

CalHFA MULTIFAMILY PROGRAMS DIVISION
Final Commitment Staff Report & Request for Tax-Exempt and Taxable Conduit Issuance
and Loan Approval of Mixed Income Program Subsidy Financing
Senior Loan Committee "Approval": July 7, 2020 for Board Meeting on: September 10, 2020

Project Name, County:	Hayward Mission Family Apartments, Alameda County		
Address:	29497 Mission Blvd., Hayward, 94544		
CalHFA Project Number:	19-017-A/X		
Requested Financing by Loan Program:	\$37,200,000	Tax Exempt Bond – Conduit Issuance Amount (“T/E”)	
	\$12,000,000	Taxable Bond – Conduit Issuance Amount (“Taxable”)	
	\$5,000,000	Subsidy GAP Loan funded by MIP funds	

DEVELOPMENT/PROJECT TEAM

Developer:	Meta Housing Corporation	Borrower:	Hayward Mission Meta, L.P., a California limited partnership
Permanent Lender:	Citibank	Construction Lender:	Bank of America
Equity Investor:	Bank of America	Management Company:	WSH Management, Inc.
Contractor:	Vaquero Construction	Architect:	Dahlin Group, Inc.
Loan Officer:	Ruth Vakili	Loan Specialist:	Kevin Brown
Asset Manager:	Jessica Doan	Loan Administration:	Kevin Brown
Legal (Internal):	Paul Steinke	Legal (External):	N/A
Concept Meeting Date:	6/4/2020	Approval Expiration Date:	6 months from Approval

LOAN TERMS

1.		CONDUIT ISSUANCE (Tax-Exempt) B of A	CONDUIT ISSUANCE (Taxable) B of A	PERMANENT LOAN (T/E) Citi	PERMANENT LOAN (Taxable) Citi	MIP (GAP) LOAN
	Total Loan Amount	\$37,200,000	\$12,000,000	\$18,074,444	\$11,500,000	\$5,000,000
	Loan Term & Lien Position	30 months, interest only. One 6-month extension available. 1 st lien position during construction.		40 year amortization, 30-year term with lender’s option to require prepayment at the end of year 18. 1 st lien position during perm period.		Residual Receipts; 2 nd lien position, co-terminus with perm debt.
	Interest Rate (subject to change and locked 30 days prior to loan closing)	Tax-Exempt Index: Daily LIBOR + 240 bps Underwritten at 3.55% to include a 15 bps cushion	Taxable Index: Daily LIBOR + 240 bps Underwritten at 3.55% to include a 15 bps cushion	18-year LIBOR + 225 bps Underwritten at 3.40% to include a 25 bps cushion 30-month forward commitment with	10-yr Treasury + 260 bps Underwritten at 3.79% to include a 25 bps cushion 30-month forward commitment with	3% Simple Interest

			optional 6-month extension	optional 6-month extension	
Loan to Value (LTV)	Not to exceed 80% of restricted value		87% of value based on restricted rents		N/A
Loan to Cost	Not to exceed 80%		N/A		N/A

ANTICIPATED PROJECT MILESTONES & SCHEDULE

2.	CDLAC/TCAC Closing Deadline:	8/17/2020	Est. Construction Loan Closing:	7/31/2020
	Estimated Construction Start:	8/1/2020	Est. Construction Completion:	5/1/2022
	Estimated Stabilization and Conversion to Perm Loan(s): 7/31/2023			

SOURCES OF FUNDS

3.	Construction Period Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	Construction Loan- Bank of America (Tax-Exempt)	\$37,200,000	1	Interest Only
	Construction Loan- Bank of America (Taxable)	\$12,000,000	1	Interest Only
	Seller Carryback Note	\$130,851	N/A	Payable only from Borrower's Cash Flow
	Tax Credit Equity	\$12,920,030	N/A	N/A
	Total	\$62,250,881	\$444,649/unit	
	Permanent Financing			
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE
	Permanent Loan- Citi	\$29,574,444	1	Balloon - 40 due in 18
	CalHFA MIP Loan	\$5,000,000	2	Residual Receipt Loan
	*Seller Carryback Note	\$130,851	N/A	Payable only from Borrower's Cash Flow
	Tax Credit Equity	\$30,351,275	N/A	N/A
	Deferred Developer Fee	\$3,698,170	N/A	Payable from Cash Flow
	TOTAL DEVELOPMENT COST:	\$68,754,740	\$491,105/unit	
	Subsidy Efficiency: MIP loan \$5,000,000 (\$35,971 per MIP restricted unit).			
	Tax Credit Type(s), Amount(s), Pricing(s), and per restricted units:			
	<ul style="list-style-type: none"> 4% Federal Tax Credits: \$23,131,561 with equity pricing of \$0.965 (\$165,225 per TCAC restricted unit) as reflected in an investor LOI dated 6/15/2020. 4% State Tax Credits: \$9,899,010 with equity pricing of \$0.800 (\$70,707 per restricted TCAC unit) as reflected in an investor LOI dated 6/15/2020. 			
	Rental Subsidies: The Project will not include rental subsidies.			
	Other State Subsidies: The Project will not be funded by other state funds.			

	<p>Other Locality Subsidies: The Project will not be funded by locality funds.</p> <p>Cost Containment Strategy: Per a letter dated 6/23/2020, Meta “has implemented cost containment measures to minimize construction costs. These measures may include but are not limited to 1) competitively bidding out all major subcontractor and self-performing trades 2) obtain 3 bids for all major trades and 3) engage value engineer / consultant during the design process.”</p> <p>*Seller Carry Back Note is calculated as shown below. Information on the purchase transaction is in section 20. \$5,000,000 current appraisal -\$4,500,000 7/2019 purchase - \$30,000 extension fees - <u>\$339,149</u> carrying costs = \$130,851 seller carryback note.</p>
4.	Equity – Cash Out (estimate): Not Applicable

TRANSACTION SUMMARY

5.	Legislative Districts	Congress:	#15 Eric Swalwell	Assembly:	#20 Bill Quirk	State Senate:	#10 Bob Wieckowski
	Brief Project Description	<p>Hayward Mission Family Apartments (the “Project”) is the new construction of a five-story, two-elevator served family project of 140 units, with tuck-under and surface parking. The project will be 100% affordable to households earning less than 70% of Area Median Income (“AMI”). The Project will have a mix of one-, two-, and three-bedroom units ranging between 544 square feet and 1,051 square feet and will include 4,500 SF of retail and daycare space. Income from the retail space is not included in the underwriting.</p> <p>Financing Structure: The Project’s financing structure includes tax-exempt and taxable bonds, 4% federal and state tax credits, and MIP funds. The project qualifies as Mixed-Income through TCAC income averaging.</p> <p>Tax Credits and/or CDLAC Status: The developer applied for tax exempt bond and 4% federal and state tax credits and was awarded by TCAC/CDLAC on February 18, 2020.</p> <p>Amenities: Site amenities include community space, management offices, fitness and computer room, 2-central laundry rooms, covered parking, and a tot lot. Unit amenities will include central heating and air, a microwave, dishwasher, garbage disposal, and patios/balconies.</p> <p>Commercial Space: The Project will include 4,500 SF of commercial space, divided into 1,800 SF of to-be-leased retail space and 2,700 SF of childcare space for which a letter of interest has been received. No income or expenses from the commercial spaces are included in the underwriting.</p>					

