in yr 30	Total Loan Payoffs and Equity (excludes Developer Fee)	$108,907,080
CalHFA MIP Loan	$8,000,000	2nd/3.00%/Residual Receipts	Developer Fee	$14,666,527
CalHFA Supplemental MIP Loan	$0	N/A	Financing costs	$330,000
Deferred Developer Fees	$8,400,000	N/A	Soft costs	$17,500
Investor Equity Contributions	$70,719,918	N/A	Operating Reserves	$598,811
TOTAL	**$124,519,918**			
TOTAL PER UNIT	**$377,333**			**$124,519,918**

Subsidy Efficiency: $8,000,000 ($24,540 per MIP restricted units).

Tax Credit Type(s), Amount(s) and per total units:

- 4% Federal Tax Credits: $60,841,580 ($186,631 per TCAC restricted unit).
- State Tax Credits: $20,460,000 ($62,761 per TCAC restricted unit).

Rental Subsidies: The Project will not be subsidized by project-based vouchers.

Other State Subsidies: The Project will not be funded by other state funds.

Other Locality Subsidies: The Project will not be funded by locality funds.

Cost Containment Strategy: The developer is using its affiliated company, Pacific West Buildings, Inc., as its General Contractor. The developer established cost containment strategies that include: 1) engaging the General Contractor to provide pre-construction services including: conceptual design review, estimating, value engineering, and a critical path schedule, 2) reviewing the GMP contract for any exclusions or exceptions to mitigate project cost increases, and 3) requiring that the General Contractor provide a minimum of 3 bids for each major trade and all other trades, if available.

6. Equity – Cash Out (estimate): Not Applicable

TRANSACTION OVERVIEW

7. Proposal and Project Strengths

- The developer/sponsor has extensive experience in developing similar affordable housing projects and has experience with CalHFA.
- The Project will serve low-income families ranging between 30% to 80% of AMI. On average, the rents are between 26% to 76% below market rents based on current appraisal.
- The Loan-to-Value will be 54%, which is well below the Agency's maximum allowable LTV of 90% LTV. This results in less risk to the Agency.
- The projected portion of the developer's fee that will be collected at permanent loan conversion is $6,266,527,

which could be available to cover cost overruns and/or unforeseen issues during construction.

- The exit analysis assumes a 2.00% increase (6.50%) to the cap rate and 3.00% increase (9.21%) to the interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of Agency's permanent first lien and subsidy loans if the project is refinanced or re-syndicated at CalHFA loan maturity.

8. Project Weaknesses with Mitigants:

The project consists of a total of 330 units, which may take longer to complete and stabilize. The construction lender's loan term and CalHFA's forward rate lock period are for 36 months with an option to extend for up to 6 additional months. The developer plans to advertise and pre-lease the units in advance of construction completion and anticipates the Project will be fully leased up within 8 months from certificate of occupancy. Any additional construction loan interest reserve resulting from construction loan term extensions beyond 36 months shall be absorbed by soft contingency and/or increase in deferred developer's fee.

9. Underwriting Standards or Term Sheet Variations

None

10. Project Specific Conditions of Approval

Approval is conditioned upon:

- No site work or construction commenced prior to the issuance of a HUD Firm Approval Letter.
- CalHFA requires that MIP affordability covenants be recorded in senior position to all foreclosable debt.
- The CalHFA subsidy (including the supplemental MIP subsidy loan, if any) will be, in the Agency's sole discretion, the lesser of 1) the principal amount as stated on hereto or 2) an amount as determined by the Agency in the event the financial assumptions change prior to construction loan closing and/or permanent loan closing.
- All MIP Loan principal and interest will be due and payable at maturity.
- The Borrower has requested that 100% of surplus cash be available for the repayment of the deferred developer's fee (DDF) until the earlier of year 15 of operations is complete or full repayment of the DDF. Thereafter, the surplus cash split shall be 50% to Borrower and 50% to Residual Receipt lender(s). As a condition of this approval, the Borrower must provide evidence that the DDF repayment structure is required pursuant to the Limited Partnership Agreement (LPA). In addition, the owner must provide evidence of investor and all residual receipt lender(s) approvals of the total deferred developer's fee structure and residual receipt split. Residual receipt lenders must also agree to defer the payments on their loans.
- Any default as to any loan by the Agency for the Development shall constitute a default under any other loan by the Agency for the Development.

11. Staff Conclusion/Recommendation:

The Multifamily Lending Division supports approval of the described financing in the amount(s) requested, subject to the above proposed terms and conditions.

AFFORDABILITY

12. CalHFA Affordability (Occupancy and Rent) Restrictions

The CalHFA Permanent Financing Regulatory Agreement will restrict a minimum of 40% of the total units at or below 60% AMI; with 30% of the total units (99 units) at or below 60% AMI and 10% of the total units (33 units) at 50% of AMI for 55 year(s).

The CalHFA MIP Subsidy Regulatory Agreement requires 10% of total units (33 units) be restricted at or below 30% of AMI, 20% of total units (66 units) be restricted at or below 50% of AMI, and 10% of total units (33 units) be restricted between 60% and 80% of AMI with a minimum average of 70% of AMI for a term of 55 years. The rents for the 60% to 80% tranche will be determined by the minimum income limit of 70% of AMI, not to exceed 80% of AMI. The remaining 194 restricted units will be restricted at or below 120% of AMI. For underwriting purposes, the initial rents at permanent loan closing must be no less than the underwriting rent levels outlined on the "Unit Mix and Rent Summary" enclosed as part of the project's staff report package. The CalHFA permanent loan agreement will require minimum underwriting rent levels as outlined in the Rent Limit Summary Table Below.

Rent Limit Summary Table							
AMI	**Total**	**Studio**	**1-bdrm**	**2-bdrm**	**3-bdrm**	**4-bdrm**	**% of Total**
30%	33	-	17	8	8	-	10.0%
40%	0	-	-	-	-	-	0.0%
50%	66	-	34	16	16	-	20.0%
60%	148	-	84	32	32	-	44.8%
70%	0	-	-	-	-	-	0.0%
80%	79	-	27	26	26	-	23.9%
Manager's Unit	4	-	-	2	2	-	1.2%
Total	**330**	**0**	**162**	**84**	**84**	**0**	**100.0%**

The average affordability restriction is 59.79% of AMI based on 326 TCAC-restricted units.

NUMBER OF UNITS AND AMI RENTS RESTRICTED BY EACH AGENCY											
Regulatory Source	Recordation Priority of Recorded Document	Term of Agrmt (years)	Number of Units Restricted For Each AMI Category								
			30% AMI	50% AMI	60% AMI	80% AMI	120% AMI	Mgrs Unit	Total Units Regulated	% of Regulated Units
CalHFA Bond/Risk Share	1	**55**		33	99			4	132	40%
CalHFA MIP	2	**55**	33	66		33	194	4	326	98.8%
Tax Credits	3	**55**	33	66	148	79		4	326	98.8%

13. Geocoder Information

Central City:	Yes	Underserved:	No
Low/Mod Census Tract:	Upper	Below Poverty line:	5.18%
Minority Census Tract:	46.68%	Rural Area:	No

FINANCIAL ANALYSIS SUMMARY

14. Capitalized Reserves:

Replacement Reserves (RR):	N/A
Operating Expense Reserve (OER):	$932,853 OER amount is size based on 3 months of operating expenses, first lien debt service, and annual replacement reserves deposits. CalHFA will hold this reserve for the term of the CalHFA permanent loan and in the event the OER is drawn down during the term of the loan, the OER must be replenished over a 12-month period to the original level. The equity investor is requiring an additional OER of

		$98,811, which may be held by CalHFA or the investor. A minimum of 3 to 6 months operating expense, reserves, and debt service ("OER") is required to be held for the life of the CalHFA permanent loan. The OER may be based on 3 months of total operating expense, reserves, and debt service if the developer provides evidence that, within the last 2 years, that they have received allocations from TCAC or provide a certification from a third-party accountant that they met TCAC's general partner and management experience pursuant to CTCAC regulations. The developer has submitted supporting documentation that they've met this requirement.
	Transitional Operating Reserve (TOR):	N/A

15.	**Cash Flow Analysis**			
	1st Year DSCR:	1.15	**Project-Based Subsidy Term:**	N/A
	End Year DSCR:	2.01	**Annual Replacement Reserve Per Unit:**	$250/unit
	Residential Vacancy Rate: **Subsidy Vacancy Rate:**	5% N/A	**Rental Income Inflation Rate:** **Subsidy Income Inflation Rate:**	2.50% N/A
	Non-residential Vacancy Rate:	N/A	**Project Expenses Inflation Rate:** **Property Tax Inflation Rate:**	3.50% 1.25%

16. Loan Security

The CalHFA loan(s) will be secured by a first and second lien deeds of trust against the above-described Project site and improvements.

17. Balloon Exit Analysis **Applicable:** ☒ **Yes** ☐ **No**

The exit analysis assumes a 2.00% increase (6.50%) to the cap rate and 3.00% increase (9.21%) to the interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of Agency's permanent first lien and subsidy loans if the project is refinanced or re-syndicated at CalHFA loan maturity.

APPRAISAL AND MARKET ANALYSIS

18. Appraisal Review **Dated: 9/17/2022**

- The Appraisal dated September 17, 2022, prepared by Pacific Real Estate Appraisal, values the land at $9,350,000.
- The cap rate of 4.50% and projected $3,118,426 of net operating income, which is $201,977 higher than developer's proposed budget. This is attributed to the appraiser including other income (late fees, security deposits, etc.) that are not eligible for CalHFA underwriting as well as the appraisal estimating lower special assessment costs compared to the developer's projections.
- The as-restricted stabilized value is $69,300,000, which results in the Agency's permanent first lien loan to value (LTV) of 54%. The combined LTV, including MIP subsidy loan is 66%.
- The project capture rate is 29% and the absorption rate is 41 to 47 units per month which is consistent with the market study. The appraisal confirms that there is a strong base of potential tenants, and the project is expected to achieve stabilized occupancy within 8 months after construction completion which is consistent with the market study.

	Market Study:	Kinetic Valuation Group, Inc.	**Dated: February 9, 2022**

Regional Market Overview

- The Primary Market Area is the cities of Roseville and Rocklin (population of 215,015) and the Secondary Market Area ("SMA") is the Sacramento-Roseville-Arden Arcade, CA Metropolitan Statistical Area (MSA), which includes El Dorado, Placer, Sacramento, and Yolo Counties (population of 2,366,968).
- The general population in the PMA is anticipated to increase by 1.8% per year leading up to market entry.

- In December 2021 the unemployment rate for the city of Roseville was 3.1%, compared to 4.4% for the MSA and 5.0% for California. The 3.1% is in line with the pre-pandemic level for Roseville.

Local Market Area Analysis

- **Supply:**
  - There are currently 15 affordable family project(s) in the PMA.
  - For the 7 properties deemed comparable, vacancy rates were all below 3%. Two of these projects maintain waiting lists of over 100 eligible households each.
  - In the city of Roseville there are 4 multifamily affordable projects under construction (306 units total), however construction timelines were not available.
- **Demand/Absorption:**
  - The project will need to capture 13.3% of the total units in the PMA.
  - The proposed LIHTC rents are substantially below comparable market rents which will be advantageous for low to moderate income households.
  - Stabilized occupancy overall is estimated within 7-8 months of completion.

DEVELOPMENT SUMMARY

19. Site Description — **Requires Flood Insurance:** ☐ **Yes** ☒ **No**

- The property is located southeast of the juncture of North Hayden Parkway and Crawford Parkway, in the City of Roseville, Placer County.
- The site is currently vacant, with level topography at curb grade, measuring approximately 11.93 acres and is generally rectangular in shape.
- The site is zoned Multifamily Residential (R3).
- The subject is located in Flood Zone X (area of minimum flood hazard). Zone X is the area determined to be outside the 500-year floodplain and protected by levee from 100-year floodplain, therefore the Project will not be subject to flood insurance.

20. Form of Site Control & Expiration Date

On January 13, 2022 the developer, Pacific West Communities, Inc., purchased the site, in an arms-length transaction from an unrelated 3rd party, Jen California 15 LLC, for $4.155 million. PWC has entered into a Purchase and Sale Agreement dated January 17, 2022, for a non-arms-length transaction with the borrowing entity, Roseville Pacific Associates for the same price, $4.16 million. The transaction between the related entities is estimated to take place in December 2022.

21. Current Ownership Entity of Record

Title is currently vested in Pacific West Communities, Inc. as the fee owner.

22. Environmental Review Findings — **Dated: 8/19/2022**

A Phase I Environmental Site Assessment performed by KCE Matrix, Inc., dated August 19, 2022 revealed no evidence of recognized environmental conditions, so no additional investigation was recommended.

23. Seismic — **Requires Earthquake Insurance:** ☐ **Yes** ☒ **No**

This new Project will be built to State and City of Roseville Building Codes so no seismic review is required.

24. Relocation — **Requires Relocation:** ☐ **Yes** ☒ **Not Applicable**

The Project is new construction, therefore, relocation is not applicable.

PROJECT DETAILS

25. Residential Areas:

Residential Square Footage:	282,012	**Residential Units per Acre:**	27.66
Community Area Sq. Ftg:	6,000	**Total Parking Spaces:**	577

		Supportive Service Areas:	N/A	**Total Building Sq. Footage:**	288,012
26.	**Mixed-Use Project:** ☐ **Yes** ☒ **No**				
		Non-Residential Sq. Footage:	N/A	**Number of Lease Spaces:**	N/A
		Master Lease:	☐ **Yes** ☒ **No**	**Number of Parking Spaces:**	N/A
27.	**Construction Type:**	The project will consist of eleven 3-story garden style residential buildings, a one-story community building, and a laundry building. Buildings will be wood framed and supported by perimeter foundations with concrete slab flooring. Exteriors will combine plater, parapet roofs, metal canopies, exterior private decks, vinyl windows, and composite shingle roofing.			
28.	**Construction/Rehab Scope**	**Requires Demolition:** ☐ **Yes** ☒ **No**			

- The subject site is new construction.
- The Contractor is an affiliate of the Borrower entity. The contract will be structured as a Guaranteed Maximum Price (GMP) contract with 14% for builder overhead, profit, and general requirements, which aligns with TCAC's allowable limit. TCAC's allowable limit is 14%.

29. Construction Budget Comments:

- CalHFA will require an independent review of the costs by a 3rd Party consultant prior to construction loan closing.
- The Developer is currently looking for cost saving design options to reduce construction costs and minimize the amount of deferred developer fee.
- The developer has established cost containment strategies, which are outlined in Section 5 above.

ADDITIONAL DEVELOPMENT/ PROJECT TEAM INFORMATION

30. Borrower Affiliated Entities

- Managing General Partner: Central Valley Coalition for Affordable Housing, a California nonprofit public benefit corporation; 0.0034% interest
- Co-Administrative General Partner: TPX Holdings IX, LLC, an Idaho limited liability company; 0.0033% interest
  - Sole Member: TPC Enterprise Holdings, LLC
  - Manager: Pacific West Communities, Inc.
- Co-Administrative General Partner: Roseville Fiddyment, LLC, a California limited liability company; 0.0033% interest
  - Co-manager: Christopher M. Hawke, 50.00% interest
  - Co-manager: Bradford S. Dickason, 50.00% interest

Investor Limited Partner: Bank of America; 99.99% interest

31. Developer/Sponsor

Pacific West Communities, Inc. (PWC) is a vertically integrated for-profit developer that has extensive experience developing and constructing affordable housing projects similar to this Project across the western United States. PWC currently has 22 projects (20 affordable) with a total of 1,850 units in their pipeline and 27 projects (25 affordable) with a total of 2,700 units that are under construction. PWC has completed 37 projects (36 affordable) with a total of 3,750 units in CA within the last five years and 1 of these projects (The Aspens at South Lake Tahoe MHSA) is in the CalHFA Asset Management portfolio.

PWC has 9 projects including CalHFA financing in various stages of development and 1 project in the CalHFA Asset Management portfolio as described in the chart below.

Projects In CalHFA Pipeline	Total Units	Perm Loan Amount	MIP/Other Subsidy Loan Amount	Target Construction Closing	Target Perm Closing	Under Construction?	Progressing as Expected?	Notes
1. Fiddyment Apts	330	$37,400,000	$8,000,000	12/31/2022	12/31/2025	No	N/A	Subject Property. Pending CalHFA board approval 10/20/22.
2. La Vista Residential	176	$24,300,000	$8,270,000	12/31/2022	12/31/2025	No	N/A	Pending CalHFA board approval 10/20/2022.
3. Alamo Street Apts	271	$52,000,000	$7,000,000	6/15/2022	6/15/2025	Yes	Yes	
4. Courtyards at Kimball	131	$0	$6,500,000	5/1/2020	5/1/2023	Yes	Yes	
5. Frishman Hollow II	68	$6,610,000	$4,388,000	8/19/2020	12/31/2022	Yes	Yes	
6. Glen Loma Ranch	158	$0	$7,850,000	4/8/2020	6/1/2023	Yes	Yes	
7. Peterson Place (fka Parkway Apts)	72	$7,875,000	$3,350,000	9/8/2020	10/14/2022	Yes	Yes	
8. The Redwood Apts	96	$15,000,000	$4,750,000	7/28/2020	12/31/2022	Yes	Yes	
9. Village at Burlingame	132	$0	$9,700,000	10/14/2020	12/30/2023	Yes	Yes	
Subtotal:	**1434**	**$143,185,000**	**$59,808,000**					

Project In CalHFA Portfolio	Total Units	Original Perm Loan Amount	Origination Date	Current Perm Loan Balance Amount	Current MIP/Other Subsidy Loan Amount	Maturity Date	Regulatory Restriction Exp. Date	Operating as Expected?	RR Balance	OER Balance	Notes
1. The Aspens at South Lake Tahoe- MHSA	48	$948,770	4/2/2013	$948,770	$0	4/1/2068	4/1/2068	Yes	$0	$0	Reserves held by senior lender.
Subtotal:	**48**	**$948,770**		**$948,770**	**$0**						
Aggregate Total:	**1482**			**$144,133,770**	**$59,808,000**						

32. Management Agent

The Project will be managed by ConAm Management Corporation, which has extensive experience in managing similar affordable housing projects in the area and manages 10 projects in CalHFA's portfolio which are performing as expected.

33. Service Provider

Required by TCAC or other funding source? ☒ **Yes** ☐ **No**

Central Valley Coalition for Affordable Housing will be providing onsite services to the residents. These services will include health and wellness programs (344 hours per year), art programs and resources workshops, adult education classes (84 hours per year), after-school programing including tutoring and mentoring and recreation and family activity nights. Expense for these services is currently within the approved line item operating budget and will not be charged to the residents.

34. Contractor

Experienced with CalHFA? ☒ **Yes** ☐ **No**

The general contractor (GC) is Pacific West Builders, Inc., which has extensive experience in constructing similar affordable housing projects in California and is familiar with CalHFA. Pacific West Builders is the construction arm of the developer, Pacific West Communities. The GC currently has 26 projects (25 affordable) under construction and 36 projects (35 affordable) completed projects in CA within the last five years. The GC and developer have completed 120+ projects and have 36 currently in development stage.

35. Architect

Experienced with CalHFA? ☒ **Yes** ☐ **No**

The architect is SDG Architects, Inc. which has extensive experience in designing and managing similar affordable housing

projects in California through the locality’s building permit process and is familiar with CalHFA. The Architect currently has 29 projects (4 affordable) under construction and 105 projects (5 affordable) completed in CA within the last five years. The architect and the developer have worked on approximately 15 project(s) that have been completed and are working on 9 projects that are in the development stage.	
36.	**Local Review via Locality Contribution Letter**
The locality, the City of Roseville, returned the local contribution letter stating they strongly support the project.	

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

PROJECT SUMMARY — Final Commitment

Acquisition, Rehab, Construction & Permanent Loans — **Project Number 22-009-A/X/N**

Project Full Name	Fiddyment Apartments	**Borrower Name:**	Roseville Pacific Associates, a California
Project Address	2700 N. Hayden Parkway	**Managing GP:**	Central Valley Coalition For Affordable Housing
Project City	Roseville	**Developer Name:**	Pacific West Communities, Inc.
Project County	Placer	**Investor Name:**	Boston Financial
Project Zip Code	95747	**Prop Management:**	ConAm Management Corporation
		Tax Credits:	4
Project Type:	Permanent Loan Only	**Total Land Area (acres):**	11.93
Tenancy/Occupancy:	Individuals/Families	**Residential Square Footage:**	282,012
Total Residential Units:	330	**Residential Units Per Acre:**	27.66
Total Number of Buildings:	12		
Number of Stories:	3	**Covered Parking Spaces:**	330
Unit Style:	Flat	**Total Parking Spaces:**	577
Elevators:	--		

Acq/Construction/Rehab Financing	Loan Amount ($)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
Bank of America- Conduit- Tax Exempt	63,000,000	1.000%	36	--	5.000%
Bank of America- Conduit- Taxable	38,580,297	1.000%	36	--	5.000%
Deferred Developer Fee	14,416,527	NA	NA	NA	NA
Deferred Costs	351,387	NA	NA	NA	NA
Investor Equity Contribution	7,225,396	NA	NA	NA	NA
Total	**123,573,607**	NA	NA	NA	NA

Permanent Financing	Loan Amount ($)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
Perm	37,400,000	1.000%	30	40	6.210%
MIP	8,000,000	1.000%	30	NA	3.000%
Deferred Developer Fees	8,400,000	NA	NA	NA	NA
Investor Equity Contributions	70,719,918	NA	NA	NA	NA
Total	**124,519,918**	NA	NA	NA	NA

Appraised Values Upon Completion of Rehab/Construction

Appraisal Date:	8/24/22	**Capitalization Rate:**	4.50%
Investment Value ($)	139,240,000	**Restricted Value ($)**	69,300,000
Construct/Rehab LTC	82%	**CalHFA Permanent Loan to Cost**	30%
Construct/Rehab LTV	73%	**CalHFA 1st Permanent Loan to Value**	54%
		Combined CalHFA Perm Loan to Value	66%

Additional Loan Terms, Conditions & Comments

Construction/Rehab Loan

Payment/Performance Bond	Waived	
Completion Guarantee Letter of Credit	N/A	

Permanent Loan

Operating Expense Reserve Deposit	$932,853	Cash
Initial Replacement Reserve Deposit	$0	Cash
Annual Replacement Reserve Per Unit	$250	Cash

Date Prepared: 9/27/22 — Senior Staff Date: 10/5/22

UNIT MIX AND RENT SUMMARY — Final Commitment

Fiddyment Apartments — Project Number 22-009-A/X/N

PROJECT UNIT MIX					
Unit Type of Style	Number of Bedrooms	Number of Baths	Average Size (Sq. Ft.)	Number of Units	Est. No. of Tenants
Flat	1	1	626	162	243
Flat	2	1	950	84	252
Flat	3	2	1,200	84	378
-	-	-	-	-	0
-	-	-	-	-	0
-	-	-	-	-	0
				330	873

NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY							
Agency	Number of Units Restricted For Each AMI Category						
	30%	40%	50%	60%	80%	120%	200%
FA Bond/RiskShare	0	0	33	99	0	0	0
CalHFA MIP	33	0	66	0	33	194	0
Tax Credit	33	0	66	148	79	0	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0

COMPARISON OF AVERAGE MONTHLY RESTRICTED RENTS TO AVERAGE MARKET RENTS							
Unit Type	Restricting Agency	% of Area Median Income	Average Restricted Rents Number of Units	Average Restricted Rents Unit Rent	Average Market Rents	Average Monthly Savings	% of Market Rents
Studios	CTCAC	30%	-	-	-	-	-
	CTCAC	50%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
1 Bedroom	CTCAC	30%	17	$502	$1,950	$1,448	26%
	CTCAC	50%	34	$882		$1,068	45%
	CTCAC	60%	84	$1,072		$878	55%
	CTCAC	80%	27	$1,453		$497	75%
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
2 Bedrooms	CTCAC	30%	8	$600	$2,275	$1,675	26%
	CTCAC	50%	16	$1,056		$1,219	46%
	CTCAC	60%	32	$1,284		$991	56%
	CTCAC	80%	26	$1,740		$535	76%
	HCD	100%	-	-		-	-
	CTCAC	80%	-	-		-	-
	CTCAC	-	-	-		-	-
3 Bedrooms	CTCAC	30%	8	$690	$2,650	$1,960	26%
	CTCAC	50%	16	$1,217		$1,433	46%
	CTCAC	60%	32	$1,481		$1,169	56%
	CTCAC	80%	26	$2,008		$642	76%
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
4 Bedrooms	CTCAC	30%	-	-	-	-	-
	CTCAC	50%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
5 Bedrooms	CTCAC	30%	-	-	-	-	-
	CTCAC	50%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
Date Prepared:	9/27/22					Senior Staff Date:	10/5/22

SOURCES & USES OF FUNDS					Final Commitment
Fiddyment Apartments			Project Number		22-009-A/X/N
SOURCES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT SOURCES OF FUNDS SOURCES ($)	PER UNIT ($)	%
Bank of America- Conduit- Tax Exempt	63,000,000				0.0%
Bank of America- Conduit- Taxable	38,580,297				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Deferred Costs	351,387				0.0%
-	-				0.0%
-	-				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	14,416,527				0.0%
Developer Equity Contribution	-				0.0%
Investor Equity Contribution	7,225,396				0.0%
Perm		37,400,000	37,400,000	113,333	30.0%
MIP		8,000,000	8,000,000	24,242	6.4%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
Construct/Rehab Net Oper. Inc.		-	-	-	0.0%
Deferred Developer Fees		8,400,000	8,400,000	25,455	6.7%
Developer Equity Contribution		-	-	-	0.0%
Investor Equity Contributions		70,719,918	70,719,918	214,303	56.8%
TOTAL SOURCES OF FUNDS	**123,573,607**	**124,519,918**	**124,519,918**	**377,333**	**100.0%**
TOTAL USES OF FUNDS (BELOW)	**123,573,607**	**124,519,918**	**124,519,918**	**377,333**	**100.0%**
FUNDING SURPLUS (DEFICIT)	**-**	**-**	**-**		

USES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT USES OF FUNDS USES ($)	PER UNIT ($)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		**123,573,607**			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	4,160,000	-	4,160,000	12,606	3.3%
Demolition Costs	-	-	-	-	0.0%
Legal & Other Closing Costs	-	-	-	-	0.0%
Escrow & other closing costs	-	-	-	-	0.0%
Verifiable Carrying Costs	289,628	-	289,628	878	0.2%
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	**4,449,628**	**-**	**4,449,628**	**13,484**	**3.6%**
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	-	-	-	-	0.0%
Environmental Remediation (Hard Costs)	-	-	-	-	0.0%
Site Work (Hard Cost)	5,280,000	-	5,280,000	16,000	4.2%
Structures (Hard Cost)	58,082,640	-	58,082,640	176,008	46.6%
General Requirements	3,801,758	-	3,801,758	11,520	3.1%
Contractor Overhead	1,343,288	-	1,343,288	4,071	1.1%
Contractor Profit	4,029,864	-	4,029,864	12,212	3.2%
Contractor Bond	-	-	-	-	0.0%
Contractor Liability Insurance	600,000	-	600,000	1,818	0.5%
Personal Property	-	-	-	-	0.0%
HVAC/Resident Damage	-	-	-	-	0.0%
TOTAL CONSTRUCT/REHAB COSTS	**73,137,550**	**-**	**73,137,550**	**221,629**	**58.7%**

SOURCES & USES OF FUNDS Fiddyment Apartments			Project Number	Final Commitment 22-009-A/X/N	
USES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT USES OF FUNDS USES ($)	PER UNIT ($)	%
RELOCATION COSTS					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	**-**	**-**	**-**	**-**	**0.0%**
ARCHITECTURAL FEES					
Design	600,000	-	600,000	1,818	0.5%
Supervision	200,000	-	200,000	606	0.2%
TOTAL ARCHITECTURAL FEES	**800,000**	**-**	**800,000**	**2,424**	**0.6%**
SURVEY & ENGINEERING FEES					
Engineering	280,000	-	280,000	848	0.2%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	-	-	-	-	0.0%
TOTAL SURVEY & ENGINEERING FEES	280,000	-	280,000	848	0.2%
CONTINGENCY RESERVES					
Hard Cost Contingency Reserve	3,700,000	-	3,700,000	11,212	3.0%
Soft Cost Contingency Reserve	1,276,000	-	1,276,000	3,867	1.0%
TOTAL CONTINGENCY RESERVES	4,976,000	-	4,976,000	15,079	4.0%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
Bank of America- Conduit- Tax Exempt	4,322,098	-	4,322,098	13,097	0.03471
Bank of America- Conduit- Taxable	-	-	-	-	0
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees					
Bank of America- Conduit- Tax Exempt	630,000	-	630,000	1,909	0.5%
Bank of America- Conduit- Taxable	385,803	-	385,803	1,169	0.3%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	0.0%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Owner Paid Bonds/Insurance	-	-	-	-	0.0%
CalHFA Inspection Fees	18,000	-	18,000	55	0.0%
Real Estate Taxes During Rehab	120,000	-	120,000	364	0.1%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Preva	-	-	-	-	0.0%
Insurance During Rehab	543,600	-	543,600	1,647	0.4%
Title & Recording Fees	100,000	-	100,000	303	0.1%
Construction Management & Testing	-	-	-	-	0.0%
Const Lender Costs (Legal, etc)	93,440	-	93,440	283	0.1%
Bond Issuer Fee	78,290	-	78,290	237	0.1%
Cost of Issuance Contingency (Constructio	113,086	-	113,086	343	0.1%
TOTAL CONST/REHAB PERIOD COSTS	**6,404,317**	**-**	**6,404,317**	**19,407**	**5.1%**

SOURCES & USES OF FUNDS					Final Commitment
Fiddyment Apartments			Project Number		22-009-A/X/N
USES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT USES OF FUNDS USES ($)	PER UNIT ($)	%
PERMANENT LOAN COSTS					
Loan Fees					
CalHFA Application Fee	-	-	-	-	0.0%
Perm	194,000	180,000	374,000	1,133	0.3%
MIP	40,000	40,000	80,000	242	0.1%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Permanent Loan Cost of Issuance Fee	-	110,000	110,000	333	0.1%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Title & Recording (closing costs)	-	-	-	-	0.0%
Year 1 - Taxes & Special Assessments and Insura	-	-	-	-	0.0%
CalHFA Fees	-	-	-	-	0.0%
Tax Exempt Bond Allocation Fee	-	-	-	-	0.0%
CalHFA Perm Loan Fees/Costs	-	-	-	-	0.0%
TOTAL PERMANENT LOAN COSTS	**234,000**	**330,000**	**564,000**	**1,709**	**0.5%**
LEGAL FEES					
CalHFA Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
Other Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
CalHFA Permanent Loan Legal Fees	17,500	17,500	35,000	106	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	65,000	-	65,000	197	0.1%
CalHFA Bond Counsel	93,000	-	93,000	282	0.1%
TOTAL LEGAL FEES	**175,500**	**17,500**	**193,000**	**585**	**0.2%**
OPERATING RESERVES					
Operating Expense Reserve Deposit	932,853	-	932,853	2,827	0.7%
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	-	98,811	98,811	299	0.1%
Post Construction Interest Reserve	-	500,000	500,000	1,515	0.4%
TOTAL OPERATING RESERVES	**932,853**	**598,811**	**1,531,664**	**4,641**	**1.2%**
REPORTS & STUDIES					
Appraisal Fee	10,000	-	10,000	30	0.0%
Market Study Fee	10,000	-	10,000	30	0.0%
Physical Needs Assessment Fee	-	-	-	-	0.0%
Environmental Site Assessment Reports	20,000	-	20,000	61	0.0%
HUD Risk Share Environmental / NEPA Review F	-	-	-	-	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	**40,000**	**-**	**40,000**	**121**	**0.0%**

SOURCES & USES OF FUNDS					Final Commitment
Fiddyment Apartments			Project Number	22-009-A/X/N	
USES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT USES OF FUNDS		
	$	$	USES ($)	PER UNIT ($)	%
OTHER COSTS					
TCAC Application, Allocation & Monitor Fees	196,502	-	196,502	595	0.2%
CDLAC Fees	35,553	-	35,553	108	0.0%
Local Permits & Fees	700,000	-	700,000	2,121	0.6%
Local Impact Fees	16,275,363	-	16,275,363	49,319	13.1%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	60,000	-	60,000	182	0.0%
Accounting & Audits	15,000	-	15,000	45	0.0%
Advertising & Marketing Expenses	194,814	-	194,814	590	0.2%
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	**17,477,232**	**-**	**17,477,232**	**52,961**	**14.0%**
SUBTOTAL PROJECT COSTS	**108,907,080**	**124,519,918**	**109,853,391**	**332,889**	**88.2%**
DEVELOPER FEES & COSTS					
Developer Fees, Overhead & Profit	14,666,527	-	14,666,527	44,444	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 Adminstration Fees	-	-	-	-	0.0%
Other (Specify) correction to balance	-	-	-	-	0.0%
CASH EQUITY OUT TO DEVELOPER	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	**14,666,527**	**-**	**14,666,527**	**44,444**	**11.8%**
TOTAL PROJECT COSTS	**123,573,607**	**124,519,918**	**124,519,918**	**377,333**	**100.0%**

PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET			Final Commitment
Fiddyment Apartments	**Project Number**		**22-009-A/X/N**
INCOME	**AMOUNT**	**PER UNIT**	**%**
Rental Income			
Restricted Unit Rents	$ 4,805,004	$ 14,561	104.54%
Unrestricted Unit Rents	-	-	0.00%
Commercial Rents	-	-	0.00%
Rental & Operating Subsidies			
Project Based Rental Subsidy	-	-	0.00%
Other Project Based Subsidy	-	-	0.00%
Income during renovations	-	-	0.00%
Other Subsidy (Specify)	-	-	0.00%
Other Income			
Laundry Income	33,033	100	0.72%
Parking & Storage Income	-	-	0.00%
Miscellaneous Income	-	-	0.00%
GROSS POTENTIAL INCOME (GPI)	**$ 4,838,037**	**$ 14,661**	**105.26%**
Less: Vacancy Loss	**$ 241,902**	**$ 733**	**5.26%**
EFFECTIVE GROSS INCOME (EGI)	**$ 4,596,135**	**$ 15,394**	**100.00%**
OPERATING EXPENSES	**AMOUNT**	**PER UNIT**	**%**
Administrative Expenses	$ 181,300	$ 549	$ 0
Management Fee	159,486	483	3.47%
Social Programs & Services	22,000	67	0.48%
Utilities	281,500	853	6.12%
Operating & Maintenance	521,700	1,581	11.35%
Ground Lease Payments	-	-	0.00%
CalHFA Monitoring Fee	7,500	23	0.16%
Other Monitoring Fees	-	-	0.00%
Real Estate Taxes	8,100	25	0.18%
Other Taxes & Insurance	418,900	1,269	9.11%
Assisted Living/Board & Care	-	-	0.00%
SUBTOTAL OPERATING EXPENSES	**$ 1,600,486**	**$ 4,850**	**34.82%**
Replacement Reserve	$ 82,500	$ 250	1.79%
TOTAL OPERATING EXPENSES	**$ 1,682,986**	**$ 5,100**	**36.62%**
NET OPERATING INCOME (NOI)	**$ 2,913,149**	**$ 8,828**	**63.38%**
DEBT SERVICE PAYMENTS	**AMOUNT**	**PER UNIT**	**%**
Perm	$ 2,535,371	$ 7,683	55.16%
-	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
MIP Annual Fee (applicable for MIP only deals)	$ -	-	0.00%
TOTAL DEBT SERVICE & OTHER PAYMENTS	**$ 2,535,371**	**$ 7,683**	**55.16%**
EXCESS AFTER DEBT SERVICE & MONITORING FEES	**$ 377,778**	**$ 1,145**	**8.22%**
DEBT SERVICE COVERAGE RATIO (DSCR)	**1.15**	**to 1**	
Date: 9/27/22		Senior Staff Date:	10/05/22

PROJECTED PERMANENT LOAN CASH FL0WS										Fiddyment Apartments				
Final Commitment									Project Number	22-009-A/X/N				
	YEAR	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**
RENTAL INCOME	**CPI**													
Restricted Unit Rents	2.50%	4,805,004	4,925,129	5,048,257	5,174,464	5,303,825	5,436,421	5,572,332	5,711,640	5,854,431	6,000,792	6,150,811	6,304,582	6,462,196
Unrestricted Unit Rents	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	2.50%	33,033	33,859	34,705	35,573	36,462	37,374	38,308	39,266	40,248	41,254	42,285	43,342	44,426
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		**4,838,037**	**4,958,988**	**5,082,963**	**5,210,037**	**5,340,288**	**5,473,795**	**5,610,640**	**5,750,906**	**5,894,678**	**6,042,045**	**6,193,096**	**6,347,924**	**6,506,622**
VACANCY ASSUMPTIONS	**Vacancy**													
Restricted Unit Rents	5.00%	240,250	246,256	252,413	258,723	265,191	271,821	278,617	285,582	292,722	300,040	307,541	315,229	323,110
Unrestricted Unit Rents	7.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	3.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	5.00%	1,652	1,693	1,735	1,779	1,823	1,869	1,915	1,963	2,012	2,063	2,114	2,167	2,221
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		**241,902**	**247,949**	**254,148**	**260,502**	**267,014**	**273,690**	**280,532**	**287,545**	**294,734**	**302,102**	**309,655**	**317,396**	**325,331**
EFFECTIVE GROSS INCOME (EGI)		**4,596,135**	**4,711,039**	**4,828,814**	**4,949,535**	**5,073,273**	**5,200,105**	**5,330,108**	**5,463,360**	**5,599,944**	**5,739,943**	**5,883,442**	**6,030,528**	**6,181,291**
OPERATING EXPENSES	**CPI / Fee**													
Administrative Expenses	3.50%	203,300	210,416	217,780	225,402	233,291	241,457	249,908	258,654	267,707	277,077	286,775	296,812	307,200
Management Fee	3.47%	159,486	163,473	167,560	171,749	176,043	180,444	184,955	189,579	194,318	199,176	204,155	209,259	214,491
Utilities	3.50%	281,500	291,353	301,550	312,104	323,028	334,334	346,035	358,147	370,682	383,656	397,084	410,981	425,366
Operating & Maintenance	3.50%	521,700	539,960	558,858	578,418	598,663	619,616	641,303	663,748	686,979	711,024	735,909	761,666	788,325
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
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Real Estate Taxes	1.25%	8,100	8,201	8,304	8,408	8,513	8,619	8,727	8,836	8,946	9,058	9,171	9,286	9,402
Other Taxes & Insurance	3.50%	418,900	433,562	448,736	464,442	480,697	497,522	514,935	532,958	551,611	570,918	590,900	611,581	632,987
Required Reserve Payments	1.00%	82,500	83,325	84,158	85,000	85,850	86,708	87,575	88,451	89,336	90,229	91,131	92,043	92,963
TOTAL OPERATING EXPENSES		**1,682,986**	**1,737,788**	**1,794,446**	**1,853,023**	**1,913,584**	**1,976,199**	**2,040,937**	**2,107,873**	**2,177,080**	**2,248,637**	**2,322,626**	**2,399,129**	**2,478,233**
NET OPERATING INCOME (NOI)		**2,913,149**	**2,973,250**	**3,034,368**	**3,096,512**	**3,159,689**	**3,223,906**	**3,289,170**	**3,355,488**	**3,422,865**	**3,491,306**	**3,560,816**	**3,631,399**	**3,703,058**
DEBT SERVICE PAYMENTS	**Lien #**													
Perm	1	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**
CASH FLOW AFTER DEBT SERVICE		**377,778**	**437,879**	**498,997**	**561,141**	**624,317**	**688,534**	**753,799**	**820,116**	**887,493**	**955,934**	**1,025,444**	**1,096,027**	**1,167,686**
DEBT SERVICE COVERAGE RATIO		**1.15**	**1.17**	**1.20**	**1.22**	**1.25**	**1.27**	**1.30**	**1.32**	**1.35**	**1.38**	**1.40**	**1.43**	**1.46**
Date Prepared:	09/27/22									Senior Staff Date:	10/5/22			
LESS: Asset Management Fee	3%	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	10,382	10,693
LESS: Partnership Management Fee	2%	19,404	19,792	20,188	20,592	21,004	21,424	21,852	22,289	22,735	23,190	23,653	24,126	24,609
net CF available for distribution		**350,874**	**410,362**	**470,852**	**532,354**	**594,873**	**658,416**	**722,991**	**788,603**	**855,258**	**922,959**	**991,712**	**1,061,519**	**1,132,384**
	YEAR	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**
Deferred developer fee repayment	8,400,000	8,400,000	8,049,126	7,638,765	7,167,912	6,635,559	6,040,686	5,382,270	4,659,279	3,870,675	3,015,418	2,092,459	1,100,747	39,228
	100%	350,874	410,362	470,852	532,354	594,873	658,416	722,991	788,603	855,258	922,959	991,712	1,061,519	39,228
		8,049,126	7,638,765	7,167,912	6,635,559	6,040,686	5,382,270	4,659,279	3,870,675	3,015,418	2,092,459	1,100,747	39,228	-
Payments for Residual Receipt Payments		*50%*												
RESIDUAL RECEIPTS LOANS	*Payment %*	-	-	-	-	-	-	-	-	-	-	-	-	546,578
MIP	*100.00%*	-	-	-	-	-	-	-	-	-	-	-	-	546,578
Total Residual Receipts Payments	**100.00%**	**-**	-	-	-	-	-	-	-	-	-	-	-	546,578
Balances for Residual Receipt Payments														
RESIDUAL RECEIPTS LOANS	*Interest Rate*													
MIP---Simple	*3.00%*	8,000,000	8,240,000	8,480,000	8,720,000	8,960,000	9,200,000	9,440,000	9,680,000	9,920,000	10,160,000	10,400,000	10,640,000	10,880,000
0---	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments		**8,000,000**	8,240,000	8,480,000	8,720,000	8,960,000	9,200,000	9,440,000	9,680,000	9,920,000	10,160,000	10,400,000	10,640,000	10,880,000

PROJECTED PERMANENT LOAN CASH FL0WS		Fiddyment Apartments												
Final Commitment							Project Number 22-009-A/X/N							
	YEAR	14	15	16	17	18	19	20	21	22	23	24	25	26
RENTAL INCOME	**CPI**													
Restricted Unit Rents	2.50%	6,623,751	6,789,345	6,959,078	7,133,055	7,311,382	7,494,166	7,681,521	7,873,559	8,070,398	8,272,157	8,478,961	8,690,935	8,908,209
Unrestricted Unit Rents	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	2.50%	45,536	46,675	47,842	49,038	50,264	51,520	52,808	54,128	55,482	56,869	58,290	59,748	61,241
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		**6,669,287**	**6,836,020**	**7,006,920**	**7,182,093**	**7,361,645**	**7,545,687**	**7,734,329**	**7,927,687**	**8,125,879**	**8,329,026**	**8,537,252**	**8,750,683**	**8,969,450**
VACANCY ASSUMPTIONS	**Vacancy**													
Restricted Unit Rents	5.00%	331,188	339,467	347,954	356,653	365,569	374,708	384,076	393,678	403,520	413,608	423,948	434,547	445,410
Unrestricted Unit Rents	7.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	3.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	5.00%	2,277	2,334	2,392	2,452	2,513	2,576	2,640	2,706	2,774	2,843	2,915	2,987	3,062
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		**333,464**	**341,801**	**350,346**	**359,105**	**368,082**	**377,284**	**386,716**	**396,384**	**406,294**	**416,451**	**426,863**	**437,534**	**448,473**
EFFECTIVE GROSS INCOME (EGI)		**6,335,823**	**6,494,219**	**6,656,574**	**6,822,988**	**6,993,563**	**7,168,402**	**7,347,612**	**7,531,303**	**7,719,585**	**7,912,575**	**8,110,389**	**8,313,149**	**8,520,978**
OPERATING EXPENSES	**CPI / Fee**													
Administrative Expenses	3.50%	317,952	329,081	340,598	352,519	364,858	377,628	390,845	404,524	418,682	433,336	448,503	464,201	480,448
Management Fee	3.47%	219,853	225,349	230,983	236,758	242,677	248,744	254,962	261,336	267,870	274,566	281,431	288,466	295,678
Utilities	3.50%	440,254	455,663	471,611	488,117	505,201	522,883	541,184	560,126	579,730	600,021	621,021	642,757	665,253
Operating & Maintenance	3.50%	815,916	844,473	874,029	904,621	936,282	969,052	1,002,969	1,038,073	1,074,405	1,112,010	1,150,930	1,191,212	1,232,905
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
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Real Estate Taxes	1.25%	9,520	9,639	9,759	9,881	10,005	10,130	10,256	10,385	10,514	10,646	10,779	10,914	11,050
Other Taxes & Insurance	3.50%	655,141	678,071	701,804	726,367	751,790	778,102	805,336	833,523	862,696	892,890	924,141	956,486	989,963
Required Reserve Payments	1.00%	93,893	94,832	95,780	96,738	97,705	98,682	99,669	100,666	101,672	102,689	103,716	104,753	105,801
TOTAL OPERATING EXPENSES		**2,560,028**	**2,644,607**	**2,732,064**	**2,822,500**	**2,916,017**	**3,012,721**	**3,112,721**	**3,216,131**	**3,323,070**	**3,433,658**	**3,548,021**	**3,666,289**	**3,788,598**
NET OPERATING INCOME (NOI)		**3,775,795**	**3,849,612**	**3,924,510**	**4,000,488**	**4,077,546**	**4,155,682**	**4,234,891**	**4,315,171**	**4,396,515**	**4,478,917**	**4,562,368**	**4,646,860**	**4,732,380**
DEBT SERVICE PAYMENTS	**Lien #**													
Perm	1	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371	2,535,371
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**
CASH FLOW AFTER DEBT SERVICE		**1,240,423**	**1,314,240**	**1,389,138**	**1,465,117**	**1,542,175**	**1,620,310**	**1,699,520**	**1,779,800**	**1,861,144**	**1,943,546**	**2,026,997**	**2,111,488**	**2,197,008**
DEBT SERVICE COVERAGE RATIO		**1.49**	**1.52**	**1.55**	**1.58**	**1.61**	**1.64**	**1.67**	**1.70**	**1.73**	**1.77**	**1.80**	**1.83**	**1.87**
Date Prepared:	09/27/22						Senior Staff Date:	10/5/22						

