



CalHFASM BOARD OF DIRECTORS

California Housing Finance Agency

**Board Meeting
January 21, 2021
10:00 a.m.**

Video and Teleconference Meeting

Click on the link to register:

<https://attendee.gotowebinar.com/register/8752331771484875276>

To **listen only*** via teleconference, please use the call-in information below:

Dial: +1 (415) 655-0052
Enter Access Code: 660-064-675

*Members of the public are not able to provide public comment or address the Board when participating by teleconference.

The Board may take action on any item listed on the agenda. Agenda items may be taken out of order. Members of the public will be provided an opportunity to address the Board during the meeting.

1. Roll Call
2. Approval of the minutes of the November 12, 2020 Board of Directors meeting 1
3. Chairperson/Executive Director comments
4. Guest presentation and discussion with Dr. Tiffany Manuel (President and CEO, *TheCaseMade*)
 - Housing justice: What does it mean for California's housing finance system?
5. 2021 Mixed-Income Program updates (Kate Ferguson)
6. Federal and State legislative update (Francesc Martí)
7. Discussion, recommendation, and possible action regarding final loan commitment for the following project: (Kate Ferguson) 5

<u>NUMBER</u>	<u>DEVELOPMENT</u>	<u>LOCALITY</u>	<u>UNITS</u>
20-011-A/X/N	921 Howard Street Apartments	San Francisco/San Francisco	203

Resolution No. 21-0140

8. Reports:

A. Single Family Loan Production report	43
B. Multifamily Loan Production report	47
C. Asset Management Quarterly Portfolio report	54

9. Other Board matters

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

11. Adjournment

NEXT MEETING DATE:

March 25, 2021

Tiffany Manuel, PhD

President & CEO, TheCaseMade



DrT (as she prefers to be called) is a dynamic speaker, best-selling author and the President and CEO of [TheCaseMade](#), an organization dedicated to helping leaders powerfully and intentionally make the case for systems change. In her role at TheCaseMade, DrT works with hundreds of passionate social changemakers, innovators and adaptive leaders around the United States who are building better, stronger communities that are diverse, equitable and inclusive. By aligning their community stakeholders around the kind of deep systems changes that can improve population outcomes, these leaders are able to grow their impact, scale their programs, and harness the investments they need to improve their communities.

DrT grew up in Detroit, Michigan during one of the most turbulent times in the city's history. It was because of the challenges of that experience that she champions better policy, programs, investments and services that can transform our cities and communities for the better. It is also the reason that DrT has worked to expand opportunity, equity and inclusion through 25+ years of professional and volunteer

experience spanning the private and non-profit sectors, government and academia.

Trained as a social scientist in quantitative and qualitative methods, she is a self-professed “data, policy, and messaging wonk!” She is passionate about translating the insights harvested from her research and practice to improve our ability to build public will around the critical issues that matter most. She holds doctorate and master's degrees in public policy from the University of Massachusetts Boston, a master's degree in political science from Purdue University and a bachelor's degree from the University of Chicago.

DrT has served on numerous nonprofit and social-impact boards and is a lifetime member of Delta Sigma Theta Sorority, Incorporated, an African American public service sorority.

Check out her book [Strategic CaseMaking™: The Field Guide for Building Public and Political Will](#) and find out why Dr. T is considered the nation's expert on public will building!

MINUTES

California Housing Finance Agency (CalHFA) Board of Directors Meeting November 12, 2020

Meeting noticed on November 2, 2020

1. ROLL CALL

The California Housing Finance Agency Board of Directors Meeting was called to order at **10:00 a.m.** by Acting Chair Gunning. A quorum of members was present.

MEMBERS PRESENT: Campbell (for Gordon), Gallagher, Imbasciani, Gunning, Hunter, Johnson Hall, Patterson, Prince, Starr (for Ma), Seeley (for Velasquez), Sotelo, Russell, Castro Ramírez, Avila Farias

MEMBERS ABSENT: Bosler

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

GUEST SPEAKER: Mandy Merchant, Principal, *CliftonLarsonAllen*

2. APPROVAL OF MINUTES – October 8, 2020

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

3. CHAIRPERSON/EXECUTIVE DIRECTOR COMMENTS

Chairperson comments:

- Acting Chair Gunning informed the Board that item #5 on the agenda was being moved up in order as Board member Johnson Hall had to leave the meeting early.

Executive Director Patterson comments:

- Executive Director Patterson reported to the Board that CalHFA's Mixed-Income Program was selected as the winner in the Rental Housing –

Encouraging New Construction category at this year's National Council of State Housing Agencies Awards for Program Excellence. Patterson recognized the collaborative efforts between CalHFA and its sister agencies in creating an award winning finance program.

- For over a year, CalHFA has been assisting the California Debt Limit Allocation Committee in their efforts to re-write regulations that incorporate fair housing principles while aligning housing goals with its sister agencies. These regulations are expected to be final by the end of the year.
- Upcoming events include speaking at the National Housing Conference's Restoring Neighborhoods Webinar on HFAs Addressing Affordable Housing Challenges and the Home Ownership Work Group at the California Economic Summit.

4. BOARD GOVERNANCE TRAINING

Presented by Merchant

Mandy Merchant, Principal at CliftonLarsonAllen, provided the Board with a training on Board Governance. She detailed the role of a Board member and duties required to effectively govern, including the fiduciary duties of care, loyalty, and obedience. She further reviewed public meeting requirements, conflict of interest policies, economic disclosure rules and the roles of the Audit and Executive Evaluation Committees.

5. CLOSED SESSION PURSUANT TO GOVERNMENT CODE §11126 (A)(1) TO EVALUATE THE PERFORMANCE OF A PUBLIC EMPLOYEE

Closed session convened at 10:24 a.m. and was completed at 11:11 a.m.

6. REPORT FROM THE EXECUTIVE EVALUATION COMMITTEE

Executive Evaluation Committee Chair Gunning reported that the Executive Evaluation Committee shared their performance evaluation of Executive Director Patterson with the full Board during closed session. Comments from the Board were incorporated into the evaluation and Chair Gunning stated he would share those findings with Executive Director Patterson directly following the meeting. He thanked EEC members Hunter and Castro Ramírez for their hard work during the evaluation process. Castro Ramírez shared that she appreciated the thoughtful evaluation process.

7. DISCUSSION AND POSSIBLE ACTION TO ADJUST THE SALARY OF THE EXECUTIVE DIRECTOR-RESOLUTION 20-21

On a motion by Avila Farias, the Board approved **Resolution 20-21** for a 7% merit salary increase. The votes were as follows:

AYES: Gallagher, Gunning, Hunter, Russell, Starr (for Ma), Sotelo, Avila Farias

NOES: None

ABSTENTIONS: Imbasciani, Seeley (for Velasquez), Castro Ramírez, Prince

ABSENT: Johnson Hall

8. REPORTS:

Acting Chair Gunning asked if there were any questions about the reports and there were none.

9. DISCUSSION OF OTHER BOARD MATTERS

Acting Chair Gunning asked if there were other Board matters to discuss and there were none.

10. PUBLIC COMMENT

Acting Chair Gunning asked if there were any members of the public who wished to comment and there were none.

11. ADJOURNMENT

As there was no further business to be conducted, Chair Gunning adjourned the meeting at 11:16

HANDOUTS

- a) CliftonLarsonAllen Board Governance Training PowerPoint Slides

CalHFA MULTIFAMILY PROGRAMS DIVISION

Final Commitment Staff Report & Request for Tax-Exempt and Taxable Conduit Issuance and Loan Approval of Permanent Take-Out Loan for Tax Exempt financing with Mixed Income Program Subsidy Financing**Senior Loan Committee "Approval": 12/11/2020 for Board Meeting on: 1/21/2021**

Project Name, County:	921 Howard Street Apartments, San Francisco County		
Address:	921 Howard St., San Francisco, CA 94103		
CalHFA Project Number:	20-011-A/X/N		
Requested Financing by Loan Program:	\$89,339,803	Tax Exempt Bond – Conduit Issuance Amount	
	\$3,796,703	Taxable Bond-Conduit Issuance Amount	
	\$45,000,000	CalHFA Permanent Tax-Exempt Loan with HUD Risk Share	
	\$10,150,000	Subsidy GAP Loan funded by MIP funds	

DEVELOPMENT/PROJECT TEAM

Developer:	Tenderloin Neighborhood Development Corp. ("TNDC")	Borrower:	5th and Howard Associates, L.P.
Permanent Lender:	CalHFA	Construction Lender:	Bank of America, N.A.
Equity Investor:	Bank of America, N.A.	Management Company:	Tenderloin Neighborhood Development Corp.
Contractor:	Swinerton Builders	Architect	Perry Architects, Inc.
Loan Officer:	Ruth Vakili	Loan Specialist:	Lorrie Blevins
Asset Manager:	Jessica Doan	Loan Administration:	Jennifer Beardwood
Legal (Internal):	Torin Heenan	Legal (External):	N/A
Concept Meeting Date:	10/23/2020	Approval Expiration Date:	6 months from Approval

LOAN TERMS

1.		CONDUIT ISSUANCE/ BANK OF AMERICA CONSTRUCTION LOAN	PERMANENT LOAN CalHFA	MIP (GAP) LOAN
	Total Loan Amount	\$89,339,803 Tax-Exempt; \$3,796,703 Taxable	\$45,000,000	\$10,150,000
	Loan Term & Lien Position	36 months- interest only; 1 st Lien Position during construction	40 year –partially amortizing due in year 30. First Lien Position at permanent conversion	30-year - Residual Receipts; 3rd Lien Position during permanent loan conversion
	Interest Rate (subject to change and locked 30 days prior to loan closing)	LIBOR Daily Floating Rate + 2.20% Tax-Exempt underwritten at 3.45%, Taxable at 3.70%	30-year MMD + 2.12% spread Underwritten at 3.78%	2.75% Simple Interest

		variable rate	that includes a .25% cushion. Estimated rate based on a 36 month forward commitment.	
Loan to Value (LTV)	LTV is 66% of investment value		LTV is 65% of restricted value	N/A
Loan to Cost	62%		30%	N/A

ANTICIPATED PROJECT MILESTONES & SCHEDULE

2.	CDLAC/TCAC Closing Deadline:	March 15, 2021	Est. Construction Loan Closing:	March 1, 2021
	Estimated Construction Start:	March 15, 2021	Est. Construction Completion:	March 15, 2023
	Estimated Stabilization and Conversion to Perm Loan(s):	March 15, 2024		

SOURCES OF FUNDS

3.	Construction Period Financing			
	SOURCE	AMOUNT	LIEN POSITION	INTEREST RATE
	B of A T/E Const. Loan	\$89,339,803	1 st	3.45%
	B of A Tax Const. Loan	\$3,796,703	1st	3.70%
	MOHCD Gap Loan	\$31,961,997	2nd	3%
	Developer Equity	\$2,250,000	N/A	N/A
	Tax Credit Equity	\$11,060,641	N/A	N/A
	Accrued Interest	\$1,734,197	N/A	N/A
	TOTAL	\$140,143,341		Per Unit
				\$690,361
	Permanent Financing			
	SOURCE	AMOUNT	LIEN POSITION	INTEREST RATE
	CalHFA Permanent Loan	\$45,000,000	1st	3.78%
	CalHFA MIP Loan	\$10,150,000	3rd	2.75%
	MOHCD Gap Loan	\$31,961,997	2 nd	3%
	Tax Credit Equity	\$55,303,203	N/A	N/A
	Accrued Interest	\$1,734,197	N/A	N/A
	Developer Equity	\$2,250,000	N/A	N/A
	Deferred Developer Fee	\$4,500,000	N/A	N/A
	TOTAL DEVELOPMENT COST:	\$150,899,397		Per Unit
				\$743,347
	Subsidy Efficiency: \$50,498 per MIP restricted unit.			
	Tax Credit Type(s), Amount(s), Pricing(s), and per total units:			
	<ul style="list-style-type: none"> 4% Federal Tax Credits: \$55,303,203 assuming estimated pricing of \$0.995 (\$272,430 per unit). 			
	Rental Subsidies: The Project will not be subsidized by project-based vouchers.			

	<p>Other State Subsidies: The Project will not be funded by other state funds.</p> <p>Other Locality Subsidies: The Project will be funded by locality funds of \$31,961,997 (\$157,448 per unit) from the Mayor’s Office of Housing and Community Development (“MOHCD”).</p> <p>Cost Containment Strategy: The Developer will competitively bid all trades, obtaining a minimum of 3 bids, and implement design standards that facilitate efficiency in cost and construction scheduling. Prior to construction loan closing, CalHFA will require the Developer to certify that cost containment measures have been implemented.</p> <p>High Cost Explanation: The total development cost per unit is \$743,347 per unit, which is high. The reasons given for the costs are as follows:</p> <ul style="list-style-type: none"> a) Commercial relocation costs: \$252,000. b) Holding and predevelopment costs: \$384,733. c) Davis Bacon and local hiring requirements (estimated): \$8,350,000. d) Site conditions (staging on a small site, site security, storm water prevention): \$2,572,500. e) City of S.F.-specific code requirements (energy efficiency, storm water, utility distribution) and taxes: \$11,943,400. f) Permit & impact costs: \$3,150,000. g) The developer fee is \$10 million, which is allowed per TCAC and CDLAC regulations in order to boost the eligible basis. Deducting the developer equity contribution: \$2,250,000. <p>Deducting these costs results in an adjusted total development cost per unit of \$600,941per unit.</p>
4.	Equity – Cash Out (estimate): Not Applicable

TRANSACTION SUMMARY

5.	Legislative Districts	Congress:	12 Nancy Pelosi	Assembly:	17 David Chiu	State Senate:	11 Scott Wiener
	Brief Project Description	<p>921 Howard Street (the “Project”) is a 203-unit new construction family, mixed-income Project, consisting of an 18-story building with two elevators. There will be 33 studio units at 434 sq. ft.; 84 1-bedroom units at 613 sq. ft. (including 2 managers units); 81 2-bedroom units at 938 sq. ft.; 5 3-bedroom units at 1,354 sq. ft. The project will comply with the City of San Francisco’s Green Point Rated guidelines and the building will be all-electric.</p> <p>The Project is in Central South of Market Area (“SoMa”), which is a 24-square block area that is undergoing revitalization, with the development of residential and commercial buildings, the Transbay Terminal and Central Subway, as well as several civic improvement projects planned over the next few years. The Project is located close to all levels of public transportation and services and has excellent walkability. Given that this is a mixed-income project, the Project will serve a tenant population that is significantly underrepresented in the City’s affordable housing stock and is a key component in the City’s revitalization plan.</p> <p>Financing Structure: The Project’s financing structure includes tax-exempt bonds, 4% tax credits, Agency’s tax-exempt loan program and Agency’s MIP subsidy loan. The project will be income averaged, pursuant to TCAC regulations.</p> <p>Tax Credits and/or CDLAC Status: The developer received an award of federal tax credits on 10/14/20 and bonds on 9/16/20.</p>					