TRANSACTION OVERVIEW

6.	Proposal and Project Strengths
<ul style="list-style-type: none"> • The Project received a reservation of 4% federal and state tax credits on February 18, 2020 which are collectively expected to generate approximately \$30,397,823 in equity representing 44.19% of total financing sources. • The developer/sponsor and property management company have extensive experience in developing similar affordable housing projects and/or have experience with CalHFA. • The locality has invested in the success of the Project as demonstrated by granting a density bonus in exchange for ensuring 25 units will be restricted under the City of Hayward’s Density Bonus and Affordable Housing Plan ordinances. • This mixed-income project will serve families between 30% and 70% AMI, including 66 of the total units (47.14%) restricted to tenants earning less than 30% to 60% of AMI. An additional 73 units (52.14%) will serve tenants earning up to 70% AMI, and there will be 1 manager’s unit. • There is a high demand for affordable housing in Hayward. Affordable projects in the market average 99% occupancy with waiting lists at all comparable properties. Restricted rents average 32% below market rents. The project is expected to reach stabilized occupancy in 7 months. • The commercial construction costs will be paid for by equity. • MIP funds equal \$35,971 per MIP-restricted unit. • The projected portion of the developer’s fee that will be collected at or prior to permanent loan conversion is \$2,900,000 (43.95% of total developer fee), which could be available to cover cost overruns and/or unforeseen issues during construction. • The developer is contributing a Seller Carryback Loan (\$130,851) and deferred developer fee (\$3,698,170) to the Project. • As noted in the Locality Contribution Letter, Meta previously built an affordable project in Hayward about which the City notes having “established an effective and professional working relationship with the developer.” • The exit analysis assumes a 7.25% cap rate and 3% increase of the underwriting interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of Citibank’s permanent loans Agency’s subsidy MIP loan in the estimated amount of \$5,240,409. 	
7.	Project Weaknesses with Mitigants:
<ul style="list-style-type: none"> • None. 	
8.	Underwriting Standards or Term Sheet Variations
<ul style="list-style-type: none"> • The MIP term sheet requires repayment of the MIP loan to be a pro rata share of 50% of net cash flow and 50% to the Developer. This would result in \$1,051,636 in developer fee unpaid by year 13, the date by which the investor requires full repayment of developer fee. The term sheet also allows for deferral of the MIP loan repayment for up to 15 years. Therefore, Multifamily Lending Division recommends 100% of net cash flow paid towards deferred developer fee until the deferred developer fee is paid off. Once either the deferred developer fee is paid off or year 15, whichever is soonest, net cash flow distribution will be split 50% to the Developer and 50% to the MIP loan. 	
9.	Project Specific Conditions of Approval
<p>Approval is conditioned upon:</p> <ul style="list-style-type: none"> • Documentation of the \$339,149 in project holding costs and \$30,000 in extension fees on the land cost. • CalHFA may require a copy of the construction and/or permanent lenders proforma evidencing consistent underwriting assumptions. • The Project must meet the readiness requirements within 180 days from TCAC/CDLAC allocation. • Closing on construction financing will be subject to final LPA being substantially consistent to the assumptions made at time of final commitment and that it is acceptable to CalHFA. • CalHFA will require the developer to provide a cost containment certification that is acceptable to the Agency. • Receipt of a certification acceptable to CalHFA from the engineer on record that project was built to current seismic code prior to permanent loan closing. 	

- Lender(s), equity investor, and borrower shall permit CalHFA to recycle all or a portion of Project’s tax-exempt bonds, as applicable.
- Borrower shall approve a participation agreement, if any, between the Permanent Lender and CalHFA in which the Permanent Lender and CalHFA shall participate in a portion of the permanent loan as determined between CalHFA and the Permanent Lender.
- CalHFA requires that MIP affordability covenants be recorded in first position, unless otherwise approved by Agency.
- The CalHFA subsidy will be, in the Agency’s sole discretion, the lesser of 1) the principal amount as state on hereto or 2) a amount as determined by the Agency in the event the financial assumptions change prior to construction loan closing and/or permanent loan closing. For instance, if the permanent loan interest rate decreased, then the subsidy may be reduced due to additional debt generated by the lower interest rate. The debt service coverage ratio (“DSCR”) shall be a maximum of 1.20. An increase of the subsidy loan will not be allowed and will be subject to Agency’s .
- The City of Hayward will waive certain fees in exchange for restricting a portion of the Project to low income tenants. The City is requiring the Borrower to encumber the Property by recording a Density Bonus Agreement. Prior to construction loan closing, the Density Bonus Agreement is subject to CalHFA review and approval in accordance with Agency underwriting standards.
- Repayment of the Seller Carryback Note will come from the developer’s 50% split commencing at the earlier of repayment of the deferred developer fee or year 15, whichever is earlier.

10. Staff Conclusion/Recommendation:

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

MISSION & AFFORDABILITY

11. CalHFA Mission/Goals

This Project and financing proposal will create 139 new units of much needed rental housing with a range of restricted rents between 30% and 70% of AMI that will remain affordable for 55 years.

12. CalHFA Affordability & Occupancy Restrictions

- The CalHFA Bond Regulatory Agreement will restrict 40% of the units to 60% of AMI, including a minimum of 26 units to be restricted at 50% of AMI for a 55-year term.
- The MIP program will restrict 10% of the units (14 units) to 50% AMI, 20% of the units (28 units) between 60% to 80% of AMI, and the balance of the units (97 units) at or below 120% AMI for 55 years.
- The TCAC Regulatory Agreement will restrict 26 units at 30% AMI, 49 units at 60% AMI, and 64 units at 70% AMI for a term of 55 years.

In addition, the Project will be restricted by the following jurisdictions as described below:

- The City of Hayward will waive certain fees in exchange for restricting 4 units at 50% AMI and 21 units at 60% AMI, for a total of 25 units at or below 60% of AMI for a term of 30 years.

Rent Limit Summary Table					
Restrictions @ AMI	Total	1-bdrm	2-bdrm	3-bdrm	% of Total
30%	29	16	8	5	20.71%
60%	37	13	13	11	26.43%
70%	73	14	33	26	52.14%
Manager's Unit	1		1		0.7%
Total	140	43	55	42	100.0%

- The Locality Density Bonus/Conditional Use Permit imposes land use restrictions that restrict occupancy on 25 of the units (17.86%) to households earning less than 60% of AMI for 30 years.

NUMBER OF UNITS AND AMI RENTS RESTRICTED BY EACH AGENCY								
Regulatory Source (Type in Lender Names)	Lien Priority if Recorded Document	Term of Agrmt (years)	Number of Units Restricted For Each AMI Category					
			(enter various AMI%'s in each columns yellow field, then show the number of regulated units for each AMI, by Source)					
			30%	50%	60%	70%	80%	<=120%
CalHFA Bond	3rd	55		14	42			
CalHFA MIP *	2nd	55		14			28	97
TCAC		55	26		49	64		
City of Hayward	1st	30		4	21			

*Note: For MIP purposes, 10% (14 units) will be restricted at or below 50% of AMI, 20% (28 units) will be restricted between 60% to 80% of AMI, and the remaining 97 restricted units will be restricted at or below 120% of AMI. The rents for the 60% to 80% tranche will be determined by the minimum income restriction of 70% of AMI.

13. Geocoder Information

Central City:	No	Underserved:	No
Low/Mod Census Tract:	Moderate	Below Poverty line:	21.44%
Minority Census Tract:	81.75%	Rural Area:	No
TCAC Opportunity Area:	Low Resource		

FINANCIAL ANALYSIS SUMMARY

14. Capitalized Reserves:	
Replacement Reserves (RR):	N/A
Operating Expense Reserve (OER):	\$618,019 to be held by 1 st lien lender or investor. OER amount is size based on 3 months of operating expenses, debt service, and annual replacement reserves deposits.
Transitional Operating Reserve:	N/A

15. Cash Flow Analysis			
1 st Year DSCR:	1.15	Project-Based Subsidy Term:	N/A
End Year DSCR:	1.65	Annual Replacement Reserve Per Unit:	\$300/unit
Residential Vacancy Rate:	5%	Rental Income Inflation Rate:	2.50%
Subsidy Vacancy Rate:	N/A	Subsidy Income Inflation Rate:	N/A
Non-residential Vacancy Rate:	5% (Other Income) 100% (Commercial Income)	Project Expenses Inflation Rate:	3.50%
		Property Tax Inflation Rate:	1.25%

- A market study dated 11/14/2019 found a LIHTC vacancy rate of 1.00% with an overall market vacancy rate of 2.10%. The appraisal dated 6/9/2020 found a similar 0%-1% vacancy rate among affordable comps, with a 4.58% overall market vacancy rate. The project has been underwritten with a 5.00% vacancy rate on the restricted units.

16. Loan Security

- The CalHFA loan(s) will be secured against the fee interest of the above described Project site.

17.	Balloon Exit Analysis	Applicable: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> The exit analysis assumes a 7.25% cap rate and 3% increase of the underwriting interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of Citibank's permanent loans Agency's subsidy MIP loan in the estimated amount of \$5,240,409. 		

APPRAISAL AND MARKET ANALYSIS

18.	Appraisal Review	
<ul style="list-style-type: none"> The appraisal dated 6/9/2020 prepared by BBG, Inc. values the land at \$5,000,000; this is \$500K in excess of the last recorded arms' length sale in July 2019. A capitalization rate of 5.25% and projected \$1,788,483 of stabilized net operating income were used to determine the appraised value of the subject site. The as-restricted stabilized value is \$34,000,000, resulting in a permanent loan to value of 87% and total loan to value of 102%. The appraisal estimates absorption in 4 months, assuming pre-leasing, or within 7 months in the absence of pre-leasing. The proposed operating expense is consistent and reasonable based on the appraisal report. 		
	Market Study: Novogradac Consulting LLP	Dated: 11/14/2019
	<p><u>Regional Market Overview</u></p> <ul style="list-style-type: none"> The Primary Market Area (PMA) is a portion of the city of Hayward (population of 241,177) and the Secondary Market Area (SMA) is the San Francisco-Oakland-Hayward Metropolitan Statistical Area (MSA), with a population of 4,687,360. The general population in the PMA is anticipated to increase by 1.0% per year. Unemployment in the MSA is 2.7%, which evidences a strong employment area. Median home value in the PMA is \$655,900. 	
	<p><u>Local Market Area Analysis Supply:</u></p> <ul style="list-style-type: none"> There are currently 30 affordable family project(s) in the PMA and they are 97%-100% occupied and maintain waiting lists. There are 8 affordable project(s) being proposed or currently under construction. 	
	<p><u>Demand/Absorption:</u></p> <ul style="list-style-type: none"> The project will need to capture 4.1% of the total demand for family units in the PMA. The affordable units are anticipated to lease up at a rate of 21 units per month and reach stabilized occupancy within 7 months of opening. 	