LESS: Asset Management Fee	3%	11,014	11,344	11,685	12,035	12,396	12,768	13,151	13,546	13,952	14,371	14,802	15,246	15,703
LESS: Partnership Management Fee	2%	25,101	25,603	26,115	26,638	27,170	27,714	28,268	28,833	29,410	29,998	30,598	31,210	31,834
net CF available for distribution		**1,204,308**	**1,277,293**	**1,351,338**	**1,426,444**	**1,502,608**	**1,579,828**	**1,658,101**	**1,737,421**	**1,817,782**	**1,899,177**	**1,981,597**	**2,065,032**	**2,149,471**
	YEAR	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**	**22**	**23**	**24**	**25**	**26**
Deferred developer fee repayment	8,400,000	-	-			-	-	-	-	-	-	-	-	-
	100%	-	-			-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-

Payments for Residual Receipt Payments														
RESIDUAL RECEIPTS LOANS	*Payment %*	602,154	638,646	675,669	713,222	751,304	789,914	829,050	868,710	908,891	949,588	990,798	1,032,516	1,074,735
MIP	*100.00%*	602,154	638,646	675,669	713,222	751,304	789,914	829,050	868,710	908,891	949,588	990,798	1,032,516	1,074,735
Total Residual Receipts Payments	**100.00%**	602,154	638,646	675,669	713,222	751,304	789,914	829,050	868,710	908,891	949,588	990,798	1,032,516	1,074,735
Balances for Residual Receipt Payments														
RESIDUAL RECEIPTS LOANS	*Interest Rate*													
MIP---Simple	*3.00%*	10,573,422	10,211,268	9,812,622	9,376,952	8,903,731	8,392,426	7,842,512	7,248,737	6,597,489	5,886,523	5,113,530	4,276,138	3,371,906
0---	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments		10,573,422	10,211,268	9,812,622	9,376,952	8,903,731	8,392,426	7,842,512	7,248,737	6,597,489	5,886,523	5,113,530	4,276,138	3,371,906

PROJECTED PERMANENT LOAN CASH FL0WS				Fiddyment Apartments	
Final Commitment				Project Number	22-009-A/X/N
	YEAR	27	28	29	30
RENTAL INCOME	**CPI**				
Restricted Unit Rents	2.50%	9,130,914	9,359,187	9,593,167	9,832,996
Unrestricted Unit Rents	2.50%	-	-	-	-
Commercial Rents	2.00%	-	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-	-
Other Project Based Subsidy	1.50%	-	-	-	-
Income during renovations	0.00%	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-
Laundry Income	2.50%	62,772	64,342	65,950	67,599
Parking & Storage Income	2.50%	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		**9,193,686**	**9,423,529**	**9,659,117**	**9,900,595**
VACANCY ASSUMPTIONS	**Vacancy**				
Restricted Unit Rents	5.00%	456,546	467,959	479,658	491,650
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%	3,139	3,217	3,298	3,380
Parking & Storage Income	50.00%	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		**459,684**	**471,176**	**482,956**	**495,030**
EFFECTIVE GROSS INCOME (EGI)		**8,734,002**	**8,952,352**	**9,176,161**	**9,405,565**
OPERATING EXPENSES	**CPI / Fee**				
Administrative Expenses	3.50%	497,263	514,668	532,681	551,325
Management Fee	3.47%	303,070	310,647	318,413	326,373
Utilities	3.50%	688,537	712,636	737,578	763,394
Operating & Maintenance	3.50%	1,276,057	1,320,719	1,366,944	1,414,787
Ground Lease Payments	3.50%	-	-	-	-
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500
Other Agency Monitoring Fee	0.00%	-	-	-	-
Real Estate Taxes	1.25%	11,188	11,328	11,470	11,613
Other Taxes & Insurance	3.50%	1,024,612	1,060,473	1,097,590	1,136,006
Required Reserve Payments	1.00%	106,859	107,927	109,007	110,097
TOTAL OPERATING EXPENSES		**3,915,086**	**4,045,898**	**4,181,182**	**4,321,093**
NET OPERATING INCOME (NOI)		**4,818,916**	**4,906,455**	**4,994,979**	**5,084,472**
DEBT SERVICE PAYMENTS	**Lien #**				
Perm	1	2,535,371	2,535,371	2,535,371	2,535,371
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals)	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		**2,535,371**	**2,535,371**	**2,535,371**	**2,535,371**
CASH FLOW AFTER DEBT SERVICE		**2,283,545**	**2,371,083**	**2,459,608**	**2,549,100**
DEBT SERVICE COVERAGE RATIO		**1.90**	**1.94**	**1.97**	**2.01**
Date Prepared:	09/27/22			Senior Staff Date:	10/5/22

LESS: Asset Management Fee	3%	16,174	16,660	17,159	17,674
LESS: Partnership Management Fee	2%	32,471	33,120	33,783	34,458
net CF available for distribution		**2,234,899**	**2,321,303**	**2,408,665**	**2,496,967**
	YEAR	**27**	**28**	**29**	**30**
Deferred developer fee repayment	8,400,000	-	-	-	-
	100%	-	-	-	-
		-	-	-	-

Payments for Residual Receipt Payments					
RESIDUAL RECEIPTS LOANS	*Payment %*	1,117,450	1,160,652	1,204,333	1,248,484
MIP	*100.00%*	1,117,450	1,160,652	239,744	-
Total Residual Receipts Payments	**100.00%**	1,117,450	1,160,652	239,744	-

Balances for Residual Receipt Payments					
RESIDUAL RECEIPTS LOANS	*Interest Rate*				
MIP---Simple	*3.00%*	2,398,328	1,352,828	232,761	-
0---	*0.00%*	-	-	-	-
Total Residual Receipts Payments		2,398,328	1,352,828	232,761	-

California Housing Finance Agency

MIXED-INCOME LOAN PROGRAM (2022)

The California Housing Finance Agency ("CalHFA" or "Agency") 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% of county Area Median Income ("AMI").

The MIP must be paired with CalHFA's Conduit Bond Issuance Program and a CalHFA Mixed-Income Qualified Construction Lender (defined below). Additionally, the program must be paired with CalHFA's Permanent Loan product. The MIP resources will take the form of a subordinate loan to incentivize newly developed multifamily housing projects that serve a range of extremely low to moderate income renters. Eligible projects must create newly constructed regulated units that meet the income and occupancy requirements reflected below.

Qualifications

APPLICATION:

Sponsors/developers must submit a complete application package which includes all items listed on the application, the application addendum and the checklist. Incomplete application packages will not be considered. The application and checklist can be found at www.calhfa.ca.gov/multifamily/mixedincome/index.htm. If the sponsor/developer is not able to meet the readiness timeline referenced below, MIP funds may be rescinded and reallocated.

AVAILABILITY:

Available to for-profit, nonprofit, and public agency sponsors. Development teams must meet CalHFA experience requirements, as defined in the CalHFA Development Team Qualifications section below.

USES:

MIP subsidy loans must be used in conjunction with CalHFA's Conduit Bond Issuance Program and a construction loan from a CalHFA Mixed-Income Qualified Construction Lender. MIP subsidy loans must also be used in conjunction with CalHFA's permanent first-lien mortgage financing. CalHFA Mixed-Income Qualified Construction Lender is defined in that section below.

FINANCING STRUCTURE:

Projects accessing the MIP subsidy loan funds must be structured as one of the following:

1. Tax-exempt bond and 4% tax credit project where at least 51% of the units in the project must be tax-credit-financed

   OR

2. Qualified mixed-income project through income averaging pursuant to Internal Revenue Code Section 42 (g)(1)(C).

Kevin Brown, Housing Finance Specialist
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Jennifer Beardwood, Housing Finance Specialist
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8805
jbeardwood@calhfa.ca.gov

Qualifications (continued)

READINESS:

Projects must have site control and be prepared to submit for a bond and tax credit allocation and will only receive funds if bonds are issued within the issuance timeframes specified in the California Debt Limit Allocation Committee's (CDLAC) Regulations Section 5100.

1. **Site:** The site must be ready for construction (all potential environmental issues have been identified, mitigation plan is in place, and costs associated with the mitigation plan have been incorporated in the development budget). Environmental issues may include, but not be limited to, receipt of clearances for CEQA, NEPA, and applicable tribal land environmental reviews. Pursuant to HUD-Risk Sharing requirements, sponsor is expected to start the NEPA process shortly after CalHFA verifies application completeness and determines that the project is ready to move forward with an initial commitment ("notification date"). The NEPA clearance and HUD's firm approval letter will be required prior to construction loan closing.
2. **General Contractor and/or Third Party Construction Services Engagement:** At the time of application, applicant must provide evidence that the applicant or developer has engaged a general contractor or third-party construction services company to provide construction services including, but not limited to, value engineering, bid/budget services, and constructability review of plans and designs. In addition, the proposed construction budget is based on the general contractor's or third-party construction services company's preliminary bid estimates pursuant to the current plans and designs.
3. **Disposition and Development Agreement:** Applicant must provide a copy of the disposition and development agreement, if applicable.
4. **Construction Start:** All projects must commit to begin construction 180 days from the earlier of the date of the tax-exempt bond allocation or 4% federal/state tax credit reservation, unless an extension has been approved by California Tax Credit Allocation Committee (CTCAC), CDLAC, and CalHFA, as applicable. Within the 180-day period, the following items must be submitted to CalHFA in their final form:
   a. A complete, updated application form along with a detailed explanation of any changes from the initial application,
   b. An executed construction contract,
   c. Recorded deeds of trust for all construction financing (unless a project's location on tribal trust land precludes this),
   d. Binding commitments for any other financing required to complete project construction,
   e. Copy of a limited partnership agreement executed by the general partner/sponsor and the investor limited partner/equity provider,
   f. Payment of all construction lender fees,
   g. Copies of buildings permits (a grading permit does not suffice to meet this requirement, except if the city or county as a rule does not issue building permits prior to the completion of grading, then a grading permit shall suffice; if the project is a design build project in which the city or county does not issue building permits until designs are fully complete, the city or county shall have approved construction to begin) or the applicable tribal documents,
   h. Copy of the notice to proceed delivered to the contractor,
   i. If no construction lender is involved, evidence must be submitted within 180 days, as applicable, that the equity partner has been admitted to the ownership entity, and that an initial disbursement of funds has occurred,
   j. Other documentation and information required by CalHFA to close construction financing.

Qualifications (continued)

MIP ALLOCATION LIMITS:
(Exceptions may be considered by Agency in its sole discretion)

1. **Project Cap:** No project may receive more than the lesser of $8 million, or the aggregate MIP loan amount calculated based on up to $50,000 per MIP regulated units or up to $60,000 per MIP regulated units for a Project located within the Highest or High Resource areas pursuant to CTCAC regulations designated on the CTCAC/HCD (California Department of Housing and Community Department) Opportunity Area Map.
2. **Sponsor Cap:** No sponsor (any individual, entity, affiliate and related entity) may receive more than 20% of total MIP allocation or funding of two projects, whichever is less, for the respective year.
3. **County Cap:** No one county may receive more than 25% of total MIP allocations for the respective year.
4. **Age-Restricted Cap:** No more than 25% of total MIP funds for the respective year may be received by age-restricted projects (units that are restricted to residents who are 62 years of age or older under the applicable provisions of California Civil Code Section 51.3 and the federal Fair Housing Act), unless a waiver of the minimum age requirement has been granted by U.S. Department of Housing and Urban Development ("HUD").

EVIDENCE OF COST CONTAINMENT:

A Cost Containment Certification must be provided at the time of Construction Loan Closing in a form acceptable to CalHFA in its sole discretion. The certification acceptable to CalHFA may be found at www.calhfa.ca.gov/multifamily/mixedincome/forms/closing-cost-containment-certification.pdf.

The developer/sponsor must certify that cost containment measures have been implemented to minimize construction costs. These measures should include, but may not be limited to, 1) competitively bidding out all major subcontractor and self-performing trades and 2) engaging a value engineer/consultant during the design process.

EVIDENCE OF SUBSIDY EFFICIENCY:

A Subsidy Efficiency Analysis will be completed as part of the application review. The analysis will be completed again prior to construction loan closing and closing of the MIP subordinate loan. The MIP loan amount may be reduced based on the final analysis. Parameters of the analysis may include, but are not limited to, the following:

- A maximum of 1.20 Debt Service Coverage Ratio ("DSCR") at year 1 ("Initial DSCR"). CalHFA may allow an initial DSCR higher than 1.20 on a case-by-case basis, if deemed necessary. The year 1 DSCR underwritten at the time of final loan approval and final commitment must be maintained through the term of the CalHFA permanent first lien loan,
- A project cash flow that supports the residential component of the project based on the required CalHFA permanent first lien annual debt service coverage ratio,
- A separate project cash flow that supports any commercial component of a mixed-use project,
- A cash flow after debt service shall be limited to the higher of 25% of the anticipated annual must pay debt service payment or 8% of gross income, during each of the first three years of project operation,
- Inflation factors and vacancy rates consistent with the Agency's Underwriting Standards,
- Developer Fee requirements matching those required under the 4% federal and/or state tax credit reservation,
- Capitalized reserves subject to approval by Agency for reasonableness consistent with the Agency's Underwriting Standards and the Investor Limited Partnership Agreement (ILPA),

Qualifications (continued)	• Review of Excess Sources over final Uses as approved by CalHFA resulting from any of the following: · An increase in tax credit equity, · An increase in permanent loan debt due to a combination of permanent loan rate reduction and/or reduction to operating expense assumptions; • Construction Cost Savings as evidenced by final cost certification, funds shall be used to reduce the MIP loan prior to CalHFA MIP loan closing or if required by other subordinate lenders, funds may be split on a pro rata basis between CalHFA and other subordinate lenders, • State tax credit request is expected to be within a range of $50,000 to $75,000 per unit. The projects that evidence the most efficient use of bond cap, state tax credits, and MIP per adjusted unit shall be prioritized for MIP funding considerations. The bond cap, state tax credits, and MIP per adjusted unit calculation shall be consistent with CDLAC Regulation Section 5231(g)(1) and 5231(g)(2). MIP final commitment shall be subject to evidence of project's receipt of CDLAC's preliminary tax-exempt bond allocations and CTCAC's tax credits reservations within the respective year, • Acquisition cost shall be the lesser of 1) the purchase price pursuant to a current purchase and sales agreement between unrelated parties, 2) the purchase price of an arm's length transaction executed within the past 10 years plus reasonable carrying costs, or 3) the appraised "as-is" value based on an Appraisal acceptable to CalHFA in its sole discretion. The appraised value of the real estate may be considered if the arm's length transaction exceeds 10 years.
CalHFA Mixed-Income Qualified Construction Lender	A CalHFA Qualified Construction Lender is defined as a Construction Lender that has closed at least five construction loans using tax-exempt bonds and 4% federal and/or state tax credits in California within the last three years and satisfies the requirement set forth within the application.
CalHFA Mixed-Income Development Team Qualifications	The **Developer/Co-Developer/General Partner** must be registered to do business and in good standing in the state of California. A CalHFA Qualified Developer/Co-Developer/General Partner must have developed at least three comparable projects within the past five years or meet the requirements to receive a minimum of 7 points under the CDLAC General Partner Experience category pursuant to CDLAC Regulations Section 5230(f). The proposed **Project Manager** must have personally managed the development of at least two comparable projects within the past five years. **Financial Consultants** hired to assist the Developer in meeting the minimum experience requirements must be able to provide details regarding at least three comparably financed projects over the last five years. **Architects** new to CalHFA must provide information for three comparable projects they designed that were built and occupied within the past five years in California. **General Contractor (GC)** must be licensed by the State of California. GCs new to CalHFA must provide information related to three comparable (in design) projects built in the past five years. Similar information will be required for the proposed on-site construction supervisor. The on-site construction supervisor must have overseen three comparable projects built in the past five years, and they must have overseen the projects from construction start to final completion. **Tax Credit Investors** must have closed/executed at least five investor limited partnership agreements for a comparable deal structure using tax-exempt bonds and 4% federal and/or state tax credits in California within the last three years.

CalHFA Mixed-Income Development Team Qualifications (Continued)	**Management Company** must have a local presence or a field office in Northern or Southern CA (depending on the location of the Project) and have experience managing at least 10 low- to moderate-income, rent-restricted comparable (size and tenant types) projects. Also required is a resume for the proposed on-site Property Manager, reflecting prior experience during the past five years managing onsite project operations and compliance with rent-restricted units or meet the requirements to receive a minimum of 3 points under the CDLAC Management Company Experience category pursuant to CDLAC Regulations Section 5230(f).
Permanent First Lien Loan	Must be provided by CalHFA. The permanent loan must meet an initial minimum DSCR of at least 1.15 and must maintain the year 1 DSCR underwritten at the time of final loan approval and final commitment through the term of the CalHFA permanent first lien loan. The Initial DSCR must not exceed 1.20.
Construction First Lien Loan	Must be provided by a CalHFA Mixed-Income Qualified Construction Lender. All parties shall permit the Agency to, in its sole and absolute discretion, recycle all or a portion of any bond volume cap related to a paydown of the bond-financed loans, at the conversion of the construction financing to permanent financing and payoff of the construction loan, pursuant to the authority provided in Section 146(i)(6) of the Internal Revenue Code of 1986 and CDLAC Regulation Section 5060 (the "Bond Recycling"). The bond documents, loan documents and any other documents related to the financing of the Development shall contain any necessary approvals and permit all actions necessary to accomplish a Bond Recycling.
Limitations	1. MIP cannot be combined with the CTCAC 9% program. 2. MIP cannot be combined with other state subordinate debt and/or subsidy programs (this does not include state tax credits) with the exception of the Infill Infrastructure Grant (IIG), Affordable Housing and Sustainable Communities (AHSC) and Transit Oriented Development (TOD) housing programs. Inclusion of these programs is contingent upon restrictions that are compatible with the MIP program requirements outlined herein. Inclusion of other subordinate debt and subsidy will be allowed at CalHFA's sole discretion so long as any restrictions of subordinate debt or subsidy are compatible with MIP program requirements outlined herein. 3. Projects that have a below market rate component resulting from an inclusionary obligation or are 100% below market as a result of an inclusionary obligation must demonstrate master developer commitment through a dollar-for-dollar match of CalHFA's subsidy resources. Match can be obtained through a monetary match or equivalent in-kind contributions (e.g., land donation, land use fee concessions.) 4. At the time of MIP application, a project must not have already received an allocation of 4% federal and/or state tax credits from CTCAC or a tax-exempt bond allocation from CDLAC. 5. Projects will not be eligible for other subsidy resources from CalHFA in addition to MIP.
Mixed-Income Project Occupancy Requirements	**BOND REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):** Must maintain either (a) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI with adjustments for household size ("20% @ 50% AMI"), OR (b) 40% or more of the units must be both rent restricted and occupied by individuals whose incomes are 60% or less of AMI with adjustments for household size ("40% @ 60% AMI"): in the latter case, CDLAC requires a minimum of 10% of the unit types must be at 50% or less of AMI ("10% @ 50% AMI").

Mixed-Income Project Occupancy Requirements (Continued)	**MIXED INCOME REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):** **Affordability Requirements:** 1. To qualify, a project must meet the following affordability restrictions, which are based on the HUD and locality (as applicable) income and rent limits which are current at the time of MIP application, for a term of 55 years: a. 30% of total units at or below 50% of AMI. Of these, a minimum of 10% of total units must be at or below 30% of AMI, b. 10% of total units between 60% and 80% of AMI with an average of 70% of AMI or greater, subject to the Maximum Allowable Rents outlined below, and c. Remaining 60% of total units at or below 120% of AMI (with the exception of any non-restricted manager's unit(s)) OR at the affordability restrictions consistent with CTCAC requirements. d. The minimum range between the lowest and highest occupancy target levels must be at least 40%. (Deviations from the above requirements will only be considered if Market Study supports such deviations.) 2. If applicable, tax credit transactions that are income-averaged must have a maximum average affordability up to 60% of AMI across all CTCAC restricted units.
Mixed-Income Project Occupancy Requirements (Continued)	**MAXIMUM ALLOWABLE RENTS:** Rents for all restricted units must be at least 10% below market rents for the MIP affordability term as evidenced by a current market study or appraisal. This threshold will be analyzed at time of application and again at CalHFA's final commitment approval and may be monitored on an ongoing basis for the MIP affordability term. The report shall be current within 180 days of Agency's final commitment and may be subject to required updating if the report expires prior to construction loan closing. For underwriting purposes, CTCAC and locality maximum rents for the respective target income limits must be used. Any proposed rent adjustments above 5% of the approved rents subsequent to construction loan closing may be considered if supported by a recent or updated market study or appraisal that is dated within 180 days of MIP loan closing, at CalHFA's sole discretion. Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents not to exceed 30% of the applicable income restriction required in the Agency's Regulatory Agreement.
Mixed-Income Subordinate Loan	1. Maximum loan amount for each project shall not exceed the lesser of $8 million or the aggregate MIP loan amount calculated based on up to $60,000 per MIP regulated units, unless an exception is approved by Agency in its sole discretion. a. Maximum loan per restricted (tax credit or CalHFA) units between 30%-120% AMI shall be up to $50,000. b. Projects located within the Highest or High Resource areas pursuant to CTCAC regulations designated on the CTCAC/HCD Opportunity Area Map shall be eligible for an additional amount up to $10,000 per MIP regulated unit. Opportunity Map Home Page: www.treasurer.ca.gov/ctcac/opportunity.asp 2. Loan size based on project need but cannot be more than 50% of the permanent loan amount.

MIXED-INCOME LOAN PROGRAM (2022)

Mixed-Income Subordinate Loan Rates & Terms	1. **Interest Rate**: Greater of 1% simple interest or the applicable federal rate (AFR) at time of MIP closing. 2. **Loan Term**: The MIP loan term shall be coterminous with the CalHFA permanent first lien loan. 3. **Lien Position**: Second lien position, after CalHFA permanent first lien loan. 4. **Loan Payment**: Residual receipt repayment based on cash flow analysis and split 50% to Owner and 50% to CalHFA and other residual receipt lenders. Residual receipt is defined as 50% of surplus cash which is determined as net operating income minus total debt service and other Agency approved payments. Payments shall be applied to the current and/or accrued interest and then principal of the MIP loan. Deviation from the net cash flow split may be granted 1) to meet equity investor's deferred developer's fee requirement as evidence by the limited partnership agreement, and 2) is subject to approval(s) by other residual receipt lender(s), as applicable. 5. **Affordability Term**: 55 years. 6. **Prepayment**: May be prepaid at any time without penalty. 7. **Subordination**: A subordination and/or extension of MIP maturity request in conjunction with a re-syndication, refinance, or ownership transfer ("capitalization event(s)") will be considered. If MIP loan is outstanding at time of the capitalization event(s) and requires subordination at the time of such event, the surplus cash split between borrower and CalHFA and other residual receipt lenders may be altered to reflect an increased percentage of residual receipts to CalHFA out of Borrower's share until such time as the MIP loan is paid in full. The remaining residual receipts may be split between other residual receipt lenders. 8. **Funded**: Only at permanent loan conversion.
CalHFA Conduit Bond Program	For more information on CalHFA's Conduit Issuer Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf
CalHFA First Lien Permanent Rates & Terms (subject to change)	For more information on CalHFA's Permanent Loan Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf
Fees (subject to change)	**Loan Fee:** 1.00% of the loan amount (50% due at final commitment and 50% due at CalHFA MIP loan closing). **Conduit Bond Program Fees:** Refer to CalHFA Conduit Bond Program www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf **CDLAC Fees:** Refer to CDLAC regulations for all applicable fees. **Other Fees:** Refer to CalHFA First Lien Permanent Rates & Terms for first mortgage loan fees, credit enhancements, trustee fees, legal fees, inspection fees, administrative fees. www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf

Last revised: 01/25/2022

California Housing Finance Agency

TAX-EXEMPT PERMANENT LOAN PROGRAM

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

Qualifications	• Available to for-profit, non-profit, and public agency sponsors. • Tax-exempt bond authority must be obtained from the California Debt Limit Allocation Committee (CDLAC) or through a 501(c)(3) exemption. • The Tax-Exempt Permanent Loan may be used with or without 4% low income housing tax credits. • If a lender other than CalHFA is providing short-term, first-lien debt, CalHFA shall be used as the bond issuer (for more information, review the Conduit Issuer Program Term Sheet). • For Section 8 Projects, a final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract. • The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program. • For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Loan Amount	• Minimum Perm Loan amount of $5,000,000. • Minimum 1.15x for initial debt service coverage ratio (include any financing with amortizing debt). If a Project includes CalHFA's subsidy loan, the maximum DSCR at year 1 shall not exceed 1.20, unless CalHFA approves a higher DSCR at its own discretion. The year 1 DSCR underwritten at the time of final loan approval and final commitment must be maintained as the minimum DSCR through the term of the Perm Loan. CalHFA may require the initial DSCR to be higher than the minimum 1.15x, if deemed necessary to meet the Agency's underwriting requirements. • Lesser of 90% of restricted value or 100% of development costs. For Projects with equity being cashed out, the Perm Loan amount will be restricted to no more than 80% of the restricted value.
Fees (subject to change)	• Application Fee: $10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Legal Fee at Perm Loan closing. The applicant may be subject to a new Application Fee if the CalHFA commitment expires prior to construction loan closing. • Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing. • Credit Enhancement Fee: included in the interest rate. • Annual Monitoring Fee: $7,500 annually (not to be duplicated if used in conjunction with CalHFA's Conduit Program). • Inspection fees should be estimated at $500 per month for the term of the construction (reports and fees can be shared with other construction lenders) • Legal Fee: $35,000, half due at final commitment, with balance due at Perm Loan closing. • Perm Loan Funding Fee: $110,000 at Perm Loan closing. • Administrative Fee: $1,000 at Perm Loan closing. • Letter of Interest Fee: $5,000 at LOI request, and is credited toward the CalHFA Perm Loan Fee See CalHFA standard Conduit Issuer Program Term Sheet for information on conduit issuance fees.

Kevin Brown, Housing Finance Officer
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Jennifer Beardwood, Housing Finance Specialist
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8805
jbeardwood@calhfa.ca.gov

TAX-EXEMPT PERMANENT LOAN PROGRAM

Rate & Terms (subject to change)	Interest Rate: • 17-Year Balloon Loans: 15-Year "AAA" Municipal Market Data (MMD) plus CalHFA spread • 30-Year Balloon and Fully Amortizing Loans: 30-Year "AAA" MMD plus CalHFA spread • Estimated CalHFA Spread: 2.00% to 3.00% • Rate may be locked up to 30 days prior to the construction loan closing. Rate may be locked for the term of the construction period, not to exceed 3 years. Amortization/Term: • Amortization: Up to 40 Year Amortization • Term: Fully Amortizing, and 17- or 30-Year Balloons available1 • Perm Loan Reduction: up to 10% reduction at Perm Loan closing permitted at no cost. • Up to two, three-month extension(s) permitted upon payment of a fee equal to 0.25% of the Perm Loan amount for each three-month extension. • Breakage Fee (if applicable): due between construction loan closing and Perm Loan closing and calculated based on hedge termination cost. 1. Balloon loans subject to agency approved exit strategy.
Loan Closing Requirements	• 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls. • 90% of tax credit investor equity shall have been paid into the Project. • Project income is sufficient to pay operating expenses, required debt service, reserves and monitoring fees. • For mixed-use Projects, 100% non-residential occupancy as evidenced by executed leases or guarantees. • Deposit Account Control Agreement between CalHFA, the Borrower and lending institution is in form and substance acceptable to all parties and ready to be executed at Perm Loan closing.
Prepayment	The Perm Loan may be prepaid at par after 15 years of the Perm Loan period. However, the Perm Loan may be prepaid after 10 years of the Perm Loan period subject to a yield maintenance calculation of: • 5% of the principal balance after the end of year 10 • 4% of the principal balance after the end of year 11 • 3% of the principal balance after the end of year 12 • 2% of the principal balance after the end of year 13 • 1% of the principal balance after the end of year 14 All prepayments require a prior written 120-day notice to CalHFA.
Subordinate Financing	Financing or grants are encouraged from local governments and third parties to achieve project feasibility. All financing, leases, development and regulatory agreements must be coterminous (or have a longer term than the combined terms of any CalHFA Acq/Rehab Loan and Perm Loan) and be subordinate to CalHFA financing. A Lien Priority/Position Estoppel in form and substance acceptable to CalHFA will be required prior to construction financing closing, if applicable.
Occupancy Requirements	Must maintain the greater of (A) existing affordability restrictions, or (B) either (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area (county) median gross income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (ii) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"): however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI (i.e., 30% @ 60% AMI; 10% @ 50% AMI).

Occupancy Requirements (continued)	Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents up to 30% of the applicable income restriction using the occupancy assumptions required in the Agency's Regulatory Agreement. Rents for all restricted units must be at least 10% below market rents as evidenced by current market study or an appraisal. CalHFA's regulated units must represent a comparable share of the available unit sizes (by bedroom count and square feet) and be disbursed throughout the project.
Due Diligence	The following due diligence is required to be provided at the Owner/Borrower's expense (refer to the program's document checklist for a full list): • Appraisal* (a construction lender's appraisal may be acceptable). • HUD-2530 previous participation clearance. • Construction Costs Review for new construction loans (other construction lender's review is acceptable). • Physical Needs Assessment* ("PNA") for rehabilitation projects with a Replacement Reserve Needs Analysis ("RRNA") over time for the first 20-year term (other lender's PNA/RRNA may be acceptable). A RRNA for a longer time period may be required if the Perm Loan term is greater than 20 years. • Phase I and Phase II (if applicable) Environmental Site Assessment* including, but not limited to, impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation). The Purpose section of Phase I must state "a purpose of the Phase I is to document compliance with HUD policy pursuant to 24 CFR §58.5(i)(2) or §50.3(i)". • Market Study* satisfactory to CalHFA. • NEPA Review. • Termite/Dry Rot reports* by licensed company. • Seismic review* and other studies may be required at CalHFA's discretion. *Note: Third party reports shall be within 180 days prior to the CalHFA's final commitment approval and may be subject to a new or updated report if the report(s) was completed more than 180 days prior to construction loan closing, in CalHFA's sole discretion.
Required Impounds and Reserves	• Replacement Reserve: Initial cash deposit required for existing Projects with annual deposits between $250 and $500 per unit/per year depending on the Project type and PNA/RRNA findings. • Operating Expense Reserve ("OER"): 3-6 months of operating expenses, reserves, debt service, and monitoring fees due at Perm Loan closing (letter of credit or cash) and held for the life of the CalHFA Perm Loan by CalHFA. In the event OER funds are drawn down during the term of CalHFA Perm Loan, it must be replenished over a period of 12 months to the original level. • Impounds held by CalHFA: One year's prepaid earthquake, hazard and liability insurance premiums, and property tax assessments are collected at loan closing. An earthquake insurance waiver is available for Projects which have met CalHFA earthquake waiver standards during rehabilitation or construction. • Transition Operating Reserve (TOR): required for Projects with state or locally administered rental subsidy contracts with contract terms that are less than 20 years or the CalHFA Perm Loan term. • Other reserves as required (at CalHFA's discretion).

Last revised: 5/2022

California Housing Finance Agency

CONDUIT ISSUER PROGRAM

MULTIFAMILY HOUSING BONDS

Term sheet effective for applications submitted after March 1, 2022

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

Qualifications	• Available to for-profit, nonprofit or public agency sponsors. • Nonprofit borrowers may be eligible for 501(c)(3) bonds. • If bond proceeds are utilized to pay off an existing CalHFA portfolio loan visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Bond Amount	Bond amount is determined by the loan amount of the selected construction lender.
Fees (subject to change)	• Application Fee: $5,000 non-refundable, due at time of application submittal (covers the cost of the TEFRA required for tax-exempt issuances) and is credited toward the CalHFA Issuer Fee. • Issuer Fee: 1. The greater of $15,000 or 18.75 basis points of the Bond amount if lesser than or equal to $20 million. 2. If more than $20 million: $37.500 + 5 basis points for the amount above $20 million. • Annual Administrative Fee: 5 bps of the tax-exempt bond issuance amount due at construction loan closing and due annually thereafter until permanent loan conversion. After permanent loan conversion, billed annually in advance, 5 bps of unpaid principal balance amount of tax-exempt bond financed loan(s) until bonds are fully redeemed. Minimum Annual Administrative Fee shall be $4,000 through both the Qualified Project Period and the CDLAC compliance period. For taxable only issuances, annual administrative fees above will be charged based on the taxable bond financed loan(s) for the term of the CalHFA affordability restrictions. If used in conjunction with a CalHFA permanent loan product, the annual administrative fee will not be duplicated. Please refer to the applicable permanent loan term sheet for the annual administrative fee. • Public Sale: Additional fee of $5,000 to $10,000 applies when Bonds are sold to the public. • CDLAC Allocation Fee: 0.035% of the Bond amount, $1,200 of which is due at time of CDLAC application submittal with the remaining fee due at construction loan closing and payable to CDLAC. • CDLAC Performance Deposit: 0.50% of the requested Bond amount, not to exceed $100,000, due at time of CDLAC application submittal. Deposit to be refunded after the Bond closing, upon receipt of authorization letter from CDLAC. The Borrower shall be responsible for all other costs of Bond issuance including fees of the underwriter, trustee, rating agencies, lender, compliance administrator, all Bond counsel legal fees, and any other parties required to complete the transaction.

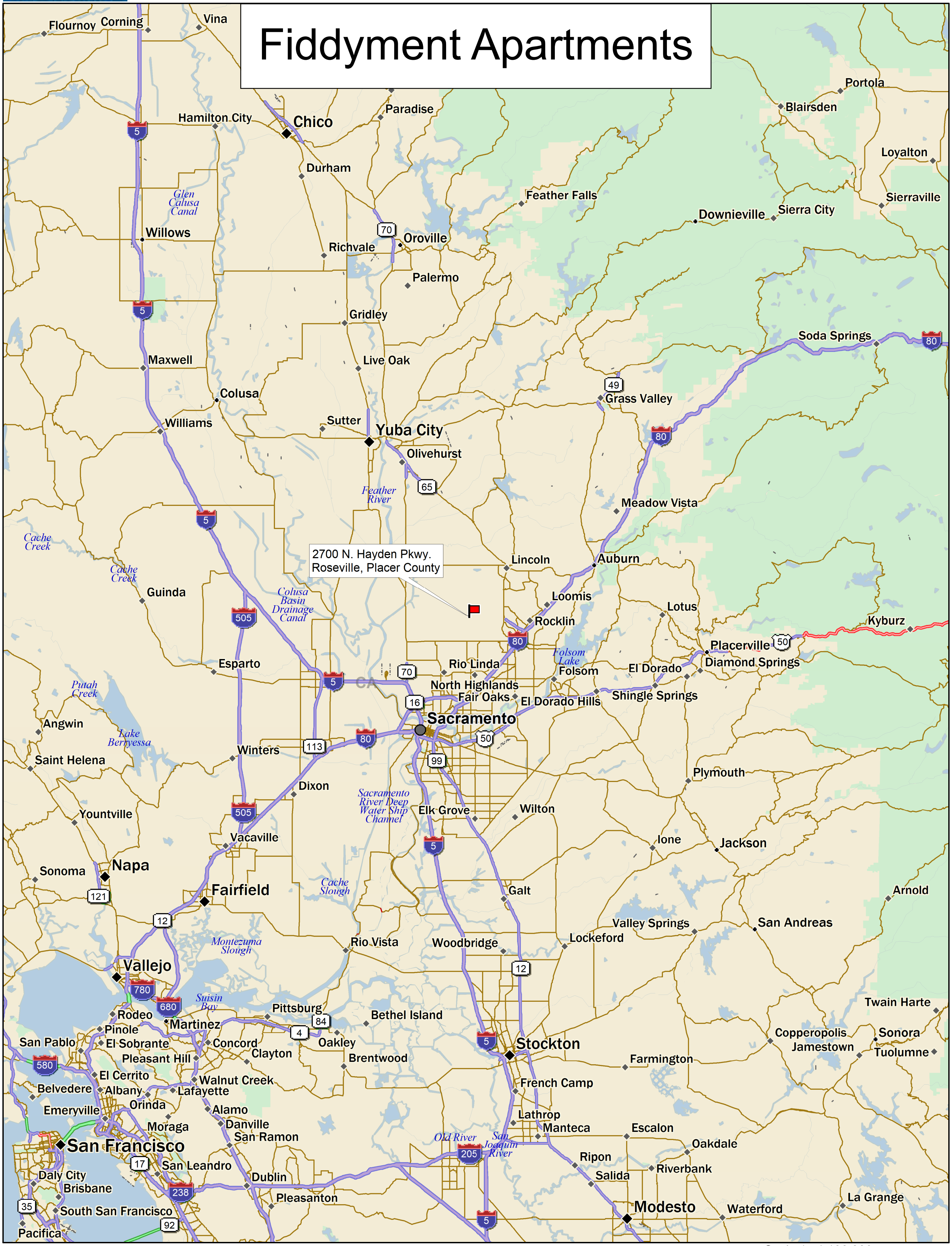
Kevin Brown, Housing Finance Officer
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Occupancy Requirements	• Either (A) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area median income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (B) 40% or more of the units must be rent restricted and occupied by individuals whose income is 60% or less of AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI (i.e., 30% @ 60% AMI; 10% @ 50% AMI). • Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents up to 30% of the applicable income restriction using the occupancy assumptions required in the Agency's Regulatory Agreement. Rents for all restricted units must be at least 10% below market rents as evidenced by a current market study or an appraisal. • Borrower will be required to enter into a Regulatory Agreement which will be recorded against the Project for the Qualified Project Period (as defined in the CalHFA Regulatory Agreement). This includes the later of the federally-required qualified project period, repayment of the Bond funded loan, redemption of the Bonds, the full term of the CDLAC Resolution requirements or 55 years.

Last revised: 05/2022

Fiddyment Apartments

Fiddyment Apartments



Data use subject to license.

TN
MN (13.0°E)

Scale 1 : 1,100,000

1" = 17.36 mi

Data Zoom 7-5

BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 22-27

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of Roseville Pacific Associates, a California Limited Partnership, a California limited partnership (the "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in the City of Roseville, County of Placer, California, to be known as Fiddyment Apartments (the "Development"); and

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

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

WHEREAS, pursuant to the Executive Director’s authority to issue Conduit Bonds, under Resolution 21-04 the Agency has filed an application with the California Debt Limit Allocation Committee (“CDLAC”) for an allocation of California Qualified Private Activity Bonds for the Development; and

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

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

WHEREAS, on February 14, 2022, the Executive Director exercised the authority delegated to her under Resolution 15-16 to declare the official intent of the Agency to reimburse such prior expenditures for the Development; and

WHEREAS, the Agency has conditionally approved a subsidy loan pursuant to CalHFA’s Mixed-Income Program (“***MIP***”) pursuant to its authority under Resolutions 19-02 and 19-14; and

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

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

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

PROJECT NUMBER	DEVELOPMENT NAME/ LOCALITY	MORTGAGE AMOUNT	
22-009-A/X/N	FIDDYMENT APARTMENTS City of Roseville, County of Placer	$37,400,000.00	Tax-Exempt Bond or FFB Permanent 1st Lien Loan with HUD Risk Share
		$ 8,000,000.00	Mixed-Income Program Residual Receipt 2nd Lien Loan

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

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

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. 22-27 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 20th day of October 2022, 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 20th day of October 2022.

ATTEST: ___________________________________

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

CalHFA MULTIFAMILY PROGRAMS DIVISION

Final Commitment Staff Report & Request for Loan Approval of Permanent Take-Out Loan for Tax Exempt financing with Mixed Income Program Subsidy Financing

Senior Loan Committee "Approval": 10/5/2022 for Board Meeting on 10/20/2022

Project Name, County:	La Vista Residential, Alameda County	
Address:	NE of Tennyson Road & Mission Boulevard, Hayward, 94544	
Type of Project:	New Construction	
CalHFA Project Number:	21-033-A/X/N	**Total Units:** 176 (Family)
Requested Financing by Loan Program:	$50,000,000	**CalHFA Tax-Exempt Bond – Conduit Issuance Amount (allocated by CDLAC on 6/15/22)**
	$2,000,000	**CalHFA Tax-Exempt Bond (Supplemental) – Conduit Issuance Amount (allocated by CDLAC on 9/1/22)**
	Up to $6,000,000	**CalHFA Tax-Exempt Recycled Bond – Conduit Issuance Amount (includes 10% cushion)**
	Up to $10,000,000	**CalHFA Taxable Bond – Conduit Issuance Amount (a portion of which may include recycled bonds) (includes 10% cushion)**
	$24,300,000	**CalHFA Tax-Exempt or FFB Permanent Loan with HUD Risk Sharing**
	$8,270,000	**CalHFA MIP Subsidy Loan ($5,000,000 Original Allocation and $3,270,000 Supplemental Allocation)**

DEVELOPMENT/PROJECT TEAM

Co-Developers:	Pacific West Communities, Inc. / Eden Housing, Inc.	**Borrower:**	La Vista Hayward, L.P.
Permanent Lender:	CalHFA	**Construction Lender:**	JPMorgan Chase Bank, N.A. & Bonneville
Equity Investor:	CREA, LLC	**Management Company:**	Eden Housing Management, Inc.
Contractor:	Pacific West Builders, Inc.	**Architect**	Architects Orange
Loan Officer:	Kevin Brown	**Loan Specialist:**	N/A
Asset Manager:	Jessica Doan	**Loan Administration:**	Ashley Carroll
Legal (Internal):	Paul Steinke	**Legal (External):**	Orrick, Herrington, Sutcliffe
Concept Meeting Date:	09/05/2022	**Approval Expiration Date:**	180 days from Approval

LOAN TERMS

1.		**CONDUIT ISSUANCE/ JPMorgan Chase Bank, N.A. CONSTRUCTION LOAN** Bonneville	**PERMANENT LOAN**	**CalHFA MIP GAP LOAN AND SUPPLEMENTAL MIP LOAN**

		Construction to Perm		
	Total Loan Amount	$52,000,000 (Tax-Exempt) $9,461,725 (Taxable) Total Bond Issuance: $61,461,725	$24,300,000	Original MIP: $5,000,000 Supplemental MIP: $3,270,000 Total CalHFA MIP Subsidy Loan: $8,270,000 ($42,529/restricted unit)
	Loan Term & Lien Position	JPMorgan Chase Bank, N.A. 36 months- interest only; 1st and 2nd Lien Position during construction. Two 6-month extension available. Bonneville 3rd Lien Position and deferred payments during construction. Payment to commence during permanent loan term (40-year amortization due in 30 years). 3rd Lien Position during permanent loan term.	40 year – partially amortizing due in year 30; 1st Lien Position during permanent loan term.	30 year - Residual Receipts; 2nd Lien Position during permanent loan term.
	Interest Rate (subject to change and locked 30 days prior to loan closing)	Underwritten at 5.00% fixed for tax-exempt and taxable. Bonneville Multifamily Capital underwritten at 7.00% adjustable during construction 5.00% adjustable during permanent loan term.	Underwritten Rate*: 6.30% (Fixed Rate locked) Estimated rate based on a 36 month forward commitment	Greater of 1.00% Simple Interest or the Applicable Federal Rate (AFR) at time of MIP closing (3% Simple was used for underwriting purposes).
	Loan to Value (LTV)	LTV is 59% of investment value	LTV is 49% of restricted value	N/A
	Loan to Cost	60%	24%	N/A

** The Agency has determined that the Indicative Rate of 6.30%, and not the Maximum Rate, is the fixed rate that shall be locked upon Borrower's request as set forth in the Indicative Rate Lock Agreement.*

PROJECT SUMMARY

2.	**Legislative Districts**	**Congress:**	#15 Eric Swalwell	**Assembly:**	#20 Bill Quirk	**State Senate:**	#10 Bob Wieckowski
	Brief Project Description	**La Vista Residential** (the "Project") is a new construction, family, mixed-income Project. It will consist of 2 five-story elevator serviced residential buildings (Type II Construction). There will be 176 total units, 174 of which will be restricted between 30% and 80% of the Alameda County Area Median Income (AMI). There will be 38 studio units (416 s.f.), 47 one-bedroom units (547 s.f.), 44 two-bedroom units (767 s.f.) and 47 three-bedroom units (986 s.f.). Two three-bedroom units will serve as the manager's unit. The project is not in a disaster area. The site is currently vacant. The Project is part of a larger community that will be home to affordable housing, a school that will serve students from preschool through 6th grade, La Vista Park, and the Hayward Foothill Trail. This community will provide much needed affordable housing to the City of					

Hayward.