		<p>Ground Lease: Prior to construction loan closing, the property will be sold to MOHCD and a ground lease agreement will be executed for a term of 75 years, with a 99-year renewal option. The annual lease payment is \$15,000.</p> <p>Project Amenities: The Project amenities include a community room with meeting, office and service space and a community kitchen. There will be laundry rooms, courtyard space, a community garden and 254 bike parking spaces. Unit amenities will include: central heating, microwave, dishwashers, ceiling fan and patio/balconies.</p> <p>Commercial Space: The Project consists of 1,970 sq. ft of commercial space, which is intended to be leased to a community-based non-profit to serve the community. The operating income and expenses are not part of the underwriting.</p> <p>Relocation: There is currently a parking lot, two billboard signs and two commercial buildings on the site which are occupied on month-to-month leases. Commercial relocation is required and \$252,000 is included in the budget.</p> <p>Local Resources and Services: The Project is located in a Low Resource area, per TCAC's Opportunity Area Map. However, the Project is in close proximity to the following local amenities and services and is within walking distance to downtown:</p> <ul style="list-style-type: none"> • Grocery stores – .3 miles • Schools – 1.3-2.6 miles • Public Library – .5 miles • Public transit - .1 mile from bus stop, .3 miles from Powell Street BART Station • Retail - .3 miles • Park and recreation - .3 miles • Hospitals - .9 miles • Post Office - .5 miles <p>Non-displacement and No Net Loss: To the extent feasible, it is the Agency's priority to mitigate 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.</p>
--	--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

TRANSACTION OVERVIEW

6.	Proposal and Project Strengths
<ul style="list-style-type: none"> • The developer and property manager have extensive experience in developing similar affordable housing projects and have five projects in the CalHFA portfolio, all of which are in compliance. • The Project has been awarded 4% tax credits which is projected to generate equity representing 37% of total financing sources. • The Project will serve low-income families ranging between 50% to 80% of AMI. • The rents are 40% to 90% of market and 51% of the units are at 50% AMI. • The Project's location is highly walkable and is within easy walking distance of transportation, services, employment and schools. • The Loan-to-Value is 65% which is well below the Agency's minimum requirements, providing less risk to the Agency. • The locality has invested in the success of the Project as demonstrated through a 55-year permanent loan of \$31,961,997 and favorable terms provided by a 75-year ground lease. • The projected portion of the developer's fee that will be collected at or prior to permanent loan conversion is \$3,250,000, which could be available to cover cost overruns and/or unforeseen issues during construction. • The developer is contributing \$2,250,000 via GP contribution to the Project. • Comprehensive on-site services will be offered to all tenants and will be staffed by a full-time services coordinator. Services include development of individualized service plans, case management, supportive services, counseling, crisis intervention, and linking tenants to medical, mental health, substance abuse, employment and job training services. The cost of the services is \$144,646 (service coordinator \$135,000 and miscellaneous cost of \$9,313) annually and is included in the operating budget. • The exit analysis assumes 2% cap rate increase and 3% increase of the underwriting interest rate at loan maturity. The permanent loan is a 30-year term amortized over 40 years. Based on these assumptions, the Project will be able to repay the MIP loan in full via a refinance in 30 years. 	
7.	Project Weaknesses with Mitigants:
<p>The Project is in an area that has a crime rate that is above the national average. To mitigate potential impact, security measures include perimeter fencing, gated entrance, 24-hour property management, video surveillance and security and intercom systems, the cost of which is included in the operating budget.</p>	
8.	Underwriting Standards or Term Sheet Variations
<ul style="list-style-type: none"> • The MIP loan per unit is \$50,498 which exceeds the term sheet maximum of \$50,000 for a project with affordability levels between 50% and 80% AMI. This is an exception to Policy and is recommended by Multi-Family Underwriting and Credit Staff subject to CalHFA being the permanent lender and based on the following: 1) approval facilitates the progression of a shovel ready project without delay; 2) there are no state credits, therefore a higher MIP loan per unit is required to fill the gap. • The USRM requires the MIP loan to be recorded in second lien position behind the first mortgage. However, due to the size of the MOHCD loan, MOHCD requires this loan to be in second lien position and the MIP loan to subordinate in third lien position. This is an exception to policy and is recommended by Multi-Family Underwriting and Credit staff. 	

9.	Project Specific Conditions of Approval
<p>Approval is conditioned upon:</p> <ul style="list-style-type: none"> • The CalHFA loans will be secured against the leasehold interest in the land and fee interest in the improvements. All subordinate loans are to be secured in the same manner. However, if any lender encumbers both fee and leasehold interests in the land, the CalHFA loan documents will also be secured in the fee and leasehold interest in the land. Borrower must meet all CalHFA requirements associated with the ground lease structure. • Subordination of the MIP loan to the MOHCD loan. • Pursuant to the City of San Francisco’s entitlement requirements, the City’s regulatory agreement and declaration of restrictive covenants and notice of special restrictions must be recorded ahead of the bond and MIP affordability covenants. The final document is subject to review and approval by CalHFA. • The MOHCD loan documents are to be approved by the San Francisco Board of Supervisors prior to construction loan closing. These documents are subject to CalHFA review and approval. • Evidence of relocation plan approval by MOHCD is required prior to construction loan closing. • No site work or construction commenced prior to the issuance of a HUD Firm Approval Letter. • The CalHFA subsidy will be, in the Agency’s sole discretion, the lesser of 1) the principal amount as state 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. 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 approval. • Independent review of the costs by a 3rd Party consultant prior to construction loan closing. 	
10.	Staff Conclusion/Recommendation:
<p>The Multifamily Lending Division supports approval of the described financing in the amounts requested, subject to the above proposed terms and conditions.</p>	

MISSION & AFFORDABILITY

11.	CalHFA Mission/Goals
<p>This Project and financing proposal provide 201 units of affordable housing with a range of restricted rents between 50% AMI and 80% of AMI which will support much needed rental housing that will remain affordable for a minimum of 55 years.</p>	
12.	CalHFA Affordability & Occupancy Restrictions
<p>The CalHFA Permanent Financing Regulatory Agreement will restrict a minimum of 40% of the total units at or below 60% AMI with 10% of these units at 50% of AMI for 55 years.</p> <p>The CalHFA MIP Subsidy Regulatory Agreement will restrict 10% of total units (22 units) at or below 50% of AMI and 10% of total units (22 units) between 60% and 80% of AMI with a minimum average of 70% AMI. The remaining 157 will be restricted at or below 120% of AMI. The affordability restrictions for the Mixed Income Program require at least 10% of the units be restricted to 81% to 120% of AMI, with an average of 100% of AMI, if supported by a market study. However, per an appraisal dated 10/27/2020 the Project can only support rents at a maximum of 80% AMI and still comply with the requirement that rents be 10% below market. Therefore, this project will comply with affordability requirement of 60% to 80% of AMI with an average of 70% of AMI.</p> <p>In addition, the Project will be restricted by the following jurisdictions as described below:</p> <ul style="list-style-type: none"> • The City will restrict 201 of the units at or below 80% of AMI for a term of 55 years. 	

Rent Limit Summary Table						
AMI	Total	Studio	1-bdrm	2-bdrm	3-bdrm	% of Total
30%	0	-	-	-	-	0.0%
40%	0	-	-	-	-	0.0%
50%	102	17	41	41	3	50.2%
60%	48	8	20	19	1	23.6%
70%	0	-	-	-	-	0.0%
80%	51	8	21	21	1	25.1%
100%	0	-	-	-	-	0.0%
120%	0	-	-	-	-	0.0%
Manager's Unit	2	-	2	-	-	1.0%
Total	203	33	84	81	5	100.0%

The average affordability is 60% of AMI.

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							
			50% AMI	60% AMI	80% AMI *(60% to 80% Tranche)	<= 120% AMI	Mgrs Unit	Total Units Regulated	% of Regulated Units	
City Notice of Restrictions	1st	55	31		71			2	102	50.0%
MOHCD Ground Lease	2nd	75	102	48	51			2	201	99.0%
CalHFA Bond	3rd	55	22	61				2	83	40.9%
MOHCD Loan	4th	55	102	48	51			2	201	99.0%
MIP Loan*	5th	55	22		22	157		2	201	99.0%
Tax Credits	6th	55	102	48	51			2	201	99.0%

*Note: For MIP purposes, 10% (22 units) will be restricted at or below 50% of AMI, 10% (22 units) will be restricted between 60% to 80% of AMI, and the remaining 157 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:	Yes /No	Underserved:	No
	Low/Mod Census Tract:	Moderate	Below Poverty line:	22%
	Minority Census Tract:	60%	Rural Area:	No

- The cap rate of 3.75% is based on the most recent information on comparable properties, which is 12 to 18 months old. Assuming an increase in cap rates due to current market conditions by 50 basis-points (4.25%), the LTV would be 74%. Stressing the cap further and adding 100 basis-points to the cap rate would result in an LTV of 82%, which is still within the underwriting requirement of 90% or less.
- The appraiser’s evaluation of the project assumed an inflation factor of 1.25% for rents and expenses until occupancy and estimated the value to be \$71,000,000. Underwriting to inflated rents during construction is not supported in the USRM. Therefore, the value without the inflation factor is \$69,000,000 and is used for underwriting.

	Market Study: Novogradac Consulting LLP	Dated: 6-9-2020*
--	------------------------------------------------	------------------

Regional Market Overview

- The Primary Market Area consists of several neighborhoods in the northeastern portion of San Francisco where the majority of the demand will be derived. These neighborhoods consist of portions of SOMA, Union Square, Civic Center, Tenderloin and Nob Hill neighborhoods which will have an estimated population of 113,403 people when the project leases up in 2023. The Secondary Market Area (“SMA”) is San Francisco-Oakland-Hayward MSA consisting of San Francisco, Alameda, Marin, Contra Costa and San Mateo counties (population of 4,867,991).
- The general population in the PMA is anticipated to increase by 1.2% per year.
- Unemployment in the SMA was 2.6% at the beginning of 2020, prior to the impact of the COVID-19 pandemic. Per the appraisal, the unemployment rate in August was 9%. The PMA has generally experienced a lower unemployment rate compared to other areas of California and is expected to return to a more normal level in 2023 when the project is in lease-up.

Local Market Area Analysis

- **Supply:**
 - There are currently 22 affordable family projects in the PMA which average 1.7% vacancy, most of which maintain waiting lists. Market rate properties averaged 2.7% vacancy when the market study was completed. However, the appraisal reported the vacancy rate for market rate properties is currently 23%, which reflects the impact of COVID-19.
 - There are 8 affordable project(s) under construction which is anticipated to be completed and leased-up prior to the Project’s completion.
- **Demand/Absorption:**
 - Renters compose 90% of households in the PMA and 88% of these earn under \$150,000 annually.
 - The project will need to capture 3.5% of the total demand for units between 50% and 60% AMI, and 1.9% for units between 70% to 80% AMI and the overall capture rate is 4.5% for all income levels. The appraisal estimates an overall capture rate of 1.3%, as it assumes the project will also attract a percentage of tenants from outside of the PMA.
 - The units are anticipated to lease up at a rate of 55 to 60 units per month. Assuming pre-leasing begins 3 months prior to completion, the Project is anticipated to reach stabilized occupancy within 4 months of opening. The appraisal corroborates the market studies’ findings for the lease-up period.

*Effective date of market study is 1/31/2020

DEVELOPMENT SUMMARY

19.	Site Description	Requires Flood Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
------------	-------------------------	------------------------------------------------------------------------------------------------------

- The property is located on the northeast/northwest side of Howard and 5th Streets, in the City and County of San Francisco.
- The site is generally level at street grade, measuring approximately .47 acres and is rectangular in shape.
- The site is zoned Mixed Use-Residential District with permitted multifamily and retail uses.
- The subject is not located in a designated flood zone.
- The site consists of two existing commercial structure that is currently occupied, an advertising sign and a parking lot, all of which will be removed/demolished prior to starting construction.

20.	Form of Site Control & Expiration Date
The site was purchased by 5H GP LLC, an affiliate of the Developer, in 2009 from MOHCD for \$9,700,000. The property will be transferred to MOHCD and a ground lease between MOHCD and the Borrower will be executed at construction loan closing for a term of 75 years, with a 99-year renewal option. The annual lease payment is \$15,000.	
21.	Current Ownership Entity of Record
Title is currently vested in 5H GP LLC as the fee owner.	
22.	Environmental Review Findings
<ul style="list-style-type: none"> A Phase I Environmental Site Assessment performed by Harris and Lee Environmental Sciences dated 10/26/20 recommended a lead-based paint and asbestos study, which was completed by ACC Environmental Consultants on 10/30/20. This report concluded that asbestos and lead based paint exist in several building components. These materials will be remediated and disposed of by a licensed abatement contractor during demolition and remediation costs have been included in the construction budget. A NEPA review has been initiated and will be completed by prior to construction loan closing. 	
23.	Seismic Requires Earthquake Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> This new Project will be built to State and City of San Francisco 2016 Building Codes. Therefore, a Seismic Risk Analysis was conducted. According to the third-party seismic report by Partner Engineering Inc. dated 11/10/20 the Probable Maximum Loss (PML) scenario expected loss is 16% within a 475-year period, which meets the Agency's earthquake insurance waiver requirement threshold of 20%. 	
24.	Relocation Requires Relocation: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> Not Applicable
<ul style="list-style-type: none"> The site is currently improved with two commercial buildings, an advertising sign and a parking lot, all of which will be removed/demolished prior to construction. A relocation plan dated May 20, 2020 states identified replacement sites, provides technical assistance and an offer of compensation for reasonable moving expenses or a fixed payment not to exceed \$20,000. The relocation plan estimated a relocation budget of \$200,000 and there is an additional \$52,000 for consultant and miscellaneous relocation expenses in the budget. 	

PROJECT DETAILS

25.	Residential Areas:												
	<table border="1"> <tr> <td>Residential Square Footage:</td> <td>148,562</td> <td>Residential Units per Acre:</td> <td>436</td> </tr> <tr> <td>Community Area Sq. Ftg:</td> <td>5,845</td> <td>Total Parking Spaces:</td> <td>3</td> </tr> <tr> <td>Supportive Service Areas:</td> <td>Within above</td> <td>Total Building Sq. Footage:</td> <td>201,391</td> </tr> </table>	Residential Square Footage:	148,562	Residential Units per Acre:	436	Community Area Sq. Ftg:	5,845	Total Parking Spaces:	3	Supportive Service Areas:	Within above	Total Building Sq. Footage:	201,391
Residential Square Footage:	148,562	Residential Units per Acre:	436										
Community Area Sq. Ftg:	5,845	Total Parking Spaces:	3										
Supportive Service Areas:	Within above	Total Building Sq. Footage:	201,391										
26.	Mixed-Use Project: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No There is 1,970 sq. ft of commercial space, which is intended to be leased to a community-based non-profit that serves the community. The operating income and expenses are not part of the underwriting.												
	<table border="1"> <tr> <td>Non-Residential Sq. Footage:</td> <td>1,970</td> <td>Number of Lease Spaces:</td> <td>1</td> </tr> <tr> <td>Master Lease:</td> <td><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> <td>Number of Parking Spaces:</td> <td>0</td> </tr> </table>	Non-Residential Sq. Footage:	1,970	Number of Lease Spaces:	1	Master Lease:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Number of Parking Spaces:	0				
Non-Residential Sq. Footage:	1,970	Number of Lease Spaces:	1										
Master Lease:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Number of Parking Spaces:	0										
27.	Construction Type: 18-story type 1 concrete high rise construction with surface parking.												
28.	Construction/Rehab Scope Requires Demolition: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No												
<ul style="list-style-type: none"> Construction costs include cost escalation anticipated until March 2021 construction start date and a 2% contractor's bidding contingency. The locality requires certain offsite improvements that meets the City's green building, air quality and local hiring and small business enterprise requirements. 													