DEVELOPMENT SUMMARY

19.	Site Description	Requires Flood Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> The property is located on the West side of Mission Boulevard, in the City of Hayward, Alameda County. The site is currently vacant, with level topography at street grade, measuring approximately 2.20 acres and is generally square in shape. The site consists of 4 adjacent parcels that will be merged prior to start of construction. The site is zoned S-T5 (Urban Center Zone) which allows a variety of uses including multifamily uses and a density of 35-55 units per acre. On October 10, 2019, the City of Hayward approved the developer's Site Plan Review and Density Bonus Application, authorizing construction of 140 units of multifamily residential housing, a 2,700 SF daycare center, and an 1,800 SF commercial retail space The subject is located in Flood Zone X (area of minimum flood hazard). Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood, therefore the Project will not be subject to flood insurance. 		
20.	Form of Site Control & Expiration Date	
<p>The site was purchased from California Food Managers, LLC by Mission Boulevard Hayward, LLC in July 2019 for \$4,500,000. The site was then sold to the developer in August 2019 for \$5,350,000, in a non-arms-length transaction. The developer's proforma</p>		

projection uses a land value of \$5,380,000, while CalHFA's appraisal (dated 6/9/2020) concludes to a supportable land value of \$5.0M. Per CalHFA policy, the permissible land cost is tied to the most recent arms' length transaction of the land, equal in this case to \$4.5M per a purchase agreement dated 07/2019, plus certain holding costs, which must be documented. CalHFA policy further notes that a higher value, if supported may be used but the difference must be funded by a Seller Carryback Note payable solely from the Sponsor's share of cash flow (i.e. not treated as a pro-rata subordinate loan). This treatment has been used in this project, resulting in the Seller Carryback Note of \$130,851, which amount is equal to the \$5.0M appraisal-supported valuation less the sum of the arms' length purchase price plus documented holding costs of \$339,149. As noted, a purchase contract dated 8/30/2019 exists between Hayward Mission Meta, LLC (the Administrative GP and single-purpose entity of the developer) and Hayward Mission Meta, L.P. (the project partnership).

21.	Current Ownership Entity of Record
Per a title report dated 8/16/2019, title is currently vested in Hayward Mission Meta, LLC, a California limited liability company as the fee simple owner.	
22.	Environmental Review Findings
<ul style="list-style-type: none"> A Phase I Environmental Site Assessment performed by Partner Engineering and Science, Inc., dated 5/26/2020 revealed no evidence of recognized environmental conditions, and no additional investigation was recommended. 	
23.	Seismic Requires Earthquake Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> According to a third-party seismic report by Professional Associates CONSTRUCTION SERVICES, Inc., dated 6/16/2020, the Probable Maximum Loss (PML) scenario expected loss is 19.27% within a 475-year period, which meets the Agency's earthquake insurance waiver requirement threshold of 20%. This new Project will be built to State and City of Hayward building codes so no seismic review is required. 	
24.	Relocation Requires Relocation: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> Not Applicable
<ul style="list-style-type: none"> The Project is new construction and the land is vacant, so relocation is not applicable. 	

PROJECT DETAILS

25.	Residential Areas:												
	<table border="1"> <tr> <td>Residential Square Footage:</td> <td>111,809</td> <td>Residential Units per Acre:</td> <td>63.64</td> </tr> <tr> <td>Community Area Sq. Ftg:</td> <td>9,216</td> <td>Total Parking Spaces:</td> <td>91</td> </tr> <tr> <td>Supportive Service Areas:</td> <td>N/A</td> <td>Total Building Sq. Footage:</td> <td>127,305</td> </tr> </table>	Residential Square Footage:	111,809	Residential Units per Acre:	63.64	Community Area Sq. Ftg:	9,216	Total Parking Spaces:	91	Supportive Service Areas:	N/A	Total Building Sq. Footage:	127,305
Residential Square Footage:	111,809	Residential Units per Acre:	63.64										
Community Area Sq. Ftg:	9,216	Total Parking Spaces:	91										
Supportive Service Areas:	N/A	Total Building Sq. Footage:	127,305										
26.	Mixed-Use Project: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No												
	<table border="1"> <tr> <td>Non-Residential Sq. Footage:</td> <td>15,499</td> <td>Number of Lease Spaces:</td> <td>2</td> </tr> <tr> <td>Master Lease:</td> <td>No</td> <td>Number of Parking Spaces:</td> <td>10</td> </tr> </table>	Non-Residential Sq. Footage:	15,499	Number of Lease Spaces:	2	Master Lease:	No	Number of Parking Spaces:	10				
Non-Residential Sq. Footage:	15,499	Number of Lease Spaces:	2										
Master Lease:	No	Number of Parking Spaces:	10										
27.	Construction Type: Construction type III, concrete foundation with a wood frame and stucco exterior walls, with tuck-under and surface parking. Single U-shaped building around a central courtyard. One elevator. Flat roof with solar panels.												
28.	Construction/Rehab Scope Requires Demolition: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No												
<ul style="list-style-type: none"> The subject site is new construction. The Contractor is not an affiliate of the Borrower entity. While a GC contract has not been provided, the developer's proforma indicates \$1.49M of contractor overhead and profit and an additional \$1.33M for general requirements, totaling \$2.82M (7.20%) of the total \$39.17M construction costs. The locality requires certain offsite improvements that include installation of new sidewalk, curbs, and gutters in front of the property along Mission Blvd and sewer and water connections. The developer proforma includes \$150K towards these offsite improvements. 													

- There will be 4,503 SF of retail space, divided into two commercial suites. For the 1,800 SF retail space, the developer has engaged a broker to assist in identifying a tenant. For the 2,700 SF childcare space, the developer has received a letter of interest from Li'l Angels Centers, LLC. No commercial rent is assumed or relied upon for CalHFA's project underwriting.

29. Construction Budget Comments:

- CalHFA will require an independent review of the costs by a 3rd Party consultant prior to construction loan closing.

ADDITIONAL DEVELOPMENT/ PROJECT TEAM INFORMATION

30. Borrower Affiliated Entities

- Managing General Partner: FFAH V Hayward Mission, LLC, a single-purpose entity
 - Sole Member: Foundation for Affordable Housing V, Inc., a 501(c)(3) non-profit organization (FFAH)
- Administrative General Partner: Hayward Mission Meta, LLC, a single-purpose entity
 - Sole Member: JMH Investments, LLC
 - Sole Member: John M. Huskey, CEO/Chairman of Meta Housing Corporation, the project Developer
- The General Partners will collectively hold 0.01% ownership of the project.
- Investor Limited Partner: Bank of America, N.A. and, or its affiliates: 99.99% ownership
- Special Limited Partner: a to-be-named affiliate of the Investor: 0.00% ownership

31. Developer/Sponsor

- Meta Housing Corporation is a California S-Corporation wholly owned by John M. Huskey. Meta has 76 additional housing projects completed or under construction, including 12 completed projects in CalHFA's portfolio. Prior projects include over 6,000 units of senior or family housing. While it is unknown what substantive financial changes may have occurred more recently, according to audited financial statements dated 12/31/2016 the Company's assets greatly exceeded its liabilities, both with respect to current and total assets versus liabilities. In addition, while the Company had provided roughly \$462M in project-level guarantees and other contingent liabilities, the auditors noted Management's belief of no material exposure under these guarantees and concluded to no provision for such liabilities. Meta Housing Corporation is named as the sole project Guarantor per the Investor LOI.
- FFAH is a 501(c)(3) nonprofit focused on creating affordable housing. FFAH has been involved in the creation and/or management of 18,945 units nationally including 16,838 LIHTC units. They have been involved in 127 projects in California. While financial statements were not provided for FFAH, it is not named as a Guarantor in the Investor LOI.

32. Management Agent

The Project will be managed by WSH Management, Inc., which has been in operation for 18 years and has completed lease-up of 32 LIHTC properties. WSH currently has 3,311 units under management, including 2,970 LIHTC units. They currently manage properties in cities throughout California, including Hayward. WSH currently manages five projects in CalHFA's portfolio and CalHFA's asset management affirms that have not had any issues with their management of the project.