Financing Structure: The Project's financing structure includes financing from tax-exempt bonds, taxable bonds, 4% Federal Tax Credit Equity (4% Federal LIHTC allocation), State Housing Tax Credit equity, subordinate recycled tax-exempt bonds and CalHFA permanent loan and Mixed-Income Program (original and supplemental). The project will be income averaged, pursuant to TCAC regulations.

Tax Credits and/or CDLAC Status: The project received an allocation for 4% federal tax credits and California state tax credits and bond cap from TCAC/CDLAC on June 15, 2022 and an allocation of supplemental tax-exempt bonds from CDLAC on September 1, 2022. The supplemental allocation was requested to add a cushion to the project's 50% aggregate basis requirement (the "50% test") which was at approximately 50% and now will increase to approximately 52%. The supplemental allocation is necessary to accommodate a potential cost increase during construction.

Ground Lease: Not applicable.

Project Amenities: The Project includes a community room, playground, outdoor recreational area with fitness equipment, indoor flex-room, computer lab, laundry facilities, elevators, and security features. Unit amenities will include dishwashers, disposals, and heating & air conditioning,

Local Resources and Services: For TCAC/CDLAC purposes, the Project is located within a Low resource area per TCAC/HCD's 2022 Opportunity Area Map. The Project is in close proximity to the following local amenities and services:

- Grocery stores – 0.95 miles
- Pharmacy – 0.54 miles
- Schools – 0.50 miles
- Public Library – 1.43 miles
- Public transit – 0.25 miles
- Fire - 0.76 miles
- Police – 2.90 miles
- Park and recreation – 0.67 miles
- Hospitals – 0.65 miles

Non-displacement and No Net Loss: To the extent feasible, it is the Agency's priority to mitigate the overall effects upon affordable housing availability that may arise from multifamily developments that may result in permanent displacement of existing affordable housing residents and/or net loss of existing affordable housing units. The Project is a new construction project on vacant land, with no related demolition of existing affordable housing, hence no existing affordable housing units will be lost nor will existing residential households be displaced as a result of this development.

Commercial and/or Other (i.e., Parking) Space: The Project does not include commercial space.

MISSION

3.	CalHFA Mission/Goals	
This Project and financing proposal provide 174 units of affordable housing with a range of restricted rents between 30% of AMI and 80% of AMI which will support much needed rental housing that will remain affordable for 55 years.		

ANTICIPATED PROJECT MILESTONES & SCHEDULE

4.	CDLAC/TCAC Closing Deadline:	3/12/2023*	Est. Construction Loan Closing:	12/2022
	Estimated Construction Start:	12/2022	Est. Construction Completion:	2/2025
	Estimated Conversion to Perm Loan(s):		12/2025	

* *On September 28, 2022 CDLAC approved a 90-day extension to the bond issuance deadline from 12/12/2022 to 3/12/2022 for all projects that received bond allocation on June 15, 2022.*

SOURCES OF FUNDS

5.

Construction Sources and Uses				
Sources	**Amount**	**Details (Lien Position/Rate/Debt Type)**	**Uses**	**Amount**
Citibank- Conduit- Tax Exempt	$52,000,000	1st/5.00%/Interest Only	Total Acquisition costs	$1,994,171
Citibank Conduit- Taxable	$9,461,725	2nd/5.00%/Interest Only	Construction/Rehab Costs	$69,753,295
Bonneville- Conduit- Recycled	$5,000,000	3rd/7.00%/Interest Only	Soft Costs	$1,412,500
Deferred Costs	$693,650	N/A	Hard Cost contingency	$4,000,000
Deferred Developer Fee	$11,887,186	N/A	Soft Cost contingency	$750,000
Investor Equity Contribution	$22,596,631	N/A	Financing Costs	$5,121,908
			Local Impact Fees	$3,406,677
			Operating Reserves	$1,000,000
			Developer Fees	$11,887,186
			Other Costs	$2,313,455
TOTAL	**$101,639,192**			**$101,639,192**
TOTAL PER UNIT	**$577,495**			

Permanent Sources and Uses				
Sources:	**Amount**	**Details (Lien Position/Rate/Debt Type)**	**Uses**	**Amount**
CalHFA Perm Loan	$24,300,000	1st/6.30%/40 yr amortization due in yr 30	Total Loan and Equity Payoffs (excludes Developer Fee)	$89,752,006
CalHFA MIP Loan	$5,000,000	2nd/3.00%/Residual Receipts	Developer Fee	$11,887,186
CalHFA Supplemental MIP Loan Allocation*	$3,270,000	2nd/3.00%/Residual Receipts	Financing costs	$288,850
Bonneville Perm Loan	$5,000,000	3rd/7.00%/Residual Receipts	Soft costs	$17,500
Deferred Developer Fees	$8,245,000	N/A	Operating Reserves	$761,634
Investor Equity Contributions	$56,892,176	N/A		
TOTAL	**$102,707,176**			**$102,707,176**
TOTAL PER UNIT	**$583,564**			

* Repayment of the CalHFA Supplemental MIP allocation shall have priority over the Original MIP Loan allocation in

accounting for the repayment of the MIP Loan.

***Gap Funding Explanation and request for supplemental MIP subsidy loan funding:** The Sources of Funds chart shown above includes more detailed information related to each financing and/or equity source and uses during the construction and permanent periods of development.

At the time of CalHFA's initial commitment (March 2022), the developer estimated the total development cost (TDC) to be $95,182,214 or $540,808/unit. CalHFA issued an initial commitment based on these initial costs estimates for the developer to use to apply to CDLAC for tax exempt bond cap and to CTCAC for federal tax credits. On June 15, 2022, the Borrower received the related allocations from CDLAC and CTCAC. On September 1, 2022, the Borrower was awarded supplemental bond allocation from CDLAC.

On the sources side, there were cost adjustments related predominantly to; 1) market related increases driving CalHFA's higher interest rate and spreads which resulted in a $3,200,000 reduction to the permanent loan amount; 2) increase in investor equity contribution of $7,077,148; 3) increase in deferred developer's fee of $377,814. On the Uses side, cost increases were related to; 1) increased construction hard costs of $6,586,624; 2) increased financing costs of $163,573; 3) increased construction interest reserves of $502,116; 4) increases to other soft costs of $273,009. Overall, the deficit in the updated budget is $3,270,000.

The Borrower has requested a $3,270,000 increase to the MIP Subsidy Loan in an effort to offset cost increases and loan reductions outlined above and below. The summary of changes in sources and uses between initial commitment vs. current proposed are outlined below:

Summary of changes in Sources/Uses since the Initial Commitment approval

SOURCES - Major Changes Description	Initial Commitment Amount $	Current Proposed Amount $	Increase/ Reduction $	Per unit Cost Adjustment	% Adjustment of IC Approval
1 - CalHFA Perm Loan (prior to removal of 25bps cushion)	$27,500,000	$23,110,000	-$4,390,000	-$24,943	-15.96%
2 - Deferred Developer Fee Note	$7,867,186	$8,245,000	$377,814	$2,147	4.80%
3 - Investor Equity Contribution	$49,815,028	$56,892,176	$7,077,148	$40,211	14.21%
Total Changes in Sources (A)	**$85,182,214**	**$88,247,176**	**$3,064,962**	**$17,415**	**3.60%**

USES - Major Cost Changes Description	Initial Commitment Amount $	Current Proposed Amount $	Increase/ Reduction $	Per unit Cost Adjustment	% Adjustment of IC Approval
1 - Construction Hard Cost	$62,569,731	$69,155,995	$6,586,264	$37,422	10.53%
2 – Financing Costs	$4,823,000	$4,986,573	$163,573	$929	3.39%
3 – Construction Loan Interest	$1,242,421	$1,744,537	$502,116	$2,853	40.41%
4 – Other (Soft Costs)	$6,695,705	$6,968,714	$273,009	$1,551	4.08%
Total Changes in Uses (B)	**$75,330,857**	**$82,855,819**	**$7,524,962**	$42,755	9.99%
		Current Funding Gap (A-B):	**-$4,460,000**		
Gap Funding sources:					
		Increase in CalHFA Perm Loan (Rate lock without 25bps cushion):	**$1,190,000**		
		Supplemental MIP Request:	**$3,270,000**		
		Gap funding Sources Total:	**$3,270,000**		
		Remaining Funding Gap:	**$0**		

Hard Cost/Soft Cost changes: The Project experienced significant increases in the cost of construction due to COVID, labor shortages and supply chain issues that resulted in the construction costs budget increasing by $6,586,264. As reflected on the above chart, most other budget line items increased as a result of loan financing costs and other soft costs related to macroeconomic factors, such as inflation.

Deferred Developer Fee: The current budget also reflects no increase to the developer fee, however, the current deferred developer's fee (DDF) is approximately $377,814 higher than the original budget, which results in an increase of the net DDF by $377,814 (original developer fee $11,887,186 with $7,867,186 deferred and current developer fee $11,887,186 with $8,245,000 deferred).

Perm Loan Reduction & Equity Contribution Adjustment: The equity contribution adjustment is anticipated to increase by approximately $7,077,148 due to increases in eligible basis. At receipt of the Supplemental MIP application, the CalHFA permanent loan of $27,500,000 was reduced by $4,390,000 to $23,110,000. This was attributed to increases in perm loan financing costs related to macroeconomic factors, such as inflation. The interest rate of 6.55% included a 25bps underwriting cushion and is inclusive of costs associated with the Agency offering extended rate lock period of 6+ months and interest rate hedging costs incurred by the Agency.

At final underwriting, to mitigate the funding gap of $4,460,000, CalHFA was able to increase the perm loan by allowing the removal of 25 bps underwriting cushion which was possible by entering into an early rate lock agreement and hedge, locking the maximum rate at 6.30% fixed interest rate for loan closing (perm conversion at 36-month forward from construction loan closing). This resulted in a permanent loan increase of $1,700,000 to $24,300,000, which reduced the overall funding gap to $3,270,000 as shown above.

The estimated funding gap after exhausting all resources available to the project totals approximately $3,270,000. The Borrower has requested an increase to the MIP Subsidy Loan of $3,270,000 to fund the remaining gap. Pursuant to the TCAC/CDLAC requirements, this project must begin construction by March 2023. A $3,270,000 increase in the MIP supplemental subsidy ($18,793/unit) results in an overall MIP Regulated Unit amount of $47,529 per restricted unit. The original MIP and Supplemental MIP total is therefore $8,270,000.

Subsidy Efficiency: The Initial MIP commitment for this Project was $5,000,000 ($28,736 per MIP restricted units). The current proposed MIP commitment is $8,270,000 ($47,529 per MIP restricted units) including the requested Supplemental MIP funding. Staff is recommending exceptions to the per project Allocation Limit of $8,000,000. Approval of these exceptions are further detailed in the "Underwriting Standards or Term Sheet Variations" section 9 below.

Tax Credit Type(s), Amount(s) and per total units:
- 4% Federal Tax Credits: $50,962,680 ($292,889 per TCAC restricted unit).
- State Tax Credits: $12,210,000 ($70,172 per TCAC restricted unit).

Rental Subsidies: The Project will not be subsidized by project-based vouchers.

Other State Subsidies: The Project will not be funded by other state funds.

Other Locality Subsidies: The Project will not be funded by locality funds.

Cost Containment Strategy: The developer is using its affiliated company, Pacific West Buildings, Inc., as its General Contractor. The developer established cost containment strategies that include: 1) engaging the General Contractor to provide pre-construction services including: conceptual design review, estimating, value engineering, and a critical path schedule, 2) reviewing the GMP contract for any exclusions or exceptions to mitigate project cost increases, and 3) requiring that the General Contractor provide a minimum of 3 bids for each major trade and all other trades, if available.

High-Cost Explanation: The total development cost per unit is $581,730. The Project is in a HUD high cost-designated area of the San Francisco Bay Area, which ranks as one of the most expensive places in the nation to develop and operate real estate. Other contributing factors are as follows:
- Construction costs are based on a cost estimate assuming a December 2022 construction start, though the developer has seen unprecedented hard cost escalation in recent years

	• As required by the City, significant off-site improvements, including new pedestrian sidewalks, curbs, gutters, and roads are required, which total $3,520,000. • Significant onsite improvements, including earthwork, wet/dry utilities, concrete, and roads and parking, which total $10,809,700. • Local development Impact Fees include an additional Foothill Trail Improvement fee of $326,500. Deducting these costs results in an adjusted total development cost of approximately $498,456 per unit.
6.	Equity – Cash Out (estimate): Not Applicable.

TRANSACTION OVERVIEW

7. Proposal and Project Strengths

- The Project has received 4% federal and state tax credits which is projected to generate equity representing 55.4% of total financing sources.
- The developer/sponsor has extensive experience in developing similar affordable housing projects and has experience with CalHFA.
- The Project will serve low-income families ranging between 30% to 80% of AMI. On average, the rents are between 10% to 65% below market rents based on current appraisal.
- The Loan-to-Value will be 49%, which is well below the Agency's maximum allowable LTV of 90% LTV. This results in less risk to the Agency.
- The exit analysis assumes a 2% increase (6.50%) cap rate and a 3% increase (9.30%) of the underwriting interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of Agency's permanent first lien and subsidy loans if the project is refinanced or re-syndicated at CalHFA loan maturity.

8. Project Weaknesses with Mitigants:

- The total estimated deferred developer's fee is not anticipated to be fully repaid by year 15. The developer has confirmed that they will forgo any outstanding developer fee in year 15 and treat the amount as a developer's contribution. This condition will be documented in the investor commitment letter and/or LPA.
- The Project budget indicates a deficit of approximately $3,700,000. The Borrower has requested an increase to the initially committed MIP subsidy loan to facilitate the progression of this shovel ready project to construction. Refer to section 5 for detailed explanation.
- The Project was previously owned by the California Department of Transportation (Caltrans) and was sold to the City of Hayward pursuant to a Director's Deed Grant. Such deed includes a Power of Termination, which requires that certain conditions be met by the City, otherwise the fee simple interest in the Project would revert back to Caltrans. Prior to construction loan closing, all conditions of the Director's Deed Grant must have been met, and a Relinquishment of Power of Termination, or such other document approved by the Agency, must be recorded against the property at construction loan closing, relinquishing Caltrans' Power of Termination and all other conditions placed on the Project by the Director's Deed Grant.

9. Underwriting Standards or Term Sheet Variations

Pursuant to the MIP loan term sheet, no project may receive more than the lesser of (i) $8 million project cap, (ii) the aggregate MIP loan amount based on up to $50k per MIP regulated unit for a project, or (iii) MIP loan not to exceed 50% of the CalHFA perm loan. Based on the project economics, the combined original and supplemental MIP is $8,270,000 ($47,529/restricted unit), which exceeds the per project threshold. This is an exception to the MIP term sheet and is recommended by Multifamily Underwriting and Credit Staff for approval to facilitate the progression of a shovel ready project without delay; the project received tax credit and bond cap allocations from TCAC/CDLAC on June 15, 2022 and is ready to proceed to construction loan closing by December 2022.

10.	**Project Specific Conditions of Approval**

Approval is conditioned upon:

- No site work or construction commenced prior to the issuance of a HUD Firm Approval Letter.
- Prior to construction closing, receipt of seismic report confirming Probable Maximum Loss (PLM) below 20%, and/or other reports as deemed necessary by CalHFA.
- The total deferred developer's fee of $8,245,000 will not be fully repaid by year 15 per project cashflow, therefore the owner must provide evidence of investors approval of the total deferred developer's fee structure.
- The Borrower has requested that 100% of surplus cash be available for the repayment of the deferred developer's fee (DDF) until the earlier of year 15 of operations is complete or full repayment of the DDF. Thereafter, the surplus cash split shall be 50% to Borrower and 50% to Residual Receipt lender(s). As a condition of this approval, the Borrower must provide evidence that the DDF repayment structure is required pursuant to the Limited Partnership Agreement (LPA). In addition, the owner must provide evidence of investor and all residual receipt lender(s) approvals of the total deferred developer's fee structure and residual receipt split. Residual receipt lenders must also agree to defer the payments on their loans.
- The locality is requiring the Borrower to encumber the Property by recording a Density Bonus Agreement. Prior to construction loan closing and closing of the CalHFA loan(s), the Density Bonus Agreement is subject to CalHFA review and approval in accordance with agency underwriting standards.
- The CalHFA subsidy (including the supplemental MIP subsidy loan) will be, in the Agency's sole discretion, the lesser of 1) the principal amount as stated on hereto or 2) an amount as determined by the Agency in the event the financial assumptions change prior to construction loan closing and/or permanent loan closing.
- All MIP Loan principal and interest will be due and payable at maturity. Outstanding Supplemental MIP loan funds will have first repayment priority whether the source of repayment is cash flow during the term of the loan or repayment via refinance, partner contribution, or other source at loan maturity.
- Any default as to any loan by the Agency for the Development shall constitute a default under any other loan by the Agency for the Development.
- In the event of cost savings at permanent loan conversion, 100% of cost savings will be used to reduce the supplemental portion of the MIP loan amount first (may be shared with other residual receipt lenders on a pro rata basis, if applicable). Once the supplemental portion of the MIP loan amount is fully reduced, the remaining cost savings will be split 50% between reducing the original MIP loan amount (or may be shared with other residual receipt lenders on a pro rata basis, if applicable) and reducing the Deferred Developer Fee.
- Project includes approximately $3.5 Million of offsite improvement costs which are anticipated to be paid for with a taxable construction loan and tax credit equity at permanent conversion. Funds from the CalHFA permanent loan and/or the subsidy loan shall not be used to fund or offset any portion of the offsite improvement costs.
- Prior to construction loan closing, all conditions of the Director's Deed Grant must have been met, and a Relinquishment of Power of Termination, or such other document approved by the Agency, must be recorded against the property at construction loan closing, relinquishing Caltrans' Power of Termination and all other conditions placed on the Project by the Director's Deed Grant.

11.	**Staff Conclusion/Recommendation:**

The Multifamily Lending Division supports approval of the described financing in the amount(s) requested, subject to the above proposed terms and conditions. As noted earlier, the supplemental MIP subsidy loan allocation of $3,270,000 was not part of the Initial Commitment approved by SLC, and hence approval is being sought for this financing through the subject Final Commitment Approval.

AFFORDABILITY

12.	**CalHFA Affordability (Occupancy and Rent) Restrictions**

The CalHFA Permanent Financing Regulatory Agreement will restrict a minimum of 40% of the total units at or below 60% of AMI; with 30% of the total units (53 units) at or below 60% AMI and 10% of the total units (18 units) at 50% of AMI for 55 years.

The CalHFA MIP Subsidy Regulatory Agreement requires 10% of total units (18 units) be restricted at or below 30% of AMI, 20% of total units (36 units) be restricted at or below 50% of AMI, and 10% of total units (18 units) be restricted between 60% and 80% of AMI with a minimum average of 70% of AMI for a term of 55 years. The rents for the 60% to 80% tranche will be determined by the minimum income limit of 70% of AMI, not to exceed 80% of AMI. The remaining 102 restricted units will be restricted at or below 120% of AMI. For underwriting purposes, the initial rents at permanent loan closing must be no less than the underwriting rent levels outlined on the “Unit Mix and Rent Summary” enclosed as part of the project’s staff report package. The CalHFA permanent loan agreement will require minimum underwriting rent levels as outlined in the Rent Limit Summary Table Below.

Rent Limit Summary Table

AMI	Total	Studio	1-bdrm	2-bdrm	3-bdrm	4-bdrm	% of Total
30%	21	4	8	4	5	-	11.9%
40%	0	-	-	-	-	-	0.0%
50%	38	4	14	10	10	-	21.6%
60%	65	19	16	15	15	-	36.9%
80%	50	11	9	15	15	-	28.4%
Manager's Unit	2	-	-	-	2	-	1.1%
Total	**176**	**38**	**47**	**44**	**47**	**0**	**100.0%**

CalHFA requires net rents to be at least 10% below market rents. To meet this requirement, the rents for the 50 units restricted at 80% AMI are underwritten approximately 11% below TCAC maximum rents and are 90% of market rents according to the appraisal dated 8/24/2022.

NUMBER OF UNITS AND AMI RENTS RESTRICTED BY EACH AGENCY

Regulatory Source	Recordation Priority of Recorded Document	Term of Agrmt (years)	Number of Units Restricted For Each AMI Category								
			30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	120% AMI	Total Units Regulated	% of Regulated Units
CalHFA Bond/Risk Share	1	**55**	-	-	18	53	-	-	-	71	40%
CalHFA MIP	2	**55**	18	-	36	-	18	-	102	174	99%
Tax Credits	3	**55**	21	-	38	65	50	-	-	174	99%
DDA	4	**55**	-	-	2	2	-	170	-	174	99%

13. Geocoder Information

Central City:	No	Underserved:	No
Low/Mod Census Tract:	Moderate	Below Poverty line:	5.42%
Minority Census Tract:	89.98%	Rural Area:	No

FINANCIAL ANALYSIS SUMMARY

14. Capitalized Reserves:

Replacement Reserves (RR): N/A.

	Operating Expense Reserve (OER):	$759,715 OER amount is size based on 3 months of operating expenses, first lien debt service, and annual replacement reserves deposits. CalHFA will hold this reserve for the term of the CalHFA permanent loan and in the event the OER is drawn down during the term of the loan, the OER must be replenished over a 12-month period to the original level. *A minimum of 3 to 6 months operating expenses, reserves, and debt service ("OER") is required to be held for the life of the CalHFA permanent loan. The OER may be based on 3 months of total operating expenses, reserves, and debt service if the developer provides evidence that, within the last 2 years, they have received allocations from TCAC or provide a certification from a third- party accountant that they met TCAC's general partner and management experience pursuant to CTCAC regulations. The developer has submitted supporting documentation that they've met this requirement.			
	Transitional Operating Reserve (TOR):	N/A.			
15.	**Cash Flow Analysis**				
	1st Year DSCR:	1.15	**Project-Based Subsidy Term:**	N/A	
	End Year DSCR:	1.93	**Annual Replacement Reserve Per Unit:**	$250/unit	
	Residential Vacancy Rate: **Subsidy Vacancy Rate:**	5% N/A	**Rental Income Inflation Rate:** **Subsidy Income Inflation Rate:**	2.50% N/A	
	Non-residential Vacancy Rate:	N/A	**Project Expenses Inflation Rate:** **Property Tax Inflation Rate:**	3.50% 1.25%	
16.	**Loan Security**				
The CalHFA loan(s) will be secured by a first lien deed of trust against the above-described Project site and improvements.					
17.	**Balloon Exit Analysis**	**Applicable:** ☒ **Yes** ☐ **No**			
The exit analysis assumes a 2% increase (6.50%) cap rate and a 3% increase (9.30%) of the underwriting interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of Agency's permanent first lien and subsidy loans if the project is refinanced or re-syndicated at CalHFA loan maturity.					

APPRAISAL AND MARKET ANALYSIS

18.	**Appraisal Review**	**Dated: 9/17/2022**

- The Appraisal dated 9/17/2022, prepared by Pacific Real Estate Appraisal, values the land at $4,360,000.
- The cap rate of 4.50% and projected $2,247,123 of net operating income, which is approximately $330,354 higher than the developer proposed budget. This is attributed to the appraiser using TCAC maximum rents for the units restricted at 80% AMI where CalHFA and developer projections are underwriting these units 11% below TCAC maximums as described in section 12. Additionally, the appraisal estimates higher management costs than Developer projections. Eden Housing Management, Inc. has certified the project operating expenses and has calculated expenses based on similar projects they manage in the project area.
- The as-restricted stabilized value is $49,940,000, which results in the Agency's permanent first lien loan to value (LTV) of 49%. The combined LTV, including MIP subsidy loan is 65%.
- The project capture rate is 4.98% of eligible households in the immediate market area, which is slightly lower than the market study dated 11/3/21.
- The project is expected to achieve stabilized occupancy within 7 months after construction completion which is approximately three months longer than market study estimates.

	Market Study:	Laurin & Associates	**Dated:** November 3, 2021

Regional Market Overview

- The Primary Market Area is the Central City of Hayward (population of 132,001). The Market Study deemed a Secondary Market Area "unnecessary due to the demand and wait lists for affordable units in the Central Hayward Primary Market Area." However, the area most appropriate for an SMA would include: the western portion of the City of Hayward, the southwestern portion of the City of San Leandro, and the Community of San Lorenzo.
- The general population in the PMA is anticipated to increase by 2.4% by 2025. The general populations in the entire City of Hayward and Alameda County are anticipated to increase by 2.6% and 3.0% (respectively) by 2025.
- Unemployment in the City of Hayward was 7.4% in 2021, down from 9.0% in 2020. Per the appraisal, the unemployment rate in August was 2.8%. At the time of the Market Study, the City has generally experienced higher unemployment due to the effects of the pandemic as services account for the largest employment sector in the City. Unemployment is expected to return to a more normal level in 2025 when the project is in lease-up.

Local Market Area Analysis

- **Supply:**
  - There are currently sixteen (16) affordable family projects in the Central Hayward Market Area, and they are 99.8% occupied with long wait lists.
  - There are two (2) affordable projects under construction that are expected to have a total of 380 units.
- **Demand/Absorption:**
  - The project will need to capture 5.3% of the total demand for family units in the PMA. The affordable units are anticipated to lease up at a rate of 44 units per month.
  - Stabilized occupancy overall is estimated within four months of completion.

DEVELOPMENT SUMMARY

19. Site Description — **Requires Flood Insurance:** ☐ **Yes** ☒ **No**

- The property is located near the northeast intersection of Tennyson Road and Mission Boulevard in Hayward, Alameda County.
- The site is currently vacant, with level topography at street grade, measuring approximately 4.55 acres and is generally rectangular in shape.
- The 4.55 acres are part of a 28.5-acre parcel that will be separately developed with affordable housing, school, and public park.
- The site is zoned RMB4 (Medium Density Residential), with permitted multifamily residential use.
- The subject is located in Flood Zone X (area of minimum flood hazard). Zone X is the area determined to be outside the 500-year floodplain and protected by levee from 100-year floodplain, therefore the Project will not be subject to flood insurance.

20. Form of Site Control & Expiration Date

In November 2021 the City of Hayward (the current owner) and Pacific West Communities, Inc. and Eden Housing, Inc. (together, the "buyer") entered into a Disposition and Development Agreement, which expires on December 31, 2022, to purchase approximately 8.5 of the 28.5 acres located northeast of the Tennyson Road and Mission Boulevard intersection. The City intends to retain 20 acres and then collaborate with the developer on a subdivision of the entire 28.5 acres which will remove the subject affordable housing site from the overall 28.5 acres prior to construction loan closing. The purchase price for the Affordable Housing Site shall be in the amount of $1,989,171 and the close of escrow is no later than December 31, 2022.

21. Current Ownership Entity of Record

Title is currently vested in the City of Hayward as the fee owner.

22.	**Environmental Review Findings**	**Dated:** November 16, 2021

A Phase I Environmental Site Assessment performed by Adanta, Inc., dated November 16, 2021 revealed no evidence of recognized environmental conditions, so no additional investigation was recommended.

23.	**Seismic**	**Requires Earthquake Insurance:** ☐ **Yes** ☒ **No**

This new Project will be built to State and City of Hayward Building Codes therefore earthquake insurance is expected not to be required. A seismic report is being ordered by the equity investor and will be used to verify that the project meets CalHFA requirements for earthquake insurance waiver of Probable Maximum Loss (PML) below 20%. Additional seismic report(s) may be required, if deemed necessary by CalHFA.

24.	**Relocation**	**Requires Relocation:** ☐ **Yes** ☒ **Not Applicable**

The Project is new construction; therefore, relocation is not applicable.

PROJECT DETAILS

25. Residential Areas:

Residential Square Footage:	121,607	**Residential Units per Acre:**	38.68
Community Area Sq. Ftg:	38,065	**Total Parking Spaces:**	183
Supportive Service Areas:	1,800	**Total Building Sq. Footage:**	159,672

26. Mixed-Use Project: ☐ **Yes** ☒ **No**

Non-Residential Sq. Footage:	N/A	**Number of Lease Spaces:**	N/A
Master Lease:	☐ **Yes** ☒ **No**	**Number of Parking Spaces:**	N/A

27.	**Construction Type:**	The Project will consist of two five-story (Type III) framed residential buildings with surface parking.

28.	**Construction/Rehab Scope**	**Requires Demolition:** ☐ **Yes** ☒ **No**

- The subject site is new construction.
- The Contractor is an affiliate of the Borrower entity. The contract will be structured as a Guaranteed Maximum Price (GMP) contract with a 14% for builder overhead, profit, and general requirements, which aligns with TCAC's allowable limit. TCAC's allowable limit is 14%.
- The locality requires certain offsite improvements that includes sidewalks, gutters, curbs, and roads.

29. Construction Budget Comments:

- CalHFA will require an independent review of the costs by a 3rd Party consultant prior to construction loan closing.
- The Developer is currently looking for cost saving design options to reduce construction costs and minimize the amount of deferred developer fee.
- The developer has established cost containment strategies, which are outlined in Section 5 above.
- During construction, the cost of the offsite improvements will be paid by the taxable loan from Chase Bank. At permanent loan closing, the sidewalks, gutters, curbs, and roads will be paid off by investor equity as follows:

	Construction	**Permanent**
Offsite Improvements	$3,520,000	$3,520,000
Chase – Taxable Loan	$3,520,000	$0
Tax Credit Equity	$0	$3,520,000

ADDITIONAL DEVELOPMENT/ PROJECT TEAM INFORMATION

30. Borrower Affiliated Entities

- Managing General Partner: La Vista Hayward LLC, a California limited liability company; 0.005% interest

- Sole Member/Manager: Eden Investments, Inc., a California nonprofit public benefit corporation
- Administrative General Partner: TPC Holdings IX, LLC, an Idaho limited liability company; 0.005% interest
  - Manager: Pacific West Communities, Inc.
  - Sole Member: TPC Enterprise Holdings, LLC
  - Sole Shareholder: Caleb Roope
- Investor Limited Partner: CREA La Vista Hayward, LLC; 99.989% interest
- Special Limited Partner: CREA SLP, LLC 0.001% interest

31. Co-Developers/Sponsors

Pacific West Communities, Inc. and Eden Housing, Inc. are co-developers of the Project. Pacific West Communities, Inc. (PWC) is a vertically integrated for-profit developer that has extensive experience developing and constructing affordable housing projects similar to this Project across the western United States. PWC currently has 22 projects (20 affordable) with a total of 1,850 units in their pipeline and 27 projects (25 affordable) with a total of 2,700 units that are under construction. PWC has completed 37 projects (36 affordable) with a total of 3,750 units in CA within the last five years, and 1 of these projects (The Aspens at South Lake Tahoe MHSA) is in the CalHFA Asset Management portfolio.

PWC has 9 projects including CalHFA financing in various stages of development and 1 project in the CalHFA Asset Management portfolio as described in the chart below.

Projects In CalHFA Pipeline	Total Units	Perm Loan Amount	MIP/Other Subsidy Loan Amount	Target Construction Closing	Target Perm Closing	Under Construction?	Progressing as Expected?	Notes
1. Fiddyment Apts	330	$37,400,000	$8,000,000	12/31/2022	12/31/2025	No	N/A	Pending CalHFA board approval 10/20/2022.
2. La Vista Residential	176	$24,300,000	$8,270,000	12/31/2022	12/31/2025	No	N/A	Subject Property. Pending CalHFA board approval 10/20/22.
3. Alamo Street Apts	271	$52,000,000	$7,000,000	6/15/2022	6/15/2025	Yes	Yes	
4. Courtyards at Kimball	131	$0	$6,500,000	5/1/2020	5/1/2023	Yes	Yes	
5. Frishman Hollow II	68	$6,610,000	$4,388,000	8/19/2020	12/31/2022	Yes	Yes	
6. Glen Loma Ranch	158	$0	$7,850,000	4/8/2020	6/1/2023	Yes	Yes	
7. Peterson Place (fka Parkway Apts)	72	$7,875,000	$3,350,000	9/8/2020	10/14/2022	Yes	Yes	
8. The Redwood Apts	96	$15,000,000	$4,750,000	7/28/2020	12/31/2022	Yes	Yes	
9. Village at Burlingame	132	$0	$9,700,000	10/14/2020	12/30/2023	Yes	Yes	
Subtotal:	**1434**	**$143,185,000**	**$59,808,000**					

Project In CalHFA Portfolio	Total Units	Original Perm Loan Amount	Origination Date	Current Perm Loan Balance Amount	Current MIP/Other Subsidy Loan Amount	Maturity Date	Regulatory Restriction Exp. Date	Operating as Expected?	RR Balance	OER Balance	Notes
1. The Aspens at South Lake Tahoe- MHSA	48	$948,770	4/2/2013	$948,770	$0	4/1/2068	4/1/2068	Yes	$0	$0	Reserves held by senior lender.
Subtotal:	**48**	**$948,770**		**$948,770**	**$0**						
Aggregate Total:	**1482**			**$144,133,770**	**$59,808,000**						

Eden Housing, Inc. (Eden) is a 501(c)3 non-profit developer that has extensive experience in developing, constructing, and managing affordable housing projects similar to this project throughout California. Eden currently has 171 projects, with a total of 11,951 units in their portfolio including 20 projects (a combination of CalHFA first lien lending and MHSA) that are in CalHFA's portfolio that are performing as expected. Eden has 7 projects currently under construction, none of which include CalHFA financing. Eden has 40 projects in their development pipeline, of which, the subject property is the only project that includes CalHFA financing. Eden has 17 projects in CalHFA's Asset Management portfolio as described in the chart below.

Projects In CalHFA Pipeline	Total Units	Perm Loan Amount	MIP/Other Subsidy Loan Amount	Target Construction Closing	Target Perm Closing	Under Construction?	Progressing as Expected?	Notes
1. La Vista Residential	176	$24,300,000	$8,270,000	12/31/2022	12/31/2025	No	N/A	Subject Property. Pending CalHFA board approval 10/20/22.
Subtotal:	**176**	**$24,300,000**	**$8,270,000**					

Project In CalHFA Portfolio	Total Units	Original Perm Loan Amount	Origination Date	Current Perm Loan Balance Amount	Current MIP/Other Subsidy Loan Amount	Maturity Date	Regulatory Restriction Exp. Date	Operating as Expected?	RR Balance	OER Balance
1. Alta Mira Senior-MHSA	151	$850,000	11/10/2014	$850,000	$0	11/1/2069	11/1/2069	Yes	$0	$0
2. Arroyo Vista	156	$7,000,000	4/17/1996	$0	$0	Paid in Full	5/1/2041	Yes	$0	$0
3. Cranes Landing-MHSA	80	$740,000	3/17/2016	$740,000	$0	3/1/2071	3/1/2071	Yes	$0	$0
4. Emerson Arms	32	$2,480,000	6/24/2005	$0	$0	Paid in Full	7/1/2035	Yes	$0	$0
5. Fireside Apts	50	$1,600,000	1/3/2007	$719,205	$1,375,000	2/1/2066	2/1/2062	Yes	$137,706	$31,823
6. Ford Road Plaza-MHSA	75	$855,000	6/25/2015	$885,000	$0	6/1/2070	6/1/2070	Yes	$0	$0
7. Gilroy Sobrato Family Apts- MHSA	26	$1,839,599	10/31/2012	$0	$1,839,599	10/1/2067	10/1/2067	Yes	$0	$67,064
8. Hillview Glen	138	$12,000,000	6/9/2005	$8,744,466	$0	7/1/2037	7/1/2037	Yes	$108,318	$0
9. Monticelli	52	$2,990,000	2/3/2003	$1,596,661	$0	3/1/2033	3/1/2033	Yes	$135,761	$20,380
10. Owl's Landing	72	$4,800,000	12/22/2000	$3,071,691	$0	1/1/2036	1/1/2036	Yes	$104,650	$0
11. Seacliff Highliands	40	$1,385,000	9/28/2005	$946,825	$200,000	2/1/2037	2/1/2037	Yes	$152,016	$0
12. Sobrato Family Apts	60	$287,867	2/28/2014	$140,719	$0	3/1/2029	3/1/2029	Yes	$86,760	$25
13. Sycamore Square Apts	26	$2,200,000	12/11/2001	$1,099,561	$0	12/1/2031	12/1/2031	Yes	$136,132	$0
14. The Surf	46	$2,825,000	3/2/2005	$2,246,659	$0	4/1/2035	4/1/2035	Yes	$320,524	$17
15. Union Court Apts	68	$1,295,000	8/18/2003	$738,012	$0	9/1/2033	9/1/2033	Yes	$45,799	$0
16. Victoria Green	132	$9,455,000	9/1/2004	$5,596,992	$0	10/1/2034	10/1/2034	Yes	$295,369	$37,120
17. Villa Springs	66	$3,100,000	6/3/2008	$2,306,058	$0	12/1/2039	12/1/2039	Yes	$105,904	$0
Subtotal:	**1270**	**$55,702,466**		**$29,681,849**	**$3,414,599**				**$1,628,940**	**$156,429**
Aggregate Total:	**1446**			**$53,981,849**	**$11,684,599**					

32. Management Agent

The Project will be managed by Eden Housing Management, Inc. which has extensive experience in managing similar affordable housing projects in the area and manages 20 projects in CalHFA's portfolio that are performing as expected.

33. Service Provider **Required by TCAC or other funding source?** ☒ **Yes** ☐ **No**

The Borrower has elected to provide a Service Coordinator to meet the City of Hayward's and TCAC requirements for a term of 15 years and the expense for these services is currently within the approved line-item operating budget. Eden Housing Management, Inc. will be providing the services onsite, at no cost to the residents. Supportive services will include instructor-led adult educational classes, skill building classes, and health and wellness classes and programs.

34. Contractor **Experienced with CalHFA?** ☒ **Yes** ☐ **No**

The general contractor (GC) is Pacific West Buildings, Inc., an affiliated entity to the Co-Developer, which has extensive experience in constructing similar affordable housing projects in California and is familiar with CalHFA. Pacific West

Buildings, Inc. is the construction arm of the developer, The Pacific Companies. The GC currently has 26 projects (25 affordable) under construction and 36 projects (35 affordable) completed in CA within the last five years. The GC and developer have completed 120+ projects and have 36 currently in development stage.		
35.	**Architect**	**Experienced with CalHFA? ☒ Yes ☐ No**
The architect is Architects Orange, which has extensive experience in designing and managing similar affordable housing projects in California through the locality's building permit process and is familiar with CalHFA. The Architect currently has 48 projects (5 affordable) under construction and 210 (10 affordable) completed projects within the last five years. The architect and the developer have worked on 30 project(s) that have been completed and is working on 5 projects that are in development stage.		
36.	**Local Review via Locality Contribution Letter**	
The locality, City of Hayward, returned the local contribution letter stating they strongly support the project.		

