



## REPORT

**DATE ISSUED:** June 9, 2016

**REPORT NO:** HCR16-054

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of June 17, 2016

**SUBJECT:** Final Bond Authorization for North Park Seniors Apartments

**COUNCIL DISTRICT:** 3

### **REQUESTED ACTION**

Authorize the issuance of Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds/note to fund the land acquisition and new construction of North Park Seniors Apartments, an affordable rental housing development for seniors in the North Park community, which will remain affordable for 55 years.

### **STAFF RECOMMENDATION**

That the San Diego Housing Commission (Housing Commission) recommend the Housing Authority of the City of San Diego (Housing Authority) authorize the issuance of up to \$15,000,000 in tax-exempt Multifamily Housing Revenue Bonds/note to fund the new construction of North Park Seniors Apartments (North Park Seniors), a 76-unit affordable housing development for seniors, including 8 units for those who are homeless, in an infill affordable rental housing development, to be located at 4200 Texas Street, San Diego, which will remain affordable for 55 years.

### **SUMMARY**

A development summary is at Attachment 1.

**Table 1 –Development Details**

Address	4200 Texas Street
Council District	3
Community Plan Area	North Park Planning Committee
Development Type	New construction
Construction Type	Type V Over Type I
Parking Type	One story concrete parking garage (58 parking spaces)
Housing Type	Multifamily (five-story structure)
Lot Size	.56 acres, 24,394 square feet
Units	76
Density	136 dwelling units per acre (76 units ÷ .56 acres)
Unit Mix	7 studios, 66 one-bedrooms, and 3 two-bedrooms
Gross Building Area	61,722 square feet (including 2,630 sq. ft. community space and 13,997 sq. ft. common use)
Net Rentable Area	45,095 square feet

### The Development

North Park Seniors is a proposed 76-unit new construction affordable rental housing urban infill development to be located on a vacant parking lot at 4200 Texas Street, between El Cajon Boulevard and Howard Avenue (Attachment 2 - Site Maps). The proposed financing will restrict affordability of 75 units for 55 years. There is also one manager's unit. Community HousingWorks (CHW) has a Memorandum of Understanding to partner with the San Diego Lesbian, Gay, Bisexual, and Transgender Community Center Inc. (the LGBT Center) to provide services that address the needs of a senior population with sensitivity awareness to LGBT senior issues. The developer has confirmed that the development's units will be available to all low-income seniors. The developer is requesting eight Federal Section 8 Project-Based Housing Vouchers from the Housing Commission, to provide rental assistance for homeless seniors over age 55.

North Park Seniors is proposed to be built as a four-level elevator-serviced building over a one-story parking garage. This is a vacant site, and no relocation of residents nor businesses is necessary. Site amenities will include: a 1,250 square-foot community room with computers, a kitchen, a management leasing office and meeting space, laundry facility, secure bicycle storage room, plus approximately 5,416 square feet of outdoor courtyard space with outdoor fireplace and barbeque area. Security features will include restricted entry into the units' access area and into the parking garage. Security cameras will be placed throughout the property. One-half block away is a bus service major transit node at El Cajon Boulevard and Texas Street. Unit amenities will include: a balcony, Energy Star appliances (including dishwasher, refrigerator, stove, and ceiling fan), garbage disposal, hard-surface flooring in the kitchen and living areas, carpeting in the bedrooms, internet access, plus emergency call buttons in every unit. There will be a one-level parking garage with 58 parking spaces. The project will be 100 percent accessible for visitors. The California Tax Credit Allocation Committee (CTCAC) will require 10 percent wheelchair accessible units with an additional 4 percent accessible to residents with visual and/or hearing impairment. These accessible units will also fulfill the Federal HOME Investment Partnerships (HOME) program requirements for 5 percent accessible units plus an additional 2 percent units for visually/hearing impaired. The development will include Universal Design features.

### Development Team

CHW, a 501(c) (3) nonprofit, is the developer. CHW was formed in 2002 by merger of Community Housing of North County and San Diego Neighborhood Housing Services. CHW has won many national, statewide, and regional awards for development excellence. They are a provider of multiple social services. CHW's mission is to revitalize neighborhoods through the creation of affordable housing with services for residents. CHW currently owns and operates more than 2,000 affordable housing units at 32 rental developments throughout California. CHW has developed a number of affordable housing developments utilizing Housing Commission loans. The two most recent CHW developments in partnership with the Housing Commission are:

- Mayberry Townhomes, at 4328-70 & 4490 Mayberry Street, San Diego, a 70-unit acquisition with rehabilitation apartment development. Mayberry closed escrow September 1, 2015, and rehabilitation is nearing completion. The Housing Commission authorized the issuance of up to \$9,959,732 in Housing Authority tax-exempt Multifamily Housing Revenue Bonds toward the \$16 million total rehabilitation cost.
- Kalos Apartments, at 3795 Florida Street, San Diego, an 83-unit new construction apartment development. It was completed in 2013, with a \$6,965,583 Housing Commission loan toward the \$28.1 total development cost.

CHW's previous Housing Commission loans are in full compliance. Based upon the developer's past experience and past performance, staff has determined that the developer has the requisite capacity to successfully complete the proposed North Park Seniors project. The proposed borrower, Texas Street Senior Housing, L.P., will be structured as shown in the Attachment 3 - Organization Chart.

**Table 2 Development Team Summary**

<b>ROLE</b>	<b>FIRM/CONTACT</b>
Developer	CHW
Borrower	Texas Street Senior Housing, L.P.
Architect	Rodriguez Design Architects & Planners
Civil Engineering	Project Design Consultants
Structural Engineering	Burkett & Wong
Soils Engineering	Advanced Geotechnical Solution
Sustainability Consultant	SoCal HERS
General Contractor	Sun Country Builders
Property Management	ConAm Management Corporation
Tenant Services Provider	San Diego Lesbian, Gay, Bisexual, and Transgender Community Center Inc.
Construction/Permanent Lender and Tax Credit Investor	Union Bank

#### Property Management

North Park Seniors will be managed by ConAm Management Corporation (ConAm). ConAm is a nationwide management company. In Southern California, ConAm has a management portfolio of approximately 12,000 units that include garden-style, mid- and high-rise apartment complexes, as well as a variety of mixed used developments. ConAm is experienced in property management, marketing, leasing, maintenance, and renovations for market-rate and tax credit developments. CHW uses ConAm for all of its rental properties in San Diego.

#### Financing Structure

North Park Seniors has an estimated total development cost of \$28,372,897 (\$373,328 per unit). On May 18, 2016, the California Tax Credit Allocation Committee (CTCAC) approved \$11,288,919 of 4 percent tax credits and the California Debt Limit Allocation (CDLAC) approved an allocation of up to \$15,000,000 in tax-exempt bonds.

#### Proposed Bond Financing

The Housing Commission utilizes the Housing Authority's tax-exempt borrowing status to pass on lower interest rate financing (and make federal 4 percent tax credits available) to developers of affordable housing. The Housing Authority's ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a project, the Housing Authority must first submit an application to CDLAC for a tax-exempt Multifamily Housing Revenue Bonds allocation. Prior to submitting applications to CDLAC, projects are brought before the Housing Commission, Housing Authority, and San Diego City Council (City Council). Housing Authority bond inducement resolutions must be obtained prior to CDLAC application submittal, and a City Council Tax Equity and Fiscal Responsibility Act (TEFRA) resolution must be secured no later than 30 days after application submittal.

A general description of the Housing Commission's Multifamily Housing Bond Program and the actions that must be taken by the Housing Authority and by the City Council to initiate and finalize proposed financing are described in Attachment 4.

On March 18, 2016, CHW applied to CDLAC for a bond allocation of up to \$15,000,000. On May 18, 2016, CTCAC approved an allocation of 4 percent tax credits and CDLAC approved an allocation of up to \$15,000,000 in tax-exempt Multifamily Housing Revenue Bonds. The developer proposed to issue the bonds through a tax-exempt private placement bond/note issuance. The bonds/note will meet all requirements of the Housing Commission's Multifamily Housing Revenue Bond Program policy and will fully comply with the City of San Diego's (City) ordinance on bond disclosure. Staff will work with the City Attorney and the City's Disclosure Practices Working Group to ensure that the issuance of Housing Authority bonds is in conformance with the City's disclosure requirements. The bonds/note amount that is ultimately issued will be based upon development costs, revenues, and interest rates prevailing at the time of bond issuance. The developer proposes that the bonds will be used for construction financing and permanent financing.

#### Public Disclosure and Authorization for Issuance of Tax-Exempt Debt

##### *Description of the Proposed Issuance Documents*

The tax-exempt debt, in the form of a Note, will be sold through a private placement, purchased directly by Union Bank as the investor. Union Bank is a "qualified institutional buyer" within the meaning of the U.S. securities laws. At closing, Union Bank will sign an "Investor's Letter" certifying, among other things, that it is buying the Note for its own account and not for public distribution. Because the Note is being sold through a private placement, an Official Statement will not be used. In addition, the Note will be neither subject to continuing disclosure requirements nor credit enhanced or rated. Under the private placement structure for this transaction, Union Bank will make a loan to the Housing Authority pursuant to the terms of a Funding Loan Agreement among Union Bank, the Housing Authority, and a to-be-selected Fiscal Agent. The loan made by Union Bank to the Housing Authority (Funding Loan) will be evidenced by the Note, which will obligate the Housing Authority to pay Union Bank the amounts it receives from the Borrower, as described below.

The Housing Authority and the Borrower will enter into a Borrower Loan Agreement pursuant to which the proceeds of the Funding Loan will be advanced to the Borrower. In return, the Borrower agrees to pay the Fiscal Agent amounts sufficient for the Fiscal Agent to make payments on the Note. The Housing Authority's obligation to make payments on the Note is limited to amounts the Fiscal Agent receives from the Borrower under the Borrower Loan Agreement, and no other funds of the Housing Authority are pledged to make payments on the Note. The transfer of the Note to any subsequent purchaser will comply with Housing Commission policy number PO300.301. Moreover, any subsequent Note holder would be required to represent to the Housing Authority that it is a qualified institutional buyer or accredited investor who is buying the Note for investment purposes and not for resale, and it has made due investigation of any material information necessary in connection with the purchase of the Note. The following documents will be executed on behalf of the Housing Authority with respect to the Note: Funding Loan Agreement, Borrower Loan Agreement, Assignment of Deed of Trust, Regulatory Agreement, and other ancillary loan documents. At the time of docketing, documents in substantially final form will be presented to members of the Housing Authority. Any changes to the documents following Housing Authority approval require the consent of the City Attorney's office and bond counsel.

Various bonds documents will be executed on behalf of the Housing Authority including the following:

Borrower Loan Agreement: sets out the terms of repayment and the security for the loan made by the Housing Authority to the borrower, and the Housing Authority assigns its rights to receive repayments under the loan to Union Bank.

Note: will be issued pursuant to the Loan Agreement. Based upon instructions contained in the Loan Agreement, Union Bank will disburse proceeds for eligible costs and will, pursuant to an assignment from the Housing Authority, receive payments from the Borrower via a Fiscal Agent. Rights that are assigned to Union Bank include the right to collect and enforce the collection of loan payments, monitor project construction and related budgets, and enforce insurance and other requirements. These rights will be used by Union Bank to protect its financial interests as the holder of the Note.