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

- Onsite services will be provided by the Embrace Foundation and will consist of 60 hours/year of adult education, health, skill building classes as well as 10 hours/week of after-school programming. Service cost is paid from \$26,000 out of the operating budget (cash flow).
- These social services are required per CDLAC.

34. Contractor Experienced with CalHFA? Yes No

The general contractor is Vaquero Construction, Inc., which has extensive experience in constructing similar affordable housing projects in California and is familiar with CalHFA. Vaquero was founded in 2014 by three members of the former South County Housing Corporation. Vaquero has completed projects with affordable partners including Eden Housing, MidPen Housing, EAH Housing, and Domus Development. In May 2019 they completed The Cannery project with Meta Housing.

35.	Architect	Experienced with CalHFA? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
The architect is Dahlin Group, which has extensive experience in designing and managing similar affordable housing projects in California, including the recent Cannery project with Meta Housing. The architect is experienced in navigating Locality building permit processes and has designed several projects financed by CalHFA.		
36.	Local Review via Locality Contribution Letter	
The locality, the City of Hayward, returned the local contribution letter on 9/17/2019 stating they support the project.		

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

PROJECT SUMMARY

Final Commitment

Acquisition, Rehab, Construction & Permanent Loans

Project Number 19-017-A/X

Project Full Name	Hayward Mission Family Apartments	Borrower Name:	Hayward Mission Meta, L.P., a California
Project Address	29497, 29505, 29547, 29553 Mission Blvd	Managing GP:	FFAH V Hayward Mission, LLC, a California
Project City	Hayward Mission Family Apartments	Developer Name:	Meta Housing Corporation
Project County	Alameda	Investor Name:	Bank of America, N.A.
Project Zip Code	94544	Prop Management:	WSH Management Inc
		Tax Credits:	4
Project Type:	Mixed Income Loan Only (Conduit Perm Loan)	Total Land Area (acres):	2.20
Tenancy/Occupancy:	Individuals/Families	Residential Square Footage:	111,809
Total Residential Units:	140	Residential Units Per Acre:	63.64
Total Number of Buildings:	1	Covered Parking Spaces:	40
Number of Stories:	5	Total Parking Spaces:	91
Unit Style:	Flat		
Elevators:	2		

Acq/Construction/Rehab Financing	Loan Amount (\$)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
BofA-Construction Loan-T/E	37,200,000	0.750%	30	--	3.550%
BofA-Construction Loan-Tax	12,000,000	0.750%	30	--	3.550%
--	--	--	--	--	--
--	--	--	--	--	--
Seller Carryback Note	130,851	--	--	--	--
--	--	--	--	--	--
Investor Equity Contribution	12,920,030	--	--	--	--

Permanent Financing	Loan Amount (\$)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
--	--	--	--	--	--
MIP	5,000,000	1.000%	18	--	3.000%
--	--	--	--	--	--
--	--	--	--	--	--
Conduit 1st Lien Loan-Citi	29,574,444	1.000%	18	40	3.400%
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
Deferred Developer Fees	3,698,170	NA	NA	NA	NA
Seller Carryback Note	130,851	NA	NA	NA	NA
Investor Equity Contributions	30,351,275	NA	NA	NA	NA

Appraised Values Upon Completion of Rehab/Construction			
Appraisal Date:	6/9/20	Capitalization Rate:	5.25%
Investment Value (\$)	63,600,000	Restricted Value (\$)	34,000,000
Construct/Rehab LTC	72%	Permanent Loan to Cost	43%
Construct/Rehab LTV	77%	Permanent Loan to Value	87%
		Combined CalHFA & Perm Loan to Value	102%

Additional Loan Terms, Conditions & Comments			
Construction/Rehab Loan			
Payment/Performance Bond		Required	
Completion Guarantee Letter of Credit		Waived	
Permanent Loan			
Operating Expense Reserve Deposit	\$609,882	Cash	
Initial Replacement Reserve Deposit	\$0	Cash	
Annual Replacement Reserve Per Unit	\$300	Cash	

Date Prepared: 6/30/20 Senior Staff Date: 7/7/20

UNIT MIX AND RENT SUMMARY
Hayward Mission Family Apartments

Final Commitment
Project Number 19-017-A/X

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	544	43	64.5
Flat	2	1	805	55	165
Flat	3	2	1,051	42	189
Flat	-	-	-	-	0
-	-	-	-	-	0
-	-	-	-	-	0
				140	418.5

NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY							
Agency	Number of Units Restricted For Each AMI Category						
	30%	40%	50%	60%	80%	120%	Market
CalHFA Bond/RiskShare	0	0	14	42	0	0	
CalHFA MIP	0	0	14	0	28	97	
Tax Credit	26	0	0	49	64	0	
(Density Bonus & Affordabl	0	0	4	21	0	0	
-							
-							
-							

COMPARISON OF AVERAGE MONTHLY RESTRICTED RENTS TO AVERAGE MARKET RENTS							
Unit Type	Restricting Agency	% of Area Median Income	Average Restricted Rents		Average Market Rents	Average Monthly Savings	% of Market Rents
			Number of Units	Unit Rent			
Studios	CTCAC	30%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	70%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	HCD	100%	-	-	-	-	-
	CTCAC	120%	-	-	-	-	-
1 Bedroom	CTCAC	30%	16	\$671	\$1,950	\$1,279	34%
	CTCAC	60%	13	\$1,405		\$545	72%
	CTCAC	70%	14	\$1,649		\$301	85%
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
2 Bedrooms	CTCAC	30%	8	\$796	\$2,400	\$1,604	33%
	CTCAC	60%	13	\$1,677		\$723	70%
	CTCAC	70%	33	\$1,970		\$430	82%
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	80%	-	-		-	-
3 Bedrooms	CTCAC	30%	5	\$909	\$3,000	\$2,091	30%
	CTCAC	60%	11	\$1,926		\$1,074	64%
	CTCAC	70%	26	\$2,265		\$735	76%
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
4 Bedrooms	CTCAC	30%	-	-	-	-	-
	CTCAC	60%	-	-		-	-
	CTCAC	70%	-	-		-	-
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
5 Bedrooms	CTCAC	30%	-	-	-	-	-
	CTCAC	60%	-	-		-	-
	CTCAC	70%	-	-		-	-
	CTCAC	80%	-	-		-	-
	HCD	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
CTCAC	80%	-	-		-	-	

Date Prepared: 6/30/20

Senior Staff Date: 7/7/20

SOURCES & USES OF FUNDS			Final Commitment		
Hayward Mission Family Apartments			Project Number 19-017-A/X		
SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
BofA-Construction Loan-T/E	37,200,000				0.0%
BofA-Construction Loan-Tax	12,000,000				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Seller Carryback Note	130,851				0.0%
-	-				0.0%
-	-				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	-				0.0%
Developer Equity Contribution	-				0.0%
Investor Equity Contribution	12,920,030				0.0%
-	-				0.0%
MIP		5,000,000	5,000,000	35,714	7.3%
-	-				0.0%
-	-				0.0%
Conduit 1st Lien Loan-Citi		29,574,444	29,574,444	211,246	43.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Refund(?)					0.0%
Seller Carryback Note		130,851	130,851	935	0.2%
-	-				0.0%
Construct/Rehab Net Oper. Inc.					0.0%
Deferred Developer Fees		3,698,170	3,698,170	26,416	5.4%
Developer Equity Contribution					0.0%
Investor Equity Contributions		30,351,275	30,351,275	216,795	44.1%
TOTAL SOURCES OF FUNDS	62,250,881	68,754,740	68,754,740	491,105	100.0%
TOTAL USES OF FUNDS (BELOW)	62,250,881	68,754,740	68,754,740	491,105	100.0%
FUNDING SURPLUS (DEFICIT)	(0)	-	(0)		

USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		62,250,881			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	4,660,851	-	4,660,851	33,292	6.8%
Demolition Costs	-	-	-	-	0.0%
Legal & Other Closing Costs	5,709	-	5,709	41	0.0%
Escrow & other closing costs	-	-	-	-	0.0%
Verifiable Carrying Costs	339,149	-	339,149	2,422	0.5%
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	5,005,709	-	5,005,709	35,755	7.3%
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	150,000	-	150,000	1,071	0.2%
Environmental Remediation (Hard Costs)	-	-	-	-	0.0%
Site Work (Hard Cost)	2,593,390	-	2,593,390	18,524	3.8%
Structures (Hard Cost)	33,186,381	-	33,186,381	237,046	48.3%
General Requirements	1,330,000	-	1,330,000	9,500	1.9%
Contractor Overhead	745,196	-	745,196	5,323	1.1%
Contractor Profit	745,196	-	745,196	5,323	1.1%
Contractor Bond	-	-	-	-	0.0%
Contractor Liability Insurance	426,252	-	426,252	3,045	0.6%
Personal Property	-	-	-	-	0.0%
HVAC/Resident Damage	-	-	-	-	0.0%
TOTAL CONSTRUCT/REHAB COSTS	39,176,415	-	39,176,415	279,832	57.0%