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

PROJECT SUMMARY — Final Commitment

Acquisition, Rehab, Construction & Permanent Loans — **Project Number 21-033-A/X/N**

Project Full Name	La Vista Residential	**Borrower Name:**	La Vista Hayward, L.P.
Project Address	NE of Tennyson Road & Mission Boulevard	**Managing GP:**	La Vista Hayward, LLC
Project City	Hayward	**Developer Name:**	Pacific West Communities, Inc.
Project County	Alameda	**Investor Name:**	CREA, LLC
Project Zip Code	94544	**Prop Management:**	Eden Housing Management, Inc.
		Tax Credits:	4
Project Type:	Permanent Loan Only	**Total Land Area (acres):**	4.55
Tenancy/Occupancy:	Individuals/Families	**Residential Square Footage:**	121,607
Total Residential Units:	176	**Residential Units Per Acre:**	38.68
Total Number of Buildings:	2		
Number of Stories:	5	**Covered Parking Spaces:**	0
Unit Style:	Flat	**Total Parking Spaces:**	183
Elevators:	4		

Acq/Construction/Rehab Financing	Loan Amount ($)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
JP Morgan Chase- Conduit- Tax Exempt	52,000,000	0.500%	36	--	5.000%
JP Morgan Chase Conduit- Taxable	9,461,725	0.500%	36	--	5.000%
Bonneville- Conduit- Recycled	5,000,000	--	36	--	7.000%
Deferred Developer Fee	11,887,186	NA	NA	NA	NA
Deferred Costs	693,650	NA	NA	NA	NA
Investor Equity Contribution	22,596,631	NA	NA	NA	NA
Total	**101,639,192**	NA	NA	NA	NA

Permanent Financing	Loan Amount ($)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
Perm	24,300,000	1.000%	30	40	6.300%
MIP	5,000,000	1.000%	30	NA	3.000%
Supplemental MIP	3,270,000	1.000%	30.00	NA	3.000%
Bonneville Perm Loan	5,000,000	--	30	45	5.000%
Deferred Developer Fees	8,245,000	NA	NA	NA	NA
Investor Equity Contributions	56,892,176	NA	NA	NA	NA
Total	**102,707,176**	NA	NA	NA	NA

Appraised Values Upon Completion of Rehab/Construction

Appraisal Date:	8/24/22	**Capitalization Rate:**	4.50%
Investment Value ($)	104,780,000	**Restricted Value ($)**	49,940,000
Construct/Rehab LTC	60%	**CalHFA Permanent Loan to Cost**	24%
Construct/Rehab LTV	59%	**CalHFA 1st Permanent Loan to Value**	49%
		Combined CalHFA Perm Loan to Value	65%

Additional Loan Terms, Conditions & Comments

Construction/Rehab Loan

Payment/Performance Bond	Required	
Completion Guarantee Letter of Credit	N/A	

Permanent Loan

Operating Expense Reserve Deposit	$759,715	Cash
Initial Replacement Reserve Deposit	$0	Cash
Annual Replacement Reserve Per Unit	$250	Cash

Date Prepared: 9/27/22 — Senior Staff Date: 10/5/22

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

La Vista Residential — **Project Number 21-033-A/X/N**

PROJECT UNIT MIX					
Unit Type of Style	Number of Bedrooms	Number of Baths	Average Size (Sq. Ft.)	Number of Units	Est. No. of Tenants
Flat	-	1	416	38	57
Flat	1	1	547	47	70.5
Flat	2	1	767	44	132
Flat	3	2	986	47	211.5
-	-	-	-	-	0
-	-	-	-	-	0
				176	471

NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY							
Agency	Number of Units Restricted For Each AMI Category						
	30%	40%	50%	60%	70%	80%	120%
FA Bond/RiskShare	0	0	18	53	0	0	0
CalHFA MIP	18	0	36	0	18	0	102
Tax Credit	21	0	38	65	50	0	0
opment Agreement	0	0	2	2	0	170	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0

COMPARISON OF AVERAGE MONTHLY RESTRICTED RENTS TO AVERAGE MARKET RENTS							
Unit Type	Restricting Agency	% of Area Median Income	Average Restricted Rents: Number of Units	Average Restricted Rents: Unit Rent	Average Market Rents	Average Monthly Savings	% of Market Rents
Studios	CTCAC	30%	4	$687	$1,875	$1,188	37%
	CTCAC	50%	4	$1,187		$688	63%
	CTCAC	60%	19	$1,437		$438	77%
	CTCAC	80%	11	$1,688		$187	90%
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
1 Bedroom	CTCAC	30%	8	$727	$2,050	$1,323	35%
	CTCAC	50%	14	$1,263		$787	62%
	CTCAC	60%	16	$1,531		$519	75%
	CTCAC	80%	9	$1,845		$205	90%
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
2 Bedrooms	CTCAC	30%	4	$858	$2,400	$1,542	36%
	CTCAC	50%	10	$1,501		$899	63%
	CTCAC	60%	15	$1,823		$577	76%
	CTCAC	80%	15	$2,160		$240	90%
	HCD	100%	-	-		-	-
	CTCAC	80%	-	-		-	-
	CTCAC	-	-	-		-	-
3 Bedrooms	CTCAC	30%	5	$988	$2,800	$1,812	35%
	CTCAC	50%	10	$1,731		$1,069	62%
	CTCAC	60%	15	$2,101		$699	75%
	CTCAC	80%	15	$2,520		$280	90%
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
4 Bedrooms	CTCAC	30%	-	-	-	-	-
	CTCAC	50%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
5 Bedrooms	CTCAC	30%	-	-	-	-	-
	CTCAC	50%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	80%	-	-		-	-
Date Prepared:	9/27/22				Senior Staff Date:		10/5/22

SOURCES & USES OF FUNDS					Final Commitment
La Vista Residential			Project Number		21-033-A/X/N
SOURCES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT SOURCES OF FUNDS SOURCES ($)	PER UNIT ($)	%
JP Morgan Chase- Conduit- Tax Exempt	52,000,000				0.0%
JP Morgan Chase Conduit- Taxable	9,461,725				0.0%
Bonneville- Conduit- Recycled	5,000,000				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Deferred Costs	693,650				0.0%
-	-				0.0%
-	-				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	11,887,186				0.0%
Developer Equity Contribution	-				0.0%
Investor Equity Contribution	22,596,631				0.0%
Perm		24,300,000	24,300,000	138,068	23.7%
MIP		5,000,000	5,000,000	28,409	4.9%
Supplemental MIP		3,270,000	3,270,000	18,580	3.2%
-		-	-	-	0.0%
Bonneville Perm Loan		5,000,000	5,000,000	28,409	4.9%
Construct/Rehab Net Oper. Inc.		-	-	-	0.0%
Deferred Developer Fees		8,245,000	8,245,000	46,847	8.0%
Developer Equity Contribution		-	-	-	0.0%
Investor Equity Contributions		56,892,176	56,892,176	323,251	55.4%
TOTAL SOURCES OF FUNDS	**101,639,192**	**102,707,176**	**102,707,176**	**583,564**	**100.0%**
TOTAL USES OF FUNDS (BELOW)	**101,639,192**	**102,707,176**	**102,707,176**	**583,564**	**100.0%**
FUNDING SURPLUS (DEFICIT)	**-**	**-**	**-**		

USES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT USES OF FUNDS USES ($)	PER UNIT ($)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		**101,639,192**			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	1,989,171	-	1,989,171	11,302	1.9%
Demolition Costs	-	-	-	-	0.0%
Legal & Other Closing Costs	5,000	-	5,000	28	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	**1,994,171**	**-**	**1,994,171**	**11,331**	**1.9%**
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	3,520,000	-	3,520,000	20,000	3.4%
Environmental Remediation (Hard Costs)	-	-	-	-	0.0%
Site Work (Hard Cost)	10,809,700	-	10,809,700	61,419	10.5%
Structures (Hard Cost)	46,079,100	-	46,079,100	261,813	44.9%
General Requirements	3,624,528	-	3,624,528	20,594	3.5%
Contractor Overhead	1,280,667	-	1,280,667	7,277	1.2%
Contractor Profit	3,842,000	-	3,842,000	21,830	3.7%
Contractor Bond	-	-	-	-	0.0%
Contractor Liability Insurance	597,300	-	597,300	3,394	0.6%
Personal Property	-	-	-	-	0.0%
HVAC/Resident Damage	-	-	-	-	0.0%
TOTAL CONSTRUCT/REHAB COSTS	**69,753,295**	**-**	**69,753,295**	**396,326**	**67.9%**

SOURCES & USES OF FUNDS					Final Commitment
La Vista Residential			Project Number	21-033-A/X/N	
USES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT USES OF FUNDS		
	$	$	USES ($)	PER UNIT ($)	%
RELOCATION COSTS					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	**-**	**-**	**-**	**-**	**0.0%**
ARCHITECTURAL FEES					
Design	700,000	-	700,000	3,977	0.7%
Supervision	200,000	-	200,000	1,136	0.2%
TOTAL ARCHITECTURAL FEES	**900,000**	**-**	**900,000**	**5,114**	**0.9%**
SURVEY & ENGINEERING FEES					
Engineering	250,000	-	250,000	1,420	0.2%
Supervision	50,000	-	50,000	284	0.0%
ALTA Land Survey	-	-	-	-	0.0%
TOTAL SURVEY & ENGINEERING FEES	300,000	-	300,000	1,705	0.3%
CONTINGENCY RESERVES					
Hard Cost Contingency Reserve	4,000,000	-	4,000,000	22,727	3.9%
Soft Cost Contingency Reserve	750,000	-	750,000	4,261	0.7%
TOTAL CONTINGENCY RESERVES	4,750,000	-	4,750,000	26,989	4.6%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
JP Morgan Chase- Conduit- Tax Exempt	3,852,691	-	3,852,691	21,890	0.037511
JP Morgan Chase Conduit- Taxable	-	-	-	-	0
Bonneville- Conduit- Recycled	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees					
JP Morgan Chase- Conduit- Tax Exempt	260,000	-	260,000	1,477	0.3%
JP Morgan Chase Conduit- Taxable	47,309	-	47,309	269	0.0%
Bonneville- Conduit- Recycled	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	0.0%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Owner Paid Bonds/Insurance	-	-	-	-	0.0%
CalHFA Inspection Fees	18,000	-	18,000	102	0.0%
Real Estate Taxes During Rehab	80,000	-	80,000	455	0.1%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Preva	-	-	-	-	0.0%
Insurance During Rehab	500,000	-	500,000	2,841	0.5%
Title & Recording Fees	80,000	-	80,000	455	0.1%
-	-	-	-	-	0.0%
Construction Lender Costs (Legal, Etc)	70,570	-	70,570	401	0.1%
Bond Issuer Fee	60,731	-	60,731	345	0.1%
Other Cost of Issuance Related Fees	5,758	-	5,758	33	0.0%
TOTAL CONST/REHAB PERIOD COSTS	**4,975,058**	**-**	**4,975,058**	**28,267**	**4.8%**
USES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT USES OF FUNDS		
	$	$	USES ($)	PER UNIT ($)	%

SOURCES & USES OF FUNDS			Project Number	Final Commitment 21-033-A/X/N	
La Vista Residential					
PERMANENT LOAN COSTS					
Loan Fees					
CalHFA Application Fee	-	-	-	-	0.0%
Perm	105,500	137,500	243,000	1,381	0.2%
MIP	25,000	25,000	50,000	284	0.0%
Supplemental MIP	16,350	16,350	32,700	186	0.0%
-	-	-	-	-	0.0%
Bonneville Perm Loan	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Permanent Loan Cost of Issuance Fee	-	110,000	110,000	625	0.1%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Title & Recording (closing costs)	-	-	-	-	0.0%
Year 1 - Taxes & Special Assessments and Insura	-	-	-	-	0.0%
CalHFA Fees	-	-	-	-	0.0%
Tax Exempt Bond Allocation Fee	-	-	-	-	0.0%
CalHFA Perm Loan & MIP Fees & Costs	-	-	-	-	0.0%
TOTAL PERMANENT LOAN COSTS	**146,850**	**288,850**	**435,700**	**2,476**	**0.4%**
LEGAL FEES					
CalHFA Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
Other Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
CalHFA Permanent Loan Legal Fees	17,500	17,500	35,000	199	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	65,000	-	65,000	369	0.1%
CalHFA Bond Counsel	90,000	-	90,000	511	0.1%
TOTAL LEGAL FEES	**172,500**	**17,500**	**190,000**	**1,080**	**0.2%**
OPERATING RESERVES					
Operating Expense Reserve Deposit	-	759,715	759,715	4,317	0.7%
Initial Replacement Reserve Deposit	-	-	-	-	0.0%
Transition Operating Reserve Deposit	-	-	-	-	0.0%
Rent-Up Reserve Deposit	-	-	-	-	0.0%
HOME Program Replacement Reserve	-	-	-	-	0.0%
Post Construction Interest Reserve	1,000,000	-	1,000,000	5,682	1.0%
Investor Required Reserve	-	1,919	1,919	11	0.0%
TOTAL OPERATING RESERVES	**1,000,000**	**761,634**	**1,761,634**	**10,009**	**1.7%**
REPORTS & STUDIES					
Appraisal Fee	10,000	-	10,000	57	0.0%
Market Study Fee	10,000	-	10,000	57	0.0%
Physical Needs Assessment Fee	-	-	-	-	0.0%
Environmental Site Assessment Reports	20,000	-	20,000	114	0.0%
HUD Risk Share Environmental / NEPA Review F	-	-	-	-	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	**40,000**	**-**	**40,000**	**227**	**0.0%**
USES OF FUNDS	**CONST/REHAB $**	**PERMANENT $**	**TOTAL PROJECT USES OF FUNDS USES ($)**	**PER UNIT ($)**	**%**
OTHER COSTS					

SOURCES & USES OF FUNDS La Vista Residential			Project Number	Final Commitment 21-033-A/X/N	
TCAC Application, Allocation & Monitor Fees	124,303	-	124,303	706	0.1%
CDLAC Fees	21,512	-	21,512	122	0.0%
Local Permits & Fees	1,800,000	-	1,800,000	10,227	1.8%
Local Impact Fees	3,406,677	-	3,406,677	19,356	3.3%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	50,000	-	50,000	284	0.0%
Accounting & Audits	10,000	-	10,000	57	0.0%
Advertising & Marketing Expenses	307,640	-	307,640	1,748	0.3%
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	**5,720,132**	**-**	**5,720,132**	**32,501**	**5.6%**
SUBTOTAL PROJECT COSTS	**89,752,006**	**102,707,176**	**90,819,990**	**516,023**	**88.4%**
DEVELOPER FEES & COSTS					
Developer Fees, Overhead & Profit	11,887,186	-	11,887,186	67,541	11.6%
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	-	-	-	-	0.0%
CASH EQUITY OUT TO DEVELOPER	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	**11,887,186**	**-**	**11,887,186**	**67,541**	**11.6%**
TOTAL PROJECT COSTS	**101,639,192**	**102,707,176**	**102,707,176**	**583,564**	**100.0%**

PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET			Final Commitment
La Vista Residential	**Project Number**		**21-033-A/X/N**
INCOME	**AMOUNT**	**PER UNIT**	**%**
Rental Income			
Restricted Unit Rents	$ 3,452,616	$ 19,617	104.73%
Unrestricted Unit Rents	-	-	0.00%
Commercial Rents	-	-	0.00%
Rental & Operating Subsidies			
Project Based Rental Subsidy	-	-	0.00%
Other Project Based Subsidy	-	-	0.00%
Income during renovations	-	-	0.00%
Other Subsidy (Specify)	-	-	0.00%
Other Income			
Laundry Income	17,600	100	0.53%
Parking & Storage Income	-	-	0.00%
Miscellaneous Income	-	-	0.00%
GROSS POTENTIAL INCOME (GPI)	**$ 3,470,216**	**$ 19,717**	**105.26%**
Less: Vacancy Loss	**$ 173,511**	**$ 986**	**5.26%**
EFFECTIVE GROSS INCOME (EGI)	**$ 3,296,705**	**$ 20,703**	**100.00%**
OPERATING EXPENSES	**AMOUNT**	**PER UNIT**	**%**
Administrative Expenses	$ 113,740	$ 646	$ 0
Management Fee	147,523	838	4.47%
Social Programs & Services	40,380	229	1.22%
Utilities	259,100	1,472	7.86%
Operating & Maintenance	599,950	3,409	18.20%
Ground Lease Payments	-	-	0.00%
CalHFA Monitoring Fee	7,500	43	0.23%
Other Monitoring Fees	-	-	0.00%
Real Estate Taxes	22,500	128	0.68%
Other Taxes & Insurance	138,350	786	4.20%
Assisted Living/Board & Care	-	-	0.00%
SUBTOTAL OPERATING EXPENSES	**$ 1,329,043**	**$ 7,551**	**40.31%**
Replacement Reserve	$ 44,000	$ 250	1.33%
TOTAL OPERATING EXPENSES	**$ 1,373,043**	**$ 7,801**	**41.65%**
NET OPERATING INCOME (NOI)	**$ 1,923,662**	**$ 10,930**	**58.35%**
DEBT SERVICE PAYMENTS	**AMOUNT**	**PER UNIT**	**%**
Perm	$ 1,665,817	$ 9,465	50.53%
Supplemental MIP	$ -	-	0.00%
-	$ -	-	0.00%
Bonneville Perm Loan	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
MIP Annual Fee (applicable for MIP only deals)	$ -	-	0.00%
TOTAL DEBT SERVICE & OTHER PAYMENTS	**$ 1,665,817**	**$ 9,465**	**50.53%**
EXCESS AFTER DEBT SERVICE & MONITORING FEES	**$ 257,845**	**$ 1,465**	**7.82%**
DEBT SERVICE COVERAGE RATIO (DSCR)	**1.15**	**to 1**	
Date: 9/27/22		Senior Staff Date:	10/05/22

PROJECTED PERMANENT LOAN CASH FLOWS										La Vista Residential					
Final Commitment										Project Number 21-033-A/X/N					
	YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14
RENTAL INCOME	CPI														
Restricted Unit Rents	2.50%	3,452,616	3,538,931	3,627,405	3,718,090	3,811,042	3,906,318	4,003,976	4,104,075	4,206,677	4,311,844	4,419,640	4,530,131	4,643,385	4,759,469
Unrestricted Unit Rents	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	2.50%	17,600	18,040	18,491	18,954	19,428	19,913	20,411	20,921	21,444	21,980	22,530	23,093	23,671	24,262
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		**3,470,216**	**3,556,972**	**3,645,896**	**3,737,044**	**3,830,470**	**3,926,231**	**4,024,387**	**4,124,997**	**4,228,122**	**4,333,825**	**4,442,170**	**4,553,225**	**4,667,055**	**4,783,732**
VACANCY ASSUMPTIONS	Vacancy														
Restricted Unit Rents	5.00%	172,631	176,947	181,370	185,904	190,552	195,316	200,199	205,204	210,334	215,592	220,982	226,507	232,169	237,973
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%	880	902	925	948	971	996	1,021	1,046	1,072	1,099	1,126	1,155	1,184	1,213
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		**173,511**	**177,849**	**182,295**	**186,852**	**191,523**	**196,312**	**201,219**	**206,250**	**211,406**	**216,691**	**222,109**	**227,661**	**233,353**	**239,187**
EFFECTIVE GROSS INCOME (EGI)		**3,296,706**	**3,379,123**	**3,463,601**	**3,550,191**	**3,638,946**	**3,729,920**	**3,823,168**	**3,918,747**	**4,016,716**	**4,117,134**	**4,220,062**	**4,325,563**	**4,433,702**	**4,544,545**
OPERATING EXPENSES	CPI / Fee														
Administrative Expenses	3.50%	154,120	159,514	165,097	170,876	176,856	183,046	189,453	196,084	202,947	210,050	217,401	225,011	232,886	241,037
Management Fee	4.47%	147,523	151,211	154,991	158,866	162,837	166,908	171,081	175,358	179,742	184,236	188,841	193,562	198,402	203,362
Utilities	3.50%	259,100	268,169	277,554	287,269	297,323	307,730	318,500	329,648	341,185	353,127	365,486	378,278	391,518	405,221
Operating & Maintenance	3.50%	599,950	620,948	642,681	665,175	688,456	712,552	737,492	763,304	790,020	817,670	846,289	875,909	906,566	938,295
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
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Real Estate Taxes	1.25%	22,500	22,781	23,066	23,354	23,646	23,942	24,241	24,544	24,851	25,162	25,476	25,795	26,117	26,443
Other Taxes & Insurance	3.50%	138,350	143,192	148,204	153,391	158,760	164,316	170,067	176,020	182,181	188,557	195,156	201,987	209,056	216,373
Required Reserve Payments	1.00%	44,000	44,440	44,884	45,333	45,787	46,244	46,707	47,174	47,646	48,122	48,603	49,089	49,580	50,076
TOTAL OPERATING EXPENSES		**1,373,043**	**1,417,755**	**1,463,978**	**1,511,764**	**1,561,166**	**1,612,239**	**1,665,041**	**1,719,631**	**1,776,071**	**1,834,423**	**1,894,754**	**1,957,131**	**2,021,625**	**2,088,308**
NET OPERATING INCOME (NOI)		**1,923,663**	**1,961,368**	**1,999,623**	**2,038,427**	**2,077,780**	**2,117,681**	**2,158,127**	**2,199,116**	**2,240,645**	**2,282,711**	**2,325,308**	**2,368,433**	**2,412,078**	**2,456,237**
DEBT SERVICE PAYMENTS	Lien #														
Perm	1	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817
Supplemental MIP	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Perm Loan	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**	**1,665,817**
CASH FLOW AFTER DEBT SERVICE		**257,845**	**295,551**	**333,805**	**372,610**	**411,963**	**451,863**	**492,309**	**533,298**	**574,828**	**616,893**	**659,491**	**702,615**	**746,260**	**790,420**
DEBT SERVICE COVERAGE RATIO		**1.15**	**1.18**	**1.20**	**1.22**	**1.25**	**1.27**	**1.30**	**1.32**	**1.35**	**1.37**	**1.40**	**1.42**	**1.45**	**1.47**
Date Prepared:	09/27/22									Senior Staff Date:	10/5/22				

		1	2	3	4	5	6	7	8	9	10	11	12	13	14
LESS: Asset Management Fee	3%	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	10,382	10,693	11,014
LESS: Partnership Management Fee	2%	19,404	19,792	20,188	20,592	21,004	21,424	21,852	22,289	22,735	23,190	23,653	24,126	24,609	25,101
net CF available for distribution		**230,941**	**268,034**	**305,661**	**343,823**	**382,518**	**421,745**	**461,502**	**501,785**	**542,592**	**583,918**	**625,758**	**668,107**	**710,958**	**754,305**

	YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Deferred developer fee repayment	8,245,000	8,245,000	8,014,059	7,746,025	7,440,364	7,096,542	6,714,024	6,292,279	5,830,777	5,328,992	4,786,400	4,202,482	3,576,724	2,908,617	2,197,659
	100%	230,941	268,034	305,661	343,823	382,518	421,745	461,502	501,785	542,592	583,918	625,758	668,107	710,958	754,305
		8,014,059	7,746,025	7,440,364	7,096,542	6,714,024	6,292,279	5,830,777	5,328,992	4,786,400	4,202,482	3,576,724	2,908,617	2,197,659	1,443,354

Payments for Residual Receipt Payments		*50%*													
RESIDUAL RECEIPTS LOANS	*Payment %*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MIP	*37.68%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplemental MIP	*24.64%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Perm Loan	*37.68%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments	**100.00%**	**-**	-	-	-	-	-	-	-	-	-	-	-	-	-

Balances for Residual Receipt Payments															
RESIDUAL RECEIPTS LOANS	*Interest Rate*														
MIP---Simple	*3.00%*	5,000,000	5,150,000	5,300,000	5,450,000	5,600,000	5,750,000	5,900,000	6,050,000	6,200,000	6,350,000	6,500,000	6,650,000	6,800,000	6,950,000
Supplemental MIP---	*3.00%*	3,270,000	3,368,100	3,466,200	3,564,300	3,662,400	3,760,500	3,858,600	3,956,700	4,054,800	4,152,900	4,251,000	4,349,100	4,447,200	4,545,300
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Perm Loan---Compounding	*5.00%*	5,000,000	5,250,000	5,500,000	5,750,000	6,000,000	6,250,000	6,500,000	6,750,000	7,000,000	7,250,000	7,500,000	7,750,000	8,000,000	8,250,000
0---Simple	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0---	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-

PROJECTED PERMANENT LOAN CASH FLOWS							La Vista Residential							
Final Commitment						Project Number	21-033-A/X/N							
	YEAR	15	16	17	18	19	20	21	22	23	24	25	26	27
RENTAL INCOME	CPI													
Restricted Unit Rents	2.50%	4,878,456	5,000,417	5,125,428	5,253,564	5,384,903	5,519,525	5,657,513	5,798,951	5,943,925	6,092,523	6,244,836	6,400,957	6,560,981
Unrestricted Unit Rents	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	2.50%	24,869	25,491	26,128	26,781	27,451	28,137	28,840	29,561	30,300	31,058	31,834	32,630	33,446
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		4,903,325	5,025,908	5,151,556	5,280,345	5,412,353	5,547,662	5,686,354	5,828,512	5,974,225	6,123,581	6,276,670	6,433,587	6,594,427
VACANCY ASSUMPTIONS	Vacancy													
Restricted Unit Rents	5.00%	243,923	250,021	256,271	262,678	269,245	275,976	282,876	289,948	297,196	304,626	312,242	320,048	328,049
Unrestricted Unit Rents	7.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	3.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	5.00%	1,243	1,275	1,306	1,339	1,373	1,407	1,442	1,478	1,515	1,553	1,592	1,632	1,672
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		245,166	251,295	257,578	264,017	270,618	277,383	284,318	291,426	298,711	306,179	313,834	321,679	329,721
EFFECTIVE GROSS INCOME (EGI)		4,658,159	4,774,613	4,893,978	5,016,327	5,141,736	5,270,279	5,402,036	5,537,087	5,675,514	5,817,402	5,962,837	6,111,908	6,264,706
OPERATING EXPENSES	CPI / Fee													
Administrative Expenses	3.50%	249,473	258,205	267,242	276,595	286,276	296,296	306,666	317,400	328,509	340,006	351,907	364,223	376,971
Management Fee	4.47%	208,446	213,657	218,998	224,473	230,085	235,837	241,733	247,776	253,971	260,320	266,828	273,499	280,336
Utilities	3.50%	419,404	434,083	449,276	465,000	481,275	498,120	515,554	533,599	552,275	571,604	591,610	612,317	633,748
Operating & Maintenance	3.50%	971,136	1,005,126	1,040,305	1,076,716	1,114,401	1,153,405	1,193,774	1,235,556	1,278,800	1,323,558	1,369,883	1,417,829	1,467,453
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
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Real Estate Taxes	1.25%	26,774	27,109	27,448	27,791	28,138	28,490	28,846	29,206	29,571	29,941	30,315	30,694	31,078
Other Taxes & Insurance	3.50%	223,946	231,785	239,897	248,293	256,984	265,978	275,287	284,922	294,895	305,216	315,898	326,955	338,398
Required Reserve Payments	1.00%	50,577	51,083	51,593	52,109	52,630	53,157	53,688	54,225	54,767	55,315	55,868	56,427	56,991
TOTAL OPERATING EXPENSES		2,157,256	2,228,546	2,302,259	2,378,478	2,457,289	2,538,782	2,623,049	2,710,185	2,800,288	2,893,461	2,989,810	3,089,444	3,192,476
NET OPERATING INCOME (NOI)		2,500,903	2,546,067	2,591,719	2,637,849	2,684,446	2,731,497	2,778,987	2,826,902	2,875,226	2,923,941	2,973,027	3,022,464	3,072,230
DEBT SERVICE PAYMENTS	Lien #													
Perm	1	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817
Supplemental MIP	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Perm Loan	3	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817	1,665,817
CASH FLOW AFTER DEBT SERVICE		835,086	880,249	925,902	972,032	1,018,629	1,065,679	1,113,170	1,161,085	1,209,409	1,258,123	1,307,209	1,356,646	1,406,412
DEBT SERVICE COVERAGE RATIO		1.50	1.53	1.56	1.58	1.61	1.64	1.67	1.70	1.73	1.76	1.78	1.81	1.84
Date Prepared:	09/27/22					Senior Staff Date:	10/5/22							
LESS: Asset Management Fee	3%	11,344	11,685	12,035	12,396	12,768	13,151	13,546	13,952	14,371	14,802	15,246	15,703	16,174
LESS: Partnership Management Fee	2%	25,603	26,115	26,638	27,170	27,714	28,268	28,833	29,410	29,998	30,598	31,210	31,834	32,471
net CF available for distribution		**798,138**	**842,449**	**887,229**	**932,465**	**978,147**	**1,024,260**	**1,070,790**	**1,117,723**	**1,165,040**	**1,212,723**	**1,260,753**	**1,309,109**	**1,357,767**
	YEAR	15	16	17	18	19	20	21	22	23	24	25	26	27
Deferred developer fee repayment	8,245,000	1,443,354			-	-	-	-	-	-	-	-	-	-
	100%	798,138			-	-	-	-	-	-	-	-	-	-
		645,216	-	-	-	-	-	-	-	-	-	-	-	-
Payments for Residual Receipt Payments														
RESIDUAL RECEIPTS LOANS	*Payment %*	-	421,225	443,614	466,233	489,073	512,130	535,395	558,861	582,520	606,362	630,377	654,554	678,883
MIP	*37.68%*	-	-	-	175,672	184,278	192,965	201,731	210,573	219,488	228,471	237,519	246,629	255,796
Supplemental MIP	*24.64%*	-	262,512	276,465	290,561	304,796	319,165	333,664	348,288	363,032	377,891	392,857	407,925	423,087
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Perm Loan	*37.68%*	-	158,713	167,149	175,672	184,278	192,965	201,731	210,573	219,488	228,471	237,519	246,629	255,796
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments	**100.00%**	-	421,225	443,614	641,904	673,351	705,095	737,127	769,435	802,007	834,832	867,896	901,184	934,680
Balances for Residual Receipt Payments														
RESIDUAL RECEIPTS LOANS	*Interest Rate*													
MIP---Simple	*3.00%*	7,100,000	7,250,000	7,400,000	7,550,000	7,524,328	7,490,050	7,447,085	7,395,354	7,334,780	7,265,293	7,186,822	7,099,303	7,002,673
Supplemental MIP---	*3.00%*	4,643,400	4,741,500	4,577,088	4,437,936	4,280,513	4,104,133	3,908,092	3,691,671	3,454,133	3,194,725	2,912,676	2,607,199	2,277,490
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Perm Loan---Compounding	*5.00%*	8,500,000	8,750,000	8,841,287	8,924,137	8,998,466	9,064,188	9,121,223	9,169,491	9,208,918	9,239,430	9,260,960	9,273,440	9,276,811
0---Simple	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0---	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-

PROJECTED PERMANENT LOAN CASH FL0WS				La Vista Residential
Final Commitment			Project Number	21-033-A/X/N
	YEAR	28	29	30
RENTAL INCOME	CPI			
Restricted Unit Rents	2.50%	6,725,006	6,893,131	7,065,459
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	2.50%	34,282	35,139	36,018
Parking & Storage Income	2.50%	-	-	-
Miscellaneous Income	2.50%	-	-	-
GROSS POTENTIAL INCOME (GPI)		6,759,288	6,928,270	7,101,476
VACANCY ASSUMPTIONS	Vacancy			
Restricted Unit Rents	5.00%	336,250	344,657	353,273
Unrestricted Unit Rents	7.00%	-	-	-
Commercial Rents	50.00%	-	-	-
Project Based Rental Subsidy	5.00%	-	-	-
Other Project Based Subsidy	3.00%	-	-	-
Income during renovations	20.00%	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-
Laundry Income	5.00%	1,714	1,757	1,801
Parking & Storage Income	50.00%	-	-	-
Miscellaneous Income	50.00%	-	-	-
TOTAL PROJECTED VACANCY LOSS		337,964	346,413	355,074
EFFECTIVE GROSS INCOME (EGI)		6,421,323	6,581,856	6,746,403
OPERATING EXPENSES	CPI / Fee			
Administrative Expenses	3.50%	390,165	403,821	417,955
Management Fee	4.47%	287,345	294,528	301,891
Utilities	3.50%	655,929	678,887	702,648
Operating & Maintenance	3.50%	1,518,814	1,571,972	1,626,991
Ground Lease Payments	3.50%	-	-	-
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500
Other Agency Monitoring Fee	0.00%	-	-	-
Real Estate Taxes	1.25%	31,466	31,860	32,258
Other Taxes & Insurance	3.50%	350,242	362,501	375,188
Required Reserve Payments	1.00%	57,561	58,137	58,718
TOTAL OPERATING EXPENSES		3,299,022	3,409,205	3,523,149
NET OPERATING INCOME (NOI)		3,122,301	3,172,651	3,223,253
DEBT SERVICE PAYMENTS	Lien #			
Perm	1	1,665,817	1,665,817	1,665,817
Supplemental MIP	2	-	-	-
Bonneville Perm Loan	3	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,665,817	1,665,817	1,665,817
CASH FLOW AFTER DEBT SERVICE		1,456,483	1,506,834	1,557,436
DEBT SERVICE COVERAGE RATIO		1.87	1.90	1.93
Date Prepared:	09/27/22		Senior Staff Date:	10/5/22

LESS: Asset Management Fee	3%	16,660	17,159	17,674
LESS: Partnership Management Fee	2%	33,120	33,783	34,458
net CF available for distribution		1,406,703	1,455,891	1,505,303

	YEAR	28	29	30
Deferred developer fee repayment	8,245,000	-	-	-
	100%	-	-	-
		-	-	-

Payments for Residual Receipt Payments				
RESIDUAL RECEIPTS LOANS	*Payment %*	703,352	727,946	752,652
MIP	*37.68%*	265,016	274,282	283,591
Supplemental MIP	*24.64%*	438,336	453,663	469,060
0	*0.00%*	-	-	-
Bonneville Perm Loan	*37.68%*	265,016	274,282	283,591
0	*0.00%*	-	-	-
0	*0.00%*	-	-	-
0	*0.00%*	-	-	-
Total Residual Receipts Payments	**100.00%**	968,367	1,002,228	1,036,243

Balances for Residual Receipt Payments				
RESIDUAL RECEIPTS LOANS	*Interest Rate*			
MIP---Simple	*3.00%*	6,896,877	6,781,861	6,657,579
Supplemental MIP---	*3.00%*	1,922,728	1,542,073	1,134,673
0---Compounding	*0.00%*	-	-	-
Bonneville Perm Loan---Compounding	*5.00%*	9,271,014	9,255,999	9,231,716
0---Simple	*0.00%*	-	-	-
0---Compounding	*0.00%*	-	-	-
0---	*0.00%*	-	-	-

California Housing Finance Agency

MIXED-INCOME LOAN PROGRAM (2022)

The California Housing Finance Agency ("CalHFA" or "Agency") 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% of county Area Median Income ("AMI").

The MIP must be paired with CalHFA's Conduit Bond Issuance Program and a CalHFA Mixed-Income Qualified Construction Lender (defined below). Additionally, the program must be paired with CalHFA's Permanent Loan product. The MIP resources will take the form of a subordinate loan to incentivize newly developed multifamily housing projects that serve a range of extremely low to moderate income renters. Eligible projects must create newly constructed regulated units that meet the income and occupancy requirements reflected below.

Qualifications

APPLICATION:

Sponsors/developers must submit a complete application package which includes all items listed on the application, the application addendum and the checklist. Incomplete application packages will not be considered. The application and checklist can be found at www.calhfa.ca.gov/multifamily/mixedincome/index.htm. If the sponsor/developer is not able to meet the readiness timeline referenced below, MIP funds may be rescinded and reallocated.

AVAILABILITY:

Available to for-profit, nonprofit, and public agency sponsors. Development teams must meet CalHFA experience requirements, as defined in the CalHFA Development Team Qualifications section below.

USES:

MIP subsidy loans must be used in conjunction with CalHFA's Conduit Bond Issuance Program and a construction loan from a CalHFA Mixed-Income Qualified Construction Lender. MIP subsidy loans must also be used in conjunction with CalHFA's permanent first-lien mortgage financing. CalHFA Mixed-Income Qualified Construction Lender is defined in that section below.

FINANCING STRUCTURE:

Projects accessing the MIP subsidy loan funds must be structured as one of the following:

1. Tax-exempt bond and 4% tax credit project where at least 51% of the units in the project must be tax-credit-financed

   OR

2. Qualified mixed-income project through income averaging pursuant to Internal Revenue Code Section 42 (g)(1)(C).

Kevin Brown, Housing Finance Specialist
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Jennifer Beardwood, Housing Finance Specialist
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8805
jbeardwood@calhfa.ca.gov

Qualifications (continued)

READINESS:

Projects must have site control and be prepared to submit for a bond and tax credit allocation and will only receive funds if bonds are issued within the issuance timeframes specified in the California Debt Limit Allocation Committee's (CDLAC) Regulations Section 5100.

1. **Site:** The site must be ready for construction (all potential environmental issues have been identified, mitigation plan is in place, and costs associated with the mitigation plan have been incorporated in the development budget). Environmental issues may include, but not be limited to, receipt of clearances for CEQA, NEPA, and applicable tribal land environmental reviews. Pursuant to HUD-Risk Sharing requirements, sponsor is expected to start the NEPA process shortly after CalHFA verifies application completeness and determines that the project is ready to move forward with an initial commitment ("notification date"). The NEPA clearance and HUD's firm approval letter will be required prior to construction loan closing.
2. **General Contractor and/or Third Party Construction Services Engagement:** At the time of application, applicant must provide evidence that the applicant or developer has engaged a general contractor or third-party construction services company to provide construction services including, but not limited to, value engineering, bid/budget services, and constructability review of plans and designs. In addition, the proposed construction budget is based on the general contractor's or third-party construction services company's preliminary bid estimates pursuant to the current plans and designs.
3. **Disposition and Development Agreement:** Applicant must provide a copy of the disposition and development agreement, if applicable.
4. **Construction Start:** All projects must commit to begin construction 180 days from the earlier of the date of the tax-exempt bond allocation or 4% federal/state tax credit reservation, unless an extension has been approved by California Tax Credit Allocation Committee (CTCAC), CDLAC, and CalHFA, as applicable. Within the 180-day period, the following items must be submitted to CalHFA in their final form:
    a. A complete, updated application form along with a detailed explanation of any changes from the initial application,
    b. An executed construction contract,
    c. Recorded deeds of trust for all construction financing (unless a project's location on tribal trust land precludes this),
    d. Binding commitments for any other financing required to complete project construction,
    e. Copy of a limited partnership agreement executed by the general partner/sponsor and the investor limited partner/equity provider,
    f. Payment of all construction lender fees,
    g. Copies of buildings permits (a grading permit does not suffice to meet this requirement, except if the city or county as a rule does not issue building permits prior to the completion of grading, then a grading permit shall suffice; if the project is a design build project in which the city or county does not issue building permits until designs are fully complete, the city or county shall have approved construction to begin) or the applicable tribal documents,
    h. Copy of the notice to proceed delivered to the contractor,
    i. If no construction lender is involved, evidence must be submitted within 180 days, as applicable, that the equity partner has been admitted to the ownership entity, and that an initial disbursement of funds has occurred,
    j. Other documentation and information required by CalHFA to close construction financing.

Qualifications (continued)

MIP ALLOCATION LIMITS:
(Exceptions may be considered by Agency in its sole discretion)

1. **Project Cap:** No project may receive more than the lesser of $8 million, or the aggregate MIP loan amount calculated based on up to $50,000 per MIP regulated units or up to $60,000 per MIP regulated units for a Project located within the Highest or High Resource areas pursuant to CTCAC regulations designated on the CTCAC/HCD (California Department of Housing and Community Department) Opportunity Area Map.
2. **Sponsor Cap:** No sponsor (any individual, entity, affiliate and related entity) may receive more than 20% of total MIP allocation or funding of two projects, whichever is less, for the respective year.
3. **County Cap:** No one county may receive more than 25% of total MIP allocations for the respective year.
4. **Age-Restricted Cap:** No more than 25% of total MIP funds for the respective year may be received by age-restricted projects (units that are restricted to residents who are 62 years of age or older under the applicable provisions of California Civil Code Section 51.3 and the federal Fair Housing Act), unless a waiver of the minimum age requirement has been granted by U.S. Department of Housing and Urban Development ("HUD").

EVIDENCE OF COST CONTAINMENT:

A Cost Containment Certification must be provided at the time of Construction Loan Closing in a form acceptable to CalHFA in its sole discretion. The certification acceptable to CalHFA may be found at www.calhfa.ca.gov/multifamily/mixedincome/forms/closing-cost-containment-certification.pdf.

The developer/sponsor must certify that cost containment measures have been implemented to minimize construction costs. These measures should include, but may not be limited to, 1) competitively bidding out all major subcontractor and self-performing trades and 2) engaging a value engineer/consultant during the design process.

EVIDENCE OF SUBSIDY EFFICIENCY:

A Subsidy Efficiency Analysis will be completed as part of the application review. The analysis will be completed again prior to construction loan closing and closing of the MIP subordinate loan. The MIP loan amount may be reduced based on the final analysis. Parameters of the analysis may include, but are not limited to, the following:

- A maximum of 1.20 Debt Service Coverage Ratio ("DSCR") at year 1 ("Initial DSCR"). CalHFA may allow an initial DSCR higher than 1.20 on a case-by-case basis, if deemed necessary. The year 1 DSCR underwritten at the time of final loan approval and final commitment must be maintained through the term of the CalHFA permanent first lien loan,
- A project cash flow that supports the residential component of the project based on the required CalHFA permanent first lien annual debt service coverage ratio,
- A separate project cash flow that supports any commercial component of a mixed-use project,
- A cash flow after debt service shall be limited to the higher of 25% of the anticipated annual must pay debt service payment or 8% of gross income, during each of the first three years of project operation,
- Inflation factors and vacancy rates consistent with the Agency's Underwriting Standards,
- Developer Fee requirements matching those required under the 4% federal and/or state tax credit reservation,
- Capitalized reserves subject to approval by Agency for reasonableness consistent with the Agency's Underwriting Standards and the Investor Limited Partnership Agreement (ILPA),

Qualifications (continued)	• Review of Excess Sources over final Uses as approved by CalHFA resulting from any of the following: · An increase in tax credit equity, · An increase in permanent loan debt due to a combination of permanent loan rate reduction and/or reduction to operating expense assumptions; • Construction Cost Savings as evidenced by final cost certification, funds shall be used to reduce the MIP loan prior to CalHFA MIP loan closing or if required by other subordinate lenders, funds may be split on a pro rata basis between CalHFA and other subordinate lenders, • State tax credit request is expected to be within a range of $50,000 to $75,000 per unit. The projects that evidence the most efficient use of bond cap, state tax credits, and MIP per adjusted unit shall be prioritized for MIP funding considerations. The bond cap, state tax credits, and MIP per adjusted unit calculation shall be consistent with CDLAC Regulation Section 5231(g)(1) and 5231(g)(2). MIP final commitment shall be subject to evidence of project's receipt of CDLAC's preliminary tax-exempt bond allocations and CTCAC's tax credits reservations within the respective year, • Acquisition cost shall be the lesser of 1) the purchase price pursuant to a current purchase and sales agreement between unrelated parties, 2) the purchase price of an arm's length transaction executed within the past 10 years plus reasonable carrying costs, or 3) the appraised "as-is" value based on an Appraisal acceptable to CalHFA in its sole discretion. The appraised value of the real estate may be considered if the arm's length transaction exceeds 10 years.
CalHFA Mixed-Income Qualified Construction Lender	A CalHFA Qualified Construction Lender is defined as a Construction Lender that has closed at least five construction loans using tax-exempt bonds and 4% federal and/or state tax credits in California within the last three years and satisfies the requirement set forth within the application.
CalHFA Mixed-Income Development Team Qualifications	The **Developer/Co-Developer/General Partner** must be registered to do business and in good standing in the state of California. A CalHFA Qualified Developer/Co-Developer/General Partner must have developed at least three comparable projects within the past five years or meet the requirements to receive a minimum of 7 points under the CDLAC General Partner Experience category pursuant to CDLAC Regulations Section 5230(f). The proposed **Project Manager** must have personally managed the development of at least two comparable projects within the past five years. **Financial Consultants** hired to assist the Developer in meeting the minimum experience requirements must be able to provide details regarding at least three comparably financed projects over the last five years. **Architects** new to CalHFA must provide information for three comparable projects they designed that were built and occupied within the past five years in California. **General Contractor (GC)** must be licensed by the State of California. GCs new to CalHFA must provide information related to three comparable (in design) projects built in the past five years. Similar information will be required for the proposed on-site construction supervisor. The on-site construction supervisor must have overseen three comparable projects built in the past five years, and they must have overseen the projects from construction start to final completion. **Tax Credit Investors** must have closed/executed at least five investor limited partnership agreements for a comparable deal structure using tax-exempt bonds and 4% federal and/or state tax credits in California within the last three years.

CalHFA Mixed-Income Development Team Qualifications (Continued)	**Management Company** must have a local presence or a field office in Northern or Southern CA (depending on the location of the Project) and have experience managing at least 10 low- to moderate-income, rent-restricted comparable (size and tenant types) projects. Also required is a resume for the proposed on-site Property Manager, reflecting prior experience during the past five years managing onsite project operations and compliance with rent-restricted units or meet the requirements to receive a minimum of 3 points under the CDLAC Management Company Experience category pursuant to CDLAC Regulations Section 5230(f).
Permanent First Lien Loan	Must be provided by CalHFA. The permanent loan must meet an initial minimum DSCR of at least 1.15 and must maintain the year 1 DSCR underwritten at the time of final loan approval and final commitment through the term of the CalHFA permanent first lien loan. The Initial DSCR must not exceed 1.20.
Construction First Lien Loan	Must be provided by a CalHFA Mixed-Income Qualified Construction Lender. All parties shall permit the Agency to, in its sole and absolute discretion, recycle all or a portion of any bond volume cap related to a paydown of the bond-financed loans, at the conversion of the construction financing to permanent financing and payoff of the construction loan, pursuant to the authority provided in Section 146(i)(6) of the Internal Revenue Code of 1986 and CDLAC Regulation Section 5060 (the "Bond Recycling"). The bond documents, loan documents and any other documents related to the financing of the Development shall contain any necessary approvals and permit all actions necessary to accomplish a Bond Recycling.
Limitations	1. MIP cannot be combined with the CTCAC 9% program. 2. MIP cannot be combined with other state subordinate debt and/or subsidy programs (this does not include state tax credits) with the exception of the Infill Infrastructure Grant (IIG), Affordable Housing and Sustainable Communities (AHSC) and Transit Oriented Development (TOD) housing programs. Inclusion of these programs is contingent upon restrictions that are compatible with the MIP program requirements outlined herein. Inclusion of other subordinate debt and subsidy will be allowed at CalHFA's sole discretion so long as any restrictions of subordinate debt or subsidy are compatible with MIP program requirements outlined herein. 3. Projects that have a below market rate component resulting from an inclusionary obligation or are 100% below market as a result of an inclusionary obligation must demonstrate master developer commitment through a dollar-for-dollar match of CalHFA's subsidy resources. Match can be obtained through a monetary match or equivalent in-kind contributions (e.g., land donation, land use fee concessions.) 4. At the time of MIP application, a project must not have already received an allocation of 4% federal and/or state tax credits from CTCAC or a tax-exempt bond allocation from CDLAC. 5. Projects will not be eligible for other subsidy resources from CalHFA in addition to MIP.
Mixed-Income Project Occupancy Requirements	**BOND REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):** Must maintain either (a) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI with adjustments for household size ("20% @ 50% AMI"), OR (b) 40% or more of the units must be both rent restricted and occupied by individuals whose incomes are 60% or less of AMI with adjustments for household size ("40% @ 60% AMI"): in the latter case, CDLAC requires a minimum of 10% of the unit types must be at 50% or less of AMI ("10% @ 50% AMI").