29.	Construction Budget Comments:
	<ul style="list-style-type: none"> • 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.

ADDITIONAL DEVELOPMENT/ PROJECT TEAM INFORMATION

30.	Borrower Affiliated Entities
	<ul style="list-style-type: none"> • General Partner: 5H GP LLC, a California limited liability company; 0.01% interest. <ul style="list-style-type: none"> ○ Sole Member: Turk Street Inc, a California nonprofit public benefit corporation. • Investor Limited Partner: Bank of America, N.A. and, or its affiliates: 99.99% ownership.
31.	Developer/Sponsor
	<ul style="list-style-type: none"> • Tenderloin Neighborhood Development Corporation (“TNDC”) is a 501(c)(3) nonprofit public benefit corporation established in 1981 for the purpose of creating affordable homes for San Francisco residents. Since then TNDC has developed 43 buildings with 3,800 units and is the largest community-based developer in San Francisco. Three projects are under construction and another 11 are in various stages of development. • TNDC develops properties that serve families, seniors, developmentally disabled and formerly homeless. All their properties provide comprehensive services, community areas and/or retail space. • TNDC has considerable experience developing high-density projects on small sites. The financing structure is similar to the Project and all of the projects have been completed on-time and on-budget. Many of these projects have rent subsidies and include financing from MOHCD. Five projects have been completed under the RAD program. • Three recent examples of such projects include Eddy & Taylor (113-unit project for families, formerly homeless and developmentally disabled); 1036 Mission Family Apartments (83-unit family project with 40 units for formerly homeless); Willie B. Kennedy Senior Apartments (98-unit senior project, 20 units for formerly homeless).
32.	Management Agent
	The Project will be managed by TNDC’s Asset Management Department which has extensive experience in managing all of the properties developed by TNDC. The Asset Management Department also manages 2 other projects in the CalHFA portfolio in addition to the 4 TNDC projects.
33.	Service Provider Required by TCAC or other funding source? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<ul style="list-style-type: none"> • TNDC’s Tenant and Community Services Department will provide supportive services for all of the tenants. • The Borrower will execute a contract with TNDC to provide services that include case management, crisis intervention, employment training, linkage to medical, mental health and substance abuse services, transportation and food resources and an after-school program. • A full-time service coordinator will develop individualized service plans for each tenant that outlines strategies to as promote better health, education and stability. • The Developer has elected to provide these services to meet CTCAC requirements for a term of 15 years and the expense for these services \$144,648 and is currently within the approved line item operating budget.
34.	Contractor Experienced with CalHFA? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	The general contractor is Swinerton Construction (“Swinerton”) which has extensive experience in constructing similar affordable housing projects in San Francisco. Swinerton was formed in 1908 and has 18 offices nationwide, including Sacramento and San Francisco, with 3,500 employees. Swinerton has considerable expertise in building high-rise residential buildings in urban areas such as San Francisco and currently has 4 affordable housing projects under construction in Northern California. Their projects include residential, commercial, hospitals, casinos, higher education and corporate centers. Swinerton has 108 projects currently under construction in Northern California. The projects range from commercial, retail, office, education and civic projects.

35.	Architect	Experienced with CalHFA? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>The architect is Perry Architects, which was established in 2014 by a team of architects with considerable experience successfully designing high-rise projects in San Francisco. Perry Architects has extensive experience in designing and managing similar affordable housing projects, three of which were built by Swinerton, and has worked closely with the City of San Francisco’s building department.</p>		
36.	Local Review via Locality Contribution Letter	
<p>The locality, the City and County of San Francisco, returned the local contribution letter in April stating they strongly support the project.</p>		

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

PROJECT SUMMARY		Final Commitment				
Acquisition, Rehab, Construction & Permanent Loans		Project Number 20-011-A/X/N				
Project Full Name	921 Howard Street	Borrower Name:	5th and Howard Associates L.P.			
Project Address	921 Howard Street	Managing GP:	Turk Street, Inc.			
Project City	San Francisco	Developer Name:	Tenderloin Neighborhood Development Corp.			
Project County	San Francisco	Investor Name:	Bank of America, N.A.			
Project Zip Code	94103	Prop Management:	Tenderloin Neighborhood Development Corp.			
		Tax Credits:	4			
Project Type:	Permanent Loan Only	Total Land Area (acres):	0.47			
Tenancy/Occupancy:	Fam/Sen	Residential Square Footage:	148,562			
Total Residential Units:	203	Residential Units Per Acre:	435.64			
Total Number of Buildings:	1					
Number of Stories:	18	Covered Parking Spaces:	3			
Unit Style:	Flat	Total Parking Spaces:	3			
Elevators:	2					
Acq/Construction/Rehab Financing		Loan Amount (\$)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
Construction Loan-T/E B of A		\$ 89,339,803.00	0.500%	36	--	3.450%
Construction Loan-Tax B of A		\$ 3,796,703.00	0.500%	36	--	3.700%
MOHDC Gap Loan		\$ 31,961,997.00	--	36	--	3.000%
Developer Equity Contribution		\$ 2,250,000.00	--	--	--	--
Investor Equity Contribution		\$ 11,060,641.00	--	--	--	--
Accrued Interest		\$ 1,734,197.00				
Total		\$ 140,143,341.00				
Permanent Financing		Loan Amount (\$)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
Perm		\$ 45,000,000.00	1.000%	30	40	3.780%
MIP		\$ 10,150,000.00	1.000%	30	--	2.750%
MOHDC Gap Loan		\$ 31,961,997.00	--	55	--	3.000%
Deferred Developer Fees		\$ 4,500,000.00	--	--	--	--
Developer Equity Contribution		\$ 2,250,000.00	--	--	--	--
Investor Equity Contributions		\$ 55,303,203.00	--	--	--	--
Accrued Interest		\$ 1,734,197.00	--	--	--	--
Total		\$ 150,899,397.00				
Appraised Values Upon Completion of Rehab/Construction						
Appraisal Date:	10/27/20	Capitalization Rate:	3.75%			
Investment Value (\$)	142,000,000	Restricted Value (\$)	69,000,000			
Construct/Rehab LTC	62%	CalHFA Permanent Loan to Cost	30%			
Construct/Rehab LTV	N/A	CalHFA 1st Permanent Loan to Value	65%			
		Combined CalHFA Perm Loan to Value	80%			
Additional Loan Terms, Conditions & Comments						
Construction/Rehab Loan						
Payment/Performance Bond			0			
Completion Guarantee Letter of Credit			0.00%			
Permanent Loan						
Operating Expense Reserve Deposit	\$1,059,504	Cash				
Initial Replacement Reserve Deposit	\$0	Cash				
Annual Replacement Reserve Per Unit	\$500	Cash				
Date Prepared:	12/4/20	Senior Staff Date:	12/11/20			

UNIT MIX AND RENT SUMMARY

Final Commitment

921 Howard Street

Project Number 20-011-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	434	33	49.5
Flat	1	1	613	84	126
Flat	2	1	938	81	243
Flat	3	2	1,354	5	22.5
-	-	-	-	-	0
-	-	-	-	-	0
				203	441

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%	100%	120%
CalHFA Bond/RiskShare	0	0	22	61	0	0	0
CalHFA MIP	0	0	22	0	22	0	157
Tax Credit	0	0	102	48	51	0	0
City of San Francisco MOHDC Loan	0	0	102	48	51	0	0
City of San Francisco-MOHDC Ground Lease	0	0	102	48	51	0	0
City of San Francisco-Notice of Restrictions	0	0	31	0	71	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		Average Market Rents	Average Monthly Savings	% of Market Rents
			Number of Units	Unit Rent			
Studios	CTCAC	50%	17	\$1,450	\$2,300	\$850	63%
	CTCAC	60%	8	\$1,754		\$546	76%
	CTCAC	70%	-	-		-	-
	CTCAC	80%	8	\$2,075		\$225	90%
	HCD	90%	-	-		-	-
	CTCAC	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
1 Bedroom	CTCAC	50%	41	\$1,529	\$3,050	\$1,521	50%
	CTCAC	60%	20	\$1,855		\$1,195	61%
	CTCAC	70%	-	-		-	-
	CTCAC	80%	21	\$2,507		\$543	82%
	HCD	90%	-	-		-	-
	CTCAC	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
2 Bedrooms	CTCAC	50%	41	\$1,825	\$4,000	\$2,175	46%
	CTCAC	60%	19	\$2,216		\$1,784	55%
	CTCAC	70%	-	-		-	-
	CTCAC	80%	21	\$2,999		\$1,001	75%
	HCD	90%	-	-		-	-
	CTCAC	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
3 Bedrooms	CTCAC	50%	3	\$2,100	\$5,250	\$3,150	40%
	CTCAC	60%	1	\$2,552		\$2,698	49%
	CTCAC	70%	-	-		-	-
	CTCAC	80%	1	\$3,456		\$1,794	66%
	HCD	90%	-	-		-	-
	CTCAC	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
4 Bedrooms	CTCAC	50%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	70%	-	-		-	-
	CTCAC	80%	-	-		-	-
	HCD	90%	-	-		-	-
	CTCAC	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
5 Bedrooms	CTCAC	50%	-	-		-	-
	CTCAC	60%	-	-		-	-
	CTCAC	70%	-	-		-	-
	CTCAC	80%	-	-		-	-
	HCD	90%	-	-		-	-
	CTCAC	100%	-	-		-	-
	CTCAC	120%	-	-		-	-
Date Prepared:		12/4/20		Senior Staff Date:		12/11/20	

SOURCES & USES OF FUNDS 921 Howard Street			Project Number 20-011-A/X/N		Final Commitment
SOURCES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT SOURCES OF FUNDS		
			SOURCES (\$)	PER UNIT (\$)	%
Construction Loan-T/E B of A	89,339,803				0.0%
Construction Loan-Tax B of A	3,796,703				0.0%
MOHDC Gap Loan	31,961,997				0.0%
Accrued Interest	1,734,197				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	-				0.0%
Developer Equity Contribution	2,250,000				0.0%
Investor Equity Contribution	11,060,641				0.0%
Perm		45,000,000	45,000,000	221,675	29.8%
MIP		10,150,000	10,150,000	50,000	6.7%
MOHDC Gap Loan		31,961,997	31,961,997	157,448	21.2%
Accrued Interest		1,734,197	1,734,197	8,543	1.1%
Construct/Rehab Net Oper. Inc.		-	-	-	0.0%
Deferred Developer Fees		4,500,000	4,500,000	22,167	3.0%
Developer Equity Contribution		2,250,000	2,250,000	11,084	1.5%
Investor Equity Contributions		55,303,203	55,303,203	272,430	36.6%
TOTAL SOURCES OF FUNDS	140,143,341	150,899,397	150,899,397	743,347	100.0%
TOTAL USES OF FUNDS (BELOW)	140,143,341	150,899,396	150,899,397	743,347	100.0%
FUNDING SURPLUS (DEFICIT)	(0)	1	0		

USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		140,143,341			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	-	-	-	-	0.0%
Demolition Costs	377,078	-	377,078	1,858	0.2%
Legal & Other Closing Costs	-	-	-	-	0.0%
Escrow & other closing costs	384,733	-	384,733	1,895	0.3%
Other (Land Holding Costs)	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL ACQUISITION COSTS	761,811	-	761,811	3,753	0.5%
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	-	-	-	-	0.0%
Environmental Remediation (Hard Costs)	300,000	-	300,000	1,478	0.2%
Site Work (Hard Cost)	-	-	-	-	0.0%
Structures (Hard Cost)	94,330,179	-	94,330,179	464,681	62.5%
General Requirements	4,903,041	-	4,903,041	24,153	3.2%
Contractor Overhead	3,087,142	-	3,087,142	15,208	2.0%
Contractor Profit	-	-	-	-	0.0%
Contractor Bond	408,074	-	408,074	2,010	0.3%
GC Contingency	1,962,671	-	1,962,671	9,668	1.3%
TOTAL CONSTRUCT/REHAB COSTS	104,991,107	-	104,991,107	517,198	69.6%

SOURCES & USES OF FUNDS 921 Howard Street			Project Number 20-011-A/X/N		Final Commitment
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
RELOCATION COSTS					
Relocation Expense	252,000	-	252,000	1,241	0.2%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	252,000	-	252,000	1,241	0.2%
ARCHITECTURAL FEES					
Design	2,603,611	-	2,603,611	12,826	1.7%
Supervision	615,000	-	615,000	3,030	0.4%
TOTAL ARCHITECTURAL FEES	3,218,611	-	3,218,611	15,855	2.1%
SURVEY & ENGINEERING FEES					
Engineering	587,750	-	587,750	2,895	0.4%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	50,000	-	50,000	246	0.0%
TOTAL SURVEY & ENGINEERING FEES	637,750	-	637,750	3,142	0.4%
CONTINGENCY RESERVES					
Hard Cost Contingency Reserve	7,112,742	-	7,112,742	35,038	4.7%
Soft Cost Contingency Reserve	1,527,915	-	1,527,915	7,527	1.0%
TOTAL CONTINGENCY RESERVES	8,640,657	-	8,640,657	42,565	5.7%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
Construction Loan-T/E B of A	7,406,857	-	7,406,857	36,487	0.049085
Construction Loan-Tax B of A	-	-	-	-	0
MOHDC Gap Loan	1,734,197	-	1,734,197	8,543	1.1%
Loan Fees					
Construction Loan-T/E B of A	446,699	-	446,699	2,200	0.3%
Construction Loan-Tax B of A	18,984	-	18,984	94	0.0%
MOHDC Gap Loan	-	-	-	-	0.0%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	0.0%
Credit Enhancement & Application Fees &	274,350	-	274,350	1,351	0.2%
Owner Paid Bonds/Insurance	-	-	-	-	0.0%
CalHFA Inspection Fees	18,000	-	18,000	89	0.0%
Real Estate Taxes During Rehab	153,520	-	153,520	756	0.1%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Preva	-	-	-	-	0.0%
Insurance During Rehab	2,655,761	-	2,655,761	13,083	1.8%
Title & Recording Fees	55,000	-	55,000	271	0.0%
Construction Management & Testing	732,000	-	732,000	3,606	0.5%
Predevelopment Interest Expense	-	-	-	-	0.0%
Bond Issuer Fee	113,137	-	113,137	557	0.1%
Misc. Bond Issuance and Extension Fees	62,915	-	62,915	310	0.0%
TOTAL CONST/REHAB PERIOD COSTS	13,671,420	-	13,671,420	67,347	9.1%