Assignment of Deed of Trust and other Loan Documents: assigns the Housing Authority's rights and responsibilities as the bond issuer to Union Bank. Rights and responsibilities assigned to Union Bank include the right to collect and enforce the collection of loan payments, monitor project construction and related budgets, enforce insurance, and other requirements.

Regulatory Agreement: will be recorded against the property in order to ensure the long-term use of the project as affordable housing and to ensure that the project complies with all applicable Federal and State laws.

#### Financial Advisor's Recommendation

As previously approved by the Housing Commission, CSG Advisors will be the bond financial advisor and Squire Patton Boggs will be the bond counsel. After evaluating the terms of the proposed financing and the public benefits to be achieved, it is the financial advisor's recommendation that the Housing Authority proceed with the issuance of the bonds/note. The financial advisor's analysis and recommendation is included as Attachment 5.

#### Sources and Uses of Financing

The developer's complete project pro forma is included as Attachment 6. The project's sources and uses of financing are summarized below.

**Table 3A – North Park Seniors Estimated Sources of Financing**

<b>Construction Financing Sources</b>	<b>Amounts</b>	<b>Permanent Financing Sources</b>	<b>Amounts</b>	<b>Per Unit</b>
Construction loan Union Bank (multifamily mortgage revenue bonds/note)	\$15,000,000	Permanent loan Union Bank (multifamily mortgage revenue bonds/note)	\$4,410,000	\$58,026
Housing Commission proposed loan	6,300,000	Housing Commission proposed loan	7,000,000	92,105
CHW seller estimated carryback loan	3,149,405	CHW seller estimated carryback loan	1,513,591	19,916
Federal Home Loan Bank AHP loan	750,000	Federal Home Loan Bank AHP loan	750,000	9,868
		General Partner Loan	1,164,931	15,328
City of San Diego Impact Fee Waiver	157,500	City of San Diego Impact Fee Waiver	157,500	2,072
Developer Fee Deferred	287,956	Capital Contribution - \$1,200,000 Developer Fee Deferred - \$287,956 Subtotal Developer Fee Contribution	1,487,956	19,578
4 percent tax credit equity	1,128,892	4 percent tax credit equity	11,288,919	148,538
Deferred to permanent conversion	1,599,144	Accrued/deferred interest	480,000	6,316
		Refunds	120,000	1,579
<b>Total Development Cost</b>	<b>\$28,372,897</b>	<b>Total Development Cost (TDC)</b>	<b>\$28,372,897</b>	<b>\$373,328</b>

**Table 3B – North Park Seniors Estimated Uses (Permanent)**

<b>Estimated Financing Uses</b>	<b>Amounts</b>	<b>Per Unit</b>
Land acquisition	\$4,400,000	\$57,895
Hard costs (including site and offsite improvements, plus contingency)	15,322,848	201,616
Financing costs (construction & permanent)	1,494,826	19,669
Costs of Issuance	509,738	6,707
Reserves (operating reserves and replacement reserves)	154,609	2,034
Other soft costs	2,395,799	31,524
City Development Impact fees and permit fees	1,006,752	13,247
Soft costs contingency	200,369	2,636
Developer fee	2,887,956	37,999
<b>Estimated Total Development Cost (TDC) 76 Units</b>	<b>\$28,372,897</b>	<b>\$373,328</b>

#### Development Cost Key Performance Indicators

Housing Commission staff has identified development cost performance indicators which were used to evaluate the proposed development and make a funding recommendation. The key performance indicators in Table 4 are commonly used by real estate industry professionals and affordable housing developers.

**Table 4 - Key Performance Indicators**

Development Cost Per Unit	$\$28,372,897 \div 76 \text{ units} =$	\$373,328
Housing Commission Subsidy Per Unit	$\$7,000,000 \div 76 \text{ units} =$	\$92,105
Land Cost Per Unit	$\$4,400,000 \div 76 \text{ units} =$	\$57,895
Gross Building Square Foot Hard Cost *	$\$15,322,848 \div 61,722 \text{ sq. ft.} =$	\$248
Net Rentable Square Foot Hard Cost	$\$15,322,848 \div 45,095 \text{ sq. ft.} =$	\$340

\* Gross building square footage includes the one-story parking garage.

#### Project Comparison Chart

There are multiple factors and variables that influence the cost of developing multifamily affordable housing, including but not limited to project location, site conditions, environmental factors, land use approval process, community involvement, construction type, design requirements/constraints, economies of scale, City fees, developer experience and capacity, and the mission and goals of the organization developing the project. Similar construction-type developments (completed or approved) over the previous two years are listed in Table 5. These developments are similar in terms of new construction, target population and construction type and are provided as a comparison to North Park Seniors.

**Table 5 - Comparable Development Projects (Ranked by Cost Per Unit)**

Project Name	Year	Construction Type	Units	Total Development Cost (TDC)	TDC Cost Per Unit	HC Subsidy Per Unit	Gross Hard Cost Per Sq. Ft.
<u>Trolley Residential</u>	2014	V Over I	52	\$22,963,066	\$441,597	\$60,000	\$225
Villa Encantada	2016	V Over I	67	\$26,197,366	\$391,005	\$111,940	\$190
COMM22 Seniors	2013	V Over I	70	\$26,388,770	\$376,982	\$45,458	\$227
<b>Subject – North Park Seniors</b>	<b>2016</b>	<b>V Over I</b>	<b>76</b>	<b>\$28,372,897</b>	<b>\$373,328</b>	<b>\$92,105</b>	<b>\$248</b>

### Developer Fee

The Housing Commission's Notice of Funding Availability (NOFA) allows for the developer to collect up to \$1,400,000 in developer fee (NOFA Development Fee Cap). The California Tax Credit Allocation Committee Regulations allow the developer to collect fees in excess of the Housing Commission NOFA Development Fee Cap. The Housing Commission NOFA allows developers applying for 4 percent tax credits to increase developer fee if amounts in excess of \$1,400,000 are contributed to the project. Housing Commission staff recommend increasing developer fee to \$2,887,956 for purposes of increasing the projects eligible basis and generating additional low-income housing tax credit equity. Fee in excess of the Housing Commission NOFA Development Fee Cap will be treated as a subordinate deferred developer fee that is payable from the developer's share of residual cash flow. This structure does not impact the Housing Commission's payment of residual receipts.

### Prevailing Wages

Prevailing wages are not applicable to this proposed development because no State funds will be used and the amount of Federal funding does not require prevailing wages.

### AFFORDABLE HOUSING IMPACT

The development will provide 75 affordable rental units (and one manager's unit) including seven studios, 66 one-bedroom units, and three two-bedroom units for low- and very-low income seniors with incomes ranging from 50 percent to 60 percent of Area Median Income (AMI). On January 26, 2015, the City of San Diego approved Site Development Permit No. 1265467 (Resolution No. R-309489). The development will be subject to a Housing Commission Declaration of Covenants and Restrictions in addition to applicable tax credit and bond regulatory agreements that will restrict affordability of 75 units for 55 years. The HOME program's funds will have affordability and rent restrictions for 20 years. The project's 75 units will be affordable to tenants with income levels ranging from 50 percent of Area Median Income (AMI) (approximately \$29,750 per year for a one-person household), to 60 percent of AMI (approximately \$35,700 per year for a one-person household). On March 27, 2015, CHW Arizona Street Development, L.P. and the Housing Commission executed an "Agreement Authorizing Affordable Housing Density Bonus, Inclusionary Ordinance Exemption and Imposing Covenants, Conditions and Restrictions on Real Property" which restricts 23 of these units at 50 percent AMI for 30 years and then at 65 percent AMI for years 31-55.

**Table 6 North Park Seniors Affordability and Monthly Estimated Rent Table \***

Affordability Mix	Studios/1 Bath Units (416 sq. feet)		1 Bedroom/1 Bath Units (602-657 sq. feet)		2 Bedroom/2 Bath Units (775 sq. feet)		Totals
	Units	Estimated Net Rent*	Units	Estimated Net Rent*	Units	Estimated Net Rent*	
HOME Units:							
50% AMI units	2	\$723	1	\$772	1 **	\$923	
60% AMI units	0	\$872	7	\$932	0	--	7
<b>Subtotal HOME</b>	<b>2</b>	<b>--</b>	<b>8</b>	<b>--</b>	<b>1 **</b>	<b>--</b>	<b>11</b>
Density Bonus 50% AMI Units	2	\$723	18	\$772	2 **	\$923	** 22
Other Units:							
50% AMI Tax Credit	0	\$723	20	\$772	0	--	20
60% AMI Tax Credit	3	--	19	\$932	0	--	22
<b>Subtotal Density Bonus and Other Units:</b>	<b>5</b>	<b>--</b>	<b>57</b>	<b>--</b>	<b>2**</b>	<b>--</b>	<b>64</b>
<b>Manager's Unrestricted Unit</b>	<b>0</b>	<b>--</b>	<b>1</b>	<b>--</b>	<b>0</b>	<b>--</b>	<b>1</b>

<b>Combined Total Units</b>	<b>7</b>		<b>66</b>		<b>3</b>		<b>76</b>
Percent of Total Units	9.21%		86.84%		3.95%		100%

\* Estimated net rents after utilities allowance deduction.

\*\* Density bonus restricts 22 units (at 50 percent AMI) including 3 two-bedroom units. One of those two-bedroom units will also be restricted under HOME and is shown in this chart as a HOME two-bedroom unit.

### Development Schedule

The estimated development timeline is as follows:

<b>Milestones</b>	<b>Estimated Dates</b>
<ul style="list-style-type: none"> <li>• CDLAC and TCAC allocation meetings</li> <li>• Housing Authority proposed final bond authorization</li> <li>• Estimated bond issuance and escrow closing</li> <li>• Estimated start of construction work</li> <li>• Estimated completion of construction work</li> </ul>	<ul style="list-style-type: none"> <li>• May 18, 2016</li> <li>• June 28, 2016</li> <li>• July 2016</li> <li>• July 2016</li> <li>• July 2017</li> </ul>

### FISCAL CONSIDERATIONS

The funding sources and uses proposed by this action are included in the Fiscal Year 2017 Budget. Approving this action will result in the development of 75 affordable housing units.

Funding sources approved by this action will be as follows:

HOME Investment Partnerships program funds - estimated up to \$2,000,000

Inclusionary Housing funds - estimated up to \$5,000,000

Bond issuance fees - \$37,500

Total funding sources - up to \$7,037,500

Funding uses approved by this action will be as follows:

Loans - up to \$7,000,000

Administrative costs - estimated up to \$37,500

Total funding uses - up to \$7,037,500

The requested bond actions will have no fiscal impacts to the Housing Commission, the City of San Diego, or the Housing Authority. The bonds/note will not constitute a debt of the City of San Diego and will not financially obligate the City, the Housing Authority, or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. Neither the faith and credit nor the taxing power of the City, nor the faith and credit of the Housing Authority will be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's .0025 bond amount issuer fee (estimated at \$37,500 with a \$15,000,000 bond issue) and the Housing Commission's annual administrative fee (estimated at \$10,000) with an estimated \$4,410,000 outstanding bonds amount at permanent financing conversion.

### COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS

The proposed development is located in the North Park neighborhood. On May 20, 2014, the North Park Planning Committee (NPPC) voted 13-1 to approve the project. Also, there was unanimous support at an April 21, 2015, presentation to NPPC.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION**

- On December 18, 2014, the City Planning Commission approved: certification of Mitigated Negative Declaration No. 359872, and Site Development Permit No 1265467.
- On January 26, 2015, the San Diego City Council approved Site Development Permit No. 1265467 (Resolution No. R-309489) and adopted a mitigated negative declaration and the mitigation, monitoring and report program for this project (Resolution R-309488).
- On November 6, 2015, this project was presented to the Housing Commission's Real Estate Committee.
- On November 15, 2015, the Housing Commission (HC15-082) and on December 8, 2015, the Housing Authority (HA15-028), approved a residual receipts loan of up to \$7,000,000, approved a bond inducement resolution, authorized an application to CDLAC, and approved the bond financing team.

**KEY STAKEHOLDERS & PROJECTED IMPACTS**

Stakeholders include CHW the developer, the Housing Authority as bond issuer, the State of California as a lender, the San Diego Lesbian, Gay, Bisexual, and Transgender Community Center Inc. as the services provider, the LBGT community, and the North Park neighborhood. The project is anticipated to have a positive impact on the community as it will contribute to the quality of the surrounding neighborhood and create 75 new affordable rental homes for low-income seniors, including eight units for those who are homeless.

**ENVIRONMENTAL REVIEW**

The City previously evaluated the environmental impacts associated with this project in the City's January 26, 2015, adoption of a Certification of Mitigated Negative Declaration No. 359872 for CHW Arizona Street Development (which includes this subject project), pursuant to the California Environmental Quality Act. The North Park Seniors project's proposed funding includes federal HOME funds and an allocation of Section 8 Project-Based Housing Vouchers. A final reservation of HOME funds shall occur only upon satisfactory completion of environmental review and receipt by the City of San Diego of a release of funds from HUD under 24 CFR Part 58 of the National Environmental Policy Act (NEPA). The parties agree that the provision of any HOME funds to the project is conditioned upon the City of San Diego's determination to proceed with, modify or cancel the project based on the results of subsequent environment review under NEPA.

Respectfully submitted,

*J. P. Correia*  
Real Estate Manager  
Real Estate Department

Approved by,

*Deborah N. Ruane*  
Senior Vice President  
Real Estate Department

Attachments:

1. Development Summary
2. Site Maps
3. Organization Chart
4. Multifamily Bond Program Summary
5. Financial Advisor's Analysis
6. Developer's Project Proforma

Hard copies are available for review during business hours in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials on the San Diego Housing Commission website at [www.sdhc.org](http://www.sdhc.org)

## ATTACHMENT 1 – DEVELOPMENT SUMMARY

**Table 1 - Development Details**

Address	4200 Texas Street
Council District	3
Community Plan Area	North Park Planning Committee
Development Type	New construction
Construction Type	Type V Over Type I
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Density	136 dwelling units per acre (76 units ÷ .56 acres)
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Soils Engineering	Advanced Geotechnical Solution
Sustainability Consultant	SoCal HERS
General Contractor	Sun Country Builders
Property Management	ConAm Management Corporation
Tenant Services Provider	San Diego Lesbian, Gay, Bisexual, and Transgender Community Center Inc.
Construction/Permanent Lender and Tax Credit Investor	Union Bank

**Table 3A - North Park Estimated Sources of Financing**

Construction Financing Sources	Amounts	Permanent Financing Sources	Amounts	Per Unit
Construction loan Union Bank (multifamily mortgage revenue bonds/note)	\$15,000,000	Permanent loan Union Bank (multifamily mortgage revenue bonds/note)	\$4,410,000	\$58,026
Housing Commission proposed loan	6,300,000	Housing Commission proposed loan	7,000,000	92,105
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		General Partner Loan (Inclusionary)	1,164,931	15,328
City of San Diego Impact Fee Waiver	157,500	City of San Diego Impact Fee Waiver	157,500	2,072
Developer Fee Deferred	287,956	Capital Contribution - \$1,200,000 Developer Fee Deferred - \$287,956 Subtotal Developer Fee Contribution	1,487,956	19,578
Four percent tax credit equity	1,128,892	Four percent tax credit equity	11,288,919	148,538
Deferred to permanent conversion	1,599,144	Accrued/deferred interest	480,000	6,316
		Refunds	120,000	1,579
<b>Total Development Cost</b>	<b>\$28,372,897</b>	<b>Total Development Cost (TDC)</b>	<b>\$28,372,897</b>	<b>\$373,328</b>

**Table 3B – North Park Estimated Uses (Permanent)**

Estimated Financing Uses	Amounts	Per Unit
Land acquisition	\$4,400,000	\$57,895
Hard costs (including site and offsite improvements, plus contingency)	15,322,848	201,616
Financing costs (construction & permanent)	1,494,826	19,669
Costs of Issuance	509,738	6,707
Reserves (operating reserves and replacement reserves)	154,609	2,034
Other soft costs	2,395,799	31,524
City Development Impact fees and permit fees	1,006,752	13,247
Soft costs contingency	200,369	2,636
Developer fee	2,887,956	37,999
<b>Estimated Total Development Cost (TDC) 76 Units</b>	<b>\$28,372,897</b>	<b>\$373,328</b>

**Table 4 - Key Performance Indicators**

Development Cost Per Unit	$\$28,372,897 \div 76 \text{ units} =$	\$373,328
Housing Commission Subsidy Per Unit	$\$7,000,000 \div 76 \text{ units} =$	\$92,105
Land Cost Per Unit	$\$4,400,000 \div 76 \text{ units} =$	\$57,895
Gross Building Square Foot Hard Cost *	$\$15,322,848 \div 61,722 \text{ sq. ft.} =$	\$248
Net Rentable Square Foot Hard Cost	$\$15,322,848 \div 45,095 \text{ sq. ft.} =$	\$340

\* Gross building square footage includes the one-story parking garage.

**Table 5 - Comparable Development Projects**

Project Name	Year	Construction Type	Units	Total Development Cost	Cost Per Unit	HC Subsidy Per Unit	Gross Hard Cost Per Sq. Ft.
<b>Subject – North Park Seniors</b>	<b>2016</b>	<b>V Over I</b>	<b>76</b>	<b>\$28,372,897</b>	<b>\$373,328</b>	<b>\$92,105</b>	<b>\$248</b>
Villa Encantada	2016	V Over I	67	\$26,197,366	\$391,005	\$111,940	\$190
Trolley Residential	2014	V Over I	52	\$22,963,066	\$441,597	\$60,000	\$225
COMM22 Seniors	2013	V Over I	70	\$26,388,770	\$376,982	\$45,458	\$227

**Table 6 - North Park Affordability and Monthly Estimated Rent Table \***

Affordability Mix	Studios/1 Bath Units (416 sq. feet)		1 Bedroom/1 Bath Units (602-657 sq. feet)		2 Bedroom/2 Bath Units (775 sq. feet)		
	Units	Estimated Net Rent*	Units	Estimated Net Rent*	Units	Estimated Net Rent*	Totals
HOME Units:							
50% AMI units	2	\$723	1	\$772	1 **	\$923	4
60% AMI units	0	\$872	7	\$932	0	--	7
<b>Subtotal HOME</b>	<b>2</b>	<b>--</b>	<b>8</b>	<b>--</b>	<b>1 **</b>	<b>--</b>	<b>11</b>
Density Bonus 50% AMI Units	2	\$723	18	\$772	2 **	\$923	** 22
Other Units:							
50% AMI Tax Credit	0	\$723	20	\$772	0	--	20
60% AMI Tax Credit	3	--	19	\$932	0	--	22
<b>Subtotal Density Bonus and Other Units:</b>	<b>5</b>	<b>--</b>	<b>57</b>	<b>--</b>	<b>2</b>	<b>--</b>	<b>64</b>
<b>Manager's unrestricted unit</b>	<b>0</b>	<b>--</b>	<b>1</b>	<b>--</b>	<b>0</b>	<b>--</b>	<b>1</b>
<b>Combined Total Units</b>	<b>7</b>		<b>66</b>		<b>3</b>		<b>76</b>
Percent of Total Units	9.21%		86.84%		3.95%		100%

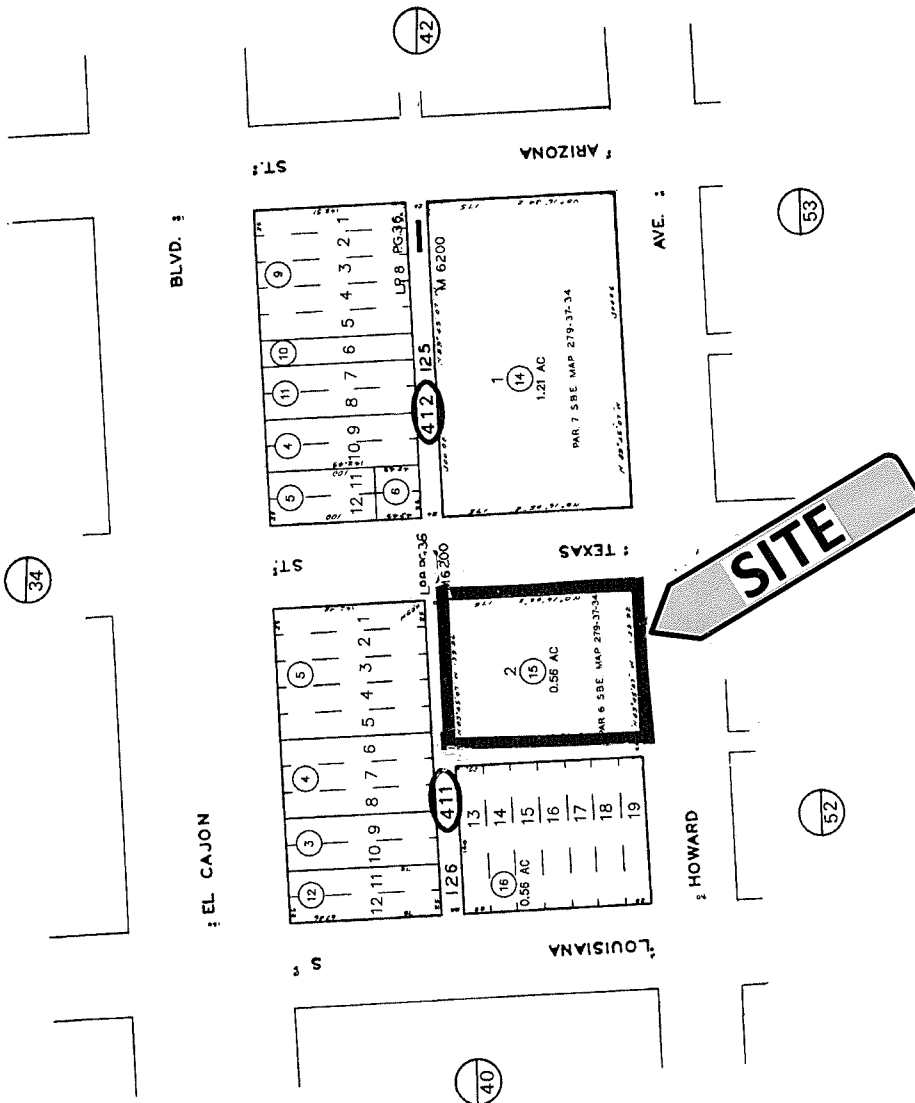
\* Estimated net rents after utilities allowance deduction.