Mixed-Income Project Occupancy Requirements (Continued)	**MIXED INCOME REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):** **Affordability Requirements:** 1. To qualify, a project must meet the following affordability restrictions, which are based on the HUD and locality (as applicable) income and rent limits which are current at the time of MIP application, for a term of 55 years: a. 30% of total units at or below 50% of AMI. Of these, a minimum of 10% of total units must be at or below 30% of AMI, b. 10% of total units between 60% and 80% of AMI with an average of 70% of AMI or greater, subject to the Maximum Allowable Rents outlined below, and c. Remaining 60% of total units at or below 120% of AMI (with the exception of any non-restricted manager's unit(s)) OR at the affordability restrictions consistent with CTCAC requirements. d. The minimum range between the lowest and highest occupancy target levels must be at least 40%. (Deviations from the above requirements will only be considered if Market Study supports such deviations.) 2. If applicable, tax credit transactions that are income-averaged must have a maximum average affordability up to 60% of AMI across all CTCAC restricted units.
Mixed-Income Project Occupancy Requirements (Continued)	**MAXIMUM ALLOWABLE RENTS:** Rents for all restricted units must be at least 10% below market rents for the MIP affordability term as evidenced by a current market study or appraisal. This threshold will be analyzed at time of application and again at CalHFA's final commitment approval and may be monitored on an ongoing basis for the MIP affordability term. The report shall be current within 180 days of Agency's final commitment and may be subject to required updating if the report expires prior to construction loan closing. For underwriting purposes, CTCAC and locality maximum rents for the respective target income limits must be used. Any proposed rent adjustments above 5% of the approved rents subsequent to construction loan closing may be considered if supported by a recent or updated market study or appraisal that is dated within 180 days of MIP loan closing, at CalHFA's sole discretion. Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents not to exceed 30% of the applicable income restriction required in the Agency's Regulatory Agreement.
Mixed-Income Subordinate Loan	1. Maximum loan amount for each project shall not exceed the lesser of $8 million or the aggregate MIP loan amount calculated based on up to $60,000 per MIP regulated units, unless an exception is approved by Agency in its sole discretion. a. Maximum loan per restricted (tax credit or CalHFA) units between 30%-120% AMI shall be up to $50,000. b. Projects located within the Highest or High Resource areas pursuant to CTCAC regulations designated on the CTCAC/HCD Opportunity Area Map shall be eligible for an additional amount up to $10,000 per MIP regulated unit. Opportunity Map Home Page: www.treasurer.ca.gov/ctcac/opportunity.asp 2. Loan size based on project need but cannot be more than 50% of the permanent loan amount.

MIXED-INCOME LOAN PROGRAM (2022)

Mixed-Income Subordinate Loan Rates & Terms	1. **Interest Rate**: Greater of 1% simple interest or the applicable federal rate (AFR) at time of MIP closing. 2. **Loan Term**: The MIP loan term shall be coterminous with the CalHFA permanent first lien loan. 3. **Lien Position**: Second lien position, after CalHFA permanent first lien loan. 4. **Loan Payment**: Residual receipt repayment based on cash flow analysis and split 50% to Owner and 50% to CalHFA and other residual receipt lenders. Residual receipt is defined as 50% of surplus cash which is determined as net operating income minus total debt service and other Agency approved payments. Payments shall be applied to the current and/or accrued interest and then principal of the MIP loan. Deviation from the net cash flow split may be granted 1) to meet equity investor's deferred developer's fee requirement as evidence by the limited partnership agreement, and 2) is subject to approval(s) by other residual receipt lender(s), as applicable. 5. **Affordability Term**: 55 years. 6. **Prepayment**: May be prepaid at any time without penalty. 7. **Subordination**: A subordination and/or extension of MIP maturity request in conjunction with a re-syndication, refinance, or ownership transfer ("capitalization event(s)") will be considered. If MIP loan is outstanding at time of the capitalization event(s) and requires subordination at the time of such event, the surplus cash split between borrower and CalHFA and other residual receipt lenders may be altered to reflect an increased percentage of residual receipts to CalHFA out of Borrower's share until such time as the MIP loan is paid in full. The remaining residual receipts may be split between other residual receipt lenders. 8. **Funded**: Only at permanent loan conversion.
CalHFA Conduit Bond Program	For more information on CalHFA's Conduit Issuer Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf
CalHFA First Lien Permanent Rates & Terms (subject to change)	For more information on CalHFA's Permanent Loan Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf
Fees (subject to change)	**Loan Fee:** 1.00% of the loan amount (50% due at final commitment and 50% due at CalHFA MIP loan closing). **Conduit Bond Program Fees:** Refer to CalHFA Conduit Bond Program www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf **CDLAC Fees:** Refer to CDLAC regulations for all applicable fees. **Other Fees:** Refer to CalHFA First Lien Permanent Rates & Terms for first mortgage loan fees, credit enhancements, trustee fees, legal fees, inspection fees, administrative fees. www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf

Last revised: 01/25/2022

California Housing Finance Agency

TAX-EXEMPT PERMANENT LOAN PROGRAM

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

Qualifications	• Available to for-profit, non-profit, and public agency sponsors. • Tax-exempt bond authority must be obtained from the California Debt Limit Allocation Committee (CDLAC) or through a 501(c)(3) exemption. • The Tax-Exempt Permanent Loan may be used with or without 4% low income housing tax credits. • If a lender other than CalHFA is providing short-term, first-lien debt, CalHFA shall be used as the bond issuer (for more information, review the Conduit Issuer Program Term Sheet). • For Section 8 Projects, a final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract. • The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program. • For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Loan Amount	• Minimum Perm Loan amount of $5,000,000. • Minimum 1.15x for initial debt service coverage ratio (include any financing with amortizing debt). If a Project includes CalHFA's subsidy loan, the maximum DSCR at year 1 shall not exceed 1.20, unless CalHFA approves a higher DSCR at its own discretion. The year 1 DSCR underwritten at the time of final loan approval and final commitment must be maintained as the minimum DSCR through the term of the Perm Loan. CalHFA may require the initial DSCR to be higher than the minimum 1.15x, if deemed necessary to meet the Agency's underwriting requirements. • Lesser of 90% of restricted value or 100% of development costs. For Projects with equity being cashed out, the Perm Loan amount will be restricted to no more than 80% of the restricted value.
Fees (subject to change)	• Application Fee: $10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Legal Fee at Perm Loan closing. The applicant may be subject to a new Application Fee if the CalHFA commitment expires prior to construction loan closing. • Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing. • Credit Enhancement Fee: included in the interest rate. • Annual Monitoring Fee: $7,500 annually (not to be duplicated if used in conjunction with CalHFA's Conduit Program). • Inspection fees should be estimated at $500 per month for the term of the construction (reports and fees can be shared with other construction lenders) • Legal Fee: $35,000, half due at final commitment, with balance due at Perm Loan closing. • Perm Loan Funding Fee: $110,000 at Perm Loan closing. • Administrative Fee: $1,000 at Perm Loan closing. • Letter of Interest Fee: $5,000 at LOI request, and is credited toward the CalHFA Perm Loan Fee See CalHFA standard Conduit Issuer Program Term Sheet for information on conduit issuance fees.

Kevin Brown, Housing Finance Officer
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Jennifer Beardwood, Housing Finance Specialist
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8805
jbeardwood@calhfa.ca.gov

TAX-EXEMPT PERMANENT LOAN PROGRAM

Rate & Terms (subject to change)	Interest Rate: • 17-Year Balloon Loans: 15-Year "AAA" Municipal Market Data (MMD) plus CalHFA spread • 30-Year Balloon and Fully Amortizing Loans: 30-Year "AAA" MMD plus CalHFA spread • Estimated CalHFA Spread: 2.00% to 3.00% • Rate may be locked up to 30 days prior to the construction loan closing. Rate may be locked for the term of the construction period, not to exceed 3 years. Amortization/Term: • Amortization: Up to 40 Year Amortization • Term: Fully Amortizing, and 17- or 30-Year Balloons available1 • Perm Loan Reduction: up to 10% reduction at Perm Loan closing permitted at no cost. • Up to two, three-month extension(s) permitted upon payment of a fee equal to 0.25% of the Perm Loan amount for each three-month extension. • Breakage Fee (if applicable): due between construction loan closing and Perm Loan closing and calculated based on hedge termination cost. 1. Balloon loans subject to agency approved exit strategy.
Loan Closing Requirements	• 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls. • 90% of tax credit investor equity shall have been paid into the Project. • Project income is sufficient to pay operating expenses, required debt service, reserves and monitoring fees. • For mixed-use Projects, 100% non-residential occupancy as evidenced by executed leases or guarantees. • Deposit Account Control Agreement between CalHFA, the Borrower and lending institution is in form and substance acceptable to all parties and ready to be executed at Perm Loan closing.
Prepayment	The Perm Loan may be prepaid at par after 15 years of the Perm Loan period. However, the Perm Loan may be prepaid after 10 years of the Perm Loan period subject to a yield maintenance calculation of: • 5% of the principal balance after the end of year 10 • 4% of the principal balance after the end of year 11 • 3% of the principal balance after the end of year 12 • 2% of the principal balance after the end of year 13 • 1% of the principal balance after the end of year 14 All prepayments require a prior written 120-day notice to CalHFA.
Subordinate Financing	Financing or grants are encouraged from local governments and third parties to achieve project feasibility. All financing, leases, development and regulatory agreements must be coterminous (or have a longer term than the combined terms of any CalHFA Acq/Rehab Loan and Perm Loan) and be subordinate to CalHFA financing. A Lien Priority/Position Estoppel in form and substance acceptable to CalHFA will be required prior to construction financing closing, if applicable.
Occupancy Requirements	Must maintain the greater of (A) existing affordability restrictions, or (B) either (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area (county) median gross income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (ii) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"): however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI (i.e., 30% @ 60% AMI; 10% @ 50% AMI).

Occupancy Requirements (continued)	Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents up to 30% of the applicable income restriction using the occupancy assumptions required in the Agency's Regulatory Agreement. Rents for all restricted units must be at least 10% below market rents as evidenced by current market study or an appraisal. CalHFA's regulated units must represent a comparable share of the available unit sizes (by bedroom count and square feet) and be disbursed throughout the project.
Due Diligence	The following due diligence is required to be provided at the Owner/Borrower's expense (refer to the program's document checklist for a full list): • Appraisal* (a construction lender's appraisal may be acceptable). • HUD-2530 previous participation clearance. • Construction Costs Review for new construction loans (other construction lender's review is acceptable). • Physical Needs Assessment* ("PNA") for rehabilitation projects with a Replacement Reserve Needs Analysis ("RRNA") over time for the first 20-year term (other lender's PNA/RRNA may be acceptable). A RRNA for a longer time period may be required if the Perm Loan term is greater than 20 years. • Phase I and Phase II (if applicable) Environmental Site Assessment* including, but not limited to, impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation). The Purpose section of Phase I must state "a purpose of the Phase I is to document compliance with HUD policy pursuant to 24 CFR §58.5(i)(2) or §50.3(i)". • Market Study* satisfactory to CalHFA. • NEPA Review. • Termite/Dry Rot reports* by licensed company. • Seismic review* and other studies may be required at CalHFA's discretion. *Note: Third party reports shall be within 180 days prior to the CalHFA's final commitment approval and may be subject to a new or updated report if the report(s) was completed more than 180 days prior to construction loan closing, in CalHFA's sole discretion.
Required Impounds and Reserves	• Replacement Reserve: Initial cash deposit required for existing Projects with annual deposits between $250 and $500 per unit/per year depending on the Project type and PNA/RRNA findings. • Operating Expense Reserve ("OER"): 3-6 months of operating expenses, reserves, debt service, and monitoring fees due at Perm Loan closing (letter of credit or cash) and held for the life of the CalHFA Perm Loan by CalHFA. In the event OER funds are drawn down during the term of CalHFA Perm Loan, it must be replenished over a period of 12 months to the original level. • Impounds held by CalHFA: One year's prepaid earthquake, hazard and liability insurance premiums, and property tax assessments are collected at loan closing. An earthquake insurance waiver is available for Projects which have met CalHFA earthquake waiver standards during rehabilitation or construction. • Transition Operating Reserve (TOR): required for Projects with state or locally administered rental subsidy contracts with contract terms that are less than 20 years or the CalHFA Perm Loan term. • Other reserves as required (at CalHFA's discretion).

Last revised: 5/2022

California Housing Finance Agency

CONDUIT ISSUER PROGRAM

MULTIFAMILY HOUSING BONDS

Term sheet effective for applications submitted after March 1, 2022

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

Qualifications	• Available to for-profit, nonprofit or public agency sponsors. • Nonprofit borrowers may be eligible for 501(c)(3) bonds. • If bond proceeds are utilized to pay off an existing CalHFA portfolio loan visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Bond Amount	Bond amount is determined by the loan amount of the selected construction lender.
Fees (subject to change)	• Application Fee: $5,000 non-refundable, due at time of application submittal (covers the cost of the TEFRA required for tax-exempt issuances) and is credited toward the CalHFA Issuer Fee. • Issuer Fee: 1. The greater of $15,000 or 18.75 basis points of the Bond amount if lesser than or equal to $20 million. 2. If more than $20 million: $37.500 + 5 basis points for the amount above $20 million. • Annual Administrative Fee: 5 bps of the tax-exempt bond issuance amount due at construction loan closing and due annually thereafter until permanent loan conversion. After permanent loan conversion, billed annually in advance, 5 bps of unpaid principal balance amount of tax-exempt bond financed loan(s) until bonds are fully redeemed. Minimum Annual Administrative Fee shall be $4,000 through both the Qualified Project Period and the CDLAC compliance period. For taxable only issuances, annual administrative fees above will be charged based on the taxable bond financed loan(s) for the term of the CalHFA affordability restrictions. If used in conjunction with a CalHFA permanent loan product, the annual administrative fee will not be duplicated. Please refer to the applicable permanent loan term sheet for the annual administrative fee. • Public Sale: Additional fee of $5,000 to $10,000 applies when Bonds are sold to the public. • CDLAC Allocation Fee: 0.035% of the Bond amount, $1,200 of which is due at time of CDLAC application submittal with the remaining fee due at construction loan closing and payable to CDLAC. • CDLAC Performance Deposit: 0.50% of the requested Bond amount, not to exceed $100,000, due at time of CDLAC application submittal. Deposit to be refunded after the Bond closing, upon receipt of authorization letter from CDLAC. The Borrower shall be responsible for all other costs of Bond issuance including fees of the underwriter, trustee, rating agencies, lender, compliance administrator, all Bond counsel legal fees, and any other parties required to complete the transaction.

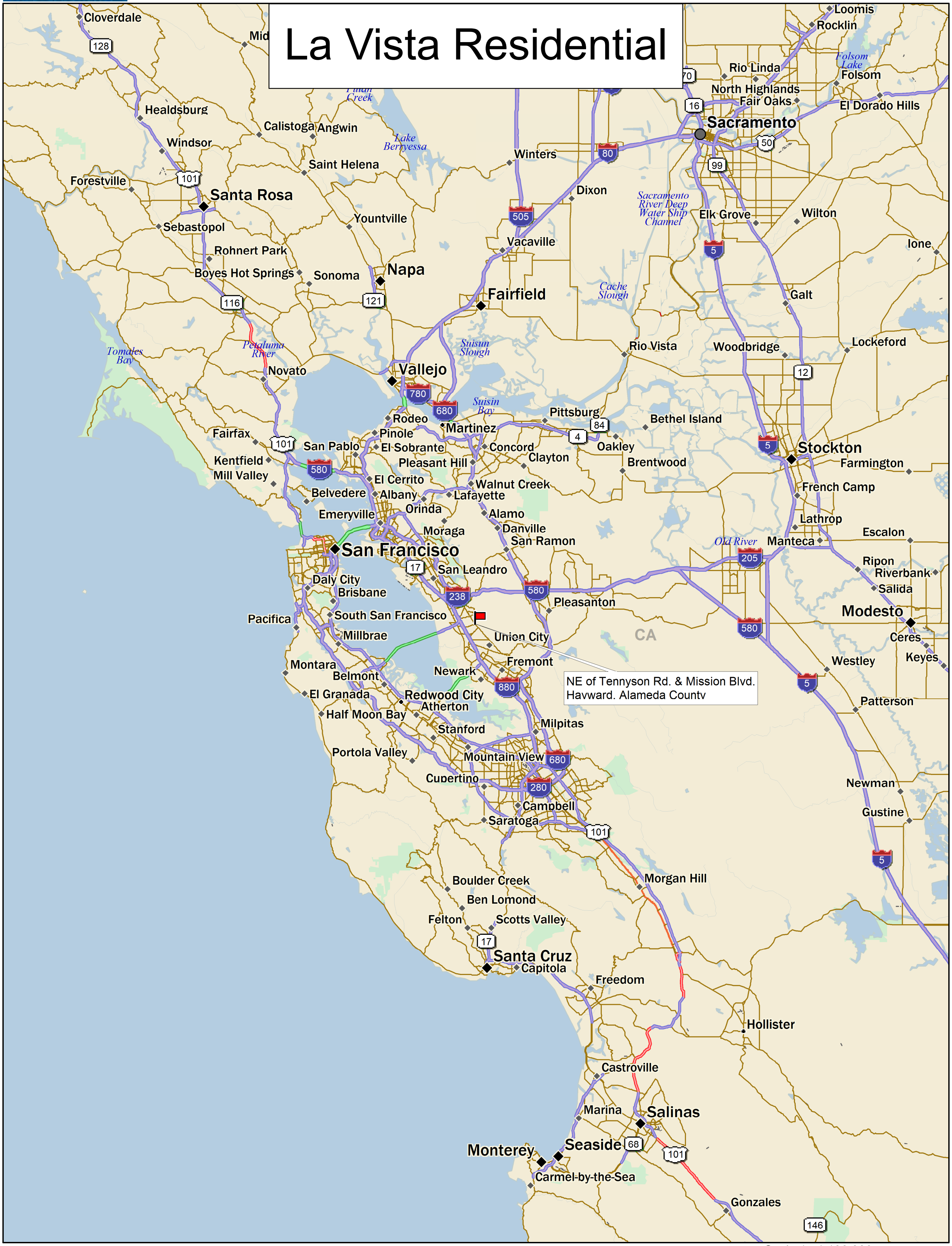
Kevin Brown, Housing Finance Officer
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Occupancy Requirements	• Either (A) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area median income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (B) 40% or more of the units must be rent restricted and occupied by individuals whose income is 60% or less of AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI (i.e., 30% @ 60% AMI; 10% @ 50% AMI). • Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents up to 30% of the applicable income restriction using the occupancy assumptions required in the Agency's Regulatory Agreement. Rents for all restricted units must be at least 10% below market rents as evidenced by a current market study or an appraisal. • Borrower will be required to enter into a Regulatory Agreement which will be recorded against the Project for the Qualified Project Period (as defined in the CalHFA Regulatory Agreement). This includes the later of the federally-required qualified project period, repayment of the Bond funded loan, redemption of the Bonds, the full term of the CDLAC Resolution requirements or 55 years.

Last revised: 05/2022

La Vista Residential

La Vista Residential



Data use subject to license.

www.delorme.com

TN

MN (12.9°E)

Scale 1 : 1,100,000

0 6 12 18 24 30 mi

0 10 20 30 40 50 km

1" = 17.36 mi

Data Zoom 7-5

BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 22-28

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of La Vista Hayward, L.P., a California limited partnership (the "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in the City of Hayward, County of Alameda, California, to be known as La Vista Residential (the "Development"); and

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

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

WHEREAS, pursuant to the Executive Director's authority to issue Conduit Bonds, under Resolution 21-04 the Agency has filed an application with the California Debt Limit Allocation Committee ("CDLAC") for an allocation of California Qualified Private Activity Bonds for the Development; and

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

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

WHEREAS, on November 1, 2021, the Executive Director exercised the authority delegated to her under Resolution 15-16 to declare the official intent of the Agency to reimburse such prior expenditures for the Development; and

WHEREAS, the Agency has conditionally approved a subsidy loan pursuant to CalHFA's Mixed-Income Program ("***MIP***") pursuant to its authority under Resolutions 19-02 and 19-14; and

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

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

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

PROJECT NUMBER	DEVELOPMENT NAME/ LOCALITY	MORTGAGE AMOUNT	
21-033-A/X/N	LA VISTA RESIDENTIAL City of Hayward, County of Alameda	$24,300,000.00	Tax-Exempt Bond or FFB Permanent 1st Lien Loan with HUD Risk Share
		$ 8,270,000.00	Total Mixed-Income Program Residual Receipt 2nd Lien Loan
		($5,000,000.00 MIP Allocation; $3,270,000.00 Supplemental MIP Allocation)	

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

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

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. 22-28 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 20th day of October 2022, 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 20th day of October 2022.

ATTEST: ________________________________

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

CalHFA MULTIFAMILY PROGRAMS DIVISION

Final Commitment Staff Report & Request for Loan Approval of Permanent Take-Out Loan for Tax Exempt financing with Mixed Income Program Subsidy Financing

Senior Loan Committee "Approval": September 28, 2022, for Board Meeting on October 20, 2022

Project Name, County:	**Shiloh Crossing, Sonoma County**	
Address:	**295 Shiloh Rd., Windsor, CA 95492**	
Type of Project:	**New Construction**	
CalHFA Project Number:	**22-008-A/X/N**	**Total Units: 173 (Family)**
Requested Financing by Loan Program:	$39,880,000	**CalHFA Tax-Exempt Bond – Conduit Issuance Amount (Allocated by CDLAC on 6/15/22)**
	$2,345,000	**CalHFA Tax-Exempt Bond (Supplemental)- Conduit Issuance Amount (Allocated by CDLAC on 9/27/22)**
	Up to $34,000,000	**CalHFA Taxable Bond – Conduit Issuance Amount (a portion of which may include tax exempt recycled bonds) (including 10% cushion)**
	$21,696,000	**CalHFA Tax-Exempt or FFB Permanent Loan with HUD Risk Sharing**
	$15,442,362	**CalHFA MIP Subsidy Loan ($8,000,000 Original Allocation and $7,442,362 Supplemental Allocation)**

DEVELOPMENT/PROJECT TEAM

Developer:	Corporation for Better Housing (CBH)	**Borrower:**	295 Shiloh Rd., L.P.
Permanent Lender:	CalHFA	**Construction Lender:**	Pacific Western Bank
Equity Investor:	Alliant Capital, Ltd.	**Management Company:**	Winn Residential
Contractor:	BLH Construction Co.	**Architect**	YM Architects
Loan Officer:	Kevin Brown	**Loan Specialist:**	N/A
Asset Manager:	Jessica Doan	**Loan Administration:**	Mirna Ramirez
Legal (Internal):	Marc Victor	**Legal (External):**	N/A
Concept Meeting Date:	8/16/2022	**Approval Expiration Date:**	180 days from Approval

LOAN TERMS

1.		**CONDUIT ISSUANCE (Pacific Western Bank) CONSTRUCTION LOAN**	**CalHFA PERMANENT LOAN**	**CalHFA MIP SUBSIDY LOAN AND SUPPLEMENTAL MIP LOAN**
	Total Loan Amount	$42,225,000 (t/e) $30,650,000 (taxable) (which may include recycled bonds)	$21,696,000	Original MIP: $8,000,000 Supplemental MIP: $7,442,362

		Total Conduit Issuance: $72,875,000		Total CalHFA MIP Subsidy Loan: $15,442,362 ($90,306/restricted unit)
	Loan Term & Lien Position	36 months- interest only. One conditional six-month extension available. 1st Lien Position during construction	40 year – partially amortizing due in year 17; 1st Lien Position during permanent loan term	17 year - Residual Receipts; 2nd Lien Position during permanent loan term
	Interest Rate (subject to change and locked 30 days prior to loan closing)	Underwritten at 4.00% (t/e) and 4.50% (taxable) Fixed rate	Underwritten Rate*: 6.31% (Fixed Rate locked) Estimated rate based on a 36 month forward commitment	Greater of 1% Simple Interest or the Applicable Federal Rate (AFR) at time of MIP closing (3% Simple was used for underwriting purposes)
	Loan to Value (LTV)	97% of investment value	60% of restricted value	N/A
	Loan to Cost	96%	25%	N/A

** The Agency has determined that the Indicative Rate of 6.31%, and not the Maximum Rate, is the fixed rate that shall be locked upon Borrower's request as set forth in the Indicative Rate Lock Agreement.*

PROJECT SUMMARY

2.	**Legislative Districts**	**Congress:**	#2 Jared Huffman	**Assembly:**	#2 Jim Wood	**State Senate:**	#2 Mike McGuire

	Brief Project Description	**Shiloh Crossing** (the "Project") is a new construction family mixed income and mix-use Project. It consists of 2 buildings including: one four story residential building (43 units) with 8,000 sq. ft. of commercial space to be used as retail; and one five story residential building (130 units) containing an aggregate of 173 total units. Both buildings will be elevator serviced. 171 units will be restricted between 30% and 80% of the Sonoma County Area Median Income (AMI). There will be 15 studios (576 s.f.), 70 one-bedroom units (626 s.f.), 44 two-bedroom units (928 s.f.), 44 three-bedroom units (1,079 s.f.). Two one-bedroom units will serve as manager's units. The Project is in disaster area but it is not part of locality's overall disaster recovery strategy/plan. The site is currently vacant. **Financing Structure:** The Project's residential and community building financing structure includes tax-exempt bonds, 4% Federal Tax Credit equity, State Tax Credit equity, Solar Tax Credit equity, Agency's tax-exempt permanent loan program and MIP subsidy loan. The project will be income averaged, pursuant to TCAC regulations. **Tax Credits and/or CDLAC Status:** The project received an allocation of tax-exempt bonds from CDLAC and an award of 4% federal tax credits, State tax credits, and solar tax credits from TCAC on 6/15/2022. The Project applied for a supplemental bond allocation on 9/7/2022 and was awarded on September 27, 2022. The supplemental allocation is being requested to add a cushion to the project's 50% aggregate basis requirement (the "50% test") which is currently at approximately 50%. The supplemental allocation will increase this to approximately 51.9%, which is necessary to accommodate a potential cost increase during construction. **Project Amenities:** The Residential portion of the Project includes a community room, fitness room, central laundry facilities, and computer room. Unit amenities will include central air, dishwashers, and garbage disposal.

Local Resources and Services: For TCAC/CDLAC purposes, the Project is located within a high resource area per TCAC/HCD's Opportunity Area Map. The Project is in close proximity to the following local amenities and services:

- Grocery stores – 0.12 of miles
- Schools - 1.5 of miles
- Public Library – 2.5 of miles
- Public transit - 0.13 of miles
- Retail - 2.2 of miles
- Park and recreation - 0.22 of miles
- Medical Clinic - 0.21 of miles

Non-displacement and No Net Loss: To the extent feasible, it is the Agency's priority to mitigate the overall effects upon affordable housing availability that may arise from multifamily developments that may result in permanent displacement of existing affordable housing residents and/or net loss of existing affordable housing units. The Project is a new construction project, with no related demolition of existing affordable housing, hence no existing affordable housing units will be lost nor will existing residential households be displaced as a result of this development.

Commercial and/or Other (i.e. Parking) Space: As required by the Town of Windsor, the project includes construction of 8,000 sq. ft of commercial space. The borrowing entity will enter into a Master Lease Agreement as the lessor, and it is currently assumed that the Developer will be the lessee of this space and will enter into subleases with commercial tenants. The space will be leased using a triple net lease with a term of at least 17 years. While commercial tenants have yet to be identified, possible uses for the space include retail, restaurant, and other commercial uses. There will be 40 parking spaces designated specifically for the commercial tenants. The operating expense and revenue from the commercial space are not contemplated in the proposed operating expense budget. The commercial space will not be condominiumized from the residential portion of the project, however, the Master Lease is expected to mitigate the residential portion from expenses and capital needs related to the commercial portion. The utilities for the commercial portion of the project will be separately metered from the residential portion. The construction cost of the commercial component is anticipated to be funded by tax credit equity. Approval of the master lease agreement, commercial tenants, and commercial sublease agreements are included as a condition of approval in Section 10.

MISSION

3.	CalHFA Mission/Goals	
This Project and financing proposal provide 171 units of affordable housing with a range of restricted rents between 30% of AMI and 80% of AMI which will support much needed rental housing that will remain affordable for 55 years.		

ANTICIPATED PROJECT MILESTONES & SCHEDULE

4.	CDLAC/TCAC Closing Deadline:	3/12/2023*	Est. Construction Loan Closing:	12/2022
	Estimated Construction Start:	12/2022	Est. Construction Completion:	2/2025
	Estimated Conversion to Perm Loan(s):		12/2025	

** On September 28, 2022, CDLAC approved a 90-day extension to the bond issuance deadline from 12/12/2022 to 3/12/2023 for all projects thatreceived bond allocation on June 15, 2022.*

SOURCES OF FUNDS

5.

Construction Sources and Uses				
Sources	**Amount**	**Details (Lien Position/Rate/Debt Type)**	**Uses**	**Amount**
Pacific Western Bank - Tax-Exempt- Conduit	$42,225,000	1^{st}/4.00%/Interest Only	Total Acquisition costs	$3,187,500
Pacific Western Bank- Taxable-Conduit (which may include tax exempt recycled bonds)	$30,650,000	2^{nd}/4.50%/Interest Only	Construction/Rehab Costs	$49,965,668
Investor Equity Contribution	$3,100,000	N/A	Soft Costs	$2,130,030
			Hard Cost contingency	$2,498,284
			Soft Cost contingency	$848,877
			Financing Costs	$7,956,193
			Local Impact Fees	$6,829,986
			Developer Fees	$507,873
			Other Costs	$2,007,089
TOTAL	**$75,975,000**			**$75,975,000**
TOTAL PER UNIT	**$444,298**			

Permanent Sources and Uses				
Sources:	**Amount**	**Details (Lien Position/Rate/Debt Type)**	**Uses**	**Amount**
CalHFA Perm Loan	$21,696,000	1^{st}/6.31%/40 yr amortization due in yr 17	Total Loan Payoffs and Equity	$75,975,000
CalHFA MIP Loan	$8,000,000	2^{nd}/3.00%/Residual Receipts	Financing costs	$425,502
CalHFA Supplemental MIP Loan allocation*	$7,442,362	2^{nd}/3.00%/Residual Receipts	Soft costs	$17,250
Solar Tax Credit Equity	$302,585	N/A	Operating Reserves	$664,528
Deferred Developer Fees	$8,744,501	N/A	Developer Fees, Overhead & Profit	$9,492,127
Investor Equity Contributions	$40,388,959	N/A		
TOTAL	**$86,574,407**			**$86,574,407**
TOTAL PER UNIT	**$500,432**			

* Repayment of the CalHFA Supplemental MIP allocation shall have priority over the Original MIP Loan allocation in accounting for the repayment of the MIP Loan.

***Gap Funding Explanation and request for supplemental MIP subsidy loan funding:** The Sources of Funds chart shown above includes more detailed information related to each financing and/or equity source and uses during the construction and permanent periods of development.

At the time of CalHFA's initial commitment (March of 2022), the developer estimated the total development cost (TDC) to be $79,371,994 or $458,798/unit. CalHFA issued an initial commitment based on these initial costs

estimates for the developer to use to apply to CDLAC for tax exempt bond cap and to CTCAC for federal tax credits. On June 15, 2022 the Borrower received the related allocations from CDLAC and CTCAC.
On the sources side, there were cost adjustments related predominantly to; 1) market related increases driving CalHFA's higher interest rate and spreads which resulted in a $4,854,000 reduction to the permanent loan amount; 2) increase in investor equity contribution of $3,008,487; 3) increase in deferred developer's fee of $952,913. On the Uses side, cost increases were related to; 1) increased construction reserves of $1,616,225; 2) increased construction costs of $3,618,088; 3) increased insurance costs of $425,000; 4) increased impact fees of $478,774; 5) increased developer fee of $750,000; 6) increases to other soft costs of $314,675; Overall, the deficit in the updated budget is $8,095,362.

The Borrower has requested a $7,442,362 increase to the MIP Subsidy Loan in an effort to offset cost increases and loan reductions outlined above and below. The summary of changes in sources and uses between initial commitment vs. current proposed are outlined below:

Summary of changes in Sources/Uses since the Initial Commitment approval

SOURCES - Major Changes Description	**Initial Commitment Amount $**	**Current Proposed Amount $**	**Increase/ Reduction $**	**Per unit Cost Adjustment**	**% Adjustment of IC Approval**
1 - CalHFA Perm Loan (prior to removal of 25bps cushion)	$25,897,000	$21,043,000	-$4,854,000	-$28,058	-18.74%
2 - Deferred Developer Fee	$7,791,930	$8,744,501	$952,571	$5,506	12.23%
3 – Federal/State Tax Credit Equity	$37,399,690	$40,388,966	$2,989,276	$17,279	7.99%
4 – Solar Tax Credit Equity	$283,374	$302,585	$19,211	$111	6.78%
Total Changes in Sources (A)	**$71,371,994**	**$70,479,394**	**-$892,942**	**-$5,160**	**-1.25%**

USES - Major Cost Changes Description	**Initial Commitment Amount $**	**Current Proposed Amount $**	**Increase/ Reduction $**	**Per unit Cost Adjustment**	**% Adjustment of IC Approval**
1 – Construction Loan Interest	$3,983,775	$5,600,000	$1,616,225	$9,342	40.57%
2 – Construction Budget	$46,347,580	$49,965,668	$3,618,088	$20,914	7.81%
3- Insurance	$850,000	$1,275,000	$425,000	$2,457	50.00%
4- Impact Fees	$6,029,147	$6,507,921	$478,774	$2,767	7.94%
5- Developer Fee	$9,250,000	$10,000,000	$750,000	$4,335	8.11%
3 – Other (Soft Costs)	$12,911,492	$13,226,167	$314,675	$1,819	2.44%
Total Changes in Uses (B)	**$79,371,994**	**$86,574,756**	**$7,202,762**	$41,634	9.07%
Current Funding Gap (A-B):			**-$8,095,362**		
Gap Funding sources:					
Increase in CalHFA Perm Loan (Rate lock without 25bps cushion):			**$653,000**		
Supplemental MIP Request:			**$7,442,362**		
Gap funding Sources Total:			**$8,095,362**		
Remaining Funding Gap:			**$0**		

Hard Cost/Soft Cost changes: The Developer is undergoing the cost containment strategies outlined later in this section, however, there was an overall $3,618,088 increase in construction costs attributed to inflation. In addition, the construction lender is requiring a $1,616,225 increase to the construction interest reserve. Insurance rates have increased for course of construction insurance by $425,000. The Town of Windsor bases their impact fees off of the Engineering News-Record Construction Cost Index which has increased the impact fees by $478,774.

Deferred Developer Fee: The current budget also reflects an increase of the total developer's fee by $750,000, however, the current deferred developer's fee (DDF) is approximately $952,913 higher than the original budget, which results in an increase of the net DDF by $202,913 (original developer fee $9,250,000 with $7,791,930 deferred and current developer fee $10,000,000 with $8,744,843 deferred).

	Perm Loan Reduction & Equity Contribution Adjustment: The equity contribution adjustment is anticipated to increase by approximately $3,008,487 due to increases in eligible basis. At receipt of the Supplemental MIP application, the CalHFA permanent loan of $25,897,000 was reduced by $4,854,000 to $21,043,000. This was attributed to increases in perm loan financing costs related to macroeconomic factors, such as inflation. The interest rate of 6.56% included a 25bps underwriting cushion and is inclusive of costs associated with the Agency offering extended rate lock period of 6+ months and interest rate hedging costs incurred by the Agency. At final underwriting, to mitigate the funding gap of $8,095,362 CalHFA was able to increase the perm loan by allowing the removal of 25 bps underwriting cushion which was possible by entering into an early rate lock agreement and hedge, locking the maximum rate at 6.31% fixed interest rate for loan closing (perm conversion at 36-month forward from construction loan closing). This resulted in a permanent loan increase of $653,000 to $21,696,000, which reduced the overall funding gap to $7,442,326 as shown above. The estimated funding gap after exhausting all resources available to the project totals approximately $7,442,326. The Borrower has requested an increase to the MIP Subsidy Loan of $7,442,326 to fund the remaining gap. Pursuant to the TCAC/CDLAC requirements this project must begin construction by December 2022. A $7,442,326 increase in the MIP supplemental subsidy ($43,523/unit) results in an overall MIP Regulated Unit amount of $90,306 per restricted unit. The original MIP and Supplemental MIP total is therefore $15,442,362. **Subsidy Efficiency:** The Initial MIP commitment for this Project was $8,000,000 ($46,784 per MIP restricted units). The current proposed MIP commitment is $15,442,326 ($90,306 per MIP restricted units) including the requested Supplemental MIP funding. Staff is recommending exceptions to the per project Allocation Limit of $8,000,000, per unit limit of $50,000, and the 50% limit of the MIP loan to perm loan requirement. Approval of these exceptions are further detailed in the "Underwriting Standards or Term Sheet Variations" section 9 below. **Tax Credit Type(s), Amount(s), and per total units:** • 4% Federal Tax Credits: $36,761,020 ($212,491 per TCAC restricted unit). • State Tax Credits: $5,531,759 ($31,975 per TCAC restricted unit). • Solar Tax Credits: $314,860 ($1,820 per TCAC restricted unit). **Rental Subsidies**: The Project will not be subsidized by project-based vouchers. **Other State Subsidies:** The Project will not be funded by other state funds. **Other Locality Subsidies:** The Project will not be funded by locality funds. **Cost Containment:** CBH has engaged BLH Construction Co. (GC) for the project and plans to utilize a competitive bidding process, utilizing a minimum of three bid review. CBH's team of architects and engineers are intimately familiar with each other and will value engineer the project from conception through the end of construction. The development team will work early to develop a critical path method, ensuring that key construction milestones and timelines are met. BLH is affiliated with the Administrative General Partner (Integrated Community Development).
6.	Equity – Cash Out (estimate): Not Applicable

TRANSACTION OVERVIEW

7.	**Proposal and Project Strengths**
	• The Project has received 4% tax credits, solar tax credits, and state tax credits which is projected to generate equity representing 47% of total financing sources. • The developer/sponsor has extensive experience in developing similar affordable housing projects and have experience with CalHFA.

- The Project will serve low-income families ranging between 30% to 80% of AMI. On average, the rents are between 29% to 72% below market rents based on current appraisal.
- The Loan-to-Value ("LTV") will be 60%, which is well below the Agency's maximum allowable LTV of 90%. This results in less risk to the Agency.
- The projected portion of the developer's fee that will be collected at to permanent loan conversion is $1,255,157 (13% of total developer fee) which could be available to cover cost overruns and/or unforeseen issues during construction.

8. Project Weaknesses with Mitigants:

- An updated Phase I report and a limited Phase II report dated January 26, 2022, and September 1, 2021, respectively, identified the presence of several volatile organic compounds in soil vapor at concentrations which slightly exceed Environmental Screening Levels for residential land use. The development budget includes roughly $75,000, which is the anticipated costs associated with addressing these environmental issues pending an updated soils report. The mitigation plan has been received and a certification that mitigation measures have been implemented must be received prior to permanent loan closing.
- The exit analysis assumes 2% increase to the appraisal cap rate (resulting in 6.75%) and a 3% increase of the underwriting interest rate at loan maturity (resulting in 9.31%). Based on these assumptions, the Project will have the ability to fully repay the balance of the Agency's permanent first lien loan and a portion of the Supplemental MIP loan allocation in the estimated amount of $1,146,935, leaving an amount of $9,644,490 of the Supplemental MIP allocation (including principal and accrued interest) plus the full amount of the original MIP loan in the estimated amount of $11,600,000 (principal and accrued interest), the total estimated amount of the MIP Loan at refinance is $21,244,490. This is expected by CalHFA given the requirement that the MIP loan be co-terminus with the permanent first mortgage. The primary source of repayment for both the first mortgage and the MIP subsidy loan is refinance of the project's first mortgage. To the extent such a refinance is insufficient to fully repay the MIP loan, it is contemplated that any remaining balance will be paid from a general partner contribution as part of the final close out of partnership obligations to allow re-syndication.
- The construction lender's term sheet allows a maximum of 80% loan-to-value (LTV) and 80% loan-to-cost (LTC). The proposed aggregate construction loan amounts exceed this limit showing 97% LTV and 96% LTC. The construction lender has confirmed, in writing, that they accept the proposed LTV and LTC amounts.

9. Underwriting Standards or Term Sheet Variations

- Pursuant to MIP loan term sheet, no project may receive more than the lesser of (i) $8 million project cap, (ii) the aggregate MIP loan amount based on up to $60k per MIP regulated unit for a project located within the high/highest resource area per TCAC/HCD opportunity map, or (iii) MIP loan not to exceed 50% of the CalHFA permanent loan. This project is located in a high resource area. Based on the project economics, the combined original and supplemental MIP is $15,442,326 ($90,306/restricted unit) (MIP loan percentage is approximately 71% of the CalHFA permanent loan), which exceeds all 3 thresholds. This is an exception to the MIP term sheet and is recommended by Multifamily Underwriting and Credit Staff for approval to facilitate the progression of a shovel ready project without delay; the project received tax credit and bond cap allocations from TCAC/CDLAC on June 15, 2022 and is ready to proceed to construction loan closing by December 2022.
- For purposes of MIP subsidy efficiency analysis, the underwriting of the permanent first lien loan is typically required to be sized based on the maximum TCAC income and rent limits. The developer is requesting an exception to this requirement and instead has requested that project rents for 19 of the units be limited to 13% below TCAC regulated maximum rents. This is a condition required by the investor to ensure that the income average is at 58.3% of AMI (60% is the maximum), which mitigates the Project's risk of losing tax credits during the compliance period pursuant to income averaging requirements. The proposed rents for these 19 units average 32% below market rents for similar units vs. average of 22% below market rents if TCAC maximum rents are used. To facilitate project feasibility, staff is recommending an exception to the MIP subsidy efficiency requirement to allow the project's permanent first lien loan underwriting to align with the investor's requirements.

10.	**Project Specific Conditions of Approval**

Approval is conditioned upon:

- No site work or construction commenced prior to the issuance of a HUD Firm Approval Letter.
- The CalHFA subsidy (including the supplemental MIP subsidy loan) will be, in the Agency's sole discretion, the lesser of 1) the principal amount as stated on hereto or 2) an amount as determined by the Agency in the event the financial assumptions change prior to construction loan closing and/or permanent loan closing.
- All MIP Loan principal and interest will be due and payable at maturity. Outstanding Supplemental MIP loan funds will have first repayment priority whether the source of repayment is cash flow during the term of the loan or repayment via refinance, partner contribution, or other source at loan maturity.
- Receipt of LPA and investor written approval evidencing that any outstanding deferred developer fee remaining in Year 15 will be treated as a developer contribution, if applicable. The owner must provide evidence of investor and approval of the total deferred developer's fee structure.
- The Borrower has requested that 100% of surplus cash be allowed towards the repayment of the deferred developer's fee (DDF) for up to 15 years or until DDF has been fully repaid, whichever is sooner. Thereafter, the surplus cash split shall be 50% to Borrower and 50% to Residual Receipt lender(s). As a condition of this approval, the Borrower must provide evidence that the DDF repayment structure is required pursuant to the Limited Partnership Agreement (LPA). In addition, the owner must provide evidence of investor and all residual receipt lender(s) approvals of the total deferred developer's fee structure and residual receipt split. Residual receipt lenders must also agree to defer the payments on their loans.
- Prior to construction loan closing, receipt and CalHFA approval of Master Lease Agreement.
- Subject to CalHFA's final underwriting and approvals of commercial structure, use, and agreement between Developer and prospective commercial tenants. Documentation may include but not limited to commercial sublease agreement(s).
- Prior to construction closing, receipt of seismic report confirming Probable Maximum Loss (PML) below 20% and/or other reports as deemed necessary by CalHFA.
- Prior to construction loan closing, CalHFA approval of any shared use/easement agreement between commercial and residential portions of the project.
- Prior to construction loan closing, equity investor and TCAC/CDLAC approvals of utility allowances derived from using the California Utility Allowance Calculator (CUAC).
- In the event of cost savings at permanent loan conversion, 100% of cost savings will be used to reduce the supplemental portion of the MIP loan amount first (may be shared with other residual receipt lenders on a pro rata basis, if applicable). Once the supplemental portion of the MIP loan amount is fully reduced, the remaining cost savings will be split 50% between reducing the original MIP loan amount (or may be shared with other residual receipt lenders on a pro rata basis, if applicable) and reducing the Deferred Developer Fee.