SOURCES & USES OF FUNDS			Final Commitment		
Hayward Mission Family Apartments			Project Number 19-017-A/X		
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	775,398	-	775,398	5,539	1.1%
Supervision	216,500	-	216,500	1,546	0.3%
TOTAL ARCHITECTURAL FEES	991,898	-	991,898	7,085	1.4%
SURVEY & ENGINEERING FEES					
Engineering	722,874	-	722,874	5,163	1.1%
Supervision	347,185	-	347,185	2,480	0.5%
ALTA Land Survey	102,653	-	102,653	733	0.1%
TOTAL SURVEY & ENGINEERING FEES	1,172,712	-	1,172,712	8,377	1.7%
CONTINGENCY RESERVES					
Hard Cost Contingency Reserve	1,892,821	-	1,892,821	13,520	2.8%
Soft Cost Contingency Reserve	721,349	-	721,349	5,152	1.0%
TOTAL CONTINGENCY RESERVES	2,614,170	-	2,614,170	18,673	3.8%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
BofA-Construction Loan-T/E	2,815,109	-	2,815,109	20,108	4.1%
Seller Note Interest	83,347	-	83,347	595	0.1%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees					
BofA-Construction Loan-T/E	279,000	-	279,000	1,993	0.4%
BofA-Construction Loan-Tax	90,000	-	90,000	643	0.1%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating Inc	-	-	-	-	0.0%
Credit Enhancement & Application Fees	85,200	-	85,200	609	0.1%
Owner Paid Bonds/Insurance	-	-	-	-	0.0%
CalHFA Inspection Fees	6,000	-	6,000	43	0.0%
Real Estate Taxes During Rehab	233,725	-	233,725	1,669	0.3%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Prevail	-	-	-	-	0.0%
Insurance During Rehab	1,164,000	-	1,164,000	8,314	1.7%
Title & Recording Fees	60,000	-	60,000	429	0.1%
Construction Management & Testing	287,371	-	287,371	2,053	0.4%
Predevelopment Interest Expense	329,524	-	329,524	2,354	0.5%
Bond Issuer Fee	69,200	-	69,200	494	0.1%
Other (Misc. Cost of Issuance)	161,825	-	161,825	1,156	0.2%
TOTAL CONST/REHAB PERIOD COSTS	5,664,301	-	5,664,301	40,459	8.2%

SOURCES & USES OF FUNDS			Final Commitment		
Hayward Mission Family Apartments			Project Number 19-017-A/X		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>PERMANENT LOAN COSTS</u>					
Loan Fees					
CalHFA Application Fee	-	-	-	-	0.0%
MIP	25,000	25,000	50,000	357	0.1%
Conduit 1st Lien Loan-Citi	-	295,744	295,744	2,112	0.4%
Credit Enhancement & Application Fees	-	42,500	42,500	304	0.1%
Title & Recording (closing costs)	-	25,000	25,000	179	0.0%
Year 1 - Taxes & Special Assessments and Insurance	-	-	-	-	0.0%
CalHFA Fees	-	10,445	10,445	75	0.0%
Tax Exempt Bond Allocation Fee	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL PERMANENT LOAN COSTS	25,000	398,689	423,689	3,026	0.6%
<u>LEGAL FEES</u>					
CalHFA Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
Other Construction/Rehab Loan Legal Fees	130,000	-	130,000	929	0.2%
CalHFA Permanent Loan Legal Fees	-	15,000	15,000	107	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	133,500	75,000	208,500	1,489	0.3%
CalHFA Bond Counsel	-	62,000	62,000	443	0.1%
TOTAL LEGAL FEES	263,500	152,000	415,500	2,968	0.6%
<u>OPERATING RESERVES</u>					
Operating Expense Reserve Deposit	609,882	-	609,882	4,356	0.9%
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	609,882	-	609,882	4,356	0.9%
<u>REPORTS & STUDIES</u>					
Appraisal Fee	8,300	-	8,300	59	0.0%
Market Study Fee	18,950	-	18,950	135	0.0%
Physical Needs Assessment Fee	-	-	-	-	0.0%
Environmental Site Assessment Reports	26,601	-	26,601	190	0.0%
HUD Risk Share Environmental / NEPA Review Fee	-	-	-	-	0.0%
CalHFA Earthquake Waiver Review Fee	-	-	-	-	0.0%
Relocation Consultant	-	-	-	-	0.0%
Soils Reports	-	-	-	-	0.0%
Acoustical Reports	-	-	-	-	0.0%
Termite/Dry Rot	-	-	-	-	0.0%
Consultant/Processing Agent	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL REPORTS & STUDIES	53,851	-	53,851	385	0.1%

SOURCES & USES OF FUNDS			Final Commitment		
Hayward Mission Family Apartments			Project Number		19-017-A/X
USES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT USES OF FUNDS		
	\$	\$	USES (\$)	PER UNIT (\$)	%
<u>OTHER COSTS</u>					
TCAC Application, Allocation & Monitor Fees	224,407	-	224,407	1,603	0.3%
CDLAC Fees	17,220	-	17,220	123	0.0%
Local Permits & Fees	772,724	-	772,724	5,519	1.1%
Local Impact Fees	3,507,492	-	3,507,492	25,054	5.1%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	858,200	-	858,200	6,130	1.2%
Accounting & Audits	70,000	-	70,000	500	0.1%
Advertising & Marketing Expenses	163,000	-	163,000	1,164	0.2%
Financial Consulting	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
HUD Risk Share Insurance (First Year Prepaid)	-	-	-	-	0.0%
Other (Utilities)	350,000	-	350,000	2,500	0.5%
Other (Deposits, Misc.)	65,400	-	65,400	467	0.1%
TOTAL OTHER COSTS	6,028,443	-	6,028,443	43,060	8.8%
SUBTOTAL PROJECT COSTS					
	61,605,881	62,801,570	62,156,570	443,976	90.4%
<u>DEVELOPER FEES & COSTS</u>					
Developer Fees, Overhead & Profit	645,000	5,953,170	6,598,170	47,130	9.6%
Consultant Processing Agent	-	-	-	-	0.0%
Project Administration	-	-	-	-	0.0%
Syndicator Consultant Fees	-	-	-	-	0.0%
Guarantee Fees	-	-	-	-	0.0%
Construction Oversight & Management	-	-	-	-	0.0%
Other Administration Fees	-	-	-	-	0.0%
Other (Specify) correction to balance	-	-	-	-	0.0%
CASH EQUITY OUT TO DEVELOPER	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	645,000	5,953,170	6,598,170	47,130	9.6%
TOTAL PROJECT COSTS					
	62,250,881	68,754,740	68,754,740	491,105	100.0%

PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET		Final Commitment	
Hayward Mission Family Apartments		Project Number	19-017-A/X
INCOME			
	AMOUNT	PER UNIT	%
Rental Income			
Restricted Unit Rents	\$ 2,758,702	\$ 19,705	103.02%
Unrestricted Unit Rents	35,232	252	1.32%
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	25,480	182	0.95%
Parking & Storage Income	-	-	0.00%
Miscellaneous Income	-	-	0.00%
GROSS POTENTIAL INCOME (GPI)	\$ 2,819,414	\$ 20,139	105.29%
Less: Vacancy Loss	\$ 141,675	\$ 1,012	5.29%
EFFECTIVE GROSS INCOME (EGI)	\$ 2,677,739	\$ 21,151	100.00%
OPERATING EXPENSES			
	AMOUNT	PER UNIT	%
Administrative Expenses	\$ 224,992	\$ 1,607	\$ 0
Management Fee	107,110	765	4.00%
Social Programs & Services	26,000	186	0.97%
Utilities	186,760	1,334	6.97%
Operating & Maintenance	235,696	1,684	8.80%
Ground Lease Payments	-	-	0.00%
CalHFA Monitoring Fee	7,500	54	0.28%
Other Monitoring Fees	-	-	0.00%
Real Estate Taxes	10,500	75	0.39%
Other Taxes & Insurance	142,136	1,015	5.31%
Assisted Living/Board & Care	-	-	0.00%
SUBTOTAL OPERATING EXPENSES	\$ 940,694	\$ 6,719	35.13%
Operating Reserves	\$ 42,000	\$ 300	1.57%
TOTAL OPERATING EXPENSES	\$ 982,694	\$ 7,019	36.70%
NET OPERATING INCOME (NOI)	\$ 1,695,045	\$ 12,107	63.30%
DEBT SERVICE PAYMENTS			
	AMOUNT	PER UNIT	%
-	\$ -	\$ -	0.00%
-	\$ -	-	0.00%
-	\$ -	-	0.00%
Conduit 1st Lien Loan-Citi	\$ 1,353,621	9,669	50.55%
-	\$ -	-	0.00%
-	\$ -	-	0.00%
-	\$ -	-	0.00%
MIP Annual Fee (applicable for MIP only deals)	\$ 103,213	737	3.85%
TOTAL DEBT SERVICE & OTHER PAYMENTS	\$ 1,456,834	\$ 10,406	54.41%
EXCESS AFTER DEBT SERVICE & MONITORING FEES	\$ 238,210	\$ 1,702	8.90%
DEBT SERVICE COVERAGE RATIO (DSCR)		1.25	to 1
Date: 6/30/20		Senior Staff Date: 07/07/20	