SOURCES & USES OF FUNDS		Project Number		Final Commitment	
921 Howard Street				20-011-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	225,000	225,000	450,000	2,217	0.3%
MIP	50,750	50,750	101,500	500	0.1%
MOHDC Gap Loan	-	-	-	-	0.0%
Permanent Loan Cost of Issuance Fee	55,000	55,000	110,000	542	0.1%
Credit Enhancement & Application Fees	-	11,000	11,000	54	0.0%
Title & Recording (closing costs)	-	10,009	10,009	49	0.0%
Year 1 - Taxes & Special Assessments and Insura	-	108,921	108,921	537	0.1%
CalHFA Fees (Extension)	159,810	-	159,810	787	0.1%
Tax Exempt Bond Allocation Fee	-	-	-	-	0.0%
Other (Specify)	-	10,085	10,085	50	0.0%
TOTAL PERMANENT LOAN COSTS	490,560	470,765	961,325	4,736	0.6%
LEGAL FEES					
CalHFA Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
Other Construction/Rehab Loan Legal Fees	50,000	-	50,000	246	0.0%
CalHFA Permanent Loan Legal Fees	-	35,000	35,000	172	0.0%
Other Permanent Loan Legal Fees	-	65,000	65,000	320	0.0%
Sponsor Legal Fees	75,000	-	75,000	369	0.0%
Organizational Legal Fees	5,000	-	5,000	25	0.0%
Syndication Legal Fees	30,000	-	30,000	148	0.0%
Borrower Legal Fee	10,000	-	10,000	49	0.0%
CalHFA Bond Counsel	62,000	-	62,000	305	0.0%
TOTAL LEGAL FEES	232,000	100,000	332,000	1,635	0.2%
OPERATING RESERVES					
Operating Expense Reserve Deposit	-	1,059,504	1,059,504	5,219	0.7%
Investor Required Reserve	-	-	-	-	0.0%
Other (Commercial Space Reserve)	-	1,515	1,515	7	0.0%
TOTAL OPERATING RESERVES	-	1,061,019	1,061,019	5,227	0.7%
REPORTS & STUDIES					
Appraisal Fee	25,023	-	25,023	123	0.0%
Market Study Fee	10,000	-	10,000	49	0.0%
Physical Needs Assessment Fee	-	-	-	-	0.0%
Environmental Site Assessment Reports	75,000	-	75,000	369	0.0%
Other (LEED Consultant)	60,000	-	60,000	296	0.0%
TOTAL REPORTS & STUDIES	170,023	-	170,023	838	0.1%

SOURCES & USES OF FUNDS		Project Number		Final Commitment	
921 Howard Street				20-011-A/X/N	
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
OTHER COSTS					
TCAC Application, Allocation & Monitor Fees	139,640	-	139,640	688	0.1%
CDLAC Fees	32,598	-	32,598	161	0.0%
Local Permits & Fees	750,000	-	750,000	3,695	0.5%
Local Impact Fees	2,400,000	-	2,400,000	11,823	1.6%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	451,000	-	451,000	2,222	0.3%
Accounting & Audits	250,000	-	250,000	1,232	0.2%
Advertising & Marketing Expenses	396,436	-	396,436	1,953	0.3%
Other (Utilities)	1,320,000	-	1,320,000	6,502	0.9%
Other (Misc.Engineering)	95,000	-	95,000	468	0.1%
TOTAL OTHER COSTS	5,834,674	-	5,834,674	28,742	3.9%
SUBTOTAL PROJECT COSTS					
	138,900,612	141,775,125	140,532,397	692,278	93.1%
DEVELOPER FEES & COSTS					
Developer Fees, Overhead & Profit	875,729	9,124,271	10,000,000	49,261	6.6%
Syndicator Consultant Fees	75,000	-	75,000	369	0.0%
Guarantee Fees	-	-	-	-	0.0%
Construction Oversight & Management	250,000	-	250,000	1,232	0.2%
Other Administration Fees (commercial leasing)	42,000	-	42,000	207	0.0%
CASH EQUITY OUT TO DEVELOPER	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	1,242,729	9,124,271	10,367,000	51,069	6.9%
TOTAL PROJECT COSTS					
	140,143,341	150,899,396	150,899,397	743,347	100.0%

PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET		Final Commitment		
921 Howard Street		Project Number	20-011-A/X/N	
INCOME		AMOUNT	PER UNIT	%
Rental Income				
Restricted Unit Rents	\$ 4,799,208	\$ 23,641		104.95%
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	14,251	70		0.31%
Parking & Storage Income	-	-		0.00%
Miscellaneous Income	-	-		0.00%
GROSS POTENTIAL INCOME (GPI)		\$ 4,813,459	\$ 23,712	105.26%
Less: Vacancy Loss	\$ 240,673	\$ 1,186		5.26%
EFFECTIVE GROSS INCOME (EGI)		\$ 4,572,786	\$ 24,897	100.00%
OPERATING EXPENSES		AMOUNT	PER UNIT	%
Administrative Expenses	\$ 476,387	\$ 2,347	\$ 0	
Management Fee	164,620	811		3.60%
Social Programs & Services	144,648	713		3.16%
Utilities	357,366	1,760		7.82%
Operating & Maintenance	478,835	2,359		10.47%
Ground Lease Payments	15,000	74		0.33%
CalHFA Monitoring Fee	7,500	37		0.16%
Other Monitoring Fees	21,900	108		0.48%
Real Estate Taxes	21,274	105		0.47%
Other Taxes & Insurance	265,438	1,308		5.80%
Assisted Living/Board & Care	-	-		0.00%
SUBTOTAL OPERATING EXPENSES		\$ 1,952,968	\$ 9,621	42.71%
Replacement Reserve	\$ 101,500	\$ 500		2.22%
TOTAL OPERATING EXPENSES		\$ 2,054,468	\$ 10,121	44.93%
NET OPERATING INCOME (NOI)		\$ 2,518,318	\$ 12,406	55.07%
DEBT SERVICE PAYMENTS		AMOUNT	PER UNIT	%
Perm	\$ 2,183,549	\$ 10,756		47.75%
-	\$ -	-		0.00%
-	\$ -	-		0.00%
MOHDC Gap Loan	\$ -	-		0.00%
-	\$ -	-		0.00%
-	\$ -	-		0.00%
-	\$ -	-		0.00%
MIP Annual Fee (applicable for MIP only deals)	\$ -	-		0.00%
TOTAL DEBT SERVICE & OTHER PAYMENTS		\$ 2,183,549	\$ 10,756	47.75%
EXCESS AFTER DEBT SERVICE & MONITORING FEES		\$ 334,768	\$ 1,649	7.32%
DEBT SERVICE COVERAGE RATIO (DSCR)		\$ 1 to 1		
Date: 12/4/20	Senior Staff Date:		12/11/20	

PROJECTED PERMANENT LOAN CASH FLOWS											921 Howard Street		
Final Commitment	2024										Project Number	20-011-A/X/N	
	YEAR	1	2	3	4	5	6	7	8	9	10	11	
RENTAL INCOME													
	CPI												
Restricted Unit Rents	2.50%	4,799,208	4,919,188	5,042,168	5,168,222	5,297,428	5,429,863	5,565,610	5,704,750	5,847,369	5,993,553	6,143,392	
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	
Laundry Income	2.50%	14,251	14,607	14,972	15,346	15,730	16,123	16,526	16,939	17,363	17,797	18,242	
GROSS POTENTIAL INCOME (GPI)		4,813,459	4,933,795	5,057,140	5,183,568	5,313,158	5,445,987	5,582,136	5,721,690	5,864,732	6,011,350	6,161,634	
VACANCY ASSUMPTIONS													
	Vacancy												
Restricted Unit Rents	5.00%	239,960	245,959	252,108	258,411	264,871	271,493	278,280	285,238	292,368	299,678	307,170	
Laundry Income	5.00%	713	730	749	767	786	806	826	847	868	890	912	
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	
TOTAL PROJECTED VACANCY LOSS		240,673	246,690	252,857	259,178	265,658	272,299	279,107	286,084	293,237	300,568	308,082	
EFFECTIVE GROSS INCOME (EGI)		4,572,786	4,687,105	4,804,283	4,924,390	5,047,500	5,173,687	5,303,029	5,435,605	5,571,495	5,710,783	5,853,552	
OPERATING EXPENSES													
	CPI / Fee												
Administrative Expenses	3.50%	621,035	642,771	665,268	688,553	712,652	737,595	763,411	790,130	817,785	846,407	876,031	
Management Fee	3.60%	164,620	168,736	172,954	177,278	181,710	186,253	190,909	195,682	200,574	205,588	210,728	
Utilities	3.50%	357,366	369,874	382,819	396,218	410,086	424,439	439,294	454,669	470,583	487,053	504,100	
Operating & Maintenance	3.50%	478,835	495,594	512,940	530,893	549,474	568,706	588,610	609,212	630,534	652,603	675,444	
Ground Lease Payments	0.00%	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	
Other Agency Monitoring Fee	0.05%	21,900	21,900	21,911	21,922	21,933	21,944	21,955	21,966	21,977	21,988	21,999	
Real Estate Taxes	1.25%	21,274	21,540	21,809	22,082	22,358	22,637	22,920	23,207	23,497	23,791	24,088	
Other Taxes & Insurance	3.50%	265,438	274,728	284,344	294,296	304,596	315,257	326,291	337,711	349,531	361,765	374,427	
Required Reserve Payments	1.00%	101,500	102,515	103,540	104,576	105,621	106,678	107,744	108,822	109,910	111,009	112,119	
TOTAL OPERATING EXPENSES		2,054,468	2,120,158	2,188,086	2,258,317	2,330,930	2,406,008	2,483,635	2,563,898	2,646,890	2,732,703	2,821,436	
NET OPERATING INCOME (NOI)		2,518,317	2,566,947	2,616,197	2,666,073	2,716,570	2,767,680	2,819,395	2,871,707	2,924,605	2,978,079	3,032,117	
DEBT SERVICE PAYMENTS													
	Lien #												
Perm	1	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	
MOHDC Gap Loan	2	-	-	-	-	-	-	-	-	-	-	-	
TOTAL DEBT SERVICE & OTHER PAYMENTS		2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	
CASH FLOW AFTER DEBT SERVICE		334,768	383,398	432,648	482,524	533,020	584,130	635,845	688,157	741,056	794,530	848,567	
DEBT SERVICE COVERAGE RATIO		1.15	1.18	1.20	1.22	1.24	1.27	1.29	1.32	1.34	1.36	1.39	
Date Prepared:	12/04/20											Senior Staff Date:	12/11/20
		1	2	3	4	5	6	7	8	9	10	11	
LESS: Asset Management Fee	0.00%	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
LESS: Partnership Management Fee	3.50%	22,000	22,770	23,567	24,392	25,246	26,129	27,044	27,990	28,970	29,984	31,033	
net CF available for distribution		307,768	355,628	404,081	453,132	502,775	553,001	603,802	655,167	707,086	759,546	812,534	
Developer Split	50%	153,884	177,814	202,040	226,566	251,387	276,500	301,901	327,584	353,543	379,773	406,267	
Deferred developer fee repayment	4,500,000	4,500,000	4,346,116	4,168,302	3,966,262	3,739,696	3,488,309	3,211,808	2,909,907	2,582,324	2,228,781	1,849,008	
		153,884	177,814	202,040	226,566	251,387	276,500	301,901	327,584	353,543	379,773	406,267	
Net DDF to repay	4,500,000	4,346,116	4,168,302	3,966,262	3,739,696	3,488,309	3,211,808	2,909,907	2,582,324	2,228,781	1,849,008	1,442,741	
Payments for Residual Receipt Payments	50%												
RESIDUAL RECEIPTS LOANS													
	Payment %												
MIP	24.10%	37,090	42,857	48,697	54,608	60,590	66,643	72,765	78,955	85,212	91,534	97,920	
MOHDC Gap Loan	75.90%	116,794	134,956	153,344	171,958	190,797	209,857	229,136	248,628	268,331	288,239	308,347	
Total Residual Receipts Payments	100.00%	153,884	177,814	202,040	226,566	251,387	276,500	301,901	327,584	353,543	379,773	406,267	
Balances for Residual Receipt Payments													
RESIDUAL RECEIPTS LOANS													
	Interest Rate												
MIP---Simple	2.75%	10,150,000	10,392,035	10,628,303	10,858,731	11,083,249	11,301,783	11,514,265	11,720,625	11,920,794	12,114,707	12,302,297	
0---Compounding	0.00%	-	-	-	-	-	-	-	-	-	-	-	
MOHDC Gap Loan---Simple	3.00%	31,961,997	32,804,063	33,627,966	34,433,482	35,220,384	35,988,447	36,737,450	37,467,174	38,177,406	38,867,935	39,538,556	
Total Residual Receipts Payments		42,111,997	43,196,098	44,256,269	45,292,214	46,303,633	47,290,230	48,251,715	49,187,799	50,098,200	50,982,642	51,840,854	