11.	**Staff Conclusion/Recommendation:**

The Multifamily Lending Division supports approval of the described financing in the amount(s) requested, subject to the above proposed terms and conditions. As noted earlier, the supplemental MIP subsidy loan of $7,442,362, which is in addition to the original MIP subsidy loan of $8,000,000,was not part of the Initial Commitment approved by the SLC, and hence approval is being sought for this financing through the subject Final Commitment Approval.

AFFORDABILITY

12.	The CalHFA Permanent Financing Regulatory Agreement will restrict a minimum of 40% of the total units at or below 60% of AMI; with 30% of the total units (52 units) at or below 60% AMI and 10% of the total units (18 units) at or below 50% of AMI for 55 year(s). The CalHFA MIP Subsidy Regulatory Agreement requires 10% of total units (18 units) be restricted at or below 30% of AMI, 20% of the total units (35 units) be restricted at or below 50% of AMI, and 10% of total units (18 units) be restricted between 60% and 80% of AMI with a minimum average of 70% of AMI, and the remaining 100 restricted units will be restricted at or below 120% of AMI for a term of 55 years. The rents for the 60% to 80% tranche will be

determined by the minimum income limit of 70% of AMI, not to exceed 80% of AMI. For underwriting purposes, the initial rents at permanent loan conversion must be no less than the underwriting rent levels outlined on the "Unit Mix and Rent Summary" enclosed as part of the project's staff report package. The CalHFA permanent loan agreement will require minimum underwriting rent levels as outlined in the Rent Limit Summary Table Below.

The TCAC Regulatory Agreement will restrict a total of 171 units between 30% and 80% of AMI for a term of 55-years.

Rent Limit Summary Table

AMI	Total	Studio	1-bdrm	2-bdrm	3-bdrm	4-bdrm	% of Total
30%	19	2	7	5	5	-	11.0%
40%	0	-	-	-	-	-	0.0%
50%	35	3	14	9	9	-	20.2%
60%	54	5	21	14	14	-	31.2%
70%	44	3	19	11	11	-	25.4%
80%	19	2	7	5	5	-	11.0%
Manager's Unit	2	-	2	-	-	-	1.2%
Total	173	15	70	44	44	0	100.0%

The average affordability restriction is 59% of AMI based on 171 TCAC-restricted units. The tax credit equity investor is requiring 19 units restricted at 80% of AMI to be underwritten using 70% of AMI maximum rents in order to add a cushion to the average income test, bringing the average income to 58.30%. In the event the IRS overturns their decision on average income and the tax credit investor is comfortable increasing the average income to 60%, the rents for these units will be increased to the 80% of AMI maximum level.

NUMBER OF UNITS AND AMI RENTS RESTRICTED BY EACH AGENCY

Regulatory Source	Recordation Priority if Recorded Document	Term of Agrmt (years)	Number of Units Restricted For Each AMI Category								
			30% AMI	50% AMI	60% AMI	70% AMI	80% AMI	<= 120% AMI	Mgrs Unit	Total Units Regulated	% of Regulated Units
CalHFA Bond	1st	55	0	18	52	0	0	0	2	70	40.5%
*CalHFA MIP	2nd	55	18	35	0	0	18*	100	2	171	98.8%
Tax Credits	3rd	55	19	35	54	44	19	0	2	171	98.8%

13. Geocoder Information

Central City:	No	Underserved:	No
Low/Mod Census Tract:	Moderate	Below Poverty line:	6.6%
Minority Census Tract:	48.9%	Rural Area:	No

FINANCIAL ANALYSIS SUMMARY

14.	**Capitalized Reserves:**	
	Replacement Reserves (RR):	N/A
	Operating Expense Reserve (OER):	$664,528* OER amount is size based on 3 months of operating expenses, first lien debt service, and annual replacement reserves deposits. The Investor will hold this reserve for the term of the CalHFA permanent loan and in the event the OER is

		drawn down during the term of the loan, the OER must be replenished over a 12 month period to the original level. *A minimum of 3 to 6 months operating expense, reserves, and debt service ("OER") is required to be held for the life of the CalHFA permanent loan. The OER may be based on 3 months of total operating expense, reserves, and debt service if the developer provides evidence that, within the last 2 years, they have received allocations from TCAC or provided a certification from a third- party accountant that they met TCAC's general partner and management experience pursuant to CTCAC regulations. The developer has submitted supporting documentation that they've met this requirement.
	Transitional Operating Reserve (TOR):	N/A

15.	**Cash Flow Analysis**			
	1st Year DSCR:	1.16	**Project-Based Subsidy Term:**	N/A
	End Year DSCR:	1.56	**Annual Replacement Reserve Per Unit:**	$300/unit
	Residential Vacancy Rate: **Subsidy Vacancy Rate:**	5% N/A	**Rental Income Inflation Rate:** **Subsidy Income Inflation Rate:**	2.50% N/A
	Non-residential Vacancy Rate:	N/A	**Project Expenses Inflation Rate:** **Property Tax Inflation Rate:**	3.50% 1.25%

16. Loan Security

The CalHFA loan(s) will be secured by a first lien deed of trust against the above-described Project site and improvements.

17. Balloon Exit Analysis **Applicable:** ☒ **Yes** ☐ **No**

The exit analysis assumes 2% increase to the appraisal cap rate (resulting in 6.75%) and a 3% increase of the underwriting interest rate at loan maturity (resulting in 9.31%). Based on these assumptions, the Project will have the ability to fully repay the balance of the Agency's permanent first lien loan and a portion of the Supplemental MIP loan allocation in the estimated amount of $1,146,935, leaving an amount of $9,644,490 of the Supplemental MIP allocation (including principal and accrued interest) Plus the full amount of the original MIP loan in the estimated amount of $11,600,000 (principal and accrued interest), the total estimated amount of the MIP Loan at refinance is $21,244,490. This is expected by CalHFA given the requirement that the MIP loan be co-terminus with the permanent first mortgage. The primary source of repayment for both the first mortgage and the MIP subsidy loan is refinance of the project's first mortgage. To the extent such a refinance is insufficient to fully repay the MIP loan, it is contemplated that any remaining balance will be paid from a general partner contribution as part of the final close out of partnership obligations to allow re-syndication.

APPRAISAL AND MARKET ANALYSIS

18. Appraisal Review **Dated: 7/1/2022**

- The Appraisal dated May 29, 2022, prepared by Watts, Cohn and Partners values the land at $4,500,000.
- The cap rate of 4.75% and projected $1,812,543 of net operating income is $83,817 higher than Developer and proposed net operating income budget. This is attributed to the appraiser using 80% of AMI maximum allowable rents for the 19 units restricted at 80% of AMI but underwritten using 70% of AMI rents.
- The as-restricted stabilized value is $36,250,000 which results in the Agency's permanent first lien loan to value (LTV) of 60%. The combined LTV, including MIP subsidy loan is 102%.
- The absorption rate is 24 units per month and the Project is expected to reach stabilized occupancy within 7 months after construction completion. This is generally consistent with the market study.

	Market Study:	Novogradac Consulting LLP	**Dated: 2/10/2022**

Regional Market Overview

- The Primary Market Area is the town of Windsor and portions of Mark West, Larkfield-Wikiup, and Fulton (population of 87,509) and the Secondary Market Area ("SMA") is Santa Rosa-Petaluma Metropolitan Area (population of 489,521).
- The general population in the PMA is not anticipated to increase and the SMA population is expected to increase by 0.6% by 2026.
- Unemployment in the PMA is 5.4%, with the SMA having an unemployment rate of 2.6%, which evidences a strong employment area.
- Median home value in the PMA is $810,000. The median home value in the SMA is $750,000. Median home values in the PMA are about 8% higher than in the SMA.

Local Market Area Analysis

- **Supply:**
  - There are currently 20 affordable family project(s) in the PMA and they are 99.6% occupied with long wait lists.
  - There are six affordable project(s) under construction which are anticipated to complete construction by 2023.
- **Demand/Absorption:**
  - The project will need to capture 11.2% of the total demand for family units in the PMA. The affordable units are anticipated to lease up at a rate of 25 units per month and reach stabilized occupancy within 7 months of opening.

DEVELOPMENT SUMMARY

19. Site Description **Requires Flood Insurance:** ☐ **Yes** ☒ **No**

- The property is located on the west side of Shiloh Road and Redwood Highway, in the Town of Windsor, Sonoma County.
- The site is currently vacant, with level topography at street grade, measuring approximately 5.92 acres and is generally rectangular in shape.
- The site is zoned Compact Residential (CR) with permitted multifamily residential use.
- The subject is located in Flood Zone X (area of minimum flood hazard). Zone X is the area determined to be outside the 500-year floodplain and protected by levee from 100-year floodplain, therefore the Project will not be subject to flood insurance.

20. Form of Site Control & Expiration Date

The current site owner, Integrated Community Development, LLC (ICD), entered into a Purchase & Sale agreement (PSA) with the previous owner, Robert L. Mayer Trust of 1982, for $3,000,000 dated November 4, 2020. ICD purchased the site, per the closing statement on April 8, 2021. ICD then entered into a PSA with 295 Shiloh Rd., LP, the Borrower, dated April 15, 2021. ICD is the Administrative General Partner of Borrower. The PSA between ICD and Borrower is for the original $3,000,000 arms-length transaction plus carrying costs. The carrying costs are due to the original seller note on the site. Total carry costs are expected to be $201,000 by the time of construction loan closing of the site. The existing seller note is anticipated to be repaid at construction loan closing.

21. Current Ownership Entity of Record

Title is currently vested in Integrated Community Development, LLC as the fee owner.

22. Environmental Review Findings **Dated: 1/26/2022**

An updated Phase I report and a limited Phase II report, performed by EBA Engineering and dated January 26, 2022, and September 1, 2021, respectively, identified the presence of several volatile organic compounds in soil vapor at concentrations which slightly exceed Environmental Screening Levels for residential land use. Per a report from GeoKinetics dated March 23, 2022, a soil VOC vapor mitigation system will be installed at the site. The development budget includes roughly $75,000, which is the anticipated costs associated with addressing these environmental issues pending an updated soils report. The mitigation plan has been received and a certification that mitigation measures have been implemented must be received prior to permanent loan closing.

23.	**Seismic**	**Requires Earthquake Insurance:** ☐ **Yes** ☒ **No**
This new Project will be built to State and Town of Windsor building codes therefore earthquake insurance is expected not to be required. A seismic report is being ordered by the equity investor and will be used to verify the Project meets CalHFA requirements for earthquake insurance waiver of Probable Maximum Loss (PML) below 20%.		
24.	**Relocation**	**Requires Relocation:** ☐ **Yes** ☒ **Not Applicable**
The Project is new construction, therefore, relocation is not applicable.		

PROJECT DETAILS

25.	**Residential Areas:**				
		Residential Square Footage:	140,768	**Residential Units per Acre:**	30.8
		Community Area Sq. Ftg:	3,875	**Total Parking Spaces:**	217
		Supportive Service Areas:	N/A	**Total Building Sq. Footage:**	152,643
26.	**Mixed-Use Project:** ☒ **Yes** ☐ **No** As required by the Town of Windsor, the project includes construction of 8,000 sq. ft of commercial space. 95 Shiloh Rd., L.P will enter into a Master Lease Agreement for the space. It is currently assumed that ICD will be the lessee of this space. The space will be leased using a triple net lease with a term of at least 17 years. Other possible uses for the space include retail, restaurant, and other commercial uses. The operating expense and revenue from the commercial space are not contemplated in the proposed operating expense budget. The commercial space will not be condominiumized from the residential portion of the project, however, the Master Lease is expected to protect the residential portion from expenses and capital needs related to the commercial portion. The utilities for the commercial portion of the project will be separately metered from the residential portion. The construction cost of the commercial component is anticipated to be funded by tax credit equity.				
		Non-Residential Sq. Footage:	8,000	**Number of Lease Spaces:**	4-6
		Master Lease:	☒ **Yes** ☐ **No**	**Number of Parking Spaces:**	40
27.	**Construction Type:**	The proposed subject improvements will consist of two buildings. The North Building will be a five-story, 130-unit residential building, constructed of concrete and wood (Type III – A). The South Building will be a four-story mixed-use building with two ground floor retail units and 43 residential units constructed with a wood frame (Type V-A). The project will be LEED Certified and is proposed to meet Net Zero Energy Standards.			
28.	**Construction/Rehab Scope**	**Requires Demolition:** ☐ **Yes** ☒ **No**			

- The subject site is new construction.
- The Contractor is not affiliated with the Developer or Borrowing entity. The contract will be structured as a Guaranteed Maximum Price (GMP) contract with 14% for builder overhead, profit, and general requirements, which aligns with TCAC's allowable limit. TCAC's allowable limit is 14%.
- Environmental remediation of contaminants outlined on section 22 above is included in the development budget in the estimated amount of $75,000.

29. Construction Budget Comments:

- CalHFA will require an independent review of the costs by a 3rd Party consultant prior to construction loan closing.
- The Developer is currently looking for cost saving design options to reduce construction costs and minimize the amount of deferred developer fee.
- The developer had established cost containment strategies, which are outlined in Section 5 above.
- During construction and permanent, the $1,261,201 cost of the commercial structure will be paid by tax credit equity.

Commercial Structure Cost:	Construction	Permanent
Hard Costs	$1,261,201	$1,261,201
Commercial Funding Source:		
Tax Credit Equity	$1,261,201	$1,261,201

ADDITIONAL DEVELOPMENT/ PROJECT TEAM INFORMATION

30. Borrower Affiliated Entities

- Managing General Partner: Corporation for Better Housing, a California nonprofit public benefit corporation; 0.05% interest
- Administrative Limited Partner: Integrated Community Development, LLC, a California limited liability company; 0.05% interest
- Investor Limited Partner: Alliant Capital; 99.9% interest

31. Developer/Sponsor

Corporation for Better Housing (CBH) is a 501c3 non-profit corporation that was founded in 1995. CBH has over 25 years of experience building affordable housing developments in California. CBH has been involved in 74 affordable tax credit projects with a portfolio of over 4,500 units. CBH currently has 6 projects in their development pipeline, 10 projects under construction, and has completed 15 projects in California within the last 5 years.
CBH has 5 projects that include CalHFA financing in various stages of development and 4 projects in CalHFA's Asset Management portfolio as described in the chart below.

Projects In CalHFA Pipeline	Total Units	Perm Loan Amount	MIP/Other Subsidy Loan Amount	Target Construction Closing	Target Perm Closing	Under Construction?	Progressing as Expected?	Notes
1. Shiloh Crossing	173	$21,696,000	$15,442,362	12/31/2022	12/31/2025	No	N/A	Subject Property. Pending CalHFA board approval 10/20/22.
2. Blackstone & McKinley TOD	88	$3,305,000	$1,760,000	11/6/2019	10/31/2022	Complete	Yes	
3. Santa Rosa Avenue Apts.	154	$0	$7,600,000	1/29/2021	1/29/2024	Yes	Yes	
4. The Atchison	202	$0	$10,000,000	12/1/2020	10/13/2023	Yes	Yes	
5. Kawana Springs	151	$0	$7,540,000	11/30/2020	9/29/2023	Yes	Yes	
Subtotal:	**768**	**$25,001,000**	**$42,342,362**					

Project In CalHFA Portfolio	Total Units	Original Perm Loan Amount	Origination Date	Current Perm Loan Balance Amount	Current MIP/Other Subsidy Loan Amount	Maturity Date	Regulatory Restriction Exp. Date	Operating as Expected?	RR Balance	OER Balance
1. Crenshaw Family Apts.	32	$1,880,000	9/28/2017	$1,777,872	$300,000	10/1/2057	10/1/2057	Yes	$70,850	$35,791
2. Oak Creek Apts.	75	$10,000,000	12/19/2019	$9,764,286	$0	3/1/2060	12/19/2059	Yes	$145,991	$114,265
3. Reedley Village	32	$1,050,000	8/30/2022	$1,050,000	$640,000	9/1/2077	8/30/2077	Yes	$0	$142,000
4. Woodlake Terrace	31	$1,600,000	11/19/2021	$1,589,718	$494,121	11/1/2076	11/1/2076	Yes	$9,318	$77,484
Subtotal:	**170**	**$14,530,000**		**$14,181,876**	**$1,434,121**					
Aggregate Total:	**938**			**$39,182,876**	**$43,776,483**					

32. Management Agent

The Project will be managed by Winn Residential, which has extensive experience in managing similar affordable housing projects in the area and manages 8 projects in CalHFA's portfolio which include Cotton Wood Grove, Crenshaw Family Apts., Oak Creek Apts., Stonegate Apts., The Grove at Bakersfield, Villa Savanah Apts., Villas Santa Fe, and Woodlake Terrace. All of

these projects are performing as expected. Winn Residential has reviewed the projected operating budget and confirms that the "numbers are sufficient for Winn Residential to manage the proposed site."		
33.	**Service Provider**	**Required by TCAC or other funding source?** ☒ **Yes** ☐ **No**
LifeSTEPS will be providing to the residents, including adult education, health and skill building classes as well as health and wellness services and programs.		
34.	**Contractor**	**Experienced with CalHFA?** ☒ **Yes** ☐ **No**
The general contractor, BLH Construction (BLH) is affiliated with the Administrative General Partner (Integrated Community Development. BLH has built over 80 affordable housing communities in California with 10 under construction, accounting for 966 units, and is familiar with CalHFA. The GC and the developer have worked on 70 project(s) that have been completed and are working on 10 projects that are in development stage. The GC is not affiliated with the Developer or the Borrowing Entity.		
35.	**Architect**	**Experienced with CalHFA?** ☒ **Yes** ☐ **No**
The architect is Y&M Architects, which has extensive experience in designing and managing similar affordable housing projects in California through the locality's building permit process and is familiar with CalHFA. The architect and the developer have worked on 54 project(s) that have been completed and is working on 9 projects that are in development stage.		
36.	**Local Review via Locality Contribution Letter**	
The locality, Town of Windsor, returned the local contribution letter stating they strongly support the project.		

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

PROJECT SUMMARY — Final Commitment

Acquisition, Rehab, Construction & Permanent Loans — **Project Number** 22-008-A/X/N

Project Full Name	Shiloh Crossing	**Borrower Name:**	295 Shiloh Rd., L.P.
Project Address	295 Shiloh Road	**Managing GP:**	Corporation for Better Housing
Project City	Windsor	**Developer Name:**	Corporation for Better Housing
Project County	Sonoma	**Investor Name:**	Alliant Capital, Ltd.
Project Zip Code	95492	**Prop Management:**	Winn Residential
		Tax Credits:	4
Project Type:	Permanent Loan Only	**Total Land Area (acres):**	5.92
Tenancy/Occupancy:	Individuals/Families	**Residential Square Footage:**	140,768
Total Residential Units:	173	**Residential Units Per Acre:**	29.22
Total Number of Buildings:	2		
Number of Stories:	4 & 5	**Covered Parking Spaces:**	0
Unit Style:	Flat	**Total Parking Spaces:**	257
Elevators:	2		

Acq/Construction/Rehab Financing	Loan Amount ($)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
Pacific Western Bank - Tax-Exempt- Conduit	42,225,000	0.750%	36	--	4.000%
Pacific Western Bank- Taxable- Conduit	30,650,000	0.750%	36	--	4.500%
Investor Equity Contribution	3,100,000	NA	NA	NA	NA
Total:	**75,975,000**	NA	NA	NA	NA

Permanent Financing	Loan Amount ($)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
Perm	21,696,000	1.000%	17	40	6.310%
MIP	8,000,000	1.000%	17	NA	3.000%
Supplemental MIP	7,442,362	1.000%	17.00	NA	3.000%
Deferred Developer Fees	8,744,501	NA	NA	NA	NA
Solar Tax Credit Equity	302,585	NA	NA	NA	NA
Investor Equity Contributions	40,388,959	NA	NA	NA	NA
Total:	**86,574,407**	NA	NA	NA	NA

Appraised Values Upon Completion of Rehab/Construction

Appraisal Date:	7/22/22	**Capitalization Rate:**	4.75%
Investment Value ($)	74,800,000	**Restricted Value ($)**	36,250,000
Construct/Rehab LTC	96%	**CalHFA Permanent Loan to Cost**	25%
Construct/Rehab LTV	97%	**CalHFA 1st Permanent Loan to Value**	60%
		Combined CalHFA Perm Loan to Value	102%

Additional Loan Terms, Conditions & Comments

Construction/Rehab Loan

Payment/Performance Bond	Waived	
Completion Guarantee Letter of Credit	N/A	

Permanent Loan

Operating Expense Reserve Deposit	$664,528	Cash
Initial Replacement Reserve Deposit	$0	Cash
Annual Replacement Reserve Per Unit	$300	Cash

Date Prepared: 9/16/22 — Senior Staff Date: 9/28/22

UNIT MIX AND RENT SUMMARY **Final Commitment**

Shiloh Crossing **Project Number 22-008-A/X/N**

PROJECT UNIT MIX					
Unit Type of Style	Number of Bedrooms	Number of Baths	Average Size (Sq. Ft.)	Number of Units	Est. No. of Tenants
Studio	-	1	576	15	22.5
Flat	1	1	626	70	105
Flat	2	1.5	928	44	132
Flat	3	2	1,079	44	198
-	-	-	-	-	0
-	-	-	-	-	0
				173	457.5

NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY							
Agency	Number of Units Restricted For Each AMI Category						
	30%	40%	50%	60%	70%	80%	120%
CalHFA Bond	0	0	18	52	0	0	0
CalHFA MIP	18	0	35	0	0	18	100
TCAC	19	0	35	54	44	19	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0

COMPARISON OF AVERAGE MONTHLY RESTRICTED RENTS TO AVERAGE MARKET RENTS							
Unit Type	Restricting Agency	% of Area Median Income	Average Restricted Rents: Number of Units	Average Restricted Rents: Unit Rent	Average Market Rents	Average Monthly Savings	% of Market Rents
Studios	**CTCAC**	**30%**	2	$613	$2,171	$1,558	28%
	CTCAC	**50%**	3	$1,029		$1,142	47%
	CTCAC	**60%**	5	$1,237		$934	57%
	CTCAC	**70%**	3	$1,445		$726	67%
	CTCAC	**80%**	2	$1,445		$726	67%
	CTCAC	**90%**	-	-		-	-
	HCD	**100%**	-	-		-	-
1 Bedroom	**CTCAC**	**30%**	7	$657	$2,340	$1,683	28%
	CTCAC	**50%**	14	$1,103		$1,237	47%
	CTCAC	**60%**	21	$1,326		$1,014	57%
	CTCAC	**70%**	19	$1,549		$791	66%
	CTCAC	**80%**	7	$1,549		$791	66%
	CTCAC	**90%**	-	-		-	-
	HCD	**100%**	-	-		-	-
2 Bedrooms	**CTCAC**	**30%**	5	$791	$2,605	$1,814	30%
	CTCAC	**50%**	9	$1,326		$1,279	51%
	CTCAC	**60%**	14	$1,594		$1,011	61%
	CTCAC	**70%**	11	$1,861		$744	71%
	CTCAC	**80%**	5	$1,861		$744	71%
	CTCAC	**100%**	-	-		-	-
	HCD	**-**	-	-		-	-
3 Bedrooms	**CTCAC**	**30%**	5	$916	$3,144	$2,228	29%
	CTCAC	**50%**	9	$1,534		$1,610	49%
	CTCAC	**60%**	14	$1,843		$1,301	59%
	CTCAC	**70%**	11	$2,152		$992	68%
	HCD	**80%**	5	$2,152		$992	68%
4 Bedrooms	**CTCAC**	**30%**	-	-	-	-	-
	CTCAC	**50%**	-	-		-	-
	CTCAC	**60%**	-	-		-	-
	CTCAC	**70%**	-	-		-	-
	CTCAC	**80%**	-	-		-	-
	CTCAC	**90%**	-	-		-	-
	HCD	**100%**	-	-		-	-
5 Bedrooms	**CTCAC**	**30%**	-	-	-	-	-
	CTCAC	**50%**	-	-		-	-
	CTCAC	**60%**	-	-		-	-
	CTCAC	**70%**	-	-		-	-
	CTCAC	**80%**	-	-		-	-
	CTCAC	**90%**	-	-		-	-
	HCD	**100%**	-	-		-	-
Date Prepared:	9/16/22					Senior Staff Date:	9/28/22

SOURCES & USES OF FUNDS					Final Commitment
Shiloh Crossing			Project Number	22-008-A/X/N	
SOURCES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES ($)	PER UNIT ($)	%
Pacific Western Bank - Tax-Exempt- Conduit	42,225,000				0.0%
Pacific Western Bank- Taxable- Conduit	30,650,000				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	-				0.0%
Developer Equity Contribution	-				0.0%
Investor Equity Contribution	3,100,000				0.0%
Perm		21,696,000	21,696,000	125,410	25.1%
MIP		8,000,000	8,000,000	46,243	9.2%
Supplemental MIP		7,442,362	7,442,362	43,019	8.6%
Solar Tax Credit Equity		302,585	302,585	1,749	0.3%
Construct/Rehab Net Oper. Inc.		-	-	-	0.0%
Deferred Developer Fees		8,744,501	8,744,501	50,546	10.1%
Developer Equity Contribution		-	-	-	0.0%
Investor Equity Contributions		40,388,959	40,388,959	233,462	46.7%
TOTAL SOURCES OF FUNDS	**75,975,000**	**86,574,407**	**86,574,407**	**500,430**	**100.0%**
TOTAL USES OF FUNDS (BELOW)	**75,975,000**	**86,574,407**	**86,574,407**	**500,430**	**100.0%**
FUNDING SURPLUS (DEFICIT)	**-**	**0**	**0**		

USES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT USES OF FUNDS		
			USES ($)	PER UNIT ($)	%
ONSTRUCTION/REHAB SOURCES OF FUNDS		**75,975,000**			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	3,000,000	-	3,000,000	17,341	3.5%
Demolition Costs	-	-	-	-	0.0%
Legal & Other Closing Costs	-	-	-	-	0.0%
Escrow & other closing costs	-	-	-	-	0.0%
Verifiable Carrying Costs	201,000	-	201,000	1,162	0.2%
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	**3,201,000**	**-**	**3,201,000**	**18,503**	**3.7%**
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	-	-	-	-	0.0%
Environmental Remediation (Hard Costs)	75,000	-	75,000	434	0.1%
Site Work (Hard Cost)	3,942,423	-	3,942,423	22,789	4.6%
Structures (Hard Cost)	38,732,111	-	38,732,111	223,885	44.7%
General Requirements	2,564,973	-	2,564,973	14,826	3.0%
Contractor Overhead	1,709,980	-	1,709,980	9,884	2.0%
Contractor Profit	1,709,980	-	1,709,980	9,884	2.0%
Contractor Bond	-	-	-	-	0.0%
Contractor Liability Insurance	-	-	-	-	0.0%
Personal Property	-	-	-	-	0.0%
Commercial Improvements	1,261,201	-	1,261,201	7,290	1.5%
TOTAL CONSTRUCT/REHAB COSTS	**49,995,668**	**-**	**49,995,668**	**288,992**	**57.7%**

SOURCES & USES OF FUNDS					Final Commitment
Shiloh Crossing			Project Number		22-008-A/X/N
USES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT USES OF FUNDS USES ($)	PER UNIT ($)	%
RELOCATION COSTS					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	**-**	**-**	**-**	**-**	**0.0%**
ARCHITECTURAL FEES					
Design	899,600	-	899,600	5,200	1.0%
Supervision	-	-	-	-	0.0%
TOTAL ARCHITECTURAL FEES	**899,600**	**-**	**899,600**	**5,200**	**1.0%**
SURVEY & ENGINEERING FEES					
Engineering	754,680	-	754,680	4,362	0.9%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	-	-	-	-	0.0%
TOTAL SURVEY & ENGINEERING FEES	754,680	-	754,680	4,362	0.9%
CONTINGENCY RESERVES					
Hard Cost Contingency Reserve	2,498,284	-	2,498,284	14,441	2.9%
Soft Cost Contingency Reserve	848,877	-	848,877	4,907	1.0%
TOTAL CONTINGENCY RESERVES	3,347,161	-	3,347,161	19,348	3.9%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
Pacific Western Bank - Tax-Exempt- Cond	5,600,000	-	5,600,000	32,370	0.064684
Pacific Western Bank- Taxable- Conduit	-	-	-	-	0
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees					
Pacific Western Bank - Tax-Exempt- Cond	316,688	-	316,688	1,831	0.4%
Pacific Western Bank- Taxable- Conduit	229,875	-	229,875	1,329	0.3%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	0.0%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Owner Paid Bonds/Insurance	-	-	-	-	0.0%
CalHFA Inspection Fees	18,000	-	18,000	104	0.0%
Real Estate Taxes During Rehab	50,000	-	50,000	289	0.1%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Preva	-	-	-	-	0.0%
Insurance During Rehab	1,275,000	-	1,275,000	7,370	1.5%
Title & Recording Fees	135,000	-	135,000	780	0.2%
Construction Inspections	82,000	-	82,000	474	0.1%
Predevelopment Interest Expense	-	-	-	-	0.0%
Bond Issuer Fee	63,938	-	63,938	370	0.1%
-	0	-	0	0	0.0%
TOTAL CONST/REHAB PERIOD COSTS	**7,770,501**	**-**	**7,770,501**	**44,916**	**9.0%**

SOURCES & USES OF FUNDS					Final Commitment
Shiloh Crossing			Project Number	22-008-A/X/N	
USES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT USES OF FUNDS		
	$	$	USES ($)	PER UNIT ($)	%
PERMANENT LOAN COSTS					
Loan Fees					
CalHFA Application Fee	-	-	-	-	0.0%
Perm	108,480	108,480	216,960	1,254	0.3%
MIP	40,000	40,000	80,000	462	0.1%
Supplemental MIP	37,212	37,212	74,424	430	0.1%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Permanent Loan Funding Fee	-	110,000	110,000	636	0.1%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Title & Recording (closing costs)	-	30,000	30,000	173	0.0%
Year 1 - Taxes & Special Assessments and Insura	-	74,200	74,200	429	0.1%
CalHFA Fees	-	25,610	25,610	148	0.0%
Tax Exempt Bond Allocation Fee	-	-	-	-	0.0%
-	-	-	-	-	0.0%
TOTAL PERMANENT LOAN COSTS	**185,692**	**425,502**	**611,194**	**3,533**	**0.7%**
LEGAL FEES					
CalHFA Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
Other Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
CalHFA Permanent Loan Legal Fees	17,750	17,250	35,000	202	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	140,000	-	140,000	809	0.2%
CalHFA Bond Counsel	65,000	-	65,000	376	0.1%
TOTAL LEGAL FEES	**222,750**	**17,250**	**240,000**	**1,387**	**0.3%**
OPERATING RESERVES					
Operating Expense Reserve Deposit	-	664,528	664,528	3,841	0.8%
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	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL OPERATING RESERVES	**-**	**664,528**	**664,528**	**3,841**	**0.8%**
REPORTS & STUDIES					
Appraisal Fee	20,000	-	20,000	116	0.0%
Market Study Fee	40,000	-	40,000	231	0.0%
Physical Needs Assessment Fee	-	-	-	-	0.0%
Environmental Site Assessment Reports	169,400	-	169,400	979	0.2%
HUD Risk Share Environmental / NEPA Review F	23,600	-	23,600	136	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 (Inspections)	-	-	-	-	0.0%
TOTAL REPORTS & STUDIES	**253,000**	**-**	**253,000**	**1,462**	**0.3%**

SOURCES & USES OF FUNDS					Final Commitment
Shiloh Crossing			Project Number	22-008-A/X/N	
USES OF FUNDS	**CONST/REHAB**	**PERMANENT**	**TOTAL PROJECT USES OF FUNDS**		
	$	**$**	**USES ($)**	**PER UNIT ($)**	**%**
OTHER COSTS					
TCAC Application, Allocation & Monitor Fees	160,819	-	160,819	930	0.2%
CDLAC Fees	25,506	-	25,506	147	0.0%
Local Permits & Fees	1,356,014	-	1,356,014	7,838	1.6%
Local Impact Fees	6,829,986	-	6,829,986	39,480	7.9%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	200,000	-	200,000	1,156	0.2%
Accounting & Audits	-	-	-	-	0.0%
Advertising & Marketing Expenses	129,750	-	129,750	750	0.1%
Financial Consulting	-	-	-	-	0.0%
Miscellaneous Administrative Fees - added to mat	-	-	-	-	0.0%
HUD Risk Share Insurance (First Year Prepaid)	-	-	-	-	0.0%
Security	135,000	-	135,000	780	0.2%
Other (Specify)	-	-	-	-	0.0%
TOTAL OTHER COSTS	**8,837,075**	**-**	**8,837,075**	**51,081**	**10.2%**
SUBTOTAL PROJECT COSTS	**75,467,127**	**77,082,280**	**76,574,407**	**442,627**	**88.4%**
DEVELOPER FEES & COSTS					
Developer Fees, Overhead & Profit	507,873	9,492,127	10,000,000	57,803	11.6%
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	-	-	-	-	0.0%
CASH EQUITY OUT TO DEVELOPER	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	**507,873**	**9,492,127**	**10,000,000**	**57,803**	**11.6%**
TOTAL PROJECT COSTS	**75,975,000**	**86,574,407**	**86,574,407**	**500,430**	**100.0%**

PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET			Final Commitment
Shiloh Crossing	Project Number		22-008-A/X/N
INCOME	AMOUNT	PER UNIT	% EGI
Rental Income			
Restricted Unit Rents	$ 3,029,820	$ 17,513	104.56%
Unrestricted Unit Rents	-	-	0.00%
Commercial Rents	-	-	0.00%
Rental & Operating Subsidies			
Project Based Rental Subsidy	-	-	0.00%
Other Project Based Subsidy	-	-	0.00%
Income during renovations	-	-	0.00%
Other Subsidy (Specify)	-	-	0.00%
Other Income			
Laundry Income	20,760	120	0.72%
Parking & Storage Income	-	-	0.00%
Miscellaneous Income	-	-	0.00%
GROSS POTENTIAL INCOME (GPI)	**$ 3,050,580**	**$ 17,633**	**105.28%**
Less: Vacancy Loss	**$ 152,944**	**$ 884**	**5.28%**
EFFECTIVE GROSS INCOME (EGI)	**$ 2,897,636**	**$ 18,517**	**100.00%**
OPERATING EXPENSES	**AMOUNT**	**PER UNIT**	**%**
Administrative Expenses	$ 247,453	$ 1,430	9%
Management Fee	71,499	413	2.47%
Social Programs & Services	26,800	155	0.92%
Utilities	271,257	1,568	9.36%
Operating & Maintenance	397,405	2,297	13.71%
Ground Lease Payments	-	-	0.00%
CalHFA Monitoring Fee	7,500	43	0.26%
Other Monitoring Fees	-	-	0.00%
Real Estate Taxes	-	-	0.00%
Other Taxes & Insurance	95,150	550	3.28%
Assisted Living/Board & Care	-	-	0.00%
SUBTOTAL OPERATING EXPENSES	**$ 1,117,064**	**$ 6,457**	**38.55%**
Replacement Reserve	$ 51,900	$ 300	1.79%
TOTAL OPERATING EXPENSES	**$ 1,168,964**	**$ 6,757**	**40.34%**
NET OPERATING INCOME (NOI)	**$ 1,728,672**	**$ 9,992**	**59.66%**
DEBT SERVICE PAYMENTS	**AMOUNT**	**PER UNIT**	**%**
Perm	$ 1,489,147	$ 8,608	51.39%
Supplemental MIP	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
MIP Annual Fee (applicable for MIP only deals)	$ -	-	0.00%
TOTAL DEBT SERVICE & OTHER PAYMENTS	**$ 1,489,147**	**$ 8,608**	**51.39%**
EXCESS AFTER DEBT SERVICE & MONITORING FEES	**$ 239,525**	**$ 1,385**	**8.27%**
DEBT SERVICE COVERAGE RATIO (DSCR)	**1.16**	**to 1**	
Date: 9/16/22		Senior Staff Date:	09/28/22

PROJECTED PERMANENT LOAN CASH FLOWS												Shiloh Crossing			
Final Commitment										Project Number 22-008-A/X/N					
	YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13
RENTAL INCOME	CPI													
Restricted Unit Rents	2.50%	3,029,820	3,105,566	3,183,205	3,262,785	3,344,354	3,427,963	3,513,662	3,601,504	3,691,541	3,783,830	3,878,426	3,975,386	4,074,771
Unrestricted Unit Rents	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	2.50%	20,760	21,279	21,811	22,356	22,915	23,488	24,075	24,677	25,294	25,926	26,575	27,239	27,920
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		**3,050,580**	**3,126,844**	**3,205,016**	**3,285,141**	**3,367,270**	**3,451,451**	**3,537,738**	**3,626,181**	**3,716,835**	**3,809,756**	**3,905,000**	**4,002,625**	**4,102,691**
VACANCY ASSUMPTIONS	Vacancy													
Restricted Unit Rents	5.00%	151,491	155,278	159,160	163,139	167,218	171,398	175,683	180,075	184,577	189,192	193,921	198,769	203,739
Unrestricted Unit Rents	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
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	7.00%	1,453	1,490	1,527	1,565	1,604	1,644	1,685	1,727	1,771	1,815	1,860	1,907	1,954
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		**152,944**	**156,768**	**160,687**	**164,704**	**168,822**	**173,042**	**177,368**	**181,803**	**186,348**	**191,006**	**195,782**	**200,676**	**205,693**
EFFECTIVE GROSS INCOME (EGI)		**2,897,636**	**2,970,077**	**3,044,329**	**3,120,437**	**3,198,448**	**3,278,409**	**3,360,369**	**3,444,378**	**3,530,488**	**3,618,750**	**3,709,219**	**3,801,949**	**3,896,998**
OPERATING EXPENSES	CPI / Fee													
Administrative Expenses	3.50%	274,253	283,852	293,787	304,069	314,712	325,727	337,127	348,926	361,139	373,779	386,861	400,401	414,415
Management Fee	2.47%	71,499	73,287	75,119	76,997	78,922	80,895	82,917	84,990	87,115	89,293	91,525	93,813	96,158
Utilities	3.50%	271,257	280,751	290,577	300,747	311,274	322,168	333,444	345,115	357,194	369,695	382,635	396,027	409,888
Operating & Maintenance	3.50%	397,405	411,314	425,710	440,610	456,031	471,992	488,512	505,610	523,306	541,622	560,579	580,199	600,506
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
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Real Estate Taxes	1.25%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Taxes & Insurance	3.50%	95,150	98,480	101,927	105,495	109,187	113,008	116,964	121,057	125,294	129,680	134,218	138,916	143,778
Required Reserve Payments	1.00%	51,900	52,419	52,943	53,473	54,007	54,547	55,093	55,644	56,200	56,762	57,330	57,903	58,482
TOTAL OPERATING EXPENSES		**1,168,964**	**1,207,603**	**1,247,563**	**1,288,891**	**1,331,633**	**1,375,838**	**1,421,557**	**1,468,842**	**1,517,748**	**1,568,331**	**1,620,648**	**1,674,760**	**1,730,728**
NET OPERATING INCOME (NOI)		**1,728,672**	**1,762,474**	**1,796,765**	**1,831,546**	**1,866,815**	**1,902,571**	**1,938,812**	**1,975,536**	**2,012,739**	**2,050,419**	**2,088,571**	**2,127,189**	**2,166,270**
DEBT SERVICE PAYMENTS	Lien #													
Perm	1	1,489,147	1,489,147	1,489,147	1,489,147	1,489,147	1,489,147	1,489,147	1,489,147	1,489,147	1,489,147	1,489,147	1,489,147	1,489,147
Supplemental MIP	2	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**
CASH FLOW AFTER DEBT SERVICE		**239,524**	**273,326**	**307,618**	**342,399**	**377,668**	**413,424**	**449,665**	**486,389**	**523,592**	**561,272**	**599,423**	**638,042**	**677,123**
DEBT SERVICE COVERAGE RATIO		**1.16**	**1.18**	**1.21**	**1.23**	**1.25**	**1.28**	**1.30**	**1.33**	**1.35**	**1.38**	**1.40**	**1.43**	**1.45**
Date Prepared:	09/16/22									Senior Staff Date:	9/28/22			
LESS: Asset Management Fee	3%	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	10,382	10,693
LESS: Partnership Management Fee	2%	19,404	19,792	20,188	20,592	21,004	21,424	21,852	22,289	22,735	23,190	23,653	24,126	24,609
net CF available for distribution		**212,620**	**245,809**	**279,473**	**313,612**	**348,223**	**383,306**	**418,857**	**454,876**	**491,356**	**528,296**	**565,691**	**603,534**	**641,820**

	YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13
Deferred developer fee repayment	8,744,501	8,744,501	8,531,881	8,286,071	8,006,598	7,692,986	7,344,763	6,961,457	6,542,600	6,087,724	5,596,368	5,068,071	4,502,381	3,898,847
	100%	212,620	245,809	279,473	313,612	348,223	383,306	418,857	454,876	491,356	528,296	565,691	603,534	641,820
		8,531,881	8,286,071	8,006,598	7,692,986	7,344,763	6,961,457	6,542,600	6,087,724	5,596,368	5,068,071	4,502,381	3,898,847	3,257,026

Payments for Residual Receipt Payments		*50%*												
RESIDUAL RECEIPTS LOANS	*Payment %*	-	-	-	-	-	-	-	-	-	-	-	-	-
MIP	*51.81%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplemental MIP	*48.19%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments	**100.00%**	**-**	-	-	-	-	-	-	-	-	-	-	-	-
Balances for Residual Receipt Payments														
RESIDUAL RECEIPTS LOANS	*Interest Rate*													
MIP---simple	*3.00%*	8,000,000	8,240,000	8,480,000	8,720,000	8,960,000	9,200,000	9,440,000	9,680,000	9,920,000	10,160,000	10,400,000	10,640,000	10,880,000
Supplemental MIP---simple	*3.00%*	7,442,362	7,665,633	7,888,904	8,112,175	8,335,445	8,558,716	8,781,987	9,005,258	9,228,529	9,451,800	9,675,071	9,898,341	10,121,612
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0---Simple	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-

PROJECTED PERMANENT LOAN CASH FLOWS					
Final Commitment					
	YEAR	14	15	16	17
RENTAL INCOME	**CPI**				
Restricted Unit Rents	2.50%	4,176,640	4,281,056	4,388,083	4,497,785
Unrestricted Unit Rents	2.50%	-	-	-	-
Commercial Rents	2.00%	-	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-	-
Other Project Based Subsidy	1.50%	-	-	-	-
Income during renovations	0.00%	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-
Laundry Income	2.50%	28,618	29,333	30,067	30,818
Parking & Storage Income	2.50%	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		**4,205,258**	**4,310,390**	**4,418,149**	**4,528,603**
VACANCY ASSUMPTIONS	**Vacancy**				
Restricted Unit Rents	5.00%	208,832	214,053	219,404	224,889
Unrestricted Unit Rents	0.00%	-	-	-	-
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	7.00%	2,003	2,053	2,105	2,157
Parking & Storage Income	50.00%	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		**210,835**	**216,106**	**221,509**	**227,047**
EFFECTIVE GROSS INCOME (EGI)		**3,994,423**	**4,094,284**	**4,196,641**	**4,301,557**
OPERATING EXPENSES	**CPI / Fee**				
Administrative Expenses	3.50%	428,920	443,932	459,469	475,551
Management Fee	2.47%	98,562	101,026	103,552	106,141
Utilities	3.50%	424,234	439,082	454,450	470,356
Operating & Maintenance	3.50%	621,524	643,277	665,792	689,095
Ground Lease Payments	3.50%	-	-	-	-
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500
Other Agency Monitoring Fee	0.00%	-	-	-	-
Real Estate Taxes	1.25%	-	-	-	-
Other Taxes & Insurance	3.50%	148,810	154,019	159,409	164,989
Required Reserve Payments	1.00%	59,067	59,658	60,254	60,857
TOTAL OPERATING EXPENSES		**1,788,617**	**1,848,494**	**1,910,427**	**1,974,488**
NET OPERATING INCOME (NOI)		**2,205,805**	**2,245,789**	**2,286,213**	**2,327,069**
DEBT SERVICE PAYMENTS	**Lien #**				
Perm	1	1,489,147	1,489,147	1,489,147	1,489,147
Supplemental MIP	2	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		**1,489,147**	**1,489,147**	**1,489,147**	**1,489,147**
CASH FLOW AFTER DEBT SERVICE		**716,658**	**756,642**	**797,066**	**837,921**
DEBT SERVICE COVERAGE RATIO		**1.48**	**1.51**	**1.54**	**1.56**
Date Prepared:	09/16/22				

LESS: Asset Management Fee	3%	11,014	11,344	11,685	12,035
LESS: Partnership Management Fee	2%	25,101	25,603	26,115	26,638
net CF available for distribution		**680,543**	**719,694**	**759,266**	**799,249**

	YEAR	14	15	16	17
Deferred developer fee repayment	8,744,501	3,257,026	2,576,483	1,856,789	
	100%	680,543	719,694		
		2,576,483	1,856,789	1,856,789	-

Payments for Residual Receipt Payments					
RESIDUAL RECEIPTS LOANS	*Payment %*	-	-	379,633	399,624
MIP	*51.81%*	-	-	-	-
Supplemental MIP	*48.19%*	-	-	182,962	192,597
0	*0.00%*	-	-	-	-
0	*0.00%*	-	-	-	-
0	*0.00%*	-	-	-	-
0	*0.00%*	-	-	-	-
0	*0.00%*	-	-	-	-
Total Residual Receipts Payments	**100.00%**	-	-	182,962	192,597

Balances for Residual Receipt Payments					
RESIDUAL RECEIPTS LOANS	*Interest Rate*				
MIP---simple	*3.00%*	11,120,000	11,360,000	11,600,000	11,840,000
Supplemental MIP---simple	*3.00%*	10,344,883	10,568,154	10,791,425	10,831,734
0---Compounding	*0.00%*	-	-	-	-
0---Compounding	*0.00%*	-	-	-	-
0---Simple	*0.00%*	-	-	-	-
0---Compounding	*0.00%*	-	-	-	-

California Housing Finance Agency

MIXED-INCOME LOAN PROGRAM (2022)

The California Housing Finance Agency ("CalHFA" or "Agency") 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% of county Area Median Income ("AMI").