PROJECTED PERMANENT LOAN CASH FLOWS												Hayward Mission Family Apartments			
Final Commitment												Project Number		19-017-A/X	
	YEAR	1	2	3	4	5	6	7	8	9	10	11			
RENTAL INCOME															
	CPI														
Restricted Unit Rents	2.50%	2,758,702	2,827,669	2,898,361	2,970,820	3,045,090	3,121,218	3,199,248	3,279,229	3,361,210	3,445,240	3,531,371			
Unrestricted Unit Rents	2.50%	35,232	36,113	37,016	37,941	38,890	39,862	40,858	41,880	42,927	44,000	45,100			
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%	25,480	26,117	26,770	27,439	28,125	28,828	29,549	30,288	31,045	31,821	32,617			
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-			
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-			
GROSS POTENTIAL INCOME (GPI)		2,819,414	2,889,899	2,962,146	3,036,200	3,112,105	3,189,908	3,269,655	3,351,397	3,435,182	3,521,061	3,609,088			
VACANCY ASSUMPTIONS															
	Vacancy														
Restricted Unit Rents	5.00%	137,935	141,383	144,918	148,541	152,255	156,061	159,962	163,961	168,061	172,262	176,569			
Unrestricted Unit Rents	7.00%	2,466	2,528	2,591	2,656	2,722	2,790	2,860	2,932	3,005	3,080	3,157			
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%	1,274	1,306	1,338	1,372	1,406	1,441	1,477	1,514	1,552	1,591	1,631			
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-			
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-			
TOTAL PROJECTED VACANCY LOSS		141,675	145,217	148,848	152,569	156,383	160,293	164,300	168,407	172,618	176,933	181,356			
EFFECTIVE GROSS INCOME (EGI)		2,677,738	2,744,682	2,813,299	2,883,631	2,955,722	3,029,615	3,105,355	3,182,989	3,262,564	3,344,128	3,427,731			
OPERATING EXPENSES															
	CPI / Fee														
Administrative Expenses	3.50%	250,992	259,777	268,869	278,279	288,019	298,100	308,533	319,332	330,509	342,076	354,049			
Management Fee	4.00%	107,110	109,787	112,532	115,345	118,229	121,185	124,214	127,320	130,503	133,765	137,109			
Utilities	3.50%	186,760	193,297	200,062	207,064	214,311	221,812	229,576	237,611	245,927	254,535	263,443			
Operating & Maintenance	3.50%	235,696	243,945	252,483	261,320	270,467	279,933	289,731	299,871	310,367	321,229	332,472			
Ground Lease Payments	3.50%	-	-	-	-	-	-	-	-	-	-	-			
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500			
Mixed Income Loan Fee	0.00%	103,213	102,549	101,863	101,152	100,418	99,657	98,871	98,057	97,216	96,345	95,444			
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-	-	-	-	-			
Real Estate Taxes	1.25%	10,500	10,631	10,764	10,899	11,035	11,173	11,313	11,454	11,597	11,742	11,889			
Other Taxes & Insurance	3.50%	142,136	147,111	152,260	157,589	163,104	168,813	174,721	180,837	187,166	193,717	200,497			
Required Reserve Payments	1.00%	42,000	42,420	42,844	43,273	43,705	44,142	44,584	45,030	45,480	45,935	46,394			
TOTAL OPERATING EXPENSES		1,085,907	1,117,017	1,149,177	1,182,422	1,216,788	1,252,315	1,289,043	1,327,011	1,366,264	1,406,844	1,448,798			
NET OPERATING INCOME (NOI)		1,591,831	1,627,665	1,664,122	1,701,210	1,738,934	1,777,300	1,816,313	1,855,978	1,896,300	1,937,284	1,978,933			
DEBT SERVICE PAYMENTS															
	Lien #														
Conduit 1st Lien Loan-Citi	1	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621			
-	-	-	-	-	-	-	-	-	-	-	-	-			
-	-	-	-	-	-	-	-	-	-	-	-	-			
-	-	-	-	-	-	-	-	-	-	-	-	-			
-	-	-	-	-	-	-	-	-	-	-	-	-			
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621			
CASH FLOW AFTER DEBT SERVICE		238,210	274,043	310,500	347,588	385,313	423,678	462,692	502,357	542,679	583,663	625,312			
DEBT SERVICE COVERAGE RATIO		1.18	1.20	1.23	1.26	1.28	1.31	1.34	1.37	1.40	1.43	1.46			
Date Prepared: 06/30/20												Senior Staff Date: 7/7/20			

		1	2	3	4	5	6	7	8	9	10	11
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
LESS: Partnership Management Fee	3%	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572	20,159
net CF available for distribution		215,710	250,868	286,630	323,002	359,989	397,595	435,825	474,685	514,177	554,305	595,074
Deferred developer fee repayment	3,698,170	3,698,170	3,482,460	3,231,592	2,944,962	2,621,960	2,261,971	1,864,376	1,428,551	953,866	439,689	-
	100%	215,710	250,868	286,630	323,002	359,989	397,595	435,825	474,685	514,177	554,305	595,074
		3,482,460	3,231,592	2,944,962	2,621,960	2,261,971	1,864,376	1,428,551	953,866	439,689	-	-
Payments for Residual Receipt Payments		0%	When DDF repaid	50%								
RESIDUAL RECEIPTS LOANS	Payment %	-	-	-	-	-	-	-	-	-	57,308	297,537
MIP	100.00%	-	-	-	-	-	-	-	-	-	57,308	297,537
0	0.00%	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments	100.00%	-	-	-	-	-	-	-	-	-	57,308	297,537
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	6,442,692
0---Compounding	0.00%	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments		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	6,442,692

PROJECTED PERMANENT LOAN CASH FLOWS								
Final Commitment								
	YEAR	12	13	14	15	16	17	18
RENTAL INCOME								
	CPI							
Restricted Unit Rents	2.50%	3,619,656	3,710,147	3,802,901	3,897,973	3,995,422	4,095,308	4,197,691
Unrestricted Unit Rents	2.50%	46,227	47,383	48,568	49,782	51,026	52,302	53,610
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%	33,432	34,268	35,124	36,003	36,903	37,825	38,771
Parking & Storage Income	2.50%	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		3,699,315	3,791,798	3,886,593	3,983,758	4,083,352	4,185,435	4,290,071
VACANCY ASSUMPTIONS								
	Vacancy							
Restricted Unit Rents	5.00%	180,983	185,507	190,145	194,899	199,771	204,765	209,885
Unrestricted Unit Rents	7.00%	3,236	3,317	3,400	3,485	3,572	3,661	3,753
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%	1,672	1,713	1,756	1,800	1,845	1,891	1,939
Parking & Storage Income	50.00%	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		185,890	190,538	195,301	200,184	205,188	210,318	215,576
EFFECTIVE GROSS INCOME (EGI)		3,513,425	3,601,260	3,691,292	3,783,574	3,878,163	3,975,118	4,074,495
OPERATING EXPENSES								
	CPI / Fee							
Administrative Expenses	3.50%	366,441	379,266	392,540	406,279	420,499	435,217	450,449
Management Fee	4.00%	140,537	144,050	147,652	151,343	155,127	159,005	162,980
Utilities	3.50%	272,664	282,207	292,084	302,307	312,888	323,839	335,174
Operating & Maintenance	3.50%	344,109	356,153	368,618	381,520	394,873	408,694	422,998
Ground Lease Payments	3.50%	-	-	-	-	-	-	-
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Mixed Income Loan Fee	0.00%	94,512	93,548	92,551	91,519	90,451	89,347	88,204
Other Agency Monitoring Fee	0.00%	-	-	-	-	-	-	-
Real Estate Taxes	1.25%	12,037	12,188	12,340	12,495	12,651	12,809	12,969
Other Taxes & Insurance	3.50%	207,514	214,777	222,294	230,075	238,127	246,462	255,088
Required Reserve Payments	1.00%	46,858	47,327	47,800	48,278	48,761	49,248	49,741
TOTAL OPERATING EXPENSES		1,492,173	1,537,016	1,583,380	1,631,315	1,680,877	1,732,120	1,785,102
NET OPERATING INCOME (NOI)		2,021,252	2,064,244	2,107,912	2,152,259	2,197,287	2,242,998	2,289,393
DEBT SERVICE PAYMENTS								
	Lien #							
Conduit 1st Lien Loan-Citi	1	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621	1,353,621
CASH FLOW AFTER DEBT SERVICE		667,631	710,623	754,291	798,637	843,665	889,376	935,772
DEBT SERVICE COVERAGE RATIO		1.49	1.52	1.56	1.59	1.62	1.66	1.69
Date Prepared: 06/30/20								