\*\* Density bonus restricts 22 units (at 50 percent AMI) including 3 two-bedroom units. One of those two-bedroom units will also be restricted under HOME and is shown in this chart as a HOME two-bedroom unit.

41

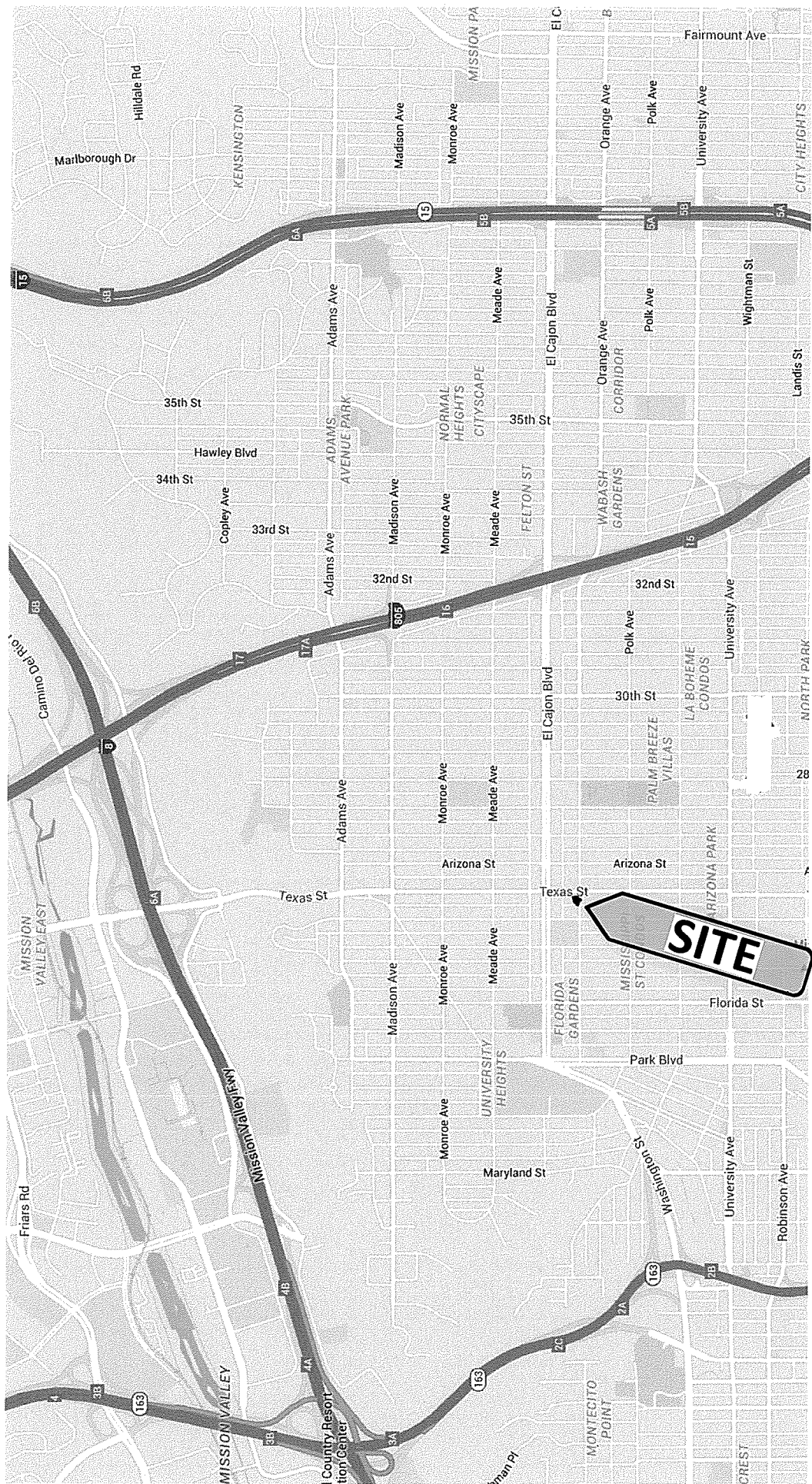
$1'' = 100'$

$\oplus$

[illegible]

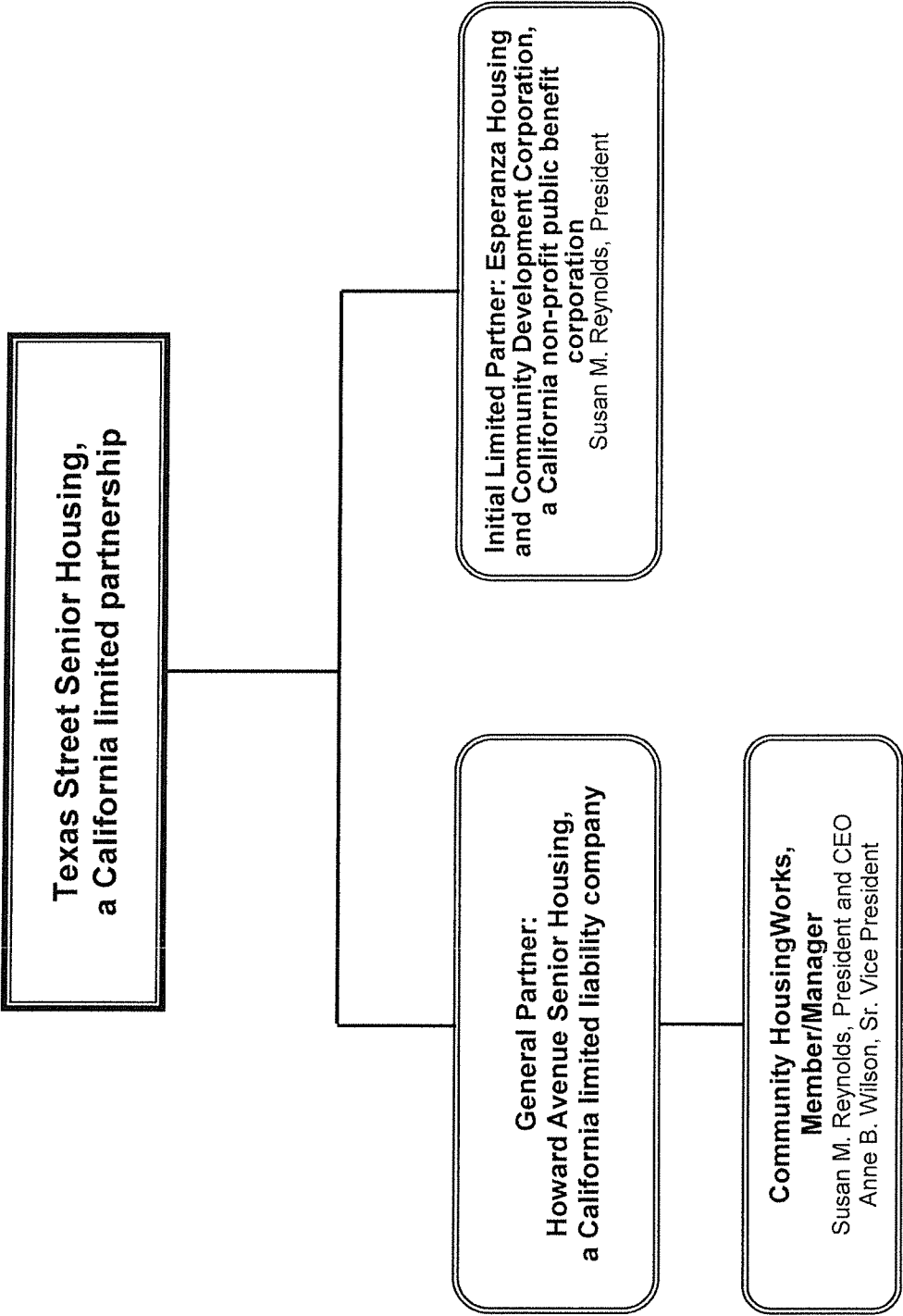
MAP 6200 - HILLSIDE SQUARE  
LP 8-PG 36 - UNIVERSITY HTS D'HEMECOURT MAP AMENDED

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.



ATTACHMENT 3 - ORGANIZATION CHART

Texas Street Housing Associates, LP  
Organization Chart



**ATTACHMENT 4**  
**HOUSING COMMISSION MULTIFAMILY**  
**HOUSING REVENUE BOND PROGRAM**  
**SUMMARY**

**General Description:** The multifamily housing bond program provides below-market financing (based on bond interest being exempt from income tax) for developers willing to set aside a percentage of project units as affordable housing. Multifamily housing revenue bonds are also known as “private activity bonds” because the projects are owned by private entities, often including nonprofit sponsors and for-profit investors.

**Bond Issuer:** Housing Authority of the City of San Diego. There is no direct legal liability to the City, the Housing Authority or the Housing Commission in connection with the issuance or repayment of bonds. There is no pledge of the City’s faith, credit or taxing power nor of the Housing Authority’s faith and credit. The bonds do not constitute a general obligation of the issuer because security for repayment of the bonds is limited to specific private revenue sources, such as project revenues. The developer is responsible for the payment of costs of issuance and all other costs under each financing.

**Affordability:** Minimum requirement is that at least 20% of the units are affordable at 50% of Area Median Income (AMI). Alternatively, a minimum of 10% of the units may be affordable at 50% AMI with an additional 30% of the units affordable at 60% AMI. The Housing Commission requires that the affordability restriction be in place for a minimum of 15 years. Due to the combined requirements of state, local, and federal funding sources, projects financed under the Bond Program are normally affordable for 30-55 years and often provide deeper affordability levels than the minimum levels required under the Bond Program.

**Rating:** Generally “AAA” or its equivalent with a minimum rating of “A” or, under conditions that meet IRS and Housing Commission requirements, bonds may be unrated for private placement with institutional investors (typically, large banks). Additional security is normally achieved through the provision of outside credit support (“credit enhancement”) by participating financial institutions that underwrite the project loans and guarantee the repayment of the bonds. The credit rating on the bonds reflects the credit quality of the credit enhancement provider.

**Approval Process:**

- **Inducement Resolution:** The bond process is initiated when the issuer (Housing Authority) adopts an “Inducement Resolution” to establish the date from which project costs may be reimbursable from bond proceeds (if bonds are later issued) and to authorize staff to work with the financing team to perform a due diligence process. The Inducement Resolution does not represent any commitment by the Housing Commission, Housing Authority, or the developer to proceed with the financing.