The MIP must be paired with CalHFA's Conduit Bond Issuance Program and a CalHFA Mixed-Income Qualified Construction Lender (defined below). Additionally, the program must be paired with CalHFA's Permanent Loan product. The MIP resources will take the form of a subordinate loan to incentivize newly developed multifamily housing projects that serve a range of extremely low to moderate income renters. Eligible projects must create newly constructed regulated units that meet the income and occupancy requirements reflected below.

Qualifications

APPLICATION:

Sponsors/developers must submit a complete application package which includes all items listed on the application, the application addendum and the checklist. Incomplete application packages will not be considered. The application and checklist can be found at www.calhfa.ca.gov/multifamily/mixedincome/index.htm. If the sponsor/developer is not able to meet the readiness timeline referenced below, MIP funds may be rescinded and reallocated.

AVAILABILITY:

Available to for-profit, nonprofit, and public agency sponsors. Development teams must meet CalHFA experience requirements, as defined in the CalHFA Development Team Qualifications section below.

USES:

MIP subsidy loans must be used in conjunction with CalHFA's Conduit Bond Issuance Program and a construction loan from a CalHFA Mixed-Income Qualified Construction Lender. MIP subsidy loans must also be used in conjunction with CalHFA's permanent first-lien mortgage financing. CalHFA Mixed-Income Qualified Construction Lender is defined in that section below.

FINANCING STRUCTURE:

Projects accessing the MIP subsidy loan funds must be structured as one of the following:

1. Tax-exempt bond and 4% tax credit project where at least 51% of the units in the project must be tax-credit-financed

   OR

2. Qualified mixed-income project through income averaging pursuant to Internal Revenue Code Section 42 (g)(1)(C).

Kevin Brown, Housing Finance Specialist
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Jennifer Beardwood, Housing Finance Specialist
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8805
jbeardwood@calhfa.ca.gov

Qualifications (continued)

READINESS:

Projects must have site control and be prepared to submit for a bond and tax credit allocation and will only receive funds if bonds are issued within the issuance timeframes specified in the California Debt Limit Allocation Committee's (CDLAC) Regulations Section 5100.

1. **Site:** The site must be ready for construction (all potential environmental issues have been identified, mitigation plan is in place, and costs associated with the mitigation plan have been incorporated in the development budget). Environmental issues may include, but not be limited to, receipt of clearances for CEQA, NEPA, and applicable tribal land environmental reviews. Pursuant to HUD-Risk Sharing requirements, sponsor is expected to start the NEPA process shortly after CalHFA verifies application completeness and determines that the project is ready to move forward with an initial commitment ("notification date"). The NEPA clearance and HUD's firm approval letter will be required prior to construction loan closing.
2. **General Contractor and/or Third Party Construction Services Engagement:** At the time of application, applicant must provide evidence that the applicant or developer has engaged a general contractor or third-party construction services company to provide construction services including, but not limited to, value engineering, bid/budget services, and constructability review of plans and designs. In addition, the proposed construction budget is based on the general contractor's or third-party construction services company's preliminary bid estimates pursuant to the current plans and designs.
3. **Disposition and Development Agreement:** Applicant must provide a copy of the disposition and development agreement, if applicable.
4. **Construction Start:** All projects must commit to begin construction 180 days from the earlier of the date of the tax-exempt bond allocation or 4% federal/state tax credit reservation, unless an extension has been approved by California Tax Credit Allocation Committee (CTCAC), CDLAC, and CalHFA, as applicable. Within the 180-day period, the following items must be submitted to CalHFA in their final form:
   a. A complete, updated application form along with a detailed explanation of any changes from the initial application,
   b. An executed construction contract,
   c. Recorded deeds of trust for all construction financing (unless a project's location on tribal trust land precludes this),
   d. Binding commitments for any other financing required to complete project construction,
   e. Copy of a limited partnership agreement executed by the general partner/sponsor and the investor limited partner/equity provider,
   f. Payment of all construction lender fees,
   g. Copies of buildings permits (a grading permit does not suffice to meet this requirement, except if the city or county as a rule does not issue building permits prior to the completion of grading, then a grading permit shall suffice; if the project is a design build project in which the city or county does not issue building permits until designs are fully complete, the city or county shall have approved construction to begin) or the applicable tribal documents,
   h. Copy of the notice to proceed delivered to the contractor,
   i. If no construction lender is involved, evidence must be submitted within 180 days, as applicable, that the equity partner has been admitted to the ownership entity, and that an initial disbursement of funds has occurred,
   j. Other documentation and information required by CalHFA to close construction financing.

Qualifications (continued)

MIP ALLOCATION LIMITS:
(Exceptions may be considered by Agency in its sole discretion)

1. **Project Cap:** No project may receive more than the lesser of $8 million, or the aggregate MIP loan amount calculated based on up to $50,000 per MIP regulated units or up to $60,000 per MIP regulated units for a Project located within the Highest or High Resource areas pursuant to CTCAC regulations designated on the CTCAC/HCD (California Department of Housing and Community Department) Opportunity Area Map.
2. **Sponsor Cap:** No sponsor (any individual, entity, affiliate and related entity) may receive more than 20% of total MIP allocation or funding of two projects, whichever is less, for the respective year.
3. **County Cap:** No one county may receive more than 25% of total MIP allocations for the respective year.
4. **Age-Restricted Cap:** No more than 25% of total MIP funds for the respective year may be received by age-restricted projects (units that are restricted to residents who are 62 years of age or older under the applicable provisions of California Civil Code Section 51.3 and the federal Fair Housing Act), unless a waiver of the minimum age requirement has been granted by U.S. Department of Housing and Urban Development ("HUD").

EVIDENCE OF COST CONTAINMENT:

A Cost Containment Certification must be provided at the time of Construction Loan Closing in a form acceptable to CalHFA in its sole discretion. The certification acceptable to CalHFA may be found at www.calhfa.ca.gov/multifamily/mixedincome/forms/closing-cost-containment-certification.pdf.

The developer/sponsor must certify that cost containment measures have been implemented to minimize construction costs. These measures should include, but may not be limited to, 1) competitively bidding out all major subcontractor and self-performing trades and 2) engaging a value engineer/consultant during the design process.

EVIDENCE OF SUBSIDY EFFICIENCY:

A Subsidy Efficiency Analysis will be completed as part of the application review. The analysis will be completed again prior to construction loan closing and closing of the MIP subordinate loan. The MIP loan amount may be reduced based on the final analysis. Parameters of the analysis may include, but are not limited to, the following:

- A maximum of 1.20 Debt Service Coverage Ratio ("DSCR") at year 1 ("Initial DSCR"). CalHFA may allow an initial DSCR higher than 1.20 on a case-by-case basis, if deemed necessary. The year 1 DSCR underwritten at the time of final loan approval and final commitment must be maintained through the term of the CalHFA permanent first lien loan,
- A project cash flow that supports the residential component of the project based on the required CalHFA permanent first lien annual debt service coverage ratio,
- A separate project cash flow that supports any commercial component of a mixed-use project,
- A cash flow after debt service shall be limited to the higher of 25% of the anticipated annual must pay debt service payment or 8% of gross income, during each of the first three years of project operation,
- Inflation factors and vacancy rates consistent with the Agency's Underwriting Standards,
- Developer Fee requirements matching those required under the 4% federal and/or state tax credit reservation,
- Capitalized reserves subject to approval by Agency for reasonableness consistent with the Agency's Underwriting Standards and the Investor Limited Partnership Agreement (ILPA),

Qualifications (continued)	• Review of Excess Sources over final Uses as approved by CalHFA resulting from any of the following: · An increase in tax credit equity, · An increase in permanent loan debt due to a combination of permanent loan rate reduction and/or reduction to operating expense assumptions; • Construction Cost Savings as evidenced by final cost certification, funds shall be used to reduce the MIP loan prior to CalHFA MIP loan closing or if required by other subordinate lenders, funds may be split on a pro rata basis between CalHFA and other subordinate lenders, • State tax credit request is expected to be within a range of $50,000 to $75,000 per unit. The projects that evidence the most efficient use of bond cap, state tax credits, and MIP per adjusted unit shall be prioritized for MIP funding considerations. The bond cap, state tax credits, and MIP per adjusted unit calculation shall be consistent with CDLAC Regulation Section 5231(g)(1) and 5231(g)(2). MIP final commitment shall be subject to evidence of project's receipt of CDLAC's preliminary tax-exempt bond allocations and CTCAC's tax credits reservations within the respective year, • Acquisition cost shall be the lesser of 1) the purchase price pursuant to a current purchase and sales agreement between unrelated parties, 2) the purchase price of an arm's length transaction executed within the past 10 years plus reasonable carrying costs, or 3) the appraised "as-is" value based on an Appraisal acceptable to CalHFA in its sole discretion. The appraised value of the real estate may be considered if the arm's length transaction exceeds 10 years.
CalHFA Mixed-Income Qualified Construction Lender	A CalHFA Qualified Construction Lender is defined as a Construction Lender that has closed at least five construction loans using tax-exempt bonds and 4% federal and/or state tax credits in California within the last three years and satisfies the requirement set forth within the application.
CalHFA Mixed-Income Development Team Qualifications	The **Developer/Co-Developer/General Partner** must be registered to do business and in good standing in the state of California. A CalHFA Qualified Developer/Co-Developer/General Partner must have developed at least three comparable projects within the past five years or meet the requirements to receive a minimum of 7 points under the CDLAC General Partner Experience category pursuant to CDLAC Regulations Section 5230(f). The proposed **Project Manager** must have personally managed the development of at least two comparable projects within the past five years. **Financial Consultants** hired to assist the Developer in meeting the minimum experience requirements must be able to provide details regarding at least three comparably financed projects over the last five years. **Architects** new to CalHFA must provide information for three comparable projects they designed that were built and occupied within the past five years in California. **General Contractor (GC)** must be licensed by the State of California. GCs new to CalHFA must provide information related to three comparable (in design) projects built in the past five years. Similar information will be required for the proposed on-site construction supervisor. The on-site construction supervisor must have overseen three comparable projects built in the past five years, and they must have overseen the projects from construction start to final completion. **Tax Credit Investors** must have closed/executed at least five investor limited partnership agreements for a comparable deal structure using tax-exempt bonds and 4% federal and/or state tax credits in California within the last three years.

CalHFA Mixed-Income Development Team Qualifications (Continued)	**Management Company** must have a local presence or a field office in Northern or Southern CA (depending on the location of the Project) and have experience managing at least 10 low- to moderate-income, rent-restricted comparable (size and tenant types) projects. Also required is a resume for the proposed on-site Property Manager, reflecting prior experience during the past five years managing onsite project operations and compliance with rent-restricted units or meet the requirements to receive a minimum of 3 points under the CDLAC Management Company Experience category pursuant to CDLAC Regulations Section 5230(f).
Permanent First Lien Loan	Must be provided by CalHFA. The permanent loan must meet an initial minimum DSCR of at least 1.15 and must maintain the year 1 DSCR underwritten at the time of final loan approval and final commitment through the term of the CalHFA permanent first lien loan. The Initial DSCR must not exceed 1.20.
Construction First Lien Loan	Must be provided by a CalHFA Mixed-Income Qualified Construction Lender. All parties shall permit the Agency to, in its sole and absolute discretion, recycle all or a portion of any bond volume cap related to a paydown of the bond-financed loans, at the conversion of the construction financing to permanent financing and payoff of the construction loan, pursuant to the authority provided in Section 146(i)(6) of the Internal Revenue Code of 1986 and CDLAC Regulation Section 5060 (the "Bond Recycling"). The bond documents, loan documents and any other documents related to the financing of the Development shall contain any necessary approvals and permit all actions necessary to accomplish a Bond Recycling.
Limitations	1. MIP cannot be combined with the CTCAC 9% program. 2. MIP cannot be combined with other state subordinate debt and/or subsidy programs (this does not include state tax credits) with the exception of the Infill Infrastructure Grant (IIG), Affordable Housing and Sustainable Communities (AHSC) and Transit Oriented Development (TOD) housing programs. Inclusion of these programs is contingent upon restrictions that are compatible with the MIP program requirements outlined herein. Inclusion of other subordinate debt and subsidy will be allowed at CalHFA's sole discretion so long as any restrictions of subordinate debt or subsidy are compatible with MIP program requirements outlined herein. 3. Projects that have a below market rate component resulting from an inclusionary obligation or are 100% below market as a result of an inclusionary obligation must demonstrate master developer commitment through a dollar-for-dollar match of CalHFA's subsidy resources. Match can be obtained through a monetary match or equivalent in-kind contributions (e.g., land donation, land use fee concessions.) 4. At the time of MIP application, a project must not have already received an allocation of 4% federal and/or state tax credits from CTCAC or a tax-exempt bond allocation from CDLAC. 5. Projects will not be eligible for other subsidy resources from CalHFA in addition to MIP.
Mixed-Income Project Occupancy Requirements	**BOND REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):** Must maintain either (a) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI with adjustments for household size ("20% @ 50% AMI"), OR (b) 40% or more of the units must be both rent restricted and occupied by individuals whose incomes are 60% or less of AMI with adjustments for household size ("40% @ 60% AMI"): in the latter case, CDLAC requires a minimum of 10% of the unit types must be at 50% or less of AMI ("10% @ 50% AMI").

Mixed-Income Project Occupancy Requirements (Continued)	**MIXED INCOME REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):** **Affordability Requirements:** 1. To qualify, a project must meet the following affordability restrictions, which are based on the HUD and locality (as applicable) income and rent limits which are current at the time of MIP application, for a term of 55 years: a. 30% of total units at or below 50% of AMI. Of these, a minimum of 10% of total units must be at or below 30% of AMI, b. 10% of total units between 60% and 80% of AMI with an average of 70% of AMI or greater, subject to the Maximum Allowable Rents outlined below, and c. Remaining 60% of total units at or below 120% of AMI (with the exception of any non-restricted manager's unit(s)) OR at the affordability restrictions consistent with CTCAC requirements. d. The minimum range between the lowest and highest occupancy target levels must be at least 40%. (Deviations from the above requirements will only be considered if Market Study supports such deviations.) 2. If applicable, tax credit transactions that are income-averaged must have a maximum average affordability up to 60% of AMI across all CTCAC restricted units.
Mixed-Income Project Occupancy Requirements (Continued)	**MAXIMUM ALLOWABLE RENTS:** Rents for all restricted units must be at least 10% below market rents for the MIP affordability term as evidenced by a current market study or appraisal. This threshold will be analyzed at time of application and again at CalHFA's final commitment approval and may be monitored on an ongoing basis for the MIP affordability term. The report shall be current within 180 days of Agency's final commitment and may be subject to required updating if the report expires prior to construction loan closing. For underwriting purposes, CTCAC and locality maximum rents for the respective target income limits must be used. Any proposed rent adjustments above 5% of the approved rents subsequent to construction loan closing may be considered if supported by a recent or updated market study or appraisal that is dated within 180 days of MIP loan closing, at CalHFA's sole discretion. Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents not to exceed 30% of the applicable income restriction required in the Agency's Regulatory Agreement.
Mixed-Income Subordinate Loan	1. Maximum loan amount for each project shall not exceed the lesser of $8 million or the aggregate MIP loan amount calculated based on up to $60,000 per MIP regulated units, unless an exception is approved by Agency in its sole discretion. a. Maximum loan per restricted (tax credit or CalHFA) units between 30%-120% AMI shall be up to $50,000. b. Projects located within the Highest or High Resource areas pursuant to CTCAC regulations designated on the CTCAC/HCD Opportunity Area Map shall be eligible for an additional amount up to $10,000 per MIP regulated unit. Opportunity Map Home Page: www.treasurer.ca.gov/ctcac/opportunity.asp 2. Loan size based on project need but cannot be more than 50% of the permanent loan amount.

MIXED-INCOME LOAN PROGRAM (2022)

Mixed-Income Subordinate Loan Rates & Terms	1. **Interest Rate**: Greater of 1% simple interest or the applicable federal rate (AFR) at time of MIP closing. 2. **Loan Term**: The MIP loan term shall be coterminous with the CalHFA permanent first lien loan. 3. **Lien Position**: Second lien position, after CalHFA permanent first lien loan. 4. **Loan Payment**: Residual receipt repayment based on cash flow analysis and split 50% to Owner and 50% to CalHFA and other residual receipt lenders. Residual receipt is defined as 50% of surplus cash which is determined as net operating income minus total debt service and other Agency approved payments. Payments shall be applied to the current and/or accrued interest and then principal of the MIP loan. Deviation from the net cash flow split may be granted 1) to meet equity investor's deferred developer's fee requirement as evidence by the limited partnership agreement, and 2) is subject to approval(s) by other residual receipt lender(s), as applicable. 5. **Affordability Term**: 55 years. 6. **Prepayment**: May be prepaid at any time without penalty. 7. **Subordination**: A subordination and/or extension of MIP maturity request in conjunction with a re-syndication, refinance, or ownership transfer ("capitalization event(s)") will be considered. If MIP loan is outstanding at time of the capitalization event(s) and requires subordination at the time of such event, the surplus cash split between borrower and CalHFA and other residual receipt lenders may be altered to reflect an increased percentage of residual receipts to CalHFA out of Borrower's share until such time as the MIP loan is paid in full. The remaining residual receipts may be split between other residual receipt lenders. 8. **Funded**: Only at permanent loan conversion.
CalHFA Conduit Bond Program	For more information on CalHFA's Conduit Issuer Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf
CalHFA First Lien Permanent Rates & Terms (subject to change)	For more information on CalHFA's Permanent Loan Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf
Fees (subject to change)	**Loan Fee:** 1.00% of the loan amount (50% due at final commitment and 50% due at CalHFA MIP loan closing). **Conduit Bond Program Fees:** Refer to CalHFA Conduit Bond Program www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf **CDLAC Fees:** Refer to CDLAC regulations for all applicable fees. **Other Fees:** Refer to CalHFA First Lien Permanent Rates & Terms for first mortgage loan fees, credit enhancements, trustee fees, legal fees, inspection fees, administrative fees. www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf

Last revised: 01/25/2022

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

CalHFA
California Housing Finance Agency

TAX-EXEMPT PERMANENT LOAN PROGRAM

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

Qualifications	• Available to for-profit, non-profit, and public agency sponsors. • Tax-exempt bond authority must be obtained from the California Debt Limit Allocation Committee (CDLAC) or through a 501(c)(3) exemption. • The Tax-Exempt Permanent Loan may be used with or without 4% low income housing tax credits. • If a lender other than CalHFA is providing short-term, first-lien debt, CalHFA shall be used as the bond issuer (for more information, review the Conduit Issuer Program Term Sheet). • For Section 8 Projects, a final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract. • The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program. • For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Loan Amount	• Minimum Perm Loan amount of $5,000,000. • Minimum 1.15x for initial debt service coverage ratio (include any financing with amortizing debt). If a Project includes CalHFA's subsidy loan, the maximum DSCR at year 1 shall not exceed 1.20, unless CalHFA approves a higher DSCR at its own discretion. The year 1 DSCR underwritten at the time of final loan approval and final commitment must be maintained as the minimum DSCR through the term of the Perm Loan. CalHFA may require the initial DSCR to be higher than the minimum 1.15x, if deemed necessary to meet the Agency's underwriting requirements. • Lesser of 90% of restricted value or 100% of development costs. For Projects with equity being cashed out, the Perm Loan amount will be restricted to no more than 80% of the restricted value.
Fees (subject to change)	• Application Fee: $10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Legal Fee at Perm Loan closing. The applicant may be subject to a new Application Fee if the CalHFA commitment expires prior to construction loan closing. • Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing. • Credit Enhancement Fee: included in the interest rate. • Annual Monitoring Fee: $7,500 annually (not to be duplicated if used in conjunction with CalHFA's Conduit Program). • Inspection fees should be estimated at $500 per month for the term of the construction (reports and fees can be shared with other construction lenders) • Legal Fee: $35,000, half due at final commitment, with balance due at Perm Loan closing. • Perm Loan Funding Fee: $110,000 at Perm Loan closing. • Administrative Fee: $1,000 at Perm Loan closing. • Letter of Interest Fee: $5,000 at LOI request, and is credited toward the CalHFA Perm Loan Fee See CalHFA standard Conduit Issuer Program Term Sheet for information on conduit issuance fees.

Kevin Brown, Housing Finance Officer
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Jennifer Beardwood, Housing Finance Specialist
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8805
jbeardwood@calhfa.ca.gov

TAX-EXEMPT PERMANENT LOAN PROGRAM

Rate & Terms (subject to change)	Interest Rate: • 17-Year Balloon Loans: 15-Year "AAA" Municipal Market Data (MMD) plus CalHFA spread • 30-Year Balloon and Fully Amortizing Loans: 30-Year "AAA" MMD plus CalHFA spread • Estimated CalHFA Spread: 2.00% to 3.00% • Rate may be locked up to 30 days prior to the construction loan closing. Rate may be locked for the term of the construction period, not to exceed 3 years. Amortization/Term: • Amortization: Up to 40 Year Amortization • Term: Fully Amortizing, and 17- or 30-Year Balloons available1 • Perm Loan Reduction: up to 10% reduction at Perm Loan closing permitted at no cost. • Up to two, three-month extension(s) permitted upon payment of a fee equal to 0.25% of the Perm Loan amount for each three-month extension. • Breakage Fee (if applicable): due between construction loan closing and Perm Loan closing and calculated based on hedge termination cost. 1. Balloon loans subject to agency approved exit strategy.
Loan Closing Requirements	• 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls. • 90% of tax credit investor equity shall have been paid into the Project. • Project income is sufficient to pay operating expenses, required debt service, reserves and monitoring fees. • For mixed-use Projects, 100% non-residential occupancy as evidenced by executed leases or guarantees. • Deposit Account Control Agreement between CalHFA, the Borrower and lending institution is in form and substance acceptable to all parties and ready to be executed at Perm Loan closing.
Prepayment	The Perm Loan may be prepaid at par after 15 years of the Perm Loan period. However, the Perm Loan may be prepaid after 10 years of the Perm Loan period subject to a yield maintenance calculation of: • 5% of the principal balance after the end of year 10 • 4% of the principal balance after the end of year 11 • 3% of the principal balance after the end of year 12 • 2% of the principal balance after the end of year 13 • 1% of the principal balance after the end of year 14 All prepayments require a prior written 120-day notice to CalHFA.
Subordinate Financing	Financing or grants are encouraged from local governments and third parties to achieve project feasibility. All financing, leases, development and regulatory agreements must be coterminous (or have a longer term than the combined terms of any CalHFA Acq/Rehab Loan and Perm Loan) and be subordinate to CalHFA financing. A Lien Priority/Position Estoppel in form and substance acceptable to CalHFA will be required prior to construction financing closing, if applicable.
Occupancy Requirements	Must maintain the greater of (A) existing affordability restrictions, or (B) either (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area (county) median gross income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (ii) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"): however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI (i.e., 30% @ 60% AMI; 10% @ 50% AMI).

Occupancy Requirements (continued)	Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents up to 30% of the applicable income restriction using the occupancy assumptions required in the Agency's Regulatory Agreement. Rents for all restricted units must be at least 10% below market rents as evidenced by current market study or an appraisal. CalHFA's regulated units must represent a comparable share of the available unit sizes (by bedroom count and square feet) and be disbursed throughout the project.
Due Diligence	The following due diligence is required to be provided at the Owner/Borrower's expense (refer to the program's document checklist for a full list): • Appraisal* (a construction lender's appraisal may be acceptable). • HUD-2530 previous participation clearance. • Construction Costs Review for new construction loans (other construction lender's review is acceptable). • Physical Needs Assessment* ("PNA") for rehabilitation projects with a Replacement Reserve Needs Analysis ("RRNA") over time for the first 20-year term (other lender's PNA/RRNA may be acceptable). A RRNA for a longer time period may be required if the Perm Loan term is greater than 20 years. • Phase I and Phase II (if applicable) Environmental Site Assessment* including, but not limited to, impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation). The Purpose section of Phase I must state "a purpose of the Phase I is to document compliance with HUD policy pursuant to 24 CFR §58.5(i)(2) or §50.3(i)". • Market Study* satisfactory to CalHFA. • NEPA Review. • Termite/Dry Rot reports* by licensed company. • Seismic review* and other studies may be required at CalHFA's discretion. *Note: Third party reports shall be within 180 days prior to the CalHFA's final commitment approval and may be subject to a new or updated report if the report(s) was completed more than 180 days prior to construction loan closing, in CalHFA's sole discretion.
Required Impounds and Reserves	• Replacement Reserve: Initial cash deposit required for existing Projects with annual deposits between $250 and $500 per unit/per year depending on the Project type and PNA/RRNA findings. • Operating Expense Reserve ("OER"): 3-6 months of operating expenses, reserves, debt service, and monitoring fees due at Perm Loan closing (letter of credit or cash) and held for the life of the CalHFA Perm Loan by CalHFA. In the event OER funds are drawn down during the term of CalHFA Perm Loan, it must be replenished over a period of 12 months to the original level. • Impounds held by CalHFA: One year's prepaid earthquake, hazard and liability insurance premiums, and property tax assessments are collected at loan closing. An earthquake insurance waiver is available for Projects which have met CalHFA earthquake waiver standards during rehabilitation or construction. • Transition Operating Reserve (TOR): required for Projects with state or locally administered rental subsidy contracts with contract terms that are less than 20 years or the CalHFA Perm Loan term. • Other reserves as required (at CalHFA's discretion).

Last revised: 5/2022

California Housing Finance Agency

CONDUIT ISSUER PROGRAM

MULTIFAMILY HOUSING BONDS

Term sheet effective for applications submitted after March 1, 2022

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

Qualifications	• Available to for-profit, nonprofit or public agency sponsors. • Nonprofit borrowers may be eligible for 501(c)(3) bonds. • If bond proceeds are utilized to pay off an existing CalHFA portfolio loan visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Bond Amount	Bond amount is determined by the loan amount of the selected construction lender.
Fees (subject to change)	• Application Fee: $5,000 non-refundable, due at time of application submittal (covers the cost of the TEFRA required for tax-exempt issuances) and is credited toward the CalHFA Issuer Fee. • Issuer Fee: 1. The greater of $15,000 or 18.75 basis points of the Bond amount if lesser than or equal to $20 million. 2. If more than $20 million: $37.500 + 5 basis points for the amount above $20 million. • Annual Administrative Fee: 5 bps of the tax-exempt bond issuance amount due at construction loan closing and due annually thereafter until permanent loan conversion. After permanent loan conversion, billed annually in advance, 5 bps of unpaid principal balance amount of tax-exempt bond financed loan(s) until bonds are fully redeemed. Minimum Annual Administrative Fee shall be $4,000 through both the Qualified Project Period and the CDLAC compliance period. For taxable only issuances, annual administrative fees above will be charged based on the taxable bond financed loan(s) for the term of the CalHFA affordability restrictions. If used in conjunction with a CalHFA permanent loan product, the annual administrative fee will not be duplicated. Please refer to the applicable permanent loan term sheet for the annual administrative fee. • Public Sale: Additional fee of $5,000 to $10,000 applies when Bonds are sold to the public. • CDLAC Allocation Fee: 0.035% of the Bond amount, $1,200 of which is due at time of CDLAC application submittal with the remaining fee due at construction loan closing and payable to CDLAC. • CDLAC Performance Deposit: 0.50% of the requested Bond amount, not to exceed $100,000, due at time of CDLAC application submittal. Deposit to be refunded after the Bond closing, upon receipt of authorization letter from CDLAC. The Borrower shall be responsible for all other costs of Bond issuance including fees of the underwriter, trustee, rating agencies, lender, compliance administrator, all Bond counsel legal fees, and any other parties required to complete the transaction.

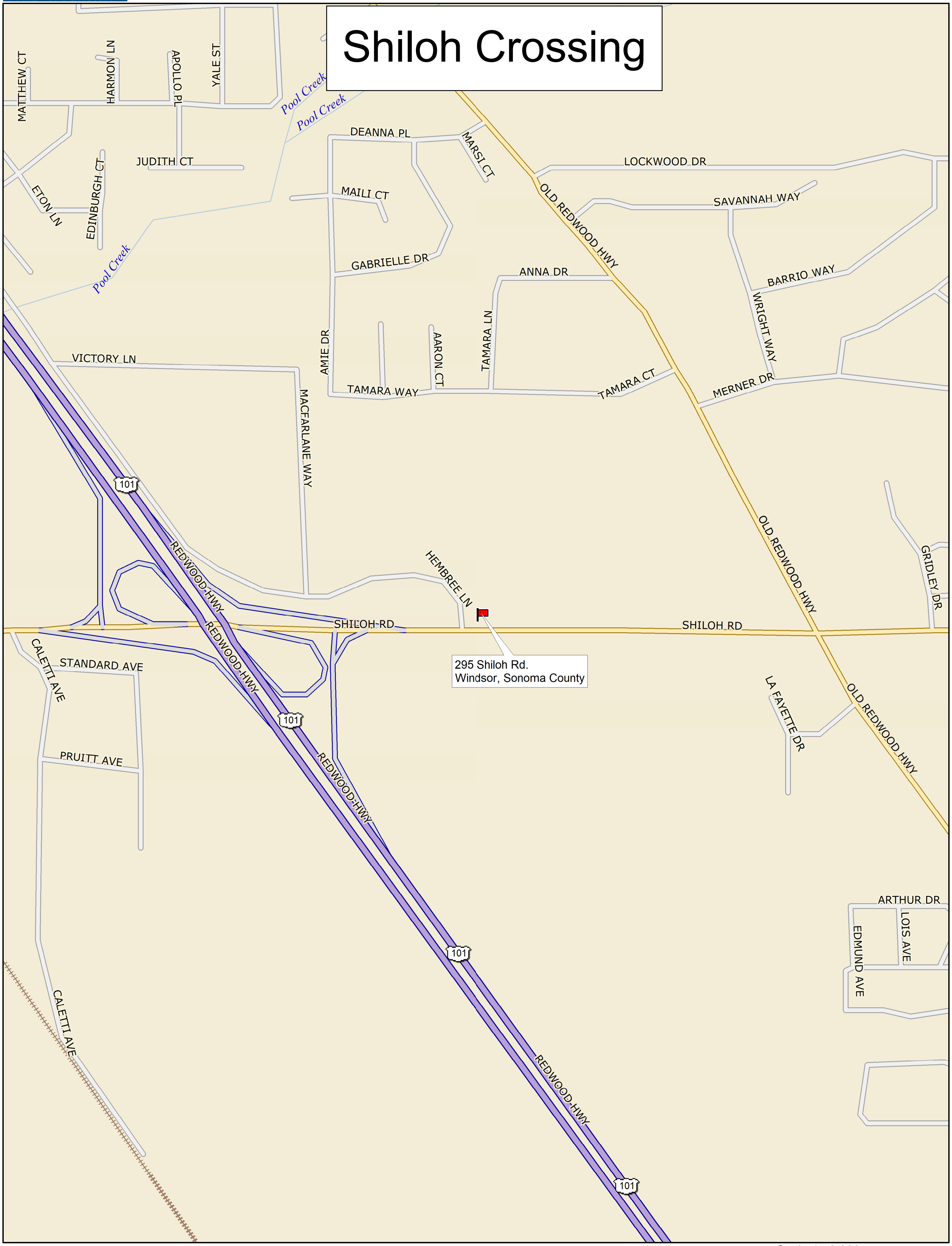
Kevin Brown, Housing Finance Officer
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Occupancy Requirements	• Either (A) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area median income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (B) 40% or more of the units must be rent restricted and occupied by individuals whose income is 60% or less of AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI (i.e., 30% @ 60% AMI; 10% @ 50% AMI). • Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents up to 30% of the applicable income restriction using the occupancy assumptions required in the Agency's Regulatory Agreement. Rents for all restricted units must be at least 10% below market rents as evidenced by a current market study or an appraisal. • Borrower will be required to enter into a Regulatory Agreement which will be recorded against the Project for the Qualified Project Period (as defined in the CalHFA Regulatory Agreement). This includes the later of the federally-required qualified project period, repayment of the Bond funded loan, redemption of the Bonds, the full term of the CDLAC Resolution requirements or 55 years.

Last revised: 05/2022

DeLorme Street Atlas USA® 2010

Shiloh Crossing



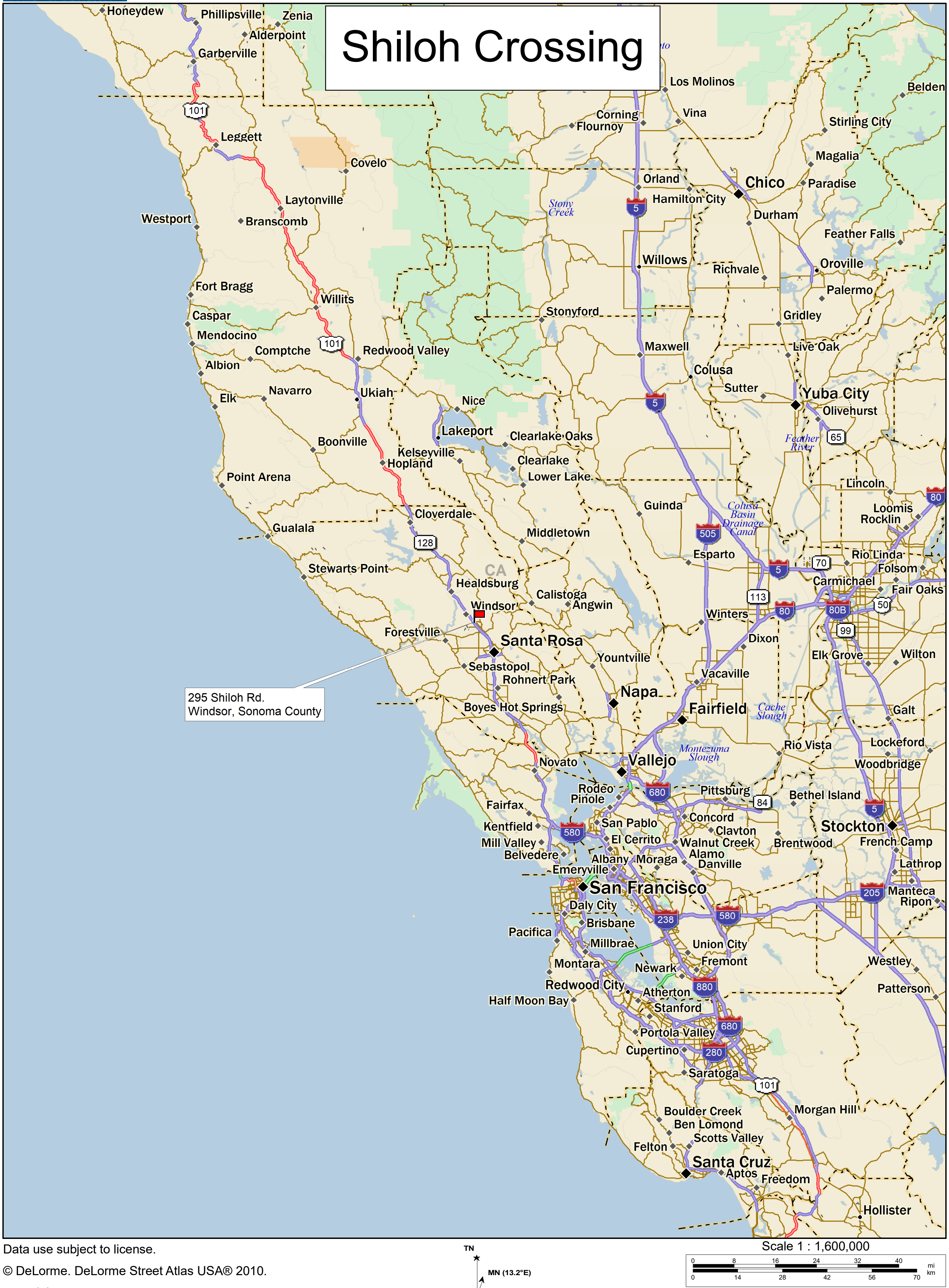
TN MN (13.2°E)

Scale 1 : 8,000

1" = 666.7 ft Data Zoom 14-6

DeLorme Street Atlas USA® 2010

Shiloh Crossing



BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 22.29

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of 295 Shiloh Rd., L.P., a California limited partnership (the "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in the Town of Windsor, County of Sonoma, California, to be known as Shiloh Crossing (the "Development"); and

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

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

WHEREAS, pursuant to the Executive Director's authority to issue Conduit Bonds, under Resolution 21-04 the Agency has filed an application with the California Debt Limit Allocation Committee ("CDLAC") for an allocation of California Qualified Private Activity Bonds for the Development; and

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

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

WHEREAS, on February 17, 2022, the Executive Director exercised the authority delegated to her under Resolution 15-16 to declare the official intent of the Agency to reimburse such prior expenditures for the Development; and

WHEREAS, the Agency has conditionally approved a subsidy loan pursuant to CalHFA's Mixed-Income Program ("***MIP***") pursuant to its authority under Resolutions 19-02 and 19-14; and

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

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

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

PROJECT NUMBER	DEVELOPMENT NAME/ LOCALITY	MORTGAGE AMOUNT	
22-008-A/X/N	SHILOH CROSSING Town of Windsor, County of Sonoma	$21,696,000.00	Tax-Exempt Bond or FFB Permanent 1st Lien Loan with HUD Risk Share
		$15,442,362.00	Total Mixed-Income Residual Receipt 2nd Lien Loan
		($8,000,000.00 MIP Allocation; $7,442,326.00 Supplemental MIP Allocation)	

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

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

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. 22-29 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 20th day of October 2022, 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 20th day of October 2022.

ATTEST: ______________________________

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

State of California

M E M O R A N D U M

To: CalHFA Board of Directors **Date:** October 20, 2022

From: Ellen Martin
CALIFORNIA HOUSING FINANCE AGENCY

Subject: Accessory Dwelling Unit Grant Program Update

In September 2021, CalHFA introduced the CalHFA Accessory Dwelling Unit (ADU) Grant Program which provides funding for predevelopment and other costs necessary to build an ADU. With $100 million in funding, the ADU Grant Program was developed to incentivize construction of ADUs, meeting Administration goals of creating more affordable housing while emphasizing cost efficiency and encouraging location and climate-efficient site selection. This memorandum offers an update to the Board regarding the status of the CalHFA ADU Grant Program and outlines future related efforts.

Current Status

Over the last several months, uptake of the ADU grant program has accelerated rapidly. This increase is attributable to the onboarding of ADU partners that unlocked significant financing flexibility for the program. Previously, because CalHFA requires that the grant funds be distributed via a managed construction escrow account, financing options were largely limited to construction and renovation financing, which includes the managed construction escrow feature. In a rising interest rate environment, construction and renovation financing was not attractive to many homeowners because it would require them to refinance their first mortgage, potentially to a higher rate.

In August, we onboarded a nonprofit entity (HPP Cares) that offers a third-party managed construction escrow that will allow for different types of financing (e.g., HELOC, second mortgages, cash out refi). Borrowers can utilize the type of financing that works best for their unique situation, and deposit those funds with the third party managed construction escrow provider, who will then oversee the construction of the project and offer CalHFA the assurances we need that the ADU will ultimately be constructed. Current lenders can also partner with the third party construction escrow provider to offer additional financing opportunities to their borrowers.

CalHFA Single Family staff have been working for many months to cultivate this financing flexibility, working very closely with HPP Cares and other potential partners to develop their ADU program and ensuring that their program would meet the requirements of CalHFA's ADU grant program. In the coming months, we hope to onboard additional ADU partners that can provide similar services and offer additional capacity.

As HPP Cares was building their program infrastructure, they were also offering in depth ADU education courses that walk homeowners through the process of building an ADU, how to access financing, and how to be landlord. Through this process, they developed a robust pipeline of potential borrowers that would qualify for the CalHFA ADU grant. Because of these efforts, upon approval of HPP Cares as a CalHFA qualified ADU partner in August 2022, the ADU grant program experienced a significant and sudden upswing in applications and reservations.

As of the first week of October, the ADU grant program has received over 1,200 grant reservations with total funds reserved of just over $50 million. Of that amount, approximately $33.5 million in ADU grants for more than 800 homeowners have been disbursed. While the vast majority of reservation activity is from HPP Cares, we are also seeing increased activity from ADU lenders with alternative financing products (such as a second mortgage with a managed construction escrow) and some activity related to construction and renovation loan products.

Due to the large volume of applicants, HPP Cares paused their application portal in early September and currently intends to reopen applications in late October. In the interim, CalHFA's Single Family staff is continuing to work to build on this financing flexibility by onboarding additional partners that can provide the critical third party managed construction escrow service, as well as several credit unions and other lenders that can offer unique portfolio products with the requisite managed construction escrow that will introduce more options into the market. Our ADU lender/partner approval process includes a review of licensing, insurance, company history and organization charts, and a program term sheet that assures the potential partner has the capacity and experience necessary to meet our program requirements.

Geographic Distribution

Figure 1, below identifies the distribution of ADU grant funds by Region. At 36 percent, Los Angeles County is the largest recipient of grant funds. For the last several years, Los Angeles

County has led the State in ADU production, accounting for nearly 60 percent of all ADUs produced Statewide since 2018. The 9-county Bay Area region also accounts for a significant level of ADU grant activity, bolstered by low housing inventories, high rental rates, and higher incomes.

While areas like the Inland Empire, Capital Region, and Central Valley have received smaller shares of ADU grant funds, note that these regions are receiving a higher proportion of grant funds than they have contributed to ADU production over the several years, suggesting that the ADU grant may be incentiving increased ADU production in those regions.