PROJECTED PERMANENT LOAN CASH FLOWS								921 Howard Street				
Final Commitment								Project Number 20-011-A/X/N				
	YEAR	12	13	14	15	16	17	18	19	20	21	22
RENTAL INCOME												
	CPI											
Restricted Unit Rents	2.50%	6,296,977	6,454,401	6,615,761	6,781,155	6,950,684	7,124,451	7,302,563	7,485,127	7,672,255	7,864,061	8,060,663
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	2.50%	18,698	19,165	19,645	20,136	20,639	21,155	21,684	22,226	22,782	23,351	23,935
GROSS POTENTIAL INCOME (GPI)		6,315,675	6,473,567	6,635,406	6,801,291	6,971,323	7,145,606	7,324,247	7,507,353	7,695,036	7,887,412	8,084,598
VACANCY ASSUMPTIONS												
	Vacancy											
Restricted Unit Rents	5.00%	314,849	322,720	330,788	339,058	347,534	356,223	365,128	374,256	383,613	393,203	403,033
Laundry Income	5.00%	935	958	982	1,007	1,032	1,058	1,084	1,111	1,139	1,168	1,197
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		315,784	323,678	331,770	340,065	348,566	357,280	366,212	375,368	384,752	394,371	404,230
EFFECTIVE GROSS INCOME (EGI)		5,999,891	6,149,888	6,303,636	6,461,226	6,622,757	6,788,326	6,958,034	7,131,985	7,310,285	7,493,042	7,680,368
OPERATING EXPENSES												
	CPI / Fee											
Administrative Expenses	3.50%	906,692	938,427	971,271	1,005,266	1,040,450	1,076,866	1,114,556	1,153,566	1,193,941	1,235,729	1,278,979
Management Fee	3.60%	215,996	221,396	226,931	232,604	238,419	244,380	250,489	256,751	263,170	269,750	276,493
Utilities	3.50%	521,744	540,005	558,905	578,466	598,713	619,668	641,356	663,803	687,037	711,083	735,971
Operating & Maintenance	3.50%	699,085	723,553	748,877	775,088	802,216	830,293	859,353	889,431	920,561	952,781	986,128
Ground Lease Payments	0.00%	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Other Agency Monitoring Fee	0.05%	22,010	22,021	22,032	22,043	22,054	22,065	22,076	22,087	22,098	22,109	22,120
Real Estate Taxes	1.25%	24,389	24,694	25,003	25,315	25,632	25,952	26,276	26,605	26,937	27,274	27,615
Other Taxes & Insurance	3.50%	387,531	401,095	415,133	429,663	444,701	460,266	476,375	493,048	510,305	528,166	546,651
Required Reserve Payments	1.00%	113,240	114,373	115,516	116,672	117,838	119,017	120,207	121,409	122,623	123,849	125,088
TOTAL OPERATING EXPENSES		2,913,187	3,008,062	3,106,168	3,207,617	3,312,523	3,421,006	3,533,189	3,649,200	3,769,172	3,893,239	4,021,545
NET OPERATING INCOME (NOI)		3,086,704	3,141,826	3,197,467	3,253,610	3,310,234	3,367,320	3,424,845	3,482,785	3,541,113	3,599,802	3,658,823
DEBT SERVICE PAYMENTS												
	Lien #											
Perm	1	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549
MOHDC Gap Loan	2	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549
CASH FLOW AFTER DEBT SERVICE		903,155	958,277	1,013,918	1,070,060	1,126,685	1,183,771	1,241,295	1,299,235	1,357,564	1,416,253	1,475,273
DEBT SERVICE COVERAGE RATIO		1.41	1.44	1.46	1.49	1.52	1.54	1.57	1.60	1.62	1.65	1.68
Date Prepared: 12/04/20								Senior Staff Date: 12/11/20				
		12	13	14	15	16	17	18	19	20	21	22
LESS: Asset Management Fee	0.00%	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
LESS: Partnership Management Fee	3.50%	32,119	33,244	34,407	35,611	36,858	38,148	39,483	40,865	42,295	43,775	45,307
net CF available for distribution		866,035	920,033	974,511	1,029,449	1,084,827	1,140,623	1,196,813	1,253,370	1,310,269	1,367,478	1,424,966
Developer Split	50%	433,018	460,017	487,255	514,725	542,414	570,311	598,406	626,685	655,134	683,739	712,483
Deferred developer fee repayment	4,500,000	1,442,741	1,009,723	549,706	62,451	-	-	-	-	-	-	-
		433,018	460,017	487,255	62,451	-	-	-	-	-	-	-
Net DDF to repay	4,500,000	1,009,723	549,706	62,451	-	-	-	-	-	-	-	-
Payments for Residual Receipt Payments	50%											
RESIDUAL RECEIPTS LOANS												
	Payment %											
MIP	24.10%	104,368	110,875	117,440	124,061	130,735	137,459	144,230	151,046	157,903	164,797	171,725
MOHDC Gap Loan	75.90%	328,650	349,142	369,815	390,664	411,679	432,853	454,176	475,639	497,231	518,941	540,757
Total Residual Receipts Payments	100.00%	433,018	460,017	487,255	514,725	542,414	570,311	598,406	626,685	655,134	683,739	712,483
Balances for Residual Receipt Payments												
RESIDUAL RECEIPTS LOANS												
	Interest Rate											
MIP---Simple	2.75%	12,483,502	12,658,260	12,826,510	12,988,194	13,143,258	13,291,649	13,433,315	13,568,210	13,696,289	13,817,511	13,931,838
0---Compounding	0.00%	-	-	-	-	-	-	-	-	-	-	-
MOHDC Gap Loan---Simple	3.00%	40,189,069	40,819,279	41,428,998	42,018,042	42,586,239	43,133,420	43,659,427	44,164,111	44,647,331	45,108,960	45,548,879
Total Residual Receipts Payments		52,672,572	53,477,539	54,255,507	55,006,237	55,729,497	56,425,068	57,092,742	57,732,320	58,343,620	58,926,471	59,480,717

PROJECTED PERMANENT LOAN CASH FLOWS							921 Howard Street									
Final Commitment		Project Number 20-011-A/X/N														
	YEAR	23	24	25	26	27	28	29	30							
RENTAL INCOME		CPI														
Restricted Unit Rents	2.50%	8,262,179	8,468,734	8,680,452	8,897,463	9,119,900	9,347,897	9,581,595	9,821,135							
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-							
Laundry Income	2.50%	24,533	25,147	25,775	26,420	27,080	27,757	28,451	29,163							
GROSS POTENTIAL INCOME (GPI)		8,286,713	8,493,880	8,706,227	8,923,883	9,146,980	9,375,655	9,610,046	9,850,297							
VACANCY ASSUMPTIONS		Vacancy														
Restricted Unit Rents	5.00%	413,109	423,437	434,023	444,873	455,995	467,395	479,080	491,057							
Laundry Income	5.00%	1,227	1,257	1,289	1,321	1,354	1,388	1,423	1,458							
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-							
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-							
TOTAL PROJECTED VACANCY LOSS		414,336	424,694	435,311	446,194	457,349	468,783	480,502	492,515							
EFFECTIVE GROSS INCOME (EGI)		7,872,377	8,069,186	8,270,916	8,477,689	8,689,631	8,906,872	9,129,544	9,357,782							
OPERATING EXPENSES		CPI / Fee														
Administrative Expenses	3.50%	1,323,743	1,370,074	1,418,027	1,467,658	1,519,026	1,572,192	1,627,218	1,684,171							
Management Fee	3.60%	283,406	290,491	297,753	305,197	312,827	320,647	328,664	336,880							
Utilities	3.50%	761,730	788,390	815,984	844,543	874,102	904,696	936,360	969,133							
Operating & Maintenance	3.50%	1,020,642	1,056,365	1,093,338	1,131,604	1,171,211	1,212,203	1,254,630	1,298,542							
Ground Lease Payments	0.00%	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000							
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500							
Other Agency Monitoring Fee	0.05%	22,131	22,142	22,153	22,164	22,175	22,186	22,198	22,209							
Real Estate Taxes	1.25%	27,960	28,310	28,664	29,022	29,385	29,752	30,124	30,500							
Other Taxes & Insurance	3.50%	565,784	585,587	606,082	627,295	649,250	671,974	695,493	719,835							
Required Reserve Payments	1.00%	126,339	127,602	128,878	130,167	131,469	132,783	134,111	135,452							
TOTAL OPERATING EXPENSES		4,154,235	4,291,461	4,433,378	4,580,150	4,731,944	4,888,934	5,051,298	5,219,223							
NET OPERATING INCOME (NOI)		3,718,142	3,777,726	3,837,538	3,897,539	3,957,687	4,017,938	4,078,246	4,138,559							
DEBT SERVICE PAYMENTS		Lien #														
Perm	1	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549							
MOHDC Gap Loan	2	-	-	-	-	-	-	-	-							
TOTAL DEBT SERVICE & OTHER PAYMENTS		2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549	2,183,549							
CASH FLOW AFTER DEBT SERVICE		1,534,592	1,594,176	1,653,988	1,713,989	1,774,137	1,834,389	1,894,696	1,955,010							
DEBT SERVICE COVERAGE RATIO		1.70	1.73	1.76	1.78	1.81	1.84	1.87	1.90							
Date Prepared: 12/04/20		Senior Staff Date: 12/11/20							23	24	25	26	27	28	29	30
LESS: Asset Management Fee	0.00%	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000							
LESS: Partnership Management Fee	3.50%	46,893	48,535	50,233	51,991	53,811	55,694	57,644	59,661							
net CF available for distribution		1,482,699	1,540,642	1,598,755	1,656,998	1,715,326	1,773,694	1,832,052	1,890,349							
Developer Split	50%	741,350	770,321	799,377	828,499	857,663	886,847	916,026	945,174							
Deferred developer fee repayment	4,500,000	-	-	-	-	-	-	-	-							
Net DDF to repay	4,500,000	-	-	-	-	-	-	-	-							
Payments for Residual Receipt Payments	50%															
RESIDUAL RECEIPTS LOANS	Payment %	741,350	770,321	799,377	828,499	857,663	886,847	916,026	945,174							
MIP	24.10%	178,683	185,666	192,669	199,688	206,717	213,751	220,784	227,810							
MOHDC Gap Loan	75.90%	562,667	584,655	606,708	628,811	650,946	673,096	695,242	717,365							
Total Residual Receipts Payments	100.00%	741,350	770,321	799,377	828,499	857,663	886,847	916,026	945,174							
Balances for Residual Receipt Payments																
RESIDUAL RECEIPTS LOANS	Interest Rate															
MIP---Simple	2.75%	14,039,238	14,139,680	14,233,139	14,319,595	14,399,032	14,471,439	14,536,813	14,595,154							
0---Compounding	0.00%	-	-	-	-	-	-	-	-							
MOHDC Gap Loan---Simple	3.00%	45,966,981	46,363,174	46,737,379	47,089,531	47,419,580	47,727,494	48,013,258	48,276,876							
Total Residual Receipts Payments		60,006,219	60,502,854	60,970,518	61,409,126	61,818,612	62,198,933	62,550,071	62,872,030							



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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Minimum Perm Loan amount of \$5,000,000. • Minimum 1.15x for debt service coverage ratio (include any financing with amortizing debt). • 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)	<ul style="list-style-type: none"> • Application Fee: \$10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Loan Fee. • Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing. • Cost of Issuance Fee: \$110,000, half due at final commitment, with balance due at Perm Loan Closing. • Credit Enhancement Fee: included in the interest rate. • Annual Administrative Fee: \$7,500 annually (not to be duplicated if used in conjunction with CalHFA's Conduit Program). • Inspection fees should be estimated at \$500 - \$1,000 per month (reports and fees can be shared with other construction lenders) • Legal Fee: \$35,000 due at Perm Loan closing. • Administrative Fee: \$1,000 at Perm Loan closing. • Letter of Interest Fee: \$5,000 at LOI request, and is credited towards the CalHFA Perm Loan Fee <p>See Conduit Issuer Program Term Sheet for information on conduit issuance fees.</p>

Steve Lierly, Loan Officer
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8813
slierly@calhfa.ca.gov

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

TAX-EXEMPT PERMANENT LOAN PROGRAM

<p>Rate & Terms (subject to change)</p>	<p>Interest Rate:</p> <ul style="list-style-type: none"> • 17 Year Balloon: 15 Year “AAA” MMD (Municipal Market Data) plus CalHFA spread • 30 Year Balloon and Fully Amortizing Loans: 30 Year “AAA” MMD plus CalHFA spread • Estimated CalHFA Spread: 2.00% to 2.50% • 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. <p>Amortization/Term:</p> <ul style="list-style-type: none"> • Amortization: Up to 35 Year Amortization¹ • Term: Fully Amortizing, and 17 or 30 Year Balloons available² • Perm Loan Reduction: up to 10% reduction at Perm Loan closing permitted at no cost. • A six-month extension is permitted upon payment of a fee equal to 0.50% of the Perm Loan amount. • Breakage Fee (if applicable): between construction loan closing and Perm Loan closing and calculated based on hedge termination cost. <p>1. The Agency may offer up to a 40 year amortization at its discretion. 2. Balloon loans subject to agency approved exit strategy.</p>
<p>Loan Closing Requirements</p>	<ul style="list-style-type: none"> • 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.
<p>Prepayment</p>	<p>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:</p> <ul style="list-style-type: none"> • 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 <p>All prepayments require a prior written 120-day notice to CalHFA.</p>
<p>Subordinate Financing</p>	<p>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.</p>

TAX-EXEMPT PERMANENT LOAN PROGRAM

Occupancy Requirements	<p>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 ("10% @ 50% AMI").</p> <p>CalHFA's regulated units must represent a pro-rata share of the available unit sizes (by bedroom count and square feet), and be disbursed throughout the project.</p>
Due Diligence	<p>The following due diligence is required to be provided at the Owner/Borrower's expense:</p> <ul style="list-style-type: none"> • 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). • Phase I Environmental Site Assessment including but not limited to impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation). • 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.
Required Impounds and Reserves	<ul style="list-style-type: none"> • 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: 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. • 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 rental subsidy contracts with contract terms that are less than 20 years. • Other reserves as required (at CalHFA's discretion).

Last revised: 4/2019

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.



MIXED-INCOME LOAN PROGRAM

The CalHFA Mixed-Income Program ("MIP") provides competitive long-term subordinate financing for new construction multifamily housing projects restricting units (tax credit or CalHFA) between 30% and 120% 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 or a sponsor must work with a CalHFA Mixed-Income Qualified Permanent Lender (defined below). 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 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/forms/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, non-profit, 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 or financing from a CalHFA Mixed-Income Qualified Permanent Lender. CalHFA Mixed-Income Qualified Construction and Qualified Permanent Lenders are defined in the CalHFA Lender Qualifications 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 each project must be tax credit financed, OR
2. Qualified 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) utilizing an allocation of private activity bonds to finance the project, OR
3. Qualified mixed-income project through income averaging.

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

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 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.
2. **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. Within the 180-day period the following items must be submitted to CalHFA in their final form:
 - a. A complete updated application (inclusive of all CalHFA Addendum Items) 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 that in the event that the city or county as a rule does not issue building permits prior to the completion of grading, 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 necessary to close construction financing required by CalHFA.

MIP ALLOCATION LIMITS:

1. **10% Project Cap:** No project may receive more than 10% of the total MIP allocation for the respective year.
2. **33% Sponsor Cap:** No sponsor (any individual, entity, affiliate and related entity) may receive more than 33% of MIP funds for the respective year.
3. **33% County Cap:** No one county may receive more than 33% of MIP funds for the respective year.
4. **25% Age-Restricted Cap:** No more than 25% of MIP funds for the respective year may be received by age-restricted projects.

EVIDENCE OF COST CONTAINMENT:

A Cost Containment Analysis will be completed by CalHFA at the time of the Construction Loan Closing.

The developer/sponsor must certify that cost containment measures have been implemented 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.