		12	13	14	15	16	17	18
LESS: Asset Management Fee	3%	10,382	10,693	11,014	11,344	11,685	12,035	12,396
LESS: Partnership Management Fee	3%	20,764	21,386	22,028	22,689	23,370	24,071	24,793
net CF available for distribution		636,486	678,543	721,248	764,604	808,611	853,270	898,583
Deferred developer fee repayment	3,698,170	-	-	-	-	-	-	-
	100%	-	-	-	-	-	-	-

Payments for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS								
	Payment %	12	13	14	15	16	17	18
MIP	100.00%	318,243	339,271	360,624	382,302	404,306	426,635	449,291
0	0.00%	-	-	-	-	-	-	-
Total Residual Receipts Payments	100.00%	318,243	339,271	360,624	382,302	404,306	426,635	449,291

Balances for Residual Receipt Payments								
RESIDUAL RECEIPTS LOANS								
	Interest Rate	12	13	14	15	16	17	18
MIP--Simple	3.00%	6,295,155	6,126,912	5,937,641	5,727,017	5,494,715	5,240,409	4,963,774
0---Compounding	0.00%	-	-	-	-	-	-	-
Total Residual Receipts Payments		6,295,155	6,126,912	5,937,641	5,727,017	5,494,715	5,240,409	4,963,774



MIXED-INCOME LOAN PROGRAM

The CalHFA Mixed-Income Program ("MIP") provides competitive long-term financing for newly constructed 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 Preferred Construction Lender. Additionally, the program must be paired with CalHFA's Permanent Loan product or a sponsor must work with a CalHFA Mixed-Income Preferred Permanent Lender. The Mixed-Income resources will take the form of a subordinate loan to incentivize newly developed multifamily housing projects that serve a range of very low to moderate income California renters. Eligible projects must create newly constructed regulated units that meet the income and occupancy requirements reflected below.

Qualifications	<ul style="list-style-type: none"> • Available to for-profit, non-profit, and public agency sponsors. Development teams must meet CalHFA experience requirements. • Subsidy resources must be used in conjunction with CalHFA's Conduit Bond Issuance Program and a construction loan from a CalHFA Mixed-Income Preferred Construction Lender. • Subsidy resources must also be used in conjunction with CalHFA's permanent first-lien mortgage financing or financing from a CalHFA Mixed-Income Preferred Permanent Lender. • Financing Structure: 1) Tax-exempt Bond and 4% tax credit projects where at least 51% of the units in each project must be tax credit financed or 2) Qualify as a mixed-income project under the California Debt Limit Allocation Committee's (CDLAC) regulations (50% or fewer units designated as tax credit or tax-exempt bond restricted) and use an allocation of private activity bonds to finance the project. • Projects must have site control and be prepared to submit to CDLAC and TCAC by no later than the December 2019 CDLAC Allocation meeting and will only receive funds if bonds are issued within the issuance timeframes outlined in the CDLAC resolution.
CalHFA Mixed-Income Preferred Construction Lender Qualifications	<p>Selected annually through a CalHFA Request for Qualification process.</p>
CalHFA Mixed-Income Preferred Permanent Lender Qualifications	<p>Selected annually through a CalHFA Request for Qualification process.</p>
Permanent First Lien Loan	<ul style="list-style-type: none"> • Provided by CalHFA or a CalHFA Mixed-Income Preferred Permanent Lender. • Minimum loan amount of \$5 million. • Minimum 1.15x for debt service coverage ratio.

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

Ruth Vakili, Housing Finance Officer
 500 Capitol Mall, Suite 1400, MS-990
 Sacramento, CA 95814
 916.326.8816
 rvakili@calhfa.ca.gov

MIXED-INCOME LOAN PROGRAM

Construction First Lien Loan	<p>Provided by a CalHFA Mixed-Income Preferred Construction Lender.</p>
Limitations	<ul style="list-style-type: none"> • Use cannot be combined with the Tax Credit Allocation Committee’s (TCAC) 9% program. • Use cannot be combined with the Department of Housing and Community Development’s (HCD) State programs except for those programs that are administered by HCD on behalf of local jurisdictions including HOME and CDBG. • Projects that have a below market rate component as a result of 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 resources. Match can be obtained through a monetary match or equivalent in-kind contributions (e.g., land donation, land use fee concessions.) • At the time of application to CalHFA, a project must not have already received an allocation of 4% tax credits from TCAC or bonds from CDLAC. • Projects will not be eligible for subsidy resources from CalHFA in addition to this program.
Preferences/ Limitations (if competitive)	<ul style="list-style-type: none"> • Projects restricting at least 10% of the units to moderate income households, 81% to 120% AMI (CalHFA restricted), will be prioritized over other projects. • Of the projects that restrict 10% of the units for moderate income households, preference will be given to projects with the lowest CalHFA subsidy request per unit. • No one sponsor may receive more than 33% of the total subsidy awarded per year. • No one county may receive more than 33% of the total subsidy awarded per year. • No more than 25% of the total subsidy awarded per year may go to age-restricted projects.
Mixed-Income Project Occupancy Requirements	<ul style="list-style-type: none"> • 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, a minimum of 10% of the unit types must be at 50% or less of AMI (“10% @ 50% AMI”). • Tax credit transactions that are income-averaged must meet the above minimum criteria. • For tax credit transactions not considered mixed-income by CDLAC, at least 20% of the tax credit restricted units must be restricted at 80% AMI subject to a market study demonstrating the 80% is 10% below market. • These restrictions will remain in effect for up to 55 years.
Mixed-Income Subordinate Loan	<ul style="list-style-type: none"> • Maximum loan amount of \$5 million, with exceptions considered for larger projects. • Maximum loan amount of \$40,000 per restricted (tax credit or CalHFA) units (30%-120% AMI). • Loan size based on project need but cannot be more than 50% of the permanent loan amount.
Mixed-Income Subordinate Loan Rates & Terms	<ul style="list-style-type: none"> • Interest Rate: 3.00% simple interest. • Loan Payment: Residual receipt repayment based on cash flow analysis and split 50% to Owner and 50% to CalHFA and other residual receipt lenders. Of the 50% residual lender split, CalHFA’s payment equals to proportionate share of total subordinate debt. Potential deferment possible for up to 15 years. • Loan and Affordability Term: Up to 55 years. • Assignability: Consent will be considered. • Prepayment: May be prepaid at any time. • Subordination: A subordination request in conjunction with a resyndication, refinance, or ownership transfer will be considered. If a longer loan term is requested, subordination will be negotiated. • Funded: Only at permanent loan conversion.

