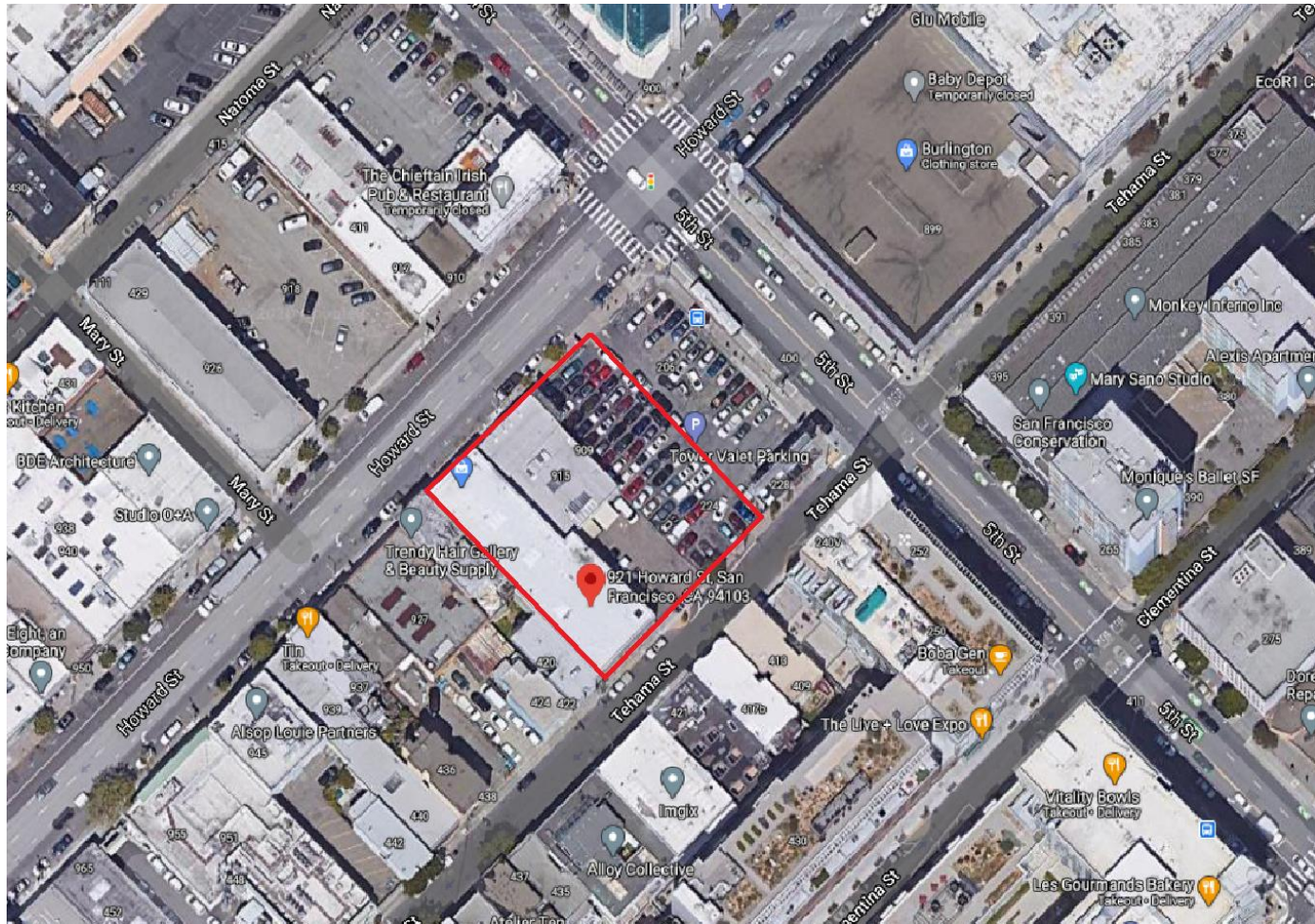




921 Howard Street Apartments

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921 Howard Street Apartments



Subject Site - Aerial Map

921 Howard Street Apartments



View northwest from Tehama Street

921 Howard Street Apartments



Residential buildings southwest of site

921 Howard Street Apartments



Subject Site – Rendering

921 Howard Street Apartments

Strengths

- LIHTC Equity Sufficient to Fund 37% of TDC
 - Pricing \$.99/Federal 4% LIHTC
- The locality is in strong support of the project with total investment close to \$32 million.
- Very Strong Demand with an expected capture rate of 1.3% (per the appraisal).
- Lease-up expected within 4 months of completion
- Rents average 40%-90% of market rates and 51% of the units will be restricted at 50% AMI.
- The loan to value is 65%.

Weaknesses & Mitigants

- The project is in an urban area with a crime rate that is higher than the national average. Therefore, security measures such as fencing, gated entrance, video surveillance, an intercom system and 24-hour property management will be implemented .

921 Howard Street Apartments – Exceptions

Pursuant to MIP Term Sheet the MIP maximum loan per unit is \$50,000. However, based on the proposed MIP loan amount, the per unit is \$50,498, slightly above the maximum.

Exception 1 – Approval to exceed the maximum MIP loan amount per unit.

Pursuant to the Underwriting Standards & Reference Manual, the MIP loan is to be recorded in second lien position. However, due to the size of the MOHCD loan, MOHCD requires their loan to be in second lien position and the MIP loan to be in third lien position.

Exception 2 – Subordination of the MIP loan to the MOHCD loan.



California Housing Finance Agency

Questions?