MIXED-INCOME LOAN PROGRAM

<p>Qualifications (continued)</p>	<p>EVIDENCE OF SUBSIDY EFFICIENCY:</p> <p>A Subsidy Efficiency Analysis will be completed as part of the Application review. The analysis will be completed again prior to closing the MIP Subordinate Loan and the MIP Loan amount may be adjusted based on the final analysis. Parameters of the analysis may include but are not limited to the following:</p> <ul style="list-style-type: none"> • A maximum of 1.20 Debt Service Coverage Ratio (“DSCR”). CalHFA may allow an initial DSCR higher than 1.20 on a case by case basis, if deemed necessary; • 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 the project; • A cashflow after debt service that is 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 3 years of project operation; • Inflation factors and vacancy rates consistent with the Agency’s Underwriting Standards and Reference Manual (“USRM”); • Developer Fee requirements will match those required under the 4% federal and/or state tax credit reservation. • Capitalized reserves shall be subject to approval by Agency for reasonableness consistent with the USRM and the Investor Limited Partnership Agreement (ILPA); • Review of Excess Sources over final Uses as approved by CalHFA resulting from any of the following: <ul style="list-style-type: none"> · 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.
<p>CalHFA Mixed-Income Qualified Lender Qualifications</p>	<p>A CalHFA Qualified Construction Lender is defined as a Construction Lender that has closed at least 5 construction loans using tax-exempt bonds and 4% federal and/or state tax credits in California within the last 3 years and satisfies the requirement set forth within the application.</p> <p>A CalHFA Qualified Permanent Lender is defined as a Permanent Lender that has closed at least 5 Permanent loans using tax-exempt bonds and 4% federal and/or state tax credits in California within the last 3 years and satisfies the requirement set forth within the application.</p>
<p>CalHFA Mixed-Income Development Team Qualifications</p>	<p>The Developer/Co-Developer must be registered to do business and in good standing in the state of California. A CalHFA Qualified Developer/Co-Developer must have developed at least three (3) comparable projects within the past five (5) years.</p> <p>The proposed Project Manager must have personally managed the development of at least two (2) comparable projects within the past 5 years.</p> <p>Financial Consultants hired to assist the Developer in meeting the minimum experience requirements must be able to provide details regarding at least three (3) comparably financed projects over the last five (5) years.</p>

MIXED-INCOME LOAN PROGRAM

<p>CalHFA Mixed-Income Development Team Qualifications (Continued)</p>	<p>Architects new to CalHFA must provide information for three (3) comparable projects they designed that were built and occupied within the past five (5) years.</p> <p>General Contractor (GC) must be licensed by the State of California. GCs new to CalHFA must provide information related to three (3) comparable (in design) projects built in the past five (5) years. Similar information will be required for the proposed on-site construction supervisor. The on-site construction supervisor must have overseen three (3) comparable projects built in the past five (5) years, and they must have overseen the projects from construction start to final completion.</p> <p>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 ten (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 (5) years managing onsite project operations and compliance with rent restricted units.</p>
<p>Permanent First Lien Loan</p>	<p>Provided by CalHFA or a CalHFA Mixed-Income Qualified Permanent Lender. The permanent loan must meet an initial DSCR of at least 1.15 and must maintain a DSCR of 1.0 or higher for the term of the permanent first lien loan. CalHFA may require an initial DSCR higher than 1.15 on a case by case basis, if deemed necessary.</p>
<p>Construction First Lien Loan</p>	<p>Provided by a CalHFA Mixed-Income Qualified Construction Lender.</p>
<p>Limitations</p>	<ol style="list-style-type: none"> 1. MIP cannot be combined with the Tax Credit Allocation Committee’s (TCAC) 9% program. 2. MIP cannot be combined with other state subordinate debt and/or subsidy programs (this does not include state tax credits). Inclusion of other subordinate debt and subsidy will be allowed at CalHFA’s discretion. 3. 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.) 4. At the time of MIP application to CalHFA, a project must not have already received an allocation of 4% federal and/or state tax credits from TCAC or a tax-exempt bond allocation from CDLAC. 5. Projects will not be eligible for other subsidy resources from CalHFA in addition to MIP.
<p>Mixed-Income Project Occupancy Requirements</p>	<p>FEDERAL BOND REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):</p> <p>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”).</p> <p>MIXED INCOME REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):</p> <p>Affordability Requirements:</p> <ol style="list-style-type: none"> 1. To qualify, a project must have at least 10% of the total units restricted as follows*: <ol style="list-style-type: none"> a. 81% to 120% of AMI with an average of 100% of AMI or greater OR if the market study does not support restrictions at these levels,

MIXED-INCOME LOAN PROGRAM

<p>Mixed-Income Project Occupancy Requirements (Continued)</p>	<ul style="list-style-type: none"> b. 60% to 80% of AMI with an average of 70% of AMI or greater, subject to the Maximum Allowable Rents outlined below. <p>*(Deviations from the average unit affordability levels of 70% AMI or 100% AMI outlined above will only be considered if market study supports such deviations.)</p> <ul style="list-style-type: none"> 2. AND either <ul style="list-style-type: none"> a. Tax credit transactions that are income-averaged must not exceed an average affordability of 60% AMI across all restricted units, OR b. Mixed income per CDLAC definitions, a Qualified Residential Rental Project having 50% or fewer of its total units designated as Restricted Rental Units (as restricted by a Bond or TCAC Regulatory Agreement at 60% AMI or lower-CDLAC Regulations Article 1, Section 5000). <p>Note: These restrictions will remain in effect for 55 years. MIP regulatory agreement will restrict 10% of the total units at or below 80% of AMI, another 10% of the total units at or below 50% of AMI (or 80% AMI if there is an exception pursuant to Health and Safety Code Section 51335), and in addition to these restrictions, a minimum of 10% of the total units between 81% up to 120% of AMI OR (subject to the requirements identified above) 10%-29% of the total units between 60% up to 80% AMI, and the remaining units restricted at or below 120% of AMI, except for the designated manager's unit(s).</p> <p>MAXIMUM ALLOWABLE RENTS:</p> <p>Rents for units restricted at 80% AMI and below must be at least 10% below market rents as evidenced by a current Market Study.</p> <p>Rents for units restricted between 81%-120% AMI must be at least 10% below market as evidenced by a current Market Study.</p>
<p>Mixed-Income Subordinate Loan</p>	<ul style="list-style-type: none"> 1. Maximum loan amount for each project shall not exceed 10% of total MIP allocation for the respective year. <ul style="list-style-type: none"> a. Maximum loan per restricted (tax credit or CalHFA) units between 50%-80% AMI shall be \$50,000. b. Maximum loan per MIP restricted units between 81%-120% AMI shall be \$100,000. c. Projects located within the Highest or High Resource areas designated on the TCAC/HCD Opportunity Area Map shall be eligible for an additional 5% of the project eligible basis per 4% federal and state tax credit program. Opportunity Map Home Page 2. Loan size based on project need but cannot be more than 50% of the permanent loan amount.
<p>Mixed-Income Subordinate Loan Rates & Terms</p>	<ul style="list-style-type: none"> 1. Interest Rate: 2.75% simple interest. 2. Loan Term: The MIP loan term shall be coterminous with the permanent first lien loan. 3. 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. 4. Affordability Term: Up to 55 years. 5. Assignability: Consent will be considered. 6. Prepayment: May be prepaid at any time without penalty.

MIXED-INCOME LOAN PROGRAM

Mixed-Income Subordinate Loan Rates & Terms (Continued)	<ol style="list-style-type: none"> 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), the original MIP annual fee schedule will remain in place until the earlier of MIP regulatory restriction expiration, including any extensions, or repayment of the MIP loan. If the outstanding MIP loan is subordinated 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. Funded: Only at permanent loan conversion.
CalHFA Conduit Bond Program	<p>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</p>
CalHFA First Lien Permanent Rates & Terms (subject to change)	<p>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</p>
Fees (subject to change)	<ol style="list-style-type: none"> Program Application Fee: \$10,000 non-refundable, due at time of CalHFA MIP application submittal. The application fee shall be credited towards Loan Fee at time of MIP permanent loan closing. Loan Fee: 1.00% of the loan amount (50% due at final commitment and 50% due at CalHFA MIP loan closing). Legal Fee: \$15,000, due at loan closing (applicable if CalHFA is not providing permanent financing). Ongoing Annual MIP Fee Payable in the event that CalHFA is not the Permanent Lender: 0.35% of the Permanent Loan Amount commencing at CalHFA MIP loan closing, calculated based on the principal balance of an amortization schedule with the following assumptions: i) 55 year amortization; ii) start date, interest rate and the loan amount consistent with permanent first lien loan (this fee is applicable if CalHFA is not providing permanent financing and will remain in place until the repayment of the MIP loan). Annual Administrative Fee: \$7,500 per year (subject to change). <p>Conduit Bond Program Fees: Refer to CalHFA Conduit Bond Program www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf</p> <p>CDLAC Fees: Refer to CDLAC regulations for all applicable fees.</p> <p>If CalHFA is selected as the permanent lender, please 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</p>

Last revised: 11/2019

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.



921 Howard St, San Francisco, CA 94103

UNIQLO Union Square

Contemporary Jewish Museum

San Francisco Museum of Modern Art

Westfield San Francisco Centre

Old Navy

Bloomingdale's

Fogo de Chão Brazilian Steakhouse

Moscone Center

Yerba Buena Gardens

Children's Creativity Museum
Temporarily closed

SoMa Square Apartments

The Warfield

University of the Pacific, Arthur A. Dugoni...

Charmaine's Rooftop Bar & Lounge

Whole Foods Market

Black Hammer Brewing

K&L Wine Merchants

United States Postal Service

Sightglass Coffee

Dell Board

Chevron

The EndUp

San Francisco Flower Mart

Walgreens

San Francisco 4th & King

Mike's Bikes of San Francisco

Pinterest HQ

38

80



JACKSON SQUARE

FINANCIAL DISTRICT

Ferry Building

San Francisco Cable Car Museum
Temporarily closed

Grace Cathedral

Dragon's Gate

POLK GULCH

THE EAST CUT

Union Square

San Francisco Museum of Modern Art

Contemporary Jewish Museum

TENDERLOIN

SOUTH BEACH

921 Howard St, San Francisco, CA 94103

SOUTH PARK

San Francisco City Hall

Asian Art Museum
Temporarily closed

SOMA

Oracle Park
Temporarily closed

San Francisco

Costco Wholesale

MISSION BAY

DESIGN DISTRICT

UCSF Medical Center at Mission Bay

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46

BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 21-01

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of 5th and Howard Associates, 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 San Francisco, County of San Francisco, California, to be known as 921 Howard Street 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 20-04 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 11, 2020, 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, 19-14 and/or 20-17; and

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

5
 6 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of
 7 the California Housing Finance Agency as follows:

8
 9 1. The Executive Director, or in her absence, the Chief Deputy Director, is hereby
 10 authorized to execute and deliver a final commitment letter, in a form acceptable to the Agency,
 11 and subject to recommended terms and conditions set forth in the Staff Report and any terms
 12 and conditions as the Board has designated in the Minutes of the Board Meeting, in relation to
 13 the Development described above and as follows:

<u>PROJECT NUMBER</u>	<u>DEVELOPMENTNAME/ LOCALITY</u>	<u>MORTGAGE AMOUNT</u>
20-011-A/X/N	921 Howard Street Apartments City of San Francisco, County of San Francisco, California	\$45,000,000.00 Tax-Exempt Permanent First Mortgage w/HUD Risk Share
		\$10,150,000.00 Subsidy Loan Funded by the CalHFA Mixed Income Program

14
 15
 16
 17
 18
 19
 20
 21
 22
 23
 24
 25
 26 The Board recognizes that in the event that staff cannot determine that reasonable and prudent
 27 financing mechanisms can be achieved, the staff will not enter into loan commitments to finance
 28 the Development. In addition, access to capital markets may require significant changes to the
 29 terms of loans submitted to the Board. Notwithstanding paragraph 2 below, the staff is
 30 authorized to make any needed modifications to the loan which in staff's judgment are directly
 31 or indirectly the result of the disruptions to the capital markets referred to above.

32
 33 2. The Executive Director may modify the terms and conditions of the loan or
 34 loans as described in the Staff Report, provided that major modifications, as defined below,
 35 must be submitted to this Board for approval. "Major modifications" as used herein means
 36 modifications which either (i) increase the total aggregate amount of any loans made pursuant to
 37 the Resolution by more than 7%; or (ii) modifications which in the judgment of the Executive
 38 Director, or in her absence, the Chief Deputy Director of the Agency, adversely change the
 39 financial or public purpose aspects of the final commitment in a substantial way.

40
 41
 42
 43
 44
 45
 46

SECRETARY'S CERTIFICATE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45

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. 21-01 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 21st day of January 2021, 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 21st day of January 2021.

ATTEST: _____
 CLAIRE TAURIAINEN
 Secretary of the Board of Directors of the
 California Housing Finance Agency

State of California

MEMORANDUM

To: Board of Directors

Date: January 1, 2021



From: Timothy Hsu, Director of Single Family Programs
CALIFORNIA HOUSING FINANCE AGENCY

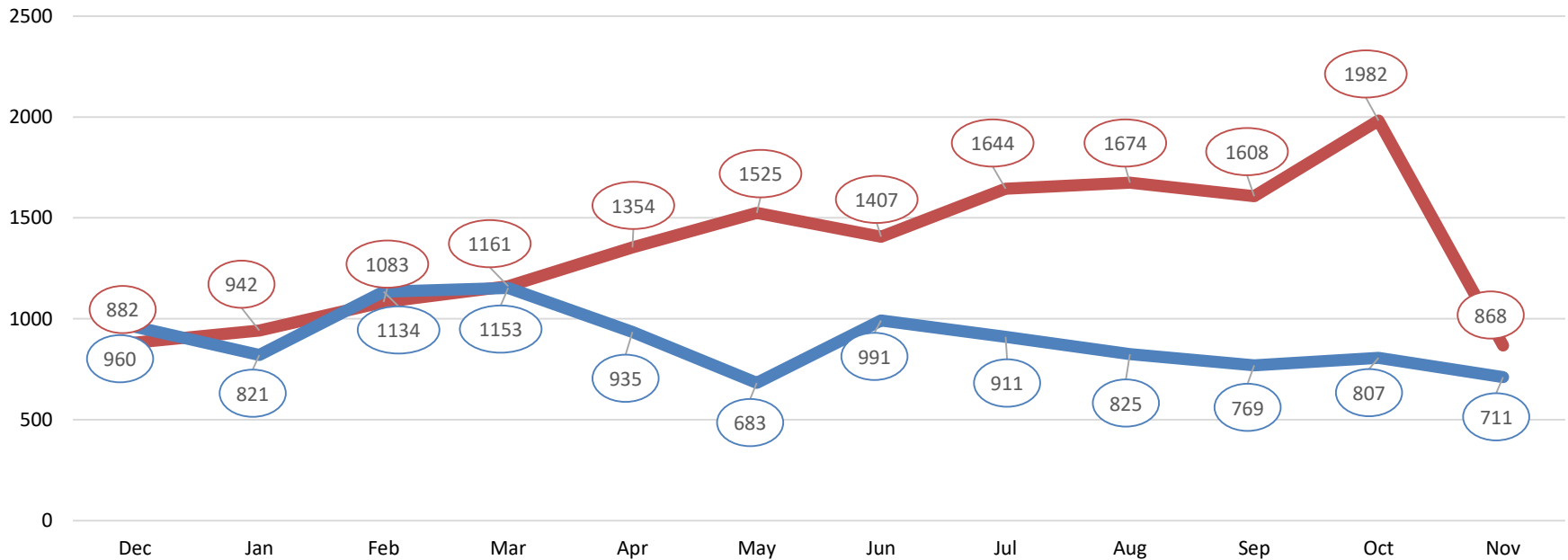
Subject: Single Family Loan Production Report (November 2020)

Highlights:

- Reservations Fiscal Year 2020-21: 4000+
- Securitization Fiscal Year 2020-21: 3500+ (\$1.1Bn)
- About 1/3 of our production are from 3 counties:
 - San Bernardino
 - Riverside
 - Sacramento

Reservations down from last year

TOTAL RESERVATIONS
 December 2018 - November 2019
 December 2019 - November 2020

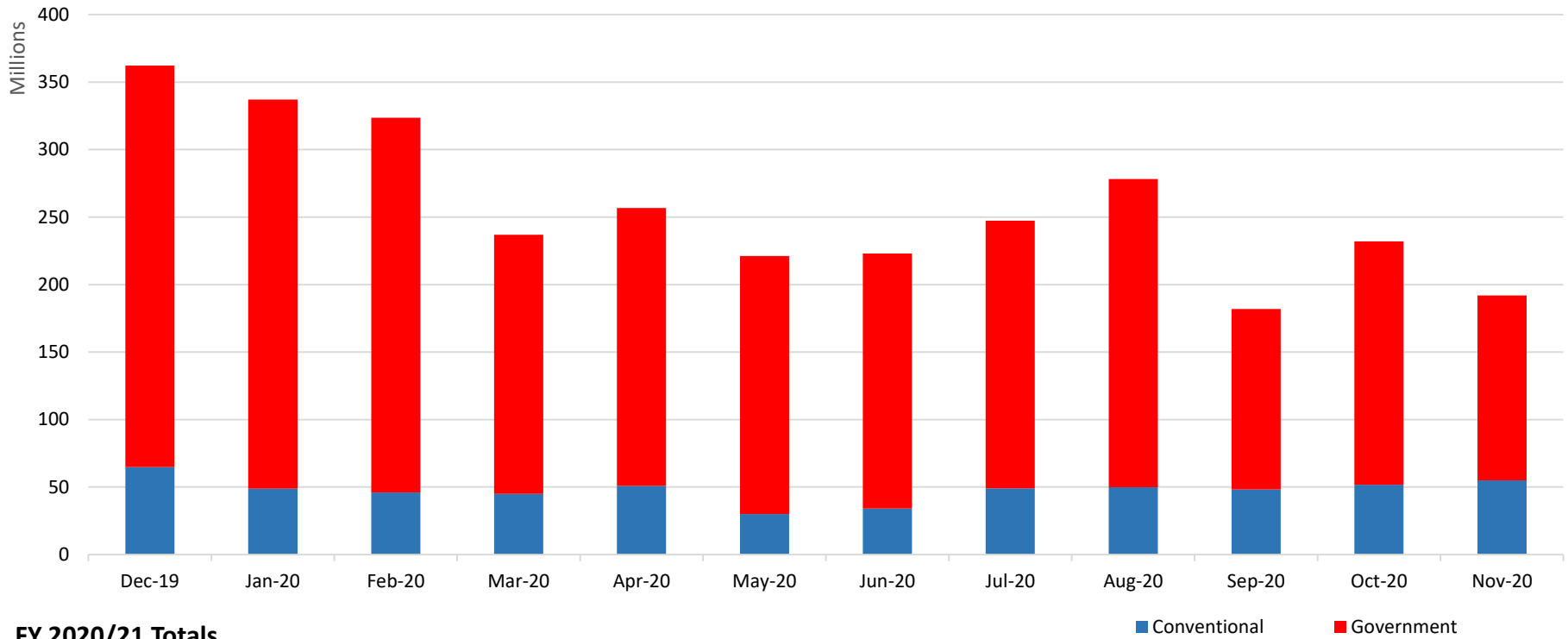


FY 2020/21 Totals:		
Conventional	1080	27%
FHA	2929	73%
	<u>4009</u>	

Totals:
 December 2018 - November 2019 = 16130
 December 2019 - November 2020 = 10700

— 1st Mtg. Reservations December 2018 - November 2019
 — 1st Mtg. Reservations December 2019 - November 2020

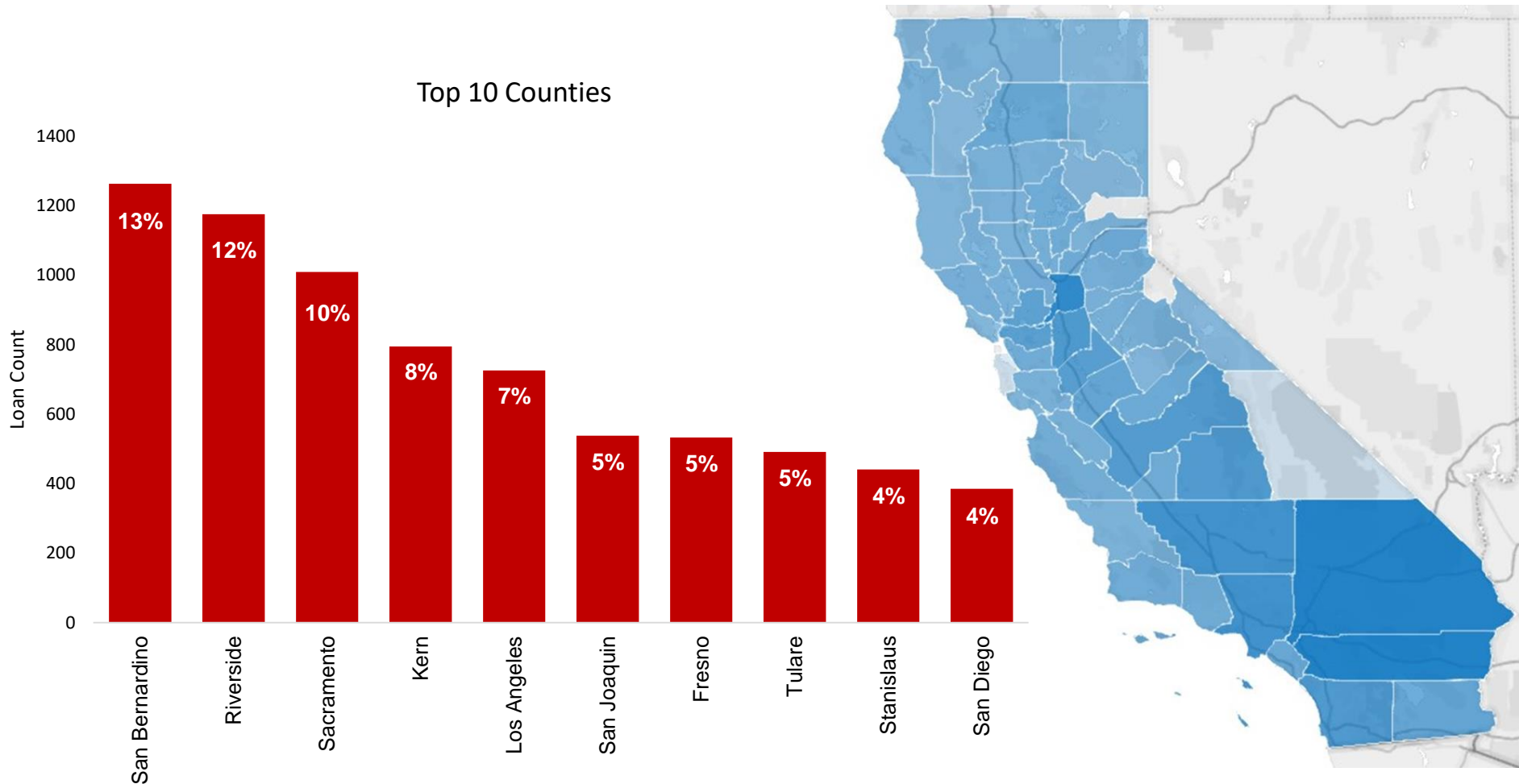
December-2019 - November-2020 Securitized



FY 2020/21 Totals

FHA with ZIP	2602	833,712,941	} 78%
FHA no ZIP	150	42,173,701	
VA	4	1,702,062	
USDA	7	1,840,552	} 22%
Conventional with ZIP	540	187,806,793	
Conventional no ZIP	63	22,440,320	
LI/VLI Conventional with ZIP	156	40,601,806	
LI/VLI Conventional no ZIP	13	3,021,770	
TOTAL	3535	1,133,299,945	

Where are our borrowers?



State of California

MEMORANDUM

To: Board of Directors

Date: January 21, 2021

From: Kate Ferguson, Director of Multifamily
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 (Conduit Program) is designed to facilitate both for-profit and non-profit developers in accessing tax-exempt and taxable bonds for the financing of family and senior affordable and mixed-income housing developments. The goals of the 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.

FY 2020-21 Conduit Issuance as of December 31, 2020

<i>Conduit Program - FY 20-21:</i>									
	Project Name	Underwriting Type	City	Project Type	Units	Closing Date	Tax Exempt Loan	Taxable Loan	Recycled Bonds
<i>Multifamily Conduit Transactions</i>									
<i>(Closed)</i>									
1	AJ Apartments (fka Revolve)	Conduit - Reg Only	Sacramento	Individuals/Families	332	07/24/2020	\$85,000,000	-	-
2	Meadow View Place	Conduit - Reg Only	Truckee	Individuals/Families	56	07/27/2020	\$14,500,000	\$2,500,000	-
3	CCBA Senior Garden Apts	Conduit - Reg Only	San Diego	Senior	45	07/28/2020	\$8,000,000	-	-
4	The Redwood Apartments	Conduit - MIP & Perm	Santa Rosa	Individuals/Families	96	07/28/2020	\$24,000,000	-	\$12,000,000
5	833 Bryant Street Apartments	Conduit - Reg Only	San Francisco	Individuals/Families	146	07/29/2020	\$33,282,714	-	-
6	Courtyards at Cottonwood	Conduit - Reg Only	Moreno Valley	Individuals/Families	81	08/07/2020	\$18,000,000	-	-
7	Mission Gateway	Conduit - MIP	Los Angeles	Individuals/Families	356	08/18/2020	\$90,000,000	-	-
8	Frishman Hollow II	Conduit - MIP & Perm	Truckee	Individuals/Families	68	08/18/2020	\$17,000,000	-	-
9	The Monarch at Chinatown	Conduit - PTO	Fresno	Family	57	08/19/2020	\$17,228,153	-	-
10	Hayward Mission Apts	Conduit - MIP	Hayward	Family/Senior	140	08/26/2020	\$37,200,000	\$12,000,000	-
11	The Parkway Apartments	Conduit - MIP & Perm	Folsom	Individuals/Families	72	09/08/2020	\$16,800,000	\$2,200,000	-
12	Light Tree Two	Conduit - Reg Only	East Palo Alto	Individuals/Families	128	09/25/2020	\$55,785,000	\$33,881,988	-
13	Light Tree Three	Conduit - Reg Only	East Palo Alto	Individuals/Families	57	09/25/2020	\$24,642,500	\$10,282,061	-
14	Valencia Point	Conduit - MIP	San Diego	Individuals/Families	102	09/30/2020	\$25,439,115	\$11,000,000	-
15	Arden Way Apartments	Conduit - MIP & Perm	Sacramento	Individuals/Families	120	10/07/2020	\$26,466,000	\$7,605,546	-
16	Brand Haven Senior Apartments	Conduit - MIP & Perm	Fresno	Senior	180	10/13/2020	\$18,525,000	\$3,975,000	-
17	Beacon Villa	Conduit - MIP & Perm	Pittsburg	Individuals/Families	54	10/21/2020	\$19,000,000	\$9,300,000	-
18	1717 S Street	Conduit - MIP	Sacramento	Individuals/Families	159	10/27/2020	\$39,140,000	-	-
19	Vintage at Woodman	Conduit - MIP	Los Angeles	Senior	239	11/13/2020	\$45,000,000	-	-
20	Twin Oaks Senior Apts	Conduit - MIP	Oakley	Senior	130	11/18/2020	\$31,000,000	-	-
21	One Lake Family Apartments	Conduit - MIP & Perm	Fairfield	Individuals/Families	190	11/20/2020	\$45,500,000	\$27,000,000	-
22	The Atchison	Conduit - MIP	Pittsburg	Individuals/Families	202	12/01/2020	\$47,100,000	\$26,275,000	-
23	Kawana Springs Apartments	Conduit - MIP	Santa Rosa	Individuals/Families	151	12/01/2020	\$38,250,000	\$17,300,000	-
					3,161		\$ 776,858,482	\$ 163,319,595	\$ 12,000,000

Total Conduit Issuance: \$952,178,077

FY 2020-21 Permanent & Subsidy Loan Conversions as of December 31, 2020

<i>Permanent & Subsidy Conversions - FY20-21:</i>								
	Project Name	Underwriting Type	City	Project Type	Units	Closing Date	Permanent Loan Amount	Subsidy Loan Amount
<i>Multifamily Permanent & Subsidy Transactions</i>								
<i>(Closed)</i>								
1	Whittier and Downey SE	Perm	Los Angeles	Family	71	10/09/2020	\$6,500,000	-
					71		\$ 6,500,000	\$ -

Total Permanent & Subsidy Loan Conversions: \$6,500,000
FY 2020-21 Permanent & Subsidy Loan Commitments as of December 31, 2020

<i>Permanent & Subsidy Commitments (Construction Closed) - FY 20-21:</i>								
	Project Name	Underwriting Type	City	Project Type	Units	Closing Date	Permanent Loan	Subsidy Loan
<i>Multifamily Permanent & Subsidy Transactions</i>								
<i>(Closed)</i>								
1	The Redwood Apartments	Conduit - MIP & Perm	Santa Rosa	Individuals/Families	96	07/28/2020	\$15,000,000	-
2	Reedley Village	Perm & Subsidy	Reedley	Family	32	08/12/2020	\$1,050,000	\$640,000
3	Frishman Hollow II	Conduit - MIP & Perm	Truckee	Individuals/Families	68	08/18/2020	\$6,610,000	-
4	The Monarch at Chinatown	Conduit - Perm	Fresno	Family	57	08/19/2020	\$2,135,000	\$775,000
5	The Parkway Apartments	Conduit - MIP & Perm	Folsom	Individuals/Families	72	09/08/2020	\$7,500,000	-
6	Arden Way Apartments	Conduit - MIP & Perm	Sacramento	Individuals/Families	120	10/07/2020	\$12,435,000	-
7	Brand Haven Senior Apartments	Conduit - MIP & Perm	Fresno	Senior	180	10/13/2020	\$10,459,902	
8	Beacon Villa	Conduit - MIP & Perm	Pittsburg	Individuals/Families	54	10/21/2020	\$13,091,000	-
9	One Lake Family Apartments	Conduit - MIP & Perm	Fairfield	Individuals/Families	190	11/20/2020	\$25,780,000	
					679		\$ 94,060,902	\$ 1,415,000