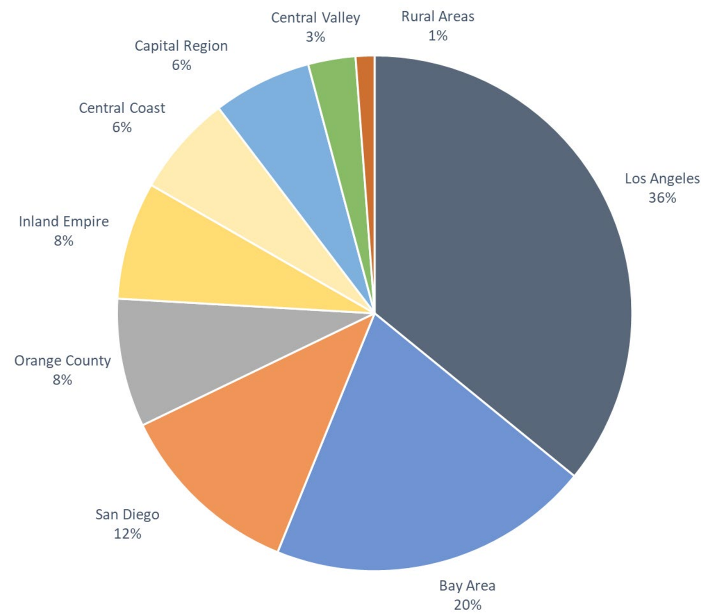


Figure 1: Distribution of ADU Grant Reservations by Region

Future ADU Efforts

The 2022-23 Budget also includes $50 million in additional resources for the ADU Grant Program. Associated trailer bill language requires CalHFA to establish a working group that will develop ADU Program recommendations. The working group will be tasked with evaluating various approaches to increasing program utilization via financing alternatives, risk mitigation strategies and exploring outreach and education opportunities. While program utilizion does not appear to be an issue at this moment, CalHFA will assemble the ADU working group over the next several months, and will use this process to inform ongoing discussions and recommendations regarding how to further stimulate ADU production in California.

State of California

M E M O R A N D U M

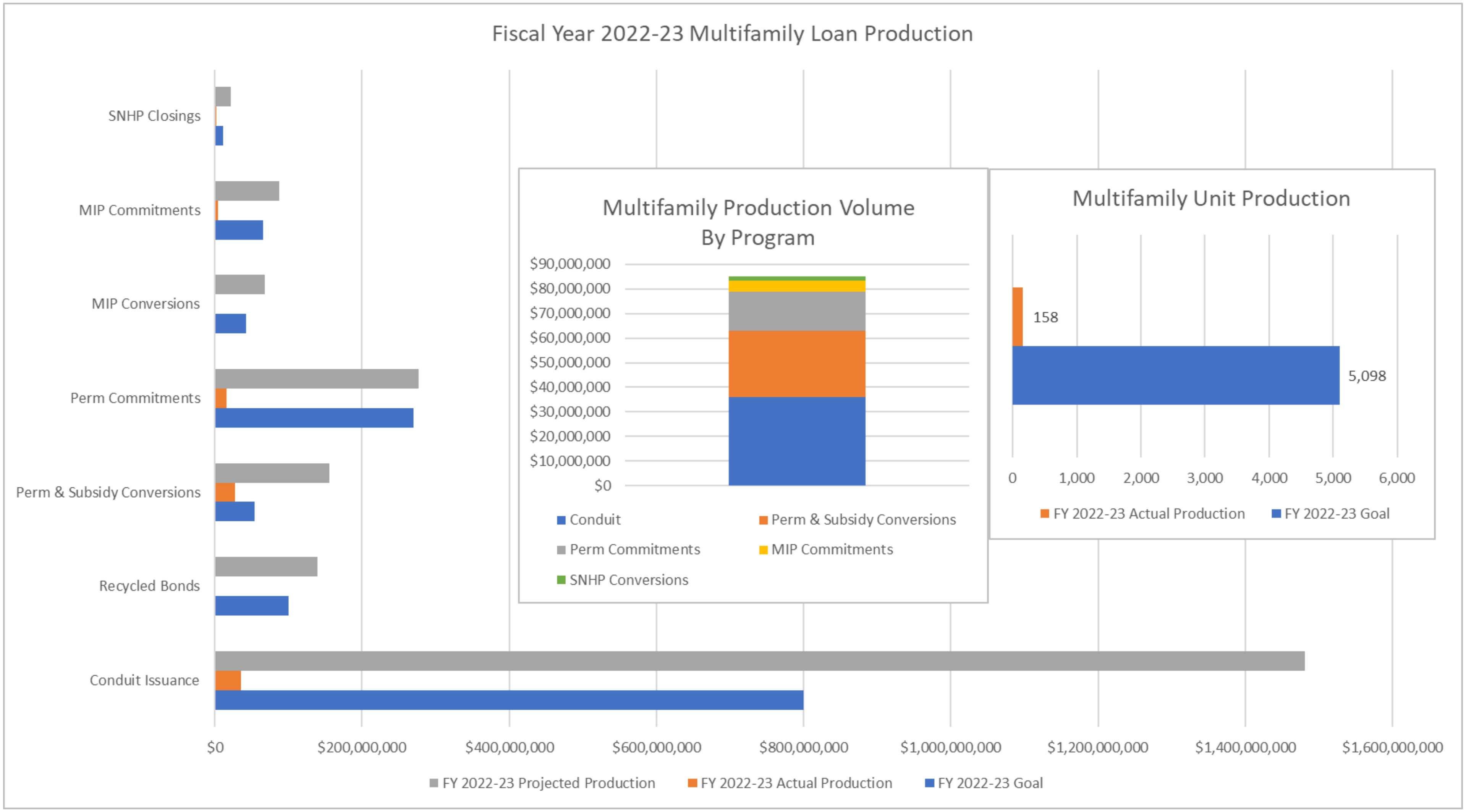
To: Board of Directors Date: October 20, 2022

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

Subject: UPDATE ON MULTIFAMILY LOAN PRODUCTION

CalHFA offers a variety of loan programs with competitive rates and long-term financing to advance the creation and preservation of affordable housing for people who truly need it. CalHFA's Taxable, Tax-Exempt, and/or CalHFA funded Permanent Loan programs provide competitive long-term financing for affordable multifamily rental housing projects. The CalHFA Mixed-Income Program provides competitive long-term subordinate financing for new construction multifamily housing projects restricting units between 30% and 120% of county Area Median Income. The CalHFA Conduit Issuer 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 programs 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.

Multifamily Loan Volume as of September 30, 2022



	Conduit Issuance	Recycled Bonds	Perm & Subsidy Conversions	Perm Commitments	MIP Conversions	MIP Commitments	SNHP Closings	Total All Programs
FY 2022-23 Goal	$800,000,000	$100,000,000	$54,114,902	$270,000,000	$42,435,968	$65,000,000	$11,368,956	$1,342,919,826
FY 2022-23 Actual Production	$36,000,000	$0	$26,970,000	$15,910,000	$0	$4,600,000	$1,500,000	$84,980,000
FY 2022-23 Projected Production	$1,480,810,176	$139,188,580	$156,002,848	$276,513,503	$68,398,000	$87,777,067	$22,198,622	$2,230,888,796
Percent of Goal Complete	5%	0%	50%	6%	0%	7%	13%	6%

FY 2022-23 Conduit Issuance as of September 30, 2022

	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Total
Multifamily Conduit Transactions										
(Closed)										
1	Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	Family/Individual	7/8/2022	0	$36,000,000.00	-	-	$ 36,000,000.00
						0	$ 36,000,000.00	$ -	$ -	$ 36,000,000.00

	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Total
Multifamily Conduit (Projected Closings) - FY 22-23										
Q2 - 10/01/2022 - 12/31/2022										
	Anton Power Inn Apartments	Conduit - MIP & Perm	Sacramento	Family/Individual	10/14/2022	0	$ 33,646,558.00	$ 10,534,860.00	-	$ 44,181,418.00
	Serra Apartments	Conduit - MIP & Perm	Fremont	Family/Individual	11/1/2022	0	$ 46,650,000.00	$ 22,950,000.00	-	$ 69,600,000.00
	Sarah's Court Apartments	Conduit - MIP & Perm	Fresno	Family/Individual	11/1/2022	0	$ 18,587,374.00	$ 5,667,947.00	-	$ 24,255,321.00
	West La Va - Bulding 404	Conduit - Reg Only	Los Angeles	Veterans	11/9/2022	73	$ 23,286,160.00	$ 13,008,936.00	-	$ 36,295,096.00
	MacArthur Field A	Conduit - Reg Only	Los Angeles	Homeless, Special Needs	11/10/2022	75	$ 21,000,000.00	$ 14,700,000.00	-	$ 35,700,000.00
	Mirasol Village Block D	Conduit - MIP & Perm	Sacramento	Family/Individual	11/15/2022	0	$ 33,950,000.00	$ 5,477,352.00	-	$ 39,427,352.00
	California Grand Manor	Conduit - MIP & Perm	Atascadero	Senior	11/15/2022	0	$ 13,423,479.00	$ 7,562,899.00	-	$ 20,986,378.00
	West Carson	Conduit - Reg Only	Torrance	Family/Individual	12/1/2022	230	$ 60,225,000.00	$ 25,850,000.00	$ 25,850,000.00	$ 111,925,000.00
	Residency at the Empire I	Conduit - Reg Only	Burbank	Family/Individual	12/1/2022	148	$ 61,000,000.00	$ 8,000,000.00	$ 20,000,000.00	$ 89,000,000.00
	8181 Allison	Conduit - MIP & Perm	La Mesa	Family/Individual	10/3/2022	0	$ 31,875,000.00	$ 12,000,000.00	-	$ 43,875,000.00
	Alves Lane Apartments	Conduit - MIP & Perm	Bay Point	Family/Individual	12/1/2022	0	$ 28,325,000.00	$ 13,600,000.00	$ 4,700,000.00	$ 46,625,000.00
	Fiddyment Apartments	Conduit - MIP & Perm	Roseville	Family/Individual	12/1/2022	0	$ 63,000,000.00	$ 38,580,297.00	-	$ 101,580,297.00
	515 Pioneer	Conduit - MIP & Perm	Glendale	Family/Individual	12/1/2022	0	$ 74,970,489.00	$ 6,938,999.00	-	$ 81,909,488.00
	Shiloh Crossing	Conduit - MIP & Perm	Windsor	Family/Individual	12/1/2022	0	$ 42,225,000.00	$ 26,500,000.00	-	$ 68,725,000.00
	Mainline North	Conduit - MIP & Perm	Santa Clara	Family/Individual	12/1/2022	0	$ 38,600,000.00	$ 9,200,000.00	-	$ 47,800,000.00
	La Vista Residential	Conduit - MIP & Perm	Hayward	Family/Individual	12/12/2022	0	$ 52,000,000.00	$ 9,461,725.00	$ 5,000,000.00	$ 66,461,725.00
						526	$ 642,764,060.00	$ 230,033,015.00	$ 55,550,000.00	$ 928,347,075.00

	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Total
Multifamily Conduit (Projected Closings) - FY 22-23										
Q3 - 01/01/2023 - 03/31/2023										
	Crest on Imperial	Conduit - Reg Only	San Diego	Family/Individual	3/1/2023	100	$ 21,710,227.00	$ 5,677,593.00	$ 4,362,431.00	$ 31,750,251.00
	Courtyards at Cottowood II	Conduit - Reg Only	Moreno Valley	Family/Individual	3/1/2023	32	$ 8,152,225.00	$ 2,005,326.00	-	$ 10,157,551.00
	Navajo Family Apartments	Conduit - Reg Only	San Diego	Family/Individual	3/1/2023	45	$ 13,951,229.00	-	$ 6,125,989.00	$ 20,077,218.00
	Seaward	Conduit - Reg Only	San Ysidro	Senior	3/1/2023	195	$ 22,378,695.00	$ 1,566,459.00	$ 4,519,386.00	$ 28,464,540.00
	Vista Lane Affordable Apartments	Conduit - Reg Only	San Ysidro	Senior	3/1/2023	148	$ 24,352,220.00	$ 3,140,498.00	$ 5,014,296.00	$ 32,507,014.00
	Epoca Neighborhood L Apartments	Conduit - Reg Only	San Diego	Family/Individual	3/1/2023	120	$ 22,380,479.00	$ 6,334,285.00	$ 4,811,047.00	$ 33,525,811.00
	Aero Drive	Conduit - Reg Only	San Diego	Senior	3/1/2023	400	$ 62,920,084.00	$ 10,154,047.00	$ 12,716,275.00	$ 85,790,406.00
	Modica	Conduit - Reg Only	San Diego	Family/Individual, Special	3/1/2023	94	$ 29,200,000.00	-	$ 10,442,768.00	$ 39,642,768.00
						1,134	$ 205,045,159.00	$ 28,878,208.00	$ 47,992,192.00	$ 281,915,559.00

Note: Projects with ‘0’ as the unit count had their units included with another CalHFA program’s unit total.

Multifamily Conduit (Projected Closings) - FY 22-23									
Q4 - 04/01/2023 - 06/30/2023									
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Total
	Aloe Palm Canyon Apartments	Conduit - Reg Only	Palm Springs	Family/Individual	5/1/2023	71	$ 19,539,969.00	$ 4,161,185.00	-	$ 23,701,154.00
	Alvarado Creek Apartments	Conduit - Reg Only	San Diego	Family/Individual	5/1/2023	227	$ 69,000,000.00	$ 34,000,000.00	$ 10,000,000.00	$ 113,000,000.00
	Taormina	Conduit - Reg Only	San Diego	Family/Individual	5/1/2023	136	$ 42,700,000.00	-	$ 11,646,388.00	$ 54,346,388.00
	5626 Naranja	Conduit - Reg Only	San Diego	Family/Individual	5/1/2023	138	$ 26,500,000.00	$ 3,000,000.00	$ 14,000,000.00	$ 43,500,000.00
						572	$ 157,739,969.00	$ 41,161,185.00	$ 35,646,388.00	$ 234,547,542.00

Note: Projects with '0' as the unit count had their units included with another CalHFA program's unit total.

Total Conduit Issuance Closed: $36,000,000

FY 2022-23 Permanent & Subsidy Loan Conversions as of September 30, 2022

Multifamily Permanent & Subsidy Transactions									
(Closed)									
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Permanent Loan Amount	Subsidy Loan Amount	Total
1	Reedley Village	Perm	Reedley	Family/Individual	8/30/2022	32	$ 1,050,000.00	$ 640,000.00	$ 1,690,000.00
2	Bernal Dwellings	Conduit - PTO	San Francisco	Family/Individual	9/23/2022	160	$ 21,780,000.00	$ 3,500,000.00	$ 25,280,000.00
						192	$ 22,830,000.00	$ 4,140,000.00	$ 26,970,000.00
Multifamily Permanent & Subsidy (Projected Closings) - FY 22-23									
Q2 - 10/01/2022 - 12/31/2022									
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Permanent Loan Amount	Subsidy Loan Amount	Total
	Peterson Place	Conduit - MIP & Perm	Folsom	Family/Individual	10/14/2022	72	$ 7,875,000.00	-	$ 7,875,000.00
	Blackstone McKinley TOD	Conduit - PTO	Fresno	Family/Individual	10/26/2022	88	$ 3,305,000.00	$ 1,760,000.00	$ 5,065,000.00
	Hayes Valley South	Conduit - PTO	San Francisco	Family/Individual	10/28/2022	110	$ 25,475,329.00	$ 3,500,000.00	$ 28,975,329.00
	Linnaea Villas	Perm	Kingsburg	Senior, Veterans	11/1/2022	47	$ 1,500,000.00	$ 676,617.00	$ 2,176,617.00
	The Redwood Apartments	Conduit - MIP & Perm	Santa Rosa	Family/Individual	11/1/2022	96	$ 15,000,000.00	-	$ 15,000,000.00
	Frishman Hollow II	Conduit - MIP & Perm	Truckee	Family/Individual	11/1/2022	68	$ 6,610,000.00	-	$ 6,610,000.00
	Iamesi Village	Conduit - PTO	San Jose	Family/Individual, Special Needs	12/1/2022	135	$ 17,655,000.00	-	$ 17,655,000.00
						616	$ 77,420,329.00	$ 5,936,617.00	$ 83,356,946.00

Note: Units associated with Permanent & Subsidy Conversion projects that appear in **Bold** text are counted in FY 2022-23 production. Otherwise, the units for the Permanent & Subsidy loan conversions were counted in previous fiscal years.

Multifamily Permanent & Subsidy (Projected Closings) - FY 22-23								
Q3 - 01/01/2023 - 03/31/2023								
Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**	**Permanent Loan Amount**	**Subsidy Loan Amount**	**Total**
Brand Haven Senior Apartments	Conduit - MIP & Perm	Fresno	Senior	2/28/2023	180	$ 10,459,902.00	-	$ 10,459,902.00
Fitch Mountain Terrace II	Perm-Refi	Healdsburg	Senior	3/1/2023	**20**	$ 1,150,000.00	-	$ 1,150,000.00
Springs Village	Perm-Refi	Sonoma	Family/Individual	3/1/2023	**80**	$ 3,900,000.00	-	$ 3,900,000.00
West Avenue	Perm-Refi	Santa Rosa	Family/Individual	3/1/2023	**40**	$ 1,980,000.00	-	$ 1,980,000.00
The Monarch at Chinatown	Conduit - PTO	Fresno	Family/Individual	3/15/2023	57	$ 1,885,000.00	$ 775,000.00	$ 2,660,000.00
					377	$ 19,374,902.00	$ 775,000.00	$ 20,149,902.00

Multifamily Permanent & Subsidy (Projected Closings) - FY 22-23								
Q4 - 04/01/2023 - 06/30/2023								
Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**	**Permanent Loan Amount**	**Subsidy Loan Amount**	**Total**
Arden Way Apartments	Conduit - MIP & Perm	Sacramento	Family/Individual	4/6/2023	120	$ 12,435,000.00	-	$ 12,435,000.00
Beacon Villa	Conduit - MIP & Perm	Pittsburg	Family/Individual	6/1/2023	54	$ 13,091,000.00	-	$ 13,091,000.00
					174	$ 25,526,000.00	$ -	$ 25,526,000.00

Note: Units associated with Permanent & Subsidy Conversion projects that appear in **Bold** text are counted in FY 2022-23 production. Otherwise, the units for the Permanent & Subsidy loan conversions were counted in previous fiscal years.

Total Permanent & Subsidy Loan Conversions Closed: $26,970,000

FY 2022-23 Permanent & Subsidy Loan Commitments as of September 30, 2022

Multifamily Permanent & Subsidy Transactions									
(Closed)									
	Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**	**Permanent Loan Amount**	**Subsidy Loan Amount**	**Total**
1	Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	Family/Individual	7/8/2022	0	$ 15,910,000.00	-	$ 15,910,000.00
						0	$ 15,910,000.00	$ -	$ 15,910,000.00
Multifamily Permanent & Subsidy (Commitments) - FY 22-23									
Q2 - 10/01/2022 - 12/31/2022									
	Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**	**Permanent Loan Amount**	**Subsidy Loan Amount**	**Total**
	Anton Power Inn Apartments	Conduit - MIP & Perm	Sacramento	Family/Individual	10/14/2022	0	$ 22,553,000.00	-	$ 22,553,000.00
	Serra Apartments	Conduit - MIP & Perm	Fremont	Family/Individual	11/1/2022	0	$ 27,179,522.00	-	$ 27,179,522.00
	Sarah's Court Apartments	Conduit - MIP & Perm	Fresno	Family/Individual	11/1/2022	0	$ 6,364,866.00	-	$ 6,364,866.00
	Mirasol Village Block D	Conduit - MIP & Perm	Sacramento	Family/Individual	11/15/2022	0	$ 13,482,852.00	-	$ 13,482,852.00
	California Grand Manor	Conduit - MIP & Perm	Ataascadero	Senior	11/15/2022	0	$ 6,183,589.00	-	$ 6,183,589.00
	8181 Allison	Conduit - MIP & Perm	La Mesa	Family/Individual	12/1/2022	0	$ 20,695,000.00	-	$ 20,695,000.00
	Alves Lane Apartments	Conduit - MIP & Perm	Bay Point	Family/Individual	12/1/2022	0	$ 21,122,000.00	-	$ 21,122,000.00
	Fiddyment Apartments	Conduit - MIP & Perm	Roseville	Family/Individual	12/1/2022	0	$ 37,400,000.00	-	$ 37,400,000.00
	515 Pioneer	Conduit - MIP & Perm	Glendale	Family/Individual	12/1/2022	0	$ 34,931,674.00	-	$ 34,931,674.00
	Shiloh Crossing	Conduit - MIP & Perm	Windsor	Family/Individual	12/1/2022	0	$ 21,696,000.00	-	$ 21,696,000.00
	Mainline North	Conduit - MIP & Perm	Santa Clara	Family/Individual	12/1/2022	0	$ 24,695,000.00	-	$ 24,695,000.00
	La Vista Residential	Conduit - MIP & Perm	Hayward	Family/Individual	12/12/2022	0	$ 24,300,000.00	-	$ 24,300,000.00
						0	$ 260,603,503.00	$ -	$ 260,603,503.00

Note: Projects with ‘0’ as the unit count had their units included with another CalHFA program’s unit total.

Total Permanent & Subsidy Loan Commitments Closed: $15,910,000

FY 2022-23 Mixed Income Program Loan Conversions as of September 30, 2022

	Project Name	Underwriting Type	City	Project Type	Closing Date	Units		MIP Loan
Mixed Income Program Transactions (Projected Closings) - FY 22-23:								
Q2 - 10/01/2022 - 12/31/2022								
	Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**		**MIP Loan**
	Peterson Place	Conduit - MIP & Perm	Folsom	Family/Individual	10/14/2022	72	$	3,350,000.00
	The Redwood Apartments	Conduit - MIP & Perm	Santa Rosa	Family/Individual	11/1/2022	96	$	4,750,000.00
	Frishman Hollow II	Conduit - MIP & Perm	Truckee	Family/Individual	11/1/2022	68	$	4,388,000.00
	Valencia Pointe	Conduit - MIP	San Diego	Family/Individual	12/30/2022	102	$	4,040,000.00
						338	$	16,528,000.00
Mixed Income Program Transactions (Projected Closings) - FY 22-23:								
Q3 - 01/01/2023 - 03/31/2023								
	Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**		**MIP Loan**
	Brand Haven Senior Apartments	Conduit - MIP & Perm	Fresno	Senior	2/28/2023	180	$	4,500,000.00
	1717 S Street	Conduit - MIP	Sacramento	Family/Individual	3/1/2023	159	$	7,900,000.00
						339	$	12,400,000.00
Mixed Income Program Transactions (Projected Closings) - FY 22-23:								
Q4 - 04/01/2023 - 06/30/2023								
	Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**		**MIP Loan**
	Arden Way Apartments	Conduit - MIP & Perm	Sacramento	Family/Individual	4/6/2023	120	$	7,610,000.00
	Courtyards at Kimball	Conduit - MIP	National City	Family/Individual	5/1/2023	131	$	6,500,000.00
	Beacon Villa	Conduit - MIP & Perm	Pittsburg	Family/Individual	6/1/2023	54	$	6,350,000.00
	Glen Loma Ranch	Conduit - MIP	Gilroy	Family/Senior	6/1/2023	158	$	7,850,000.00
	Twin Oaks Senior Apartments	Conduit - MIP	Oakley	Senior	6/1/2023	130	$	5,160,000.00
	Antioch Senior & Family Apartments	Conduit - MIP	Antioch	Family/Senior	6/30/2023	394	$	6,000,000.00
						987	$	39,470,000.00

Total Mixed Income Loan Conversions Closed: $0

FY 2022-23 Mixed Income Program Loan Commitments as of September 30, 2022

Mixed Income Program (Commitments) - FY 22-23:							
Q1 - 07/01/2022 - 09/30/2022							
	Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**	**MIP Loan**
1	Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	Family/Individual	7/8/2022	115	$ 4,600,000.00
						115	$ 4,600,000.00

Mixed Income Program (Commitments) - FY 22-23:							
Q2 - 10/01/2022 - 12/31/2022							
	Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**	**MIP Loan**
	Anton Power Inn Apartments	Conduit - MIP & Perm	Sacramento	Family/Individual	10/14/2022	194	$ 8,000,000.00
	Serra Apartments	Conduit - MIP & Perm	Fremont	Family/Individual	11/1/2022	179	$ 10,173,471.00
	Sarah's Court Apartments	Conduit - MIP & Perm	Fresno	Family/Individual	11/1/2022	120	$ 3,450,000.00
	Mirasol Village Block D	Conduit - MIP & Perm	Sacramento	Family/Individual	11/15/2022	116	$ 5,800,000.00
	California Grand Manor	Conduit - MIP & Perm	Ataascadero	Senior	11/15/2022	76	$ 5,440,234.00
	8181 Allison	Conduit - MIP & Perm	La Mesa	Family/Individual	12/1/2022	147	$ 7,076,000.00
	Alves Lane Apartments	Conduit - MIP & Perm	Bay Point	Family/Individual	12/1/2022	100	$ 2,500,000.00
	Fiddyment Apartments	Conduit - MIP & Perm	Roseville	Family/Individual	12/1/2022	330	$ 8,000,000.00
	515 Pioneer	Conduit - MIP & Perm	Glendale	Family/Individual	12/1/2022	340	$ 5,000,000.00
	Shiloh Crossing	Conduit - MIP & Perm	Windsor	Family/Individual	12/1/2022	173	$ 15,442,362.00
	Mainline North	Conduit - MIP & Perm	Santa Clara	Family/Individual	12/1/2022	151	$ 4,025,000.00
	La Vista Residential	Conduit - MIP & Perm	Hayward	Family/Individual	12/12/2022	176	$ 8,270,000.00
						2,102	$ 83,177,067.00

Total Mixed Income Loan Commitments Closed: $4,600,000

Please visit https://www.calhfa.ca.gov/multifamily/mixedincome/approved/index.htm to see the complete list of approved MIP projects.

FY 2022-23 Special Needs Housing Program Loan Conversions as of September 30, 2022

Multifamily Special Needs Housing Program Transactions							
(Closed)							
	Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**	**SNHP Loan**
1	Post 310	SNHP/MHSA	San Diego	Family/Individual, Special Needs	8/5/2022	43	$ 1,500,000.00
						43	$ 1,500,000.00
Multifamily Special Needs Housing Program (Projected Closings) FY 22-23							
Q2 - 10/01/2022 - 12/31/2022							
	Project Name	**Underwriting Type**	**City**	**Project Type**	**Closing Date**	**Units**	**SNHP Loan**
	Whittier & Downey NW	SNHP/MHSA	Los Angeles	Family/Individual, Homeless, Special Needs	10/4/2022	42	$ 1,995,000.00
	McCadden Plaza Youth Housing	SNHP/MHSA	Los Angeles	Special Needs/ TAY	10/14/2022	26	$ 560,000.00
	Villages at Broadway	SNHP/MHSA	Fresno	Family/Individual, Special Needs	11/15/2022	26	$ 2,368,706.00
	Desert Haven	SNHP/MHSA	Victorville	Family/Individual, Homeless, Special Needs	11/15/2022	32	$ 2,173,669.00
	Rose Apartments	SNHP/MHSA	Venice	Family/Individual, Special Needs	11/15/2022	35	$ 3,307,101.00
	Villa St. Joseph	SNHP/MHSA	Orange	Senior, Special Needs	11/30/2022	50	$ 3,696,893.00
	FX Residence	SNHP/MHSA	Santa Ana	Family/Individual, Special Needs	12/1/2022	17	$ 2,047,253.00
	Huntington Square	SNHP/MHSA	Huntington Park	Special Needs/ TAY	12/1/2022	54	$ 2,000,000.00
	McCadden Campus Senior Housing	SNHP/MHSA	Los Angeles	Senior, Special Needs	12/31/2022	98	$ 1,000,000.00
	FLOR 401 Lofts	SNHP/MHSA	Los Angeles	Family/Individual, Homeless, Special Needs	12/31/2022	99	$ 500,000.00
	Liberty Lane	SNHP/MHSA	Redlands	Family/Individual, Special Needs	12/31/2022	80	$ 1,050,000.00
						559	$ 20,698,622.00

Total Special Needs Housing Program Loan Conversions Closed: $1,500,000

State of California

M E M O R A N D U M

To: Board of Directors **Date:** October 1, 2022

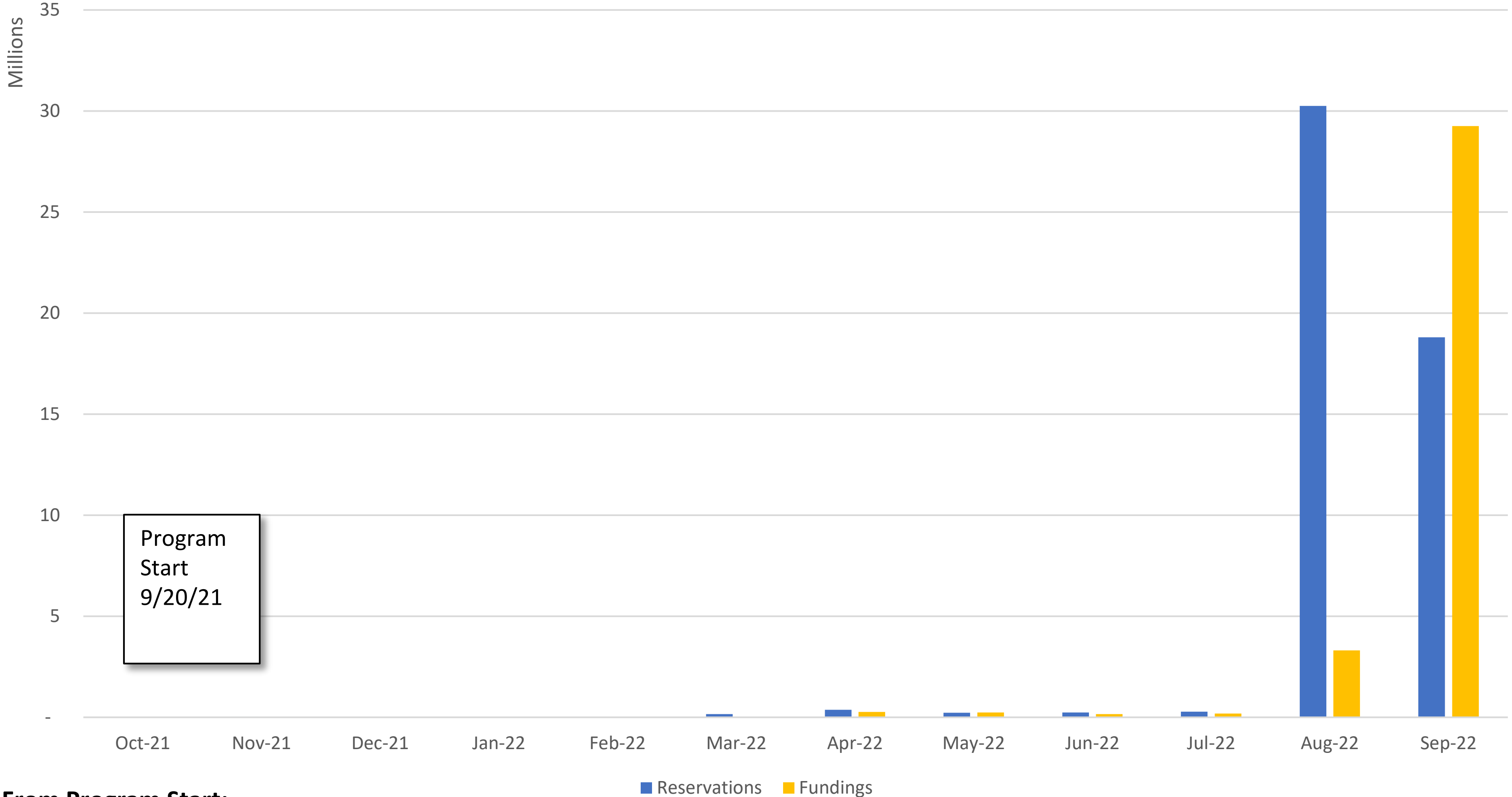
From: **CALIFORNIA HOUSING FINANCE AGENCY**

Subject: Single Family Loan Production Report (September 2022)

Highlights:

- Reservations Fiscal Year 2022-23: 2400+
- Securitization Fiscal Year 2022-23: 1400+ ($550Mn)
- About 1/3 of our production are from 3 counties:
  - San Bernardino
  - Kern
  - Sacramento

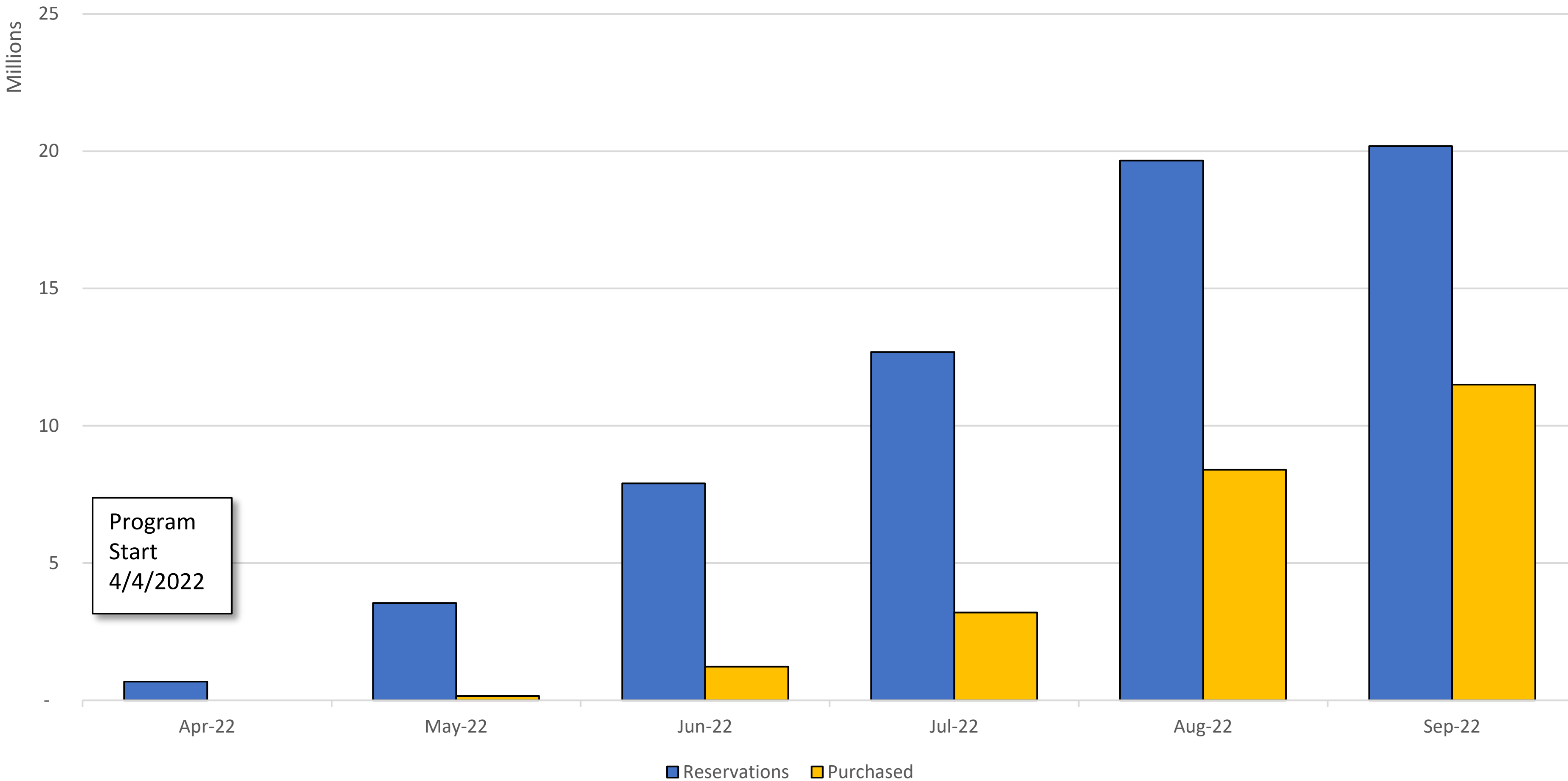
ADU Grant Program



From Program Start:

	Count	Amount
Reservations	1304	52,044,442
Fundings	955	38,139,569

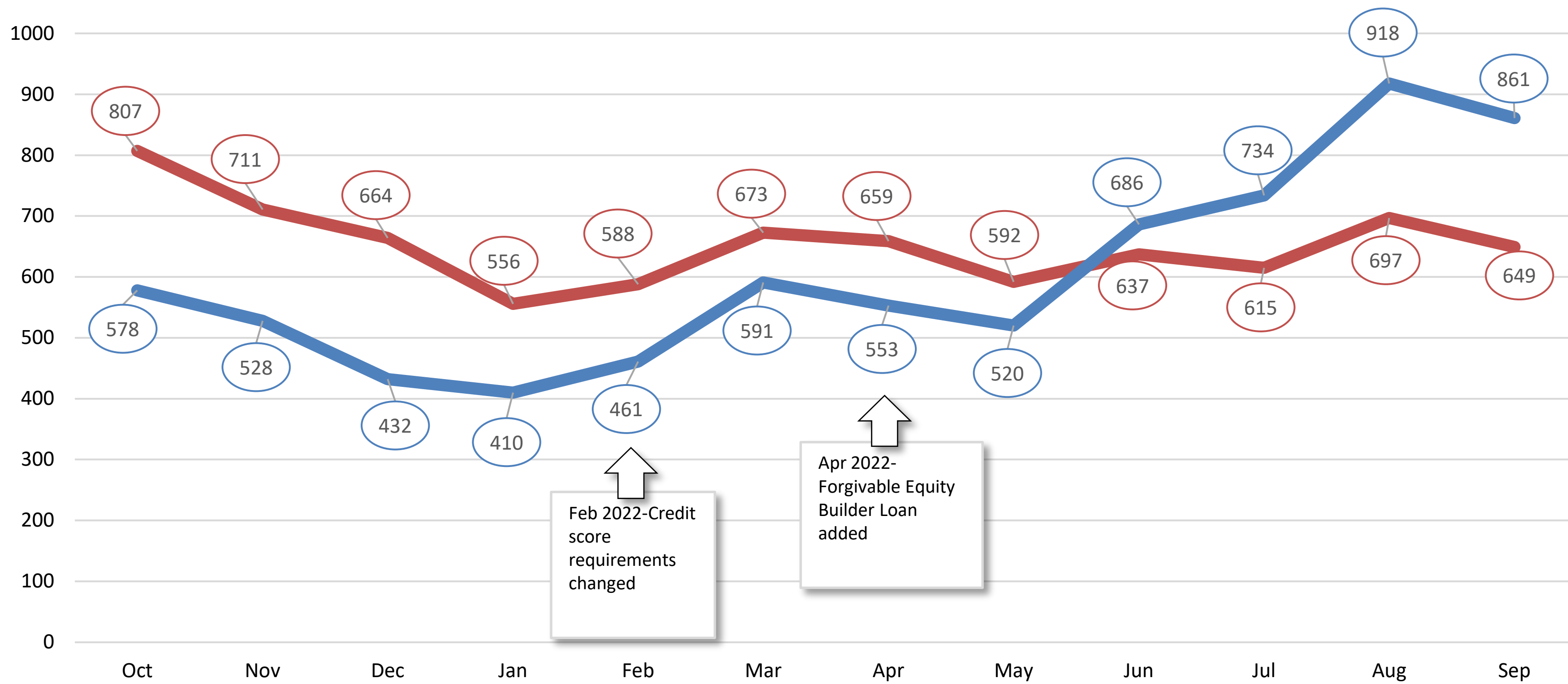
Forgivable Equity Builder Loan Program



From Program Start:

	Count	Amount
Reservations	1730	68,342,752
Purchased	800	31,464,259

TOTAL RESERVATIONS



FY 2022/23 Totals:		
Conventional	1254	51%
FHA	1216	49%
	2470	

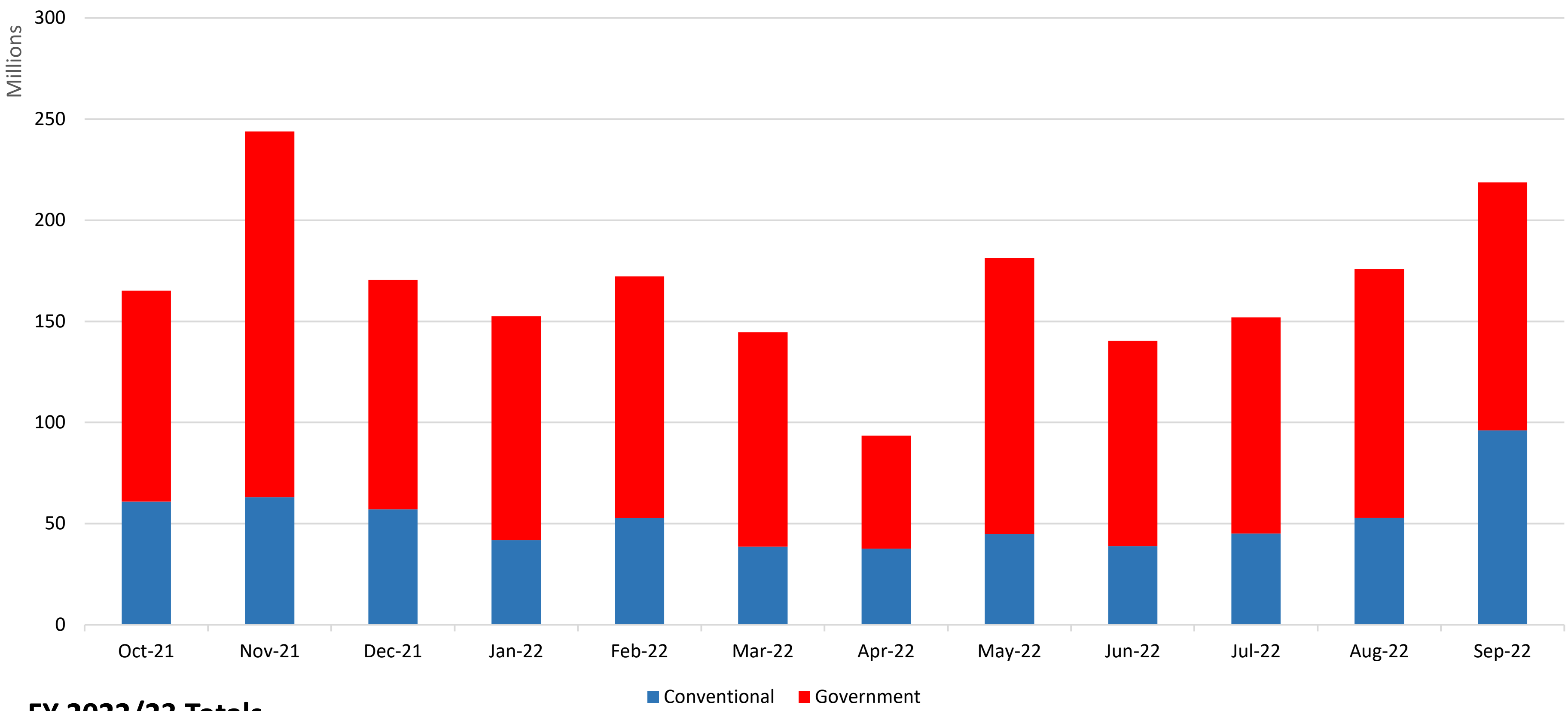
Totals:

October 2020 - September 2021 = 7848
October 2021 - September 2022 = 7272

1st Mtg. Reservations October 2020 - September 2021

1st Mtg. Reservations October 2021 - September 2022

October-2021 - September-2022 Securitized



FY 2022/23 Totals

Government (62%)		
FHA with ZIP	495	183,557,005
FHA no ZIP	426	163,932,385
VA	12	4,960,324
USDA	15	4,067,820
	948	356,517,534
Total	**1490**	**550,598,885**

Conventional (36%)		
Conventional with ZIP	50	19,870,341
Conventional no ZIP	117	49,598,555
LI/VLI Conventional with ZIP	3	688,610
LI/VLI Conventional no ZIP	372	123,923,845
	542	194,081,351

Where are our borrowers?