- TEFRA Hearing and Resolution (Tax Equity and Fiscal Responsibility Act of 1982): To assure that projects making use of tax-exempt financing meet appropriate governmental purposes and provide reasonable public benefits, the IRS Code requires that a public hearing be held and that the issuance of bonds be approved by representatives of the governmental unit with jurisdiction over the area in which the project is located (City Council). This process does not make the City financially or legally liable for the bonds or for the project.

[Note: It is uncommon for the members of the City Council to be asked to take two actions at this stage in the bond process---one in their capacity as the City Council (TEFRA hearing and resolution) and another as the Housing Authority (bond inducement). Were the issuer (Housing Authority) a more remote entity, the TEFRA hearing and resolution would be the only opportunity for local elected officials to weigh in on the project.]

- Application for Bond Allocation: The issuance of these “private activity bonds” (bonds for projects owned by private developers, including projects with nonprofit sponsors and for-profit investors) requires an allocation of bond issuing authority from the State of California. To apply for an allocation, an application approved by the Housing Authority and supported by an adopted inducement resolution and by proof of credit enhancement (or bond rating) must be filed with the California Debt Limit Allocation Committee (CDLAC). In addition, evidence of a TEFRA hearing and approval must be submitted prior to the CDLAC meeting.
- Final Bond Approval: The Housing Authority retains absolute discretion over the issuance of bonds through adoption of a final resolution authorizing the issuance. Prior to final consideration of the proposed bond issuance, the project must comply with all applicable financing, affordability, and legal requirements and undergo all required planning procedures/reviews by local planning groups, etc.
- Funding and Bond Administration: All monies are held and accounted for by a third party trustee. The trustee disburses proceeds from bond sales to the developer in order to acquire and/or construct the housing project. Rental income used to make bond payments is collected from the developer by the trustee and disbursed to bond holders. If rents are insufficient to make bond payments, the trustee obtains funds from the credit enhancement provider. No monies are transferred through the Housing Commission or Housing Authority, and the trustee has no standing to ask the issuer for funds.

Bond Disclosure: The offering document (typically a Preliminary Offering Statement or bond placement memorandum) discloses relevant information regarding the project, the developer, and the credit enhancement provider. Since the Housing Authority is not responsible in any way for bond repayment, there are no financial statements or summaries about the Housing Authority or the City that are included as part of the offering document. The offering document includes a paragraph that states that the

Housing Authority is a legal entity with the authority to issue multifamily housing bonds and that the Housing Commission acts on behalf of the Housing Authority to issue the bonds. The offering document also includes a paragraph that details that there is no pending or threatened litigation that would affect the validity of the bonds or curtail the ability of the Housing Authority to issue bonds. This is the extent of the disclosure required of the Housing Authority, Housing Commission, or the City. However, it is the obligation of members of the Housing Authority to disclose any material facts known about the project, not available to the general public, which might have an impact on the viability of the project.

## ATTACHMENT 5 – FINANCIAL ADVISOR'S ANALYSIS



1 Post Street, Suite 575  
San Francisco, CA 94104  
tel. 415.956.2454

June 6, 2016

Mr. Joe Correia  
San Diego Housing Commission  
1122 Broadway, Suite 300  
San Diego, California 92101

RE: North Park Senior Apartments

Dear Mr. Correia:

The San Diego Housing Commission (the "Commission") has retained CSG Advisors, Inc. to analyze the feasibility of the proposed bond financing for the North Park Senior Apartments (the "Project"). Our findings are organized as follows:

- Current Project Status and the Proposed Project
- The Proposed Financing
- Project's Projected Financial Status
- Benefits and Risks to the Commission
- Public Purpose
- Negotiation of Additional Public Benefit
- Recommendations

We have based our analysis of the proposed financing on documents provided by Community Housing Works (the "Developer"), and on additional conversations and documents provided by representatives for the Developer and Commission staff. The documents examined included the Developer's proposed financial schedules and financing commitments from the proposed lender and investor. CSG has not visited the site of the proposed Project.

### CURRENT PROJECT STATUS AND THE PROPOSED PROJECT

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The Project will consist of the construction of improvements (the "Improvements") on a single parcel located at 4200 Texas Street<sup>1</sup>, San Diego, CA (the "Site"). The Site is currently improved with a parking lot. The existing improvements will be demolished as part of development of the Project. The Improvements to be constructed on the Site will consist of a 5-story residential building containing 76 residential units above one level of parking. Construction of the Project will be financed, from among other sources, equity raised from the sale of "4%" low-income housing tax credit equity and tax-exempt debt issued by the Housing Authority of the City of San Diego (the "Housing Authority").

All units, except for the manager's unit, will be subject to affordability restrictions as further described herein.

The Site is currently owned by the CHW Arizona Street Development, L.P., an affiliate of the Developer.

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<sup>1</sup> The Site address will be changed from 4212 Texas Street pursuant to the Developer's Site Development Permit.

On December 8, 2015, the Housing Authority approved a resolution evidencing its official intent to conduct a tax-exempt issuance in the not-to-exceed amount of \$15,000,000 for the Project. The resolution also approved submittal of the application to the California Debt Limit Allocation Committee ("CDLAC").

On December 8, 2015, the City Council held a public hearing ("TEFRA") required pursuant to Section 147(f) of the Internal Revenue Code for tax-exempt issuances. The TEFRA hearing remains valid for a period of one year.

On March 18, 2016, the Housing Authority submitted an application to CDLAC for \$15,000,000 in tax-exempt private activity bond authority for the Project.

On May 18, 2016, the CDLAC provided an allocation of \$15,000,000 in tax-exempt authority to the Housing Authority for the Project.

## THE PROPOSED FINANCING

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According to projections provided by the Developer, the total development cost totals approximately \$28,372,897.

The Developer proposes that Union Bank serve as the construction and permanent period lender. Union Bank will provide its lending through the purchase of tax-exempt "Notes"<sup>2</sup> issued by the Housing Authority. The total loan amount during the construction period is expected to be approximately \$15,000,000. At permanent conversion, a portion of the construction loan will be repaid, and \$4,410,000 will continue as the permanent loan.

### North Park LGBT Senior: Construction and Permanent Source Summary

	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Notes	\$15,000,000	\$4,410,000
Tax Credit Equity	\$1,128,892	\$11,288,919
San Diego Housing Commission	\$6,300,000	\$7,000,000
Seller Financing	\$3,149,405	\$1,513,591
Inclusionary Housing Capital (GP Loan)	\$0	\$1,164,931
Affordable Housing Program	\$750,000	\$750,000
San Diego Impact Fee Waiver	\$157,500	\$157,500
Refunds	\$0	\$120,000
Deferred Developer Fee	\$287,956	\$287,956
General Partner Contribution	\$0	\$1,200,000
Accrued Interest	<u>\$288,000</u>	<u>\$480,000</u>
	<b>\$27,061,753</b>	<b>\$28,372,897</b>

---

<sup>2</sup> The financing would occur through the issuance of tax-exempt "Notes" under a "Back-to-Back" loan structure. The Back-to-Back structure and a bond issuance structure with an Indenture are functionally equivalent. In the Back-to-Back Structure, a Funding Loan Agreement (between the Lender, Issuer and the Fiscal Agent) replaces the Indenture and a Borrower Loan Agreement (between the Issuer and the Borrower) replaces the Loan Agreement from an Indenture structure. A "Fiscal Agent" replaces the Trustee. Certain lenders prefer the Back-to-Back structure in order to obtain beneficial treatment under the Community Reinvestment Act.

Site Development Permit No. 1265467 requires the Developer to fulfill certain inclusionary housing unit obligations with respect to the Site and another site (Lot 2) – owned by the Developer – that will be the subject of a market rate housing development. The Loan Terms for the San Diego Housing Commission's loan require, among other items, that:

- 1) The cash capital developer fee payable to the Developer shall not exceed \$1,400,000. Budgeted developer fee greater than \$1,400,000 shall be deferred and/or contributed as a capital contribution. The Developer's financing projections meet this requirement as follows:

Developer Fee	\$2,887,956
less Deferred Developer Fee:	(\$287,956)
less General Partner Contribution	<u>(\$1,200,000)</u>
Cash Developer Fee	\$1,400,000

- 2) The developer must contribution an amount to the project equivalent to the financing gap attributable to the inclusionary affordable units on Lot 2 (in exchange to eliminating the otherwise required affordable inclusionary units from Lot 2). The Loan Terms provisionally estimate this amount to be \$1,164,931. This amount is reflected in the Developer's financing projections.

### Ownership

The ownership entity for the Project will be Texas Street Senior Housing, L.P. (i.e., the Borrower). Howard Avenue Senior Housing LLC, an affiliate of the Developer, will serve as the managing general partner of the Borrower; an affiliate of US Bancorp Community Development Corporation will serve as the investor limited partner.

### Tax-Exempt Bond Structure and Credit Enhancement

#### Construction Loan

The Developer proposes that the Housing Authority issue up to \$15,000,000 of tax-exempt Notes to finance construction of the Project.

The Notes would be unrated, without credit enhancement, and would be purchased by Union Bank (the "Construction Lender") on a private placement basis. Solely revenues pledged under the Funding Loan Agreement and Borrower Loan Agreement will secure the payment of principal and interest to the Noteholder(s).

As unrated, non-credit enhanced Notes sold on a private placement basis, the Notes must meet the minimum requirements of the Commission's policies for such issues (e.g., maximum \$100,000 minimum denominations, no more than 15 Noteholders, etc).

The construction loan would have a term of 24 months (with one 3-month extension) and would carry a variable interest rate equal to 65% of the 30-day LIBOR plus 1.60%. Payments during the construction period will be interest-only.

#### Permanent Loan

Upon satisfaction of certain conditions to Conversion, the construction loan will be paid down to the permanent loan amount using low-income housing tax credit equity and other available permanent sources.

The permanent loan would have a term of 17 years from Conversion. Principal and interest payments would be based on a 30-year fully amortizing schedule. According to the Permanent Lender's commitment letter, the interest rate for the permanent loan will be a fixed rate locked at construction loan closing subject to a forward starting interest rate swap, and will be equal to the sum of 65% of 30-day LIBOR Index plus 2.25%. The Permanent Lender's indicative rate for May 13, 2016 was 3.97%.

#### **Projected Issuance Date**

The Developer proposes that the Housing Authority issue the Bonds on or about July 11, 2016. CDLAC has provided an allocation expiration date of November 28, 2016.

#### **Commission Financial Involvement**

The Commission is providing subordinate financing to the Project in the amount of \$7,000,000 and has no other financial involvement.

#### **Affordability Restrictions**

Upon implementing the proposed financing, the Project will be subject to the following regulatory restrictions and regulatory terms:

The units will be restricted to 50% and 60% of area median income ("AMI") as follows:

- Tax-Exempt and Tax Credit regulatory requirements: the Developer has elected to restrict 46 units to 50% AMI, and 29 units to 60% AMI. The manager's unit will remain unrestricted. This election reflects voluntary elections under CDLAC and is effective for a term of 55 years.

In addition to the above restrictions, 11 units will be subject to HOME affordability restrictions to be contained in a Declaration of Covenants and Restrictions associated with the Commission's subordinate financing. The HOME affordability restrictions exist for 20 years. In addition, 22 units will be subject to 50% AMI restrictions resulting from Density Bonus.