Total Permanent & Subsidy Loan Commitments: \$95,475,902

FY 2020-21 Mixed Income Program Loan Commitments as of December 31, 2020

<i>Mixed Income Program Commitments (Construction Closed) - FY 20-21:</i>							
	Project Name	Underwriting Type	City	Project Type	Units	Closing Date	MIP Loan
<i>Multifamily Mixed Income Program Transactions</i>							
<i>(Closed)</i>							
1	The Redwood Apartments	Conduit - MIP & Perm	Santa Rosa	Individuals/Families	96	07/28/2020	\$4,750,000
2	Mission Gateway	Conduit - MIP	Los Angeles	Individuals/Families	356	08/18/2020	\$15,500,000
3	Frishman Hollow II	Conduit - MIP & Perm	Truckee	Individuals/Families	68	08/18/2020	\$4,388,000
4	Hayward Mission Apts	Conduit - MIP	Hayward	Family/Senior	140	08/26/2020	\$5,000,000
5	The Parkway Apartments	Conduit - MIP & Perm	Folsom	Individuals/Families	72	09/08/2020	\$3,350,000
6	Valencia Point	Conduit - MIP	San Diego	Individuals/Families	102	09/30/2020	\$4,040,000
7	Arden Way Apartments	Conduit - MIP & Perm	Sacramento	Individuals/Families	120	10/07/2020	\$7,610,000
8	Brand Haven Senior Apartments	Conduit - MIP & Perm	Fresno	Senior	180	10/13/2020	\$4,500,000
9	Beacon Villa	Conduit - MIP & Perm	Pittsburg	Individuals/Families	54	10/21/2020	\$6,350,000
10	1717 S Street	Conduit - MIP	Sacramento	Individuals/Families	159	10/27/2020	\$7,900,000
11	Vintage at Woodman	Conduit - MIP	Los Angeles	Senior	239	11/13/2020	\$11,850,000
12	Twin Oaks Senior Apts	Conduit - MIP	Oakley	Senior	130	11/18/2020	\$5,160,000
13	One Lake Family Apartments	Conduit - MIP & Perm	Fairfield	Individuals/Families	190	11/20/2020	\$14,255,000
14	The Atchison	Conduit - MIP	Pittsburg	Individuals/Families	202	12/01/2020	\$10,000,000
15	Kawana Springs Apartments	Conduit - MIP	Santa Rosa	Individuals/Families	151	12/01/2020	\$7,450,000
					2,259		\$112,103,000

Total Mixed Income Loan Commitments: \$112,103,000

FY 2020-21 Special Needs Housing Program Loan Conversions as of December 31, 2020

<i>Special Needs Housing Program Conversions - FY 20-21:</i>							
	Project Name	Underwriting Type	City	Project Type	Units	Closing Date	SNHP Loan
<i>Multifamily Special Needs Housing Program Transactions</i>							
<i>(Closed)</i>							
1	Courson Arts Colony West	SNHP/MHSA	Palmdale	Family	84	07/16/2020	\$855,000
2	The Groves	SNHP/MHSA	San Juan Capistrano	Senior	75	09/04/2020	\$1,574,810
3	Beacon Pointe	SNHP/MHSA	Long Beach	Senior	121	10/30/2020	\$1,000,000
4	Ruth Teague Homes	SNHP/MHSA	Los Angeles	Individuals/Families	52	12/11/2020	\$1,300,000
5	Airport Inn Apartments	SNHP/MHSA	Buena Park	Individuals/Families	58	12/15/2020	\$4,409,468
6	Alegre Commons	SNHP/MHSA	Fresno	Individuals/Families	42	12/23/2020	\$2,800,000
					432		\$11,939,278

Total Special Needs Housing Program Loan Conversions: \$11,939,278

FY 2020-21 Upcoming Closings as of December 31, 2020

<i>Multifamily Loan Pipeline - FY 20-21:</i>												
<i>Q3 - 01/01/2021 - 3/31/2021</i>												
Project Name	Underwriting Type	City	Project Type	Units	Closing Date	Conduit - Tax Exempt	Conduit - Taxable	Permanent	Subsidy	MIP	SNHP	
1322 O Street	Conduit - Reg Only	Sacramento	Family/Senior	55	01/06/2021	\$10,305,237	\$1,679,921	-	-	-	-	-
Santa Rosa Avenue Apartments	Conduit - MIP	Santa Rosa	Individuals/Families	154	01/12/2021	\$39,700,000	\$17,700,000	-	-	\$7,600,000	-	-
Hope on Avalon	Conduit - Reg Only	Los Angeles	Individuals/Families	88	01/13/2021	\$27,926,322	-	-	-	-	-	-
Hayes Valley North	Conduit - Reg Only	San Francisco	Individuals/Families	84	01/13/2020	\$49,000,000	-	-	-	-	-	-
Heritage Common Phase III	Conduit - Reg Only	Dixon	Individuals/Families	44	01/13/2021	\$7,000,000	-	-	-	-	-	-
Panas Place	Perm	Santa Rosa	Individuals/Families	66	01/27/2021	-	-	\$6,400,000	-	-	-	-
West Oaks Apartments	Perm	Santa Rosa	Individuals/Families	53	01/27/2021	-	-	\$4,750,000	-	-	-	-
Legacy Square	SNHP/MHSA	Santa Ana	Individuals/Families	93	01/29/2021	-	-	-	-	-	-	\$1,514,240
Benson Place (fka Hollister Apartments)	SNHP/MHSA	San Diego	Individuals/Families	83	01/29/2021	-	-	-	-	-	-	\$3,775,000
Lakehouse Commons Affordable Apartments	Conduit - Perm	Oakland	Family	91	02/01/2021	\$36,400,000	\$8,097,507	\$5,895,000	\$3,250,000	-	-	-
Healdsburg Scattered Site	Conduit - Reg Only	Healdsburg	Individuals/Families	90	02/02/2021	\$22,682,424	-	-	-	-	-	-
Fitch Mountain Terrace II	Perm	Healdsburg	Senior	20	02/04/2021	-	-	\$1,150,000	-	-	-	-
The Helm	Conduit - MIP	San Diego	Individuals/Families	78	02/16/2021	\$20,980,618	-	-	-	\$3,785,968	-	-
Calms at Burgess Point	Conduit - Reg Only	Benicia	Family	56	02/17/2021	\$6,485,000	-	-	-	-	-	-
Baywood Apts	Conduit - Reg Only	Oakland	Senior	77	02/17/2021	\$29,000,000	\$10,500,000	-	-	-	-	-
Douglas Park Apts	Conduit - Reg Only	Compton	Individuals/Families	72	02/25/2021	\$14,555,000	\$9,245,000	-	-	-	-	-
Residency at the Mayer Hollywood (The)	Conduit - Reg Only	Los Angeles	Senior	79	03/05/2021	\$29,500,000	-	-	-	-	-	-
921 Howard Street Apts	Conduit - MIP & Perm	San Francisco	Individuals/Families	203	03/15/2021	\$89,339,803	\$3,903,491	\$45,500,000	-	\$10,150,000	-	-
Olive Grove	SNHP/MHSA	Corning	Individuals/Families	32	03/18/2021	-	-	-	-	-	-	\$877,773
				1,518		\$ 382,874,404	\$ 51,125,919	\$ 63,695,000	\$ 3,250,000	\$21,535,968	\$ 6,167,013	
<i>Q4 - 04/01/2021 - 6/30/2021</i>												
Project Name	Underwriting Type	City	Project Type	Units	Closing Date	Conduit - Tax Exempt	Conduit - Taxable	Permanent	Subsidy	MIP	SNHP	
McCadden Campus Senior Housing	SNHP/MHSA	Los Angeles	Senior	98	04/01/2021	-	-	-	-	-	-	\$1,000,000
McCadden Plaza Youth Housing	SNHP/MHSA	Los Angeles	TAY	26	04/01/2021	-	-	-	-	-	-	\$560,000
Villa Serena Apts. I	SNHP/MHSA	San Marcos	Family	85	04/01/2021	-	-	-	-	-	-	\$1,067,000
Casa Paloma	SNHP/MHSA	Midway City	Individuals/Families	71	04/12/2021	-	-	-	-	-	-	\$6,688,000
Desert Haven	SNHP/MHSA	Victorville	Individuals/Families	32	04/15/2021	-	-	-	-	-	-	\$2,173,669
Carrillo Place	Perm	Santa Rosa	Individuals/Families	68	04/20/2021	-	-	\$4,022,000	-	-	-	-
Timothy Commons	Perm	Santa Rosa	Individuals/Families	33	04/20/2021	-	-	\$1,385,000	-	-	-	-
Winter Creek Village	Perm	Windsor	Individuals/Families	41	04/20/2021	-	-	\$2,110,000	-	-	-	-
Santa Ana Arts Collective	SNHP/MHSA	Santa Ana	Family	58	04/20/2021	-	-	-	-	-	-	\$2,362,215
Ridgeview Commons	Conduit - Reg Only	Pleasanton	Individuals/Families	200	05/01/2021	\$44,333,758	-	-	-	-	-	-
Flower Park Plaza	Perm	Santa Ana	Senior	199	05/05/2021	-	-	\$31,475,000	-	-	-	-
Gateway Apartments	Conduit - Perm	Menlo Park	Individuals/Families	140	05/12/2021	\$65,000,000	\$18,807,811	\$47,880,000	\$3,500,000	-	-	-
Baylands North	Conduit - Reg Only	San Francisco	Individuals/Families	67	05/12/2021	\$28,000,000	-	-	-	-	-	-
Post 310	SNHP/MHSA	San Diego	Individuals/Families	43	05/14/2021	-	-	-	-	-	-	\$1,500,000
FX Residence	SNHP/MHSA	Santa Ana	Individuals/Families	17	05/15/2021	-	-	-	-	-	-	\$2,047,253
Heritage Park	Conduit - Reg Only	Windsor	Individuals/Families	33	05/20/2021	\$16,000,000	-	-	-	-	-	-
Monroe Street Apartments	Conduit - Reg Only	Oakland	Individuals/Families	65	05/20/2021	\$28,381,422	-	-	-	-	-	-
				1,276		\$ 181,715,180	\$ 18,807,811	\$ 86,872,000	\$ 3,500,000	\$ -	\$17,398,137	

Mixed Income Program (MIP) Details

MIP 2019 Allocation to CalHFA from SB-2: \$47.4 million

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

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

- **MIP 2019 Projects:** \$43.75 million total
 - 7 Projects
 - 7 Projects closed on construction financing and under construction
 - 1,296 Units
 - 1,296 Units closed on construction financing and under construction

- **MIP 2020 Projects:** \$125.94 million total
 - 16 Projects
 - 13 Projects closed on construction financing and under construction
 - 2,453 Units
 - 2,018 Units closed on construction financing and under construction

One project was approved for final commitment by CalHFA's Senior Loan Committee for CalHFA permanent loan with MIP under resolution 19-02, 19-14, and/or 20-16 since the Board meeting on November 12th, 2020:

- 921 Howard Street Apartments (203 Units; San Francisco County)

The above project that was approved by CalHFA's Senior Loan Committee for CalHFA permanent and MIP financing will be presented and considered for Board approval on January 21st, 2021.

State of California

MEMORANDUM

To: Board of Directors

Date: January 7, 2021

From: Andre Massey, Deputy Director of Multifamily Programs
CALIFORNIA HOUSING FINANCE AGENCY

Subject: ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

The CalHFA Asset Management Portfolio is comprised of 806 projects with a balance of \$1.171 billion in financing as of December 31, 2020. The CalHFA portfolio consists of 17,932 affordable home units throughout the State of California.

The portfolio is broken down by type of program as follows:

13	Section 8 Housing Program
98	Risk Share
314	80/20 financing loans - CalHFA Financed Program
184	Mental Health Services Act/Special Needs Housing Program
60	Conduit
22	Section 811 Housing
115	<u>School Facility Fee Reimbursement Program</u>
806	Total

The portfolio has a low delinquency rate of 0.33% which includes two projects. There are three projects on the Watch List for various issues such as untimely submission of annual reports, lack of compliance with the regulatory agreement, or pending completion of physical improvements recommended at time of inspection.

Preservation Strategy

There are 51 Loans scheduled to mature within the next five years. The Multifamily Program has initiated a preservation strategy of the existing portfolio in an effort to extend affordability of the CalHFA financed projects.

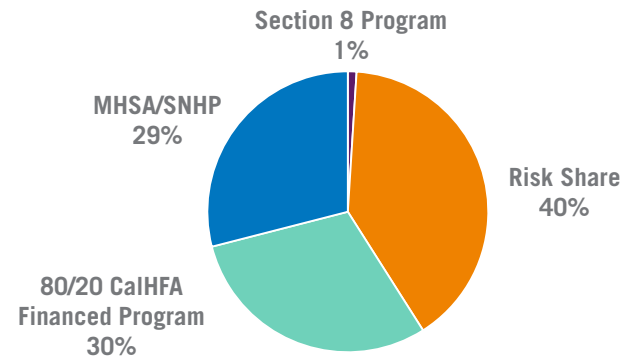
The goals of the Multifamily Asset Management Program are to increase and preserve the supply of affordable housing, assure the maintenance of a quality living environment, assure the projects are financially sound and sustainable, and to cooperate with local jurisdictions to advance affordable housing throughout the State.

As of December 31, 2020

PROGRAMS

Type	# Projects	UPB	%
Section 8 Program	13	\$14,575,786	1%
Risk Share	98	\$468,905,502	40%
80/20 CalHFA Financed Program	314	\$354,314,375	30%
MHSA/SNHP	184	\$334,018,206	29%
Conduit	60	-	0.0%
Section 811	22	-	0.0%
School Facility Fee Reimbursement Program	115	-	0.0%
TOTAL*	806	\$1,171,813,869	

UNPAID PRINCIPAL BALANCE (UPB) BY PROJECT TYPE



* The unpaid principal balance is based on 473 existing projects with loan balances. The portfolio continues to maintain projects without loan balances for purposes of affordability requirements and compliance. 333 projects are being reviewed and maintained for compliance purposes only

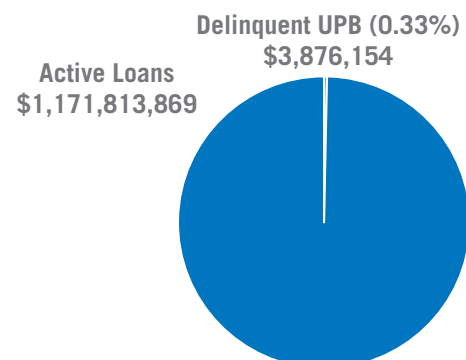
PRESERVATION RISK INDICATORS

Type	# Projects	UPB	%
Projects to be Transferred to AM	55	\$1,067,547,773	
Regulatory Agreement Expires <= 5 yrs.	63	\$51,811,102	4.42%
Loans Mature <= 5 yrs.	51	\$28,766,204	2.45%
Yield Maintenance Requests (last quarter)	16	\$35,639,341	3.04%

FINANCIAL RISK INDICATORS

Type	# Projects	UPB	%
Projects w/ DSCR < 1.0	13	\$22,219,259	1.90%
Watch List	3	\$4,185,626	0.36%
Delinquencies	2	\$3,876,154	0.33%

DELINQUENCIES





ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

As of December 31, 2020

MAP OF CALHFA MULTIFAMILY PROJECTS IN CALIFORNIA