MIXED-INCOME LOAN PROGRAM

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)	<p>MIP Fees</p> <ul style="list-style-type: none">• Program Application Fee: \$10,000 non-refundable, due at time of CalHFA application submittal.• Loan Fee: 1.00% of the loan amount (50% due at final commitment and 50% due at loan close).• Legal Fee: \$15,000, due at loan closing (applicable if CalHFA is not providing permanent financing).• MIP Fee Paid to CalHFA: 0.35% ongoing annual fee, commencing at permanent loan conversion, calculated based on the principal balance of an amortization schedule with the following assumptions: i) 55-year level-amortization; ii) start date, interest rate and the loan amount consistent with Permanent First-Lien Loan (applicable if CalHFA is not providing permanent financing). <p>For projects where units are not all restricted by the MIP program (excluding Managers Units), the fee as described above will be multiplied by the proportion of MIP units to total units.</p> <p>Conduit Bond Program Fees</p> <ul style="list-style-type: none">• Program Application Fee: Paid via MIP Application Fee.• Issuance Fee: 1) The greater of \$15,000 or 0.2% of the Bond amount if less than \$20 million or 2) If more than \$20 million: \$40,000 + 0.10% of the amount above \$20 million.• Public Sale: \$5,000-\$10,000 when bonds are sold to the public.• Annual Administrative Fee: \$7,500 per year.• Required CDLAC Fees. <p>If CalHFA is selected as the permanent lender, please see CalHFA terms sheet for first mortgage loan fees, credit enhancements, trustee fees, legal fees, inspection fees, administrative fees.</p> <p>www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf</p>

Last revised: 04/2019

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



CONDUIT ISSUER PROGRAM

MULTIFAMILY HOUSING BONDS

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

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

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

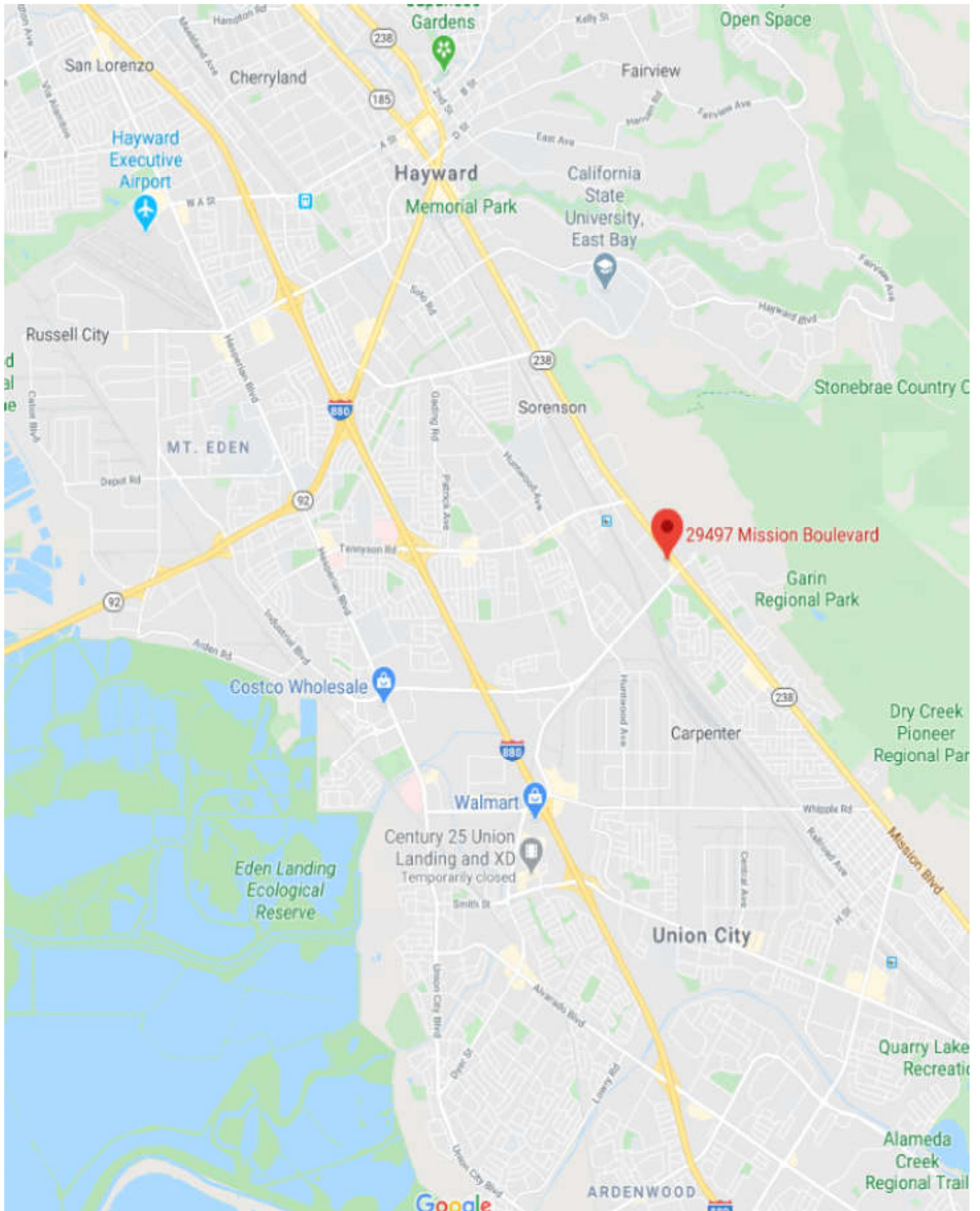
CONDUIT ISSUER PROGRAM

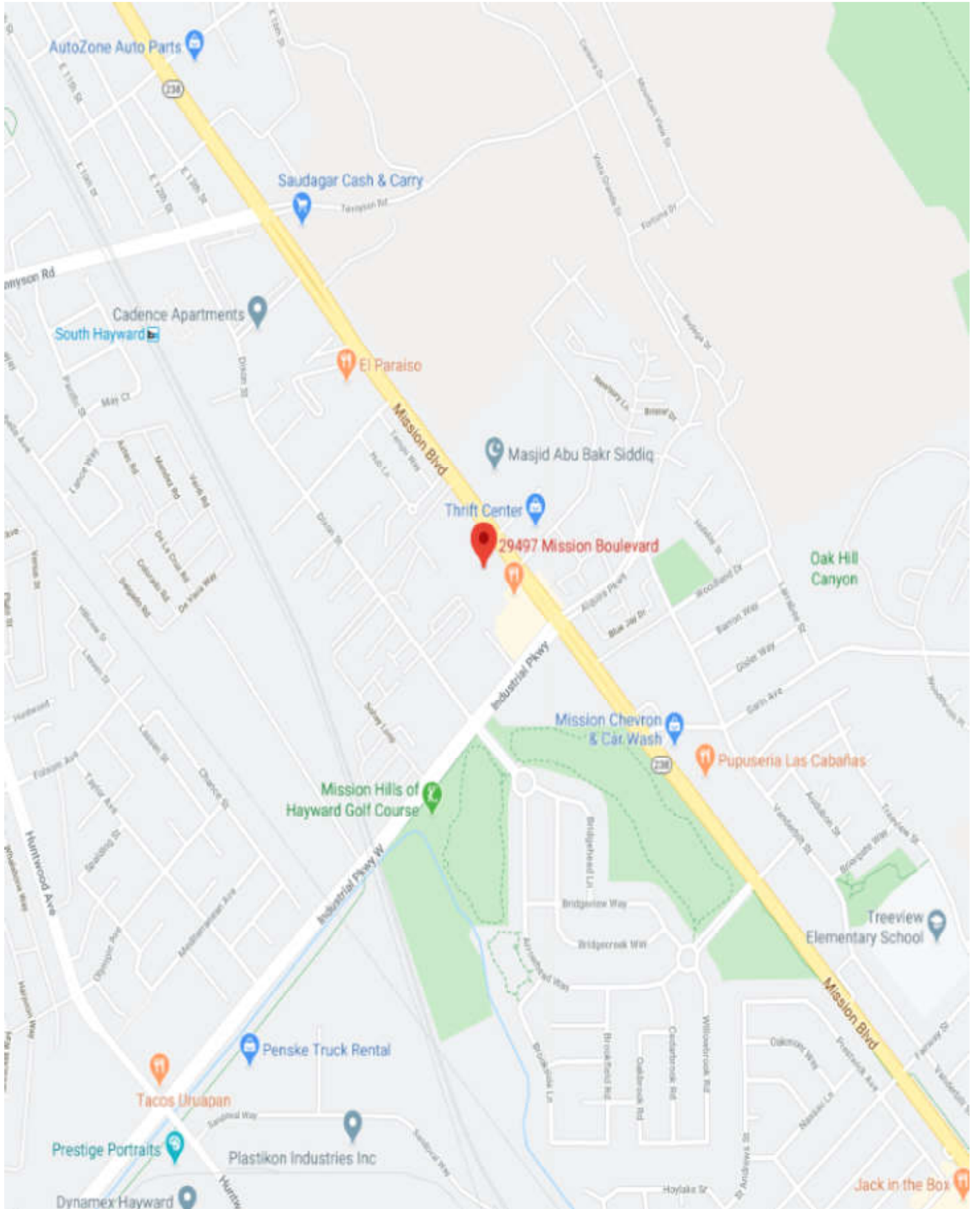
Occupancy Requirements

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

Last revised: 03/2019

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.





AutoZone Auto Parts

Saudagar Cash & Carry

Cadence Apartments
South Hayward

El Paraiso

Masjid Abu Bakr Siddiq

Thrift Center

29497 Mission Boulevard

Oak Hill
Canyon

Mission Chevron
& Car Wash

Pupuseria Las Cabañas

Mission Hills of
Hayward Golf Course

Treeview
Elementary School

Penske Truck Rental

Tacos Uruapan

Prestige Portraits

Plastikon Industries Inc

Dynamex Hayward

Jack in the Box