#### **PROJECT'S PROJECTED FINANCIAL STATUS**

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Under the proposed financing - according to information provided by the Developer and analysis by CSG - annual debt service on the maximum senior loan would total approximately \$256,938. According to preliminary information provided by the Developer and analysis by CSG, stabilized annual cash flow (before reserves) after construction and lease-up (including Issuer fees) would total approximately \$68,109 at a debt coverage ratio (DCR) of 1.27. Cash flow after reserves would total approximately \$45,309 (DCR @ 1.18).

## THE BENEFITS AND RISKS TO THE COMMISSION

---

The proposed financing provides for financing for construction of the Project.

By approving a recommendation to the Housing Authority to move forward with the approval process for the proposed tax-exempt financing, the Commission will not obligate the Commission or the Housing Authority to issue the Notes.

As proposed, the financing will create 75 affordable units (the manager's units will be unrestricted). These units will remain long-term affordable for 55 years.

If the Authority issues the Notes, the Commission would receive a fee at closing of 0.25% of the issue amount (approximately \$37,500) and an annual fee equal to \$10,000.

## PUBLIC PURPOSE

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The proposed financing will result in 75 housing units affordable to low-income households: 46 units will be restricted to households earning 50% of AMI or less; 29 units will be restricted to households earning 60% of AMI or less. One unit will be an unrestricted manager's units.

The bond and tax credit regulatory agreements will require the 50% and 60% affordability levels for 55 years.

The Commission's restrictive covenants (inclusive of HOME restrictions) will require the 50%, and 60% affordability levels for 55 years.

## NEGOTIATION OF ADDITIONAL PUBLIC BENEFIT

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As noted above, the financing will result in long-term affordability restrictions on 76 units within the Project.

## RECOMMENDATIONS

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Based upon analysis of the available information, we recommend that the Commission approve moving forward with the proposed issuance. Our recommendation is based upon the following:

- The financing will assist in creating 76 affordable units in the City of San Diego with long-term affordability covenants.
- The Commission has received tax-exempt authority of \$15,000,000 from CDLAC for the Project.
- Union Bank and US Bancorp are currently underwriting the Project.

- The Commission will not be responsible for costs of issuance. The Commission, assuming the current underwriting loan amount, will receive a long-term annual fee of approximately \$10,000.
- The net tax-exempt financing and tax credit equity will provide approximately \$15,700,000 for development costs.

### Contingent Items

The Commission may choose to move forward with the financing subject to the following contingencies:

- As of this writing, neither Union Bank nor US Bancorp has provided final credit approval for the financing. The tax-exempt Notes cannot be issued without this final approval.
- The Project must receive final NEPA clearance with passage of the required public comment period (expected end of June/early July).
- Final tax-exempt Note documents and approving resolution must be approved by the Housing Authority.

Should you require any further information or would like to discuss the Project or the proposed financing in additional detail, please do not hesitate to contact me.

Sincerely,  
CSG Advisors



John Hamilton

# Exhibit A

## North Park LGBT Senior Apartments

date of rev: 6/6/16

### Long-Term Bond Loan

Tax Exempt (Real Estate Loan)	Tranche A	Tranche B	Total
Principal Amount <sup>1</sup>	\$ 4,410,000	\$ -	\$ 4,410,000
Mortgage Rate <sup>1</sup>	4.140%	0.000%	
Amortization Term (yrs) <sup>1</sup>	30	0	
Underwriting Monthly Debt Service	\$ 21,412	\$ -	\$ 21,412
Underwriting Annual Debt Service	\$ 256,938	\$ -	\$ 256,938

<sup>1</sup> Source: Developer Pro forma (2016 05 10). Consistent with Union Bank Term Sheet (2016 05 13)

### Post Financing Operations Analysis <sup>1</sup>

Income		Stabilized Year				
		1	2	3	4	5
Gross Tax Credit Rental Income <sup>2</sup>	2.50% Inflation	\$ 762,060	\$ 781,112	\$ 800,639	\$ 820,655	\$ 841,172
Rental Assistance	2.50% Inflation	\$ 22,020	\$ 22,571	\$ 23,135	\$ 23,713	\$ 24,306
Commercial Income	2.50% Inflation	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income	2.50% Inflation	\$ 7,200	\$ 7,380	\$ 7,565	\$ 7,754	\$ 7,947
Gross Potential Income		\$ 791,280	\$ 811,062	\$ 831,339	\$ 852,122	\$ 873,425
Vacancy Collection Loss <sup>3</sup>	5.00%	(39,564)	(40,553)	(41,567)	(42,606)	(43,671)
Effective Gross Income		\$ 751,716	\$ 770,509	\$ 789,772	\$ 809,516	\$ 829,754
Expenses						
Operating Expenses	3.50% Inflation	\$ (398,169)	\$ (412,105)	\$ (426,529)	\$ (441,457)	\$ (456,908)
RE Taxes	2.00% Inflation	\$ (2,500)	\$ (2,550)	\$ (2,601)	\$ (2,653)	\$ (2,706)
SDHC Monitoring Fee	0.00% Inflation	\$ (3,000)	\$ (3,000)	\$ (3,000)	\$ (3,000)	\$ (3,000)
SDHC Minimum Loan Payment	0.00% Inflation	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)
Issuer Fee	\$ 10,000 min	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)
Trustee Fee <sup>4</sup>	\$ 3,000 min	\$ (3,000)	\$ (3,000)	\$ (3,000)	\$ (3,000)	\$ (3,000)
Total Expenses		\$ (426,669)	\$ (440,655)	\$ (455,130)	\$ (470,110)	\$ (485,614)
Net Operating Income		\$ 325,047	\$ 329,854	\$ 334,642	\$ 339,406	\$ 344,140
Required Debt Service						
Senior						
Real Estate Loan		\$ (256,938)	\$ (256,938)	\$ (256,938)	\$ (256,938)	\$ (256,938)
Cash Flow before Reserves		\$ 68,109	\$ 72,916	\$ 77,704	\$ 82,468	\$ 87,202
Debt Coverage Ratio Before Reserves		1.27	1.28	1.30	1.32	1.34
Reserves <sup>4</sup>	600 per unit	\$ (22,800)	\$ (22,800)	\$ (22,800)	\$ (22,800)	\$ (22,800)
Cash Flow After Reserves		\$ 45,309	\$ 50,116	\$ 54,904	\$ 59,668	\$ 64,402
Overall Debt Coverage Ratio (DCR)		1.18	1.20	1.21	1.23	1.25
Commercial Income (10% Vacancy)	1% inflation	-	-	-	-	-
Cash Flow Including Commercial Income		45,309	50,116	54,904	59,668	64,402
Debt Coverage Ratio Including Commercial Income		1.18	1.20	1.21	1.23	1.25

<sup>1</sup> Source: Preliminary Developer Projections

<sup>2</sup> CSG Calculation from Commission and Developer Data. Developer projections (2016 05 10) show 755700.

<sup>3</sup> Of Gross Potential Income

<sup>4</sup> Estimate

## Exhibit A

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### North Park LGBT Senior Apartments Permanent Sources and Uses of Funds <sup>1</sup>

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#### Sources

Tax Exempt Bond Loan	\$ 4,410,000
Tax Credit Equity	\$ 11,288,919
San Diego Housing Commission	\$ 7,000,000
Accrued Interest	\$ 270,000
Seller Financing	\$ 1,513,591
Accrued Interest	\$ 170,000
Inclusionary Housing Capital (GP Loan I)	\$ 1,164,931
Affordable Housing Program (AHP)	\$ 750,000
Accrued Interest	\$ 40,000
SD Impact Fee Waiver	\$ 157,500
Refunds	\$ 120,000
Deferred Developer Fee	\$ 287,956
General Partner Contribution	<u>\$ 1,200,000</u>
Total Sources	\$ 28,372,897

#### Uses

Land and Acquisition Costs	\$ 4,474,366
Construction Costs	\$ 14,524,917
Construction Contingency	\$ 723,565
Developer Fee	\$ 2,887,956
Operating Reserve	\$ 131,809
Other Hard and Soft Costs	<u>\$ 5,630,284</u>
Total Uses	\$ 28,372,897

Surplus(Deficit)	\$ -
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<sup>1</sup> Source: Information provided by the Developer

ATTACHMENT 6 - DEVELOPER'S PROJECT PROFORMA

North Park Senior	
Prepared For:	Community HousingWorks
Prepared By:	California Housing Partnership Corporation
Version:	Closing Projections
Revised:	May 10, 2016
File:	Macintosh HD:Users:janelle:Dropbox (CHPC);janelle's CHPC Files:Community Housing Works:North Park Seniors:Projections\[North Park Senior 4% CLC

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SOURCES OF FUNDS PAGE 1

PERMANENT	TOTAL		OID	TERM (Yr)	COMMENTS	
	AMOUNT	INT COST				
MUFG Union Bank (Tax-Exempt Permanent)	4,410,000	4.14%		30.00	All-in rate (underwriting & cash flow):	4.14%
San Diego Housing Commission	7,000,000	4.00%	2.14%	55.00		
Accrued/Deferred Interest	270,000					
Seller Carryback Note	1,513,591	2.65%	2.65%	55.00		
Accrued/Deferred Interest	170,000					
Inclusionary Housing Capital (GP Loan I)	1,164,931	2.65%	2.65%	55.00		
GP Loan II (AHP)	750,000	2.65%	2.65%	55.00		
Accrued/Deferred Interest -	40,000					
SD Impact fee Waiver	157,500					
Refunds	120,000					
Deferred Developer Fee	287,956	0.00%			Percent of Unadjusted Eligible Basis:	1.46%
					Total Currently Paid Developer Fee:	1,400,000
Capital Contributions						
General Partner *	1,200,000				% ownership:	0.01%
Limited Partners	11,288,919				% ownership:	99.99%
					Credit pricing:	\$1.210
TOTAL SOURCES	28,372,897					
Surplus/(Shortfall)	0					

CONSTRUCTION	TOTAL		TERM (Mo.)	
	AMOUNT	INT RATE		
MUFG Union Bank (Tax-Exempt Construction)	15,000,000	3.92%	24	
San Diego Housing Commission	6,300,000	4.00%	24	
Seller Carryback Note	3,149,405	2.65%	24	
GP Loan II (AHP)	750,000	2.65%	24	
SD Impact fee Waiver	157,500			
Costs Deferred Until Conversion*	1,599,144			
Deferred Developer Fee / GP Equity	287,956			
Capital Contributions				
General Partner	0	0.00%		
Limited Partners	1,128,892	0.00%		
TOTAL SOURCES	28,372,897			
Surplus/(Shortfall)	0			

*COSTS DEFERRED UNTIL CONVERSION	
TCAC Monitoring Fee	122,491
(net of performance deposit)	
Operating Reserve	131,809
Lender Expenses	
Legal: Perm Close	
Title/Recording/Escrow - Permanent	
Developer Fee	1,610,000
TOTAL	1,887,100

DEVELOPER FEE PAYMENT SCHEDULE	
LP Admission	\$ 700,000
50% Completion	150,000
100% Completion	140,000
Permanent Conversion*	1,460,000
8609	150,000
Deferred into Operations	287,956
Total	2,887,956
* Permanent conversion developer fee payment includes GP capital contribution of \$1,200,000. Total developer fee received by CHW is \$1.4M	

* INTEREST RATE STACK	Construction	Permanent
30-day LIBOR avg (constr) / lender quote (perm)	0.438%	0.000%
Bank spread	1.880%	2.250%
Issuer	0.000%	0.000%
Trustee	0.000%	0.000%
Rating	0.000%	0.000%
Swap Rate	0.000%	1.690%
cushion	1.600%	0.200%
TOTAL	3.92%	4.14%

North Park Senior  
Uses of Funds

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	100.00%		0.00%	DEPRECIABLE					TAX CREDIT ELIGIBLE	
	TOTAL		TOTAL	NON- DEPREC	RESIDENTIAL	NON-RES	EXPENSE	AMORTIZE	CONST/ REHAB	
	TOTAL	RESIDENTIAL	COMMERCIAL						ACQUIS	
ACQUISITION COSTS										
Land (Value)	4,400,000	4,400,000	0	4,400,000						
Ext. Payments	0	0	0	0	0					0
Demolition & Abatement	0	0	0	0						0
Off-site Improvements	74,366	74,366	0		74,366				74,366	
GENERAL DEVELOPMENT COSTS										
Unit Construction (Total Contract: 14186812)	10,508,626	10,508,626	0	0	10,508,626	0		0	10,508,626	
Furnishings included in contract	1,387,590	1,387,590	0	0	1,387,590	0		0	1,387,590	
Site Improvements/Landscape	562,104	562,104	0	0	562,104	0			562,104	
Solar Improvements	266,200	266,200	0	0	266,200	0			266,200	
Contractor General Requirements	777,484	777,484	0	0	777,484	0			777,484	
Contractor Overhead	433,638	433,638	0	0	433,638	0			433,638	
Contractor Profit	185,925	185,925	0	0	185,925	0			185,925	
Payment & Performance Bond+Insurance	403,350	403,350	0		403,350	0			403,350	
Construction Contingency	723,565	723,565	0	0	723,565	0			723,565	
Local Permits/Fees	91,200	91,200	0		91,200	0			91,200	
Local Development Impact Fees	915,552	915,552	0		915,552	0	37,552		878,000	
Phase I/Asbestos/Toxics	40,000	40,000	0		40,000	0			40,000	
Architecture & Engineering	1,169,807	1,169,807	0		1,169,807	0			1,169,807	
Survey/Engineering/Soils/Landscape Arch.	257,500	257,500	0		257,500	0	0		257,500	
Appraisal	12,000	12,000	0	0	12,000			0	12,000	
Market Study	7,500	7,500	0	7,500	0	0			0	
Predevelopment Loan Interest + Expenses	309,626	309,626	0		309,626	0			309,626	
Construction Period Interest	705,200	705,200	0		423,120	0	282,080		423,120	
Construction Period Interest--SDHC (accrued)	270,000	270,000	0		162,000	0	108,000		162,000	
Construction Period Interest--Seller Note (accrued)	170,000	170,000	0		102,000	0	68,000		102,000	
Construction Period Interest--GP Loan II (accrued)	40,000	40,000	0		24,000	0	16,000		24,000	
Title/Recording/Escrow - Acquisition	0	0	0	0	0	0			0	0
Title/Recording/Escrow - Construction	30,000	30,000	0		30,000	0			30,000	0
Title/Recording/Escrow - Permanent	5,000	5,000	0					5,000	0	
Real Estate Taxes During Construction	88,000	88,000	0		88,000	0			88,000	0
Insurance During Construction	21,000	21,000	0		0	0	0		0	0
Soft Cost Contingency	200,369	200,369	0		200,369	0			200,369	
Legal: Acquisition	0	0	0	0	0				0	0
Construction Closing	110,000	110,000	0		110,000	0			110,000	0
Permanent Closing	0	0	0					0	0	
Organization of Partnership	0	0	0					0	0	
Syndication	26,500	26,500	0	26,500					0	
Audit/Cost Certification	13,000	13,000	0		13,000		6,500	0	6,500	
Furnishings	123,000	123,000	0		123,000	0			123,000	
Replacement Reserve (Initial Deposit)	22,800	22,800	0	22,800					0	
Operating Reserve	131,809	131,809	0	131,809					0	
Marketing Account	90,000	90,000	0				90,000		0	
Construction management (3rd party)	210,000	210,000	0		210,000	0			210,000	
TCAC Application/Monitoring Fee	122,491	122,491	0		122,491	0		122,491	0	
Refundable Deposits	45,000	45,000	0	45,000					0	
Signage	25,000	25,000	0		25,000	0			25,000	
Developer Fee	2,887,956	2,887,956	0		2,887,956	0			2,887,956	0
COSTS OF ISSUANCE/FINANCING FEES										
Underwriter Fee	0	0						0	0	
Lender Counsel	0	0			0			0	0	
Bond Counsel	45,000	45,000			0			45,000	0	
Underwriter Counsel	0	0						0	0	
Issuer Financial Advisor	35,000	35,000						35,000	0	
Issuer Counsel	106,000	106,000						106,000	0	
Lender Origination Fee (Constr)	97,500	97,500			97,500	0		0	97,500	0
Lender Origination Fee (Perm-Housing )	0	0						0	0	
Lender Expenses	0	0			0		0	0	0	
Trustee Fee	5,000	5,000						5,000	0	
Printing	0	0						0	0	
CDLAC Fees	5,250	5,250						5,250	0	
CDLAC Performance Deposit	75,000	75,000		75,000				0	0	
Issuer Fee (SDHC)	37,500	37,500						37,500	0	
Prepaid Issuer Fee (SDHC)	15,488	15,488						15,488	0	
Issuer Application Fee	3,000	3,000						3,000	0	
Misc SDHC Fees (TEFRA, Inducement Reso)	0	0						0	0	
CDIAC Fee	3,000	3,000						3,000	0	
Contingency	30,000	30,000						30,000	0	
Subtotal - FHA Financing/Costs of Issuance	457,738	457,738		75,000	97,500	0	0	285,238	97,500	0
TOTAL DEVELOPMENT COSTS	28,372,897	28,372,897	0	4,760,609	22,736,970	0	608,132	412,729	22,570,427	0

TCAC DEVELOPER FEE CALCULATION			
	Constr	Acq	Total
Maximum Potential TCAC Fee (per limits)	10,000,000	-	10,000,000
Maximum Potential TCAC Fee (per basis)	2,941,216	-	2,941,216
Ratio	100.00%	0.00%	100.00%
Maximum Fee	2,941,216	-	2,941,216
Maximum Fee per HACOLA	-	-	-
Maximum Fee per TCAC Application	2,887,956	-	2,887,956
Less:	-	-	-
Net Fee (Less other development costs)	2,941,216	-	2,941,216
MAXIMUM FEE	2,941,216	-	2,941,216

North Park Senior  
Unit Mix & Rental Income

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AVERAGE AFFORDABILITY FOR  
QUALIFIED UNITS (% AMI) 53.41%

UNIT MIX		UTILITY ALLOWANCES
0 BR	7	\$20
1 BR	66	\$24
2 BR	3	\$33
3 BR	0	\$44
4 BR	0	\$56

RESIDENTIAL INCOME

TAX-CREDIT ELIGIBLE - TIER 1: 50%				Percentage of Targeted Units: 25.3%				
UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	0	416	0	0.0%	743.00	723.00	0	0
1 BR	19	602	11,438	50.0%	796.00	772.00	14,668	176,016
2 BR	0	657	0	0.0%	956.00	923.00	0	0
TOTAL	19		11,438				14,668	176,016

TAX-CREDIT ELIGIBLE - TIER 2: 50%				Percentage of Targeted Units: 37.3%				
UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	7	416	2,912	49.0%	728.00	708.00	4,956	59,472
1 BR	18	602	10,836	49.2%	783.00	759.00	13,662	163,944
2 BR	3	657	1,971	49.4%	944.00	911.00	2,733	32,796
TOTAL	28		15,719				21,351	256,212

TAX-CREDIT ELIGIBLE - TIER 3: 60%				Percentage of Targeted Units: 37.3%				
UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	0	416	0	0.0%	891.60	871.60	0	0
1 BR	28	602	16,856	60.0%	955.00	931.00	26,068	312,816
2 BR	0	657	0	0.0%	1,147.20	1,114.20	0	0
3 BR	0	775	0	0.0%	1,326.00	1,282.00	0	0
4 BR	0	0	0	0.0%	0.00	1,350.00	0	0
TOTAL	28		16,856				26,068	312,816

MANAGER UNITS								
UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
1 BR	1	657	657	57.3%	912	888	888	10,656
TOTAL	1		657				888	10,656

PBS8 INCREMENT							
UNIT TYPE	NUMBER	% AMI	PER UNIT TAX CREDIT NET RENT	PER UNIT RA NET RENT	PER UNIT MONTHLY RA INCREMENT	TOTAL MONTHLY RA INCR.	TOTAL ANNUAL RA INCR.
0 BR	7	50%	723	942	219	1,533	18,396
1 BR	1	50%	772	1,074	302	302	3,624
TOTAL	8					1,835	22,020

PBS8 INCREMENT	1,835	22,020
TOTAL - BASE RENT PLUS PBS8 INCREMENT	64,810	777,720

TOTAL RESIDENTIAL INCOME			TOTAL UNITS	TOTAL MONTHLY (Net)	TOTAL ANNUAL
TOTAL SQ FT - TAX CREDIT ELIGIBLE	44,013		76	64,810	777,720
TOTAL SQ FT - NON-TAX CREDIT ELIGIBLE	0				
TOTAL RENTABLE SQ FT	44,013				

MISCELLANEOUS INCOME			
	PER-UNIT MONTHLY	TOTAL MONTHLY	TOTAL ANNUAL
Interest Reduction Payment	0.00	0	0
Laundry + Water submeter	7.89	600	7,200
Financial	0.00	0	0

	FEDERAL			CALIFORNIA		
	ACQUIS	CONST/ REHAB	TOTAL	ACQUIS	CONST/ REHAB	TOTAL
TOTAL ELIGIBLE COSTS	0	22,570,427	22,570,427	0	0	0
Less: Business Energy Tax Credit (Res. Portion)	0	0	0	0	0	0
ELIGIBLE BASIS	0	22,570,427	22,570,427	0	0	0
THRESHOLD BASIS LIMIT			33,707,584			
REQUESTED ELIGIBLE BASIS	0	22,570,427	22,570,427	0	0	0
LESS: VOLUNTARY REDUCTION	0	0				
TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS	0	22,570,427				
HIGH COST ADJUSTMENT (Y/N)	Y	100.0%	130.0%	100.0%	100.0%	
ADJUSTED ELIGIBLE BASIS	0	29,341,555	29,341,555	0	0	0
APPLICABLE FRACTION*	100.00%	100.00%		100.00%	100.00%	
QUALIFIED CREDIT BASIS	0	29,341,555	29,341,555	0	0	0
CREDIT REDUCTION 0.00%	0	0	0			
ADJUSTED QUALIFIED CREDIT BASIS	0	29,341,555	29,341,555			
CREDIT RATE Federal Annual/Yr 1-3 State Year 4 - State	3.18%	3.18%		3.18% 3.46%	3.18% 3.46%	
MAXIMUM CREDIT AMOUNT PER COSTS Federal Annual/Yr 1-3 State Year 4 - State Total	0	933,061	933,061	0 0 0	0 0 0	0 0 0
ACTUAL TCAC CREDIT RESERVATION Federal Annual/Total State	N/A	N/A	N/A	N/A	N/A	N/A
MAXIMUM ALLOWABLE CREDITS (Lesser of above) Federal Annual/Total State	0	933,061	933,061			0
MAXIMUM ALLOWABLE - TEN YEAR TOTAL			9,330,615			0

BUSINESS ENERGY INVESTMENT TAX CREDIT	
Basis for Business Tax Credit (Resid)	0
LESS: Rebates	0
LESS: Portion Funded by P.A. Bonds	0
Basis for Historic Credit	
Credit Percentage	40.0%
Total Business Energy Credit	0
Res. Portion of Bus Energy Credit	

*APPLICABLE FRACTION				
	Number of Units	Fraction	Total Sq Ft	Fraction
Tax Credit	75	100.0000%	44,013	100.0000%
Non-Tax Credit	0	0.0000%	0	0.0000%
TOTAL	75	100.0000%	44,013	100.0000%
APPLICABLE FRACTION (Lesser of Low Income Units or Sq Ft %)				
		100.0000%		

INCOME		
Scheduled Gross Income		755,700
Section 8 Increment		22,020
Misc. Income		7,200
Vacancy Loss	5.0%	(38,145)
Vacancy Loss -Section 8 Increment	5.0%	(1,101)
<b>EFFECTIVE GROSS INCOME</b>		<b>745,674</b>
EXPENSES - RESIDENTIAL		
<b>Administrative</b>		
	1,000	
Legal	3,500	
Accounting/Audit	8,000	
Security	0	
Misc admin, telephone, bad debts	33,420	
<b>Total Administrative</b>		<b>45,920</b>
<b>Management Fee</b>		<b>45,600</b>
<b>Utilities</b>		
Fuel	0	
Electricity	2,500	
Gas	15,000	
	0	
<b>Total Utilities</b>		<b>17,500</b>
<b>Water/Sewer</b>		<b>33,500</b>
<b>Payroll/Payroll Taxes</b>		
On-Site Manager/Maintenance Payroll	92,993	
Manager Unit Expense/(Credit)	0	
Payroll Taxes/Benefits	35,337	
<b>Total Payroll/Payroll Taxes</b>		<b>128,330</b>
<b>Insurance</b>		<b>16,000</b>
<b>Real Estate Taxes</b>		<b>2,500</b>
<b>Maintenance</b>		
Painting	1,520	
Repairs	9,200	
Trash Removal	7,980	
Exterminating	3,600	
Grounds	6,000	
Elevator	10,000	
Janitorial, misc. expenses	14,600	
<b>Total Maintenance</b>		<b>52,900</b>
<b>Replacement Reserve</b>		<b>22,800</b>
<b>Other</b>		
Annual Trustee Fee	0	
SDHC: Annual Monitoring Fee	0	
Resident Services (Supportive Units)	20,919	
Resident Services	37,500	
SDHC: Annual Issuer Fee	0	
<b>Total Other</b>		<b>58,419</b>
<b>TOTAL EXPENSES - RESIDENTIAL</b>		<b>423,469</b>
Per Unit Per Year	5,572	
Per Unit Per Year (w/o Taxes, Reserves, Services)	4,470	
<b>TOTAL EXPENSES - COMMERCIAL</b>		<b>0</b>
<b>NET AVAILABLE INCOME</b>		<b>322,205</b>
Debt Service Coverage Ratio		1.15
<b>AVAILABLE FOR DEBT SERVICE</b>		<b>275,106</b>

MAXIMUM MORTGAGE CALCULATION

Permanent Loan

Net Operating Income	322,205		
LESS: Section 8 Increment	-		
Adjusted NOI	322,205		
DSC	1.15		
Available for Debt Service	280,178		
Less: Issuer Fee	(10,000)		
Less: SDHC Monitoring Fee	(3,000)		
Less: Mandatory SDHC Debt Service	(10,000)		
Net Available for Debt Service	257,178		
		Underwriting Constraint	Maximum Loan Amount
Debt Service Coverage	1.150		4,410,000
MAXIMUM MORTGAGE			4,410,000

LOAN CONSTANT/TIC CALCULATION

Bond/Loan Rate	4.14000%	4.14000%	4.14000%	1.00000%	4.68800%
Term (Yr)	30.00	30.00	30.00	33.00	15.00
Mortgage Insurance Premium	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
GNMA/Servicing	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
Annual Issuer Fee	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
Other Annual Bond Fees	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
Amort (P&I)	1.68626%	1.68626%	1.68626%	2.55900%	4.60764%
Loan Constant	5.82626%	5.82626%	5.82626%	3.55900%	9.29564%
Imputed Total Interest Cost (TIC)	4.14000%	4.14000%	4.14000%	1.00000%	4.68800%

Tax-Exempt Financing Ratio

	Aggregate
Series A Bonds (NOI)	0
Series B Bonds (IRP)	0
MUFG Union Bank (Tax-Exempt Construction)	15,000,000
Tax-Exempt Bridge Loan	0
TOTAL TAX-EXEMPT FINANCING	15,000,000
AGGREGATE BASIS	27,165,470
Percent Tax-Exempt Financing	55.22%

LIHTC LEASE-UP SCHEDULE

Lease-Up Start (Year):			2017
			Lease Up/Mo
Month	# Units	Percent	
Jan-17	0	0.0%	
Feb-17	0	0.0%	
Mar-17	0	0.0%	
Apr-17	0	0.0%	
May-17	0	0.0%	
Jun-17	0	0.0%	
Jul-17	0	0.0%	
Aug-17	0	0.0%	
Sep-17	0	0.0%	
Oct-17	0	0.0%	
Nov-17	0	0.0%	
Dec-17	38	50.7%	
TOTAL	38	50.7%	
% Q.O. in First Year			6.3%

BUILDING PLACED-IN-SERVICE SCHEDULE

Start Year:			2017
			Bldg. PIS by Month
Month	Building #	# Units	Percent
Jan-17	0	0	0.0%
Feb-17	0	0	0.0%
Mar-17	0	0	0.0%
Apr-17	0	0	0.0%
May-17	0	0	0.0%
Jun-17	0	0	0.0%
Jul-17	0	0	0.0%
Aug-17	0	0	0.0%
Sep-17	0	0	0.0%
Oct-17	0	0	0.0%
Nov-17	1	76	100.0%
Dec-17	0	0	0.0%
TOTAL		76	100.0%
% PIS in First Year			16.7%

OPERATIONS SCHEDULE

Start Year:			2017
			Completed Lease Up/Mo
Month	No. Units	Percent	
Jan-17	0	0.0%	
Feb-17	0	0.0%	
Mar-17	0	0.0%	
Apr-17	0	0.0%	
May-17	0	0.0%	
Jun-17	0	0.0%	
Jul-17	0	0.0%	
Aug-17	0	0.0%	
Sep-17	0	0.0%	
Oct-17	0	0.0%	
Nov-17	76	100.0%	
Dec-17	0	0.0%	
TOTAL	76	100.0%	
% Operating in First Year			16.7%

LIHTC LEASE-UP SCHEDULE

Lease-Up Start (Year):			2018
			Lease Up/Mo
Month	Total Leased Prior Year	# Units	Percent
Jan-18	38	19	76.0%
Feb-18		18	24.0%
Mar-18		0	0.0%
Apr-18		0	0.0%
May-18		0	0.0%
Jun-18		0	0.0%
Jul-18		0	0.0%
Aug-18		0	0.0%
Sep-18		0	0.0%
Oct-18		0	0.0%
Nov-18		0	0.0%
Dec-18		0	0.0%
TOTAL		75	100.0%
% Q.O. in First Year			98.0%

DEVELOPMENT SCHEDULE

Construction closing	July 2016
Construction completion (16 mos)	October 2017
Placed in service	November 2017
Lease up start	November 2017
100% qualified occupancy	February 2018
Permanent conversion	May 2018

North Park Senior  
15-Year Cash Flow

ASSUMPTIONS:

Rent Increase:	2.50%	Perm Loan - % Debt Svc Yr 1	0.00%
Expenses Increase:	3.50%	Perm Loan - % Debt Svc Yr 2	58.33%
Reserve Increase:	3.50%	Percent Q.O. In Lease-up Yr	6.3%

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
GROSS POTENTIAL INCOME - RESIDENTIAL	47,609	774,593	793,957	813,806	834,151	855,005	876,380	898,290	920,747	943,766	967,360	991,544	1,016,332	1,041,741	1,067,784
GROSS POTENTIAL INCOME - Section 8	1,387	22,571	23,135	23,713	24,306	24,914	25,536	26,175	26,829	27,500	28,187	28,892	29,614	30,355	31,114
Misc. Income	454	7,380	7,565	7,754	7,947	8,146	8,350	8,559	8,773	8,992	9,217	9,447	9,683	9,925	10,173
Vacancy Loss - Residential	(2,403)	(39,099)	(40,076)	(41,078)	(42,105)	(43,158)	(44,237)	(45,342)	(46,476)	(47,638)	(48,829)	(50,050)	(51,301)	(52,583)	(53,898)
Vacancy Loss - Section 8 Premium	(69)	(1,129)	(1,157)	(1,186)	(1,215)	(1,246)	(1,277)	(1,309)	(1,341)	(1,375)	(1,409)	(1,445)	(1,481)	(1,518)	(1,556)
GROSS EFFECTIVE INCOME	46,977	764,316	783,424	803,009	823,085	843,662	864,753	886,372	908,531	931,245	954,526	978,389	1,002,849	1,027,920	1,053,618
TOTAL OPERATING EXPENSES	25,242	414,692	429,207	444,229	459,777	475,869	492,525	509,763	527,605	546,071	565,183	584,965	605,438	626,629	648,561
NET OPERATING INCOME	21,735	349,623	354,217	358,780	363,308	367,793	372,229	376,609	380,927	385,174	389,343	393,424	397,410	401,291	405,057
REPLACEMENT RESERVE	0	13,300	22,800	22,800	25,080	25,080	25,080	25,080	27,588	27,588	27,588	27,588	30,347	30,347	30,347
NET INCOME AVAILABLE FOR DEBT SERVICE	21,735	336,323	331,417	335,980	338,228	342,713	347,149	351,529	353,339	357,586	361,755	365,836	367,063	370,944	374,710
CONSTRUCTION PERIOD INTEREST PAID FROM OPERATIONS	0	0													
MUFG Union Bank (Tax-Exempt Permanent)															
Annual Issuer Fee	10,000	0.000%	0	5,833	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Other Annual Fees	3,000	0.000%	0	1,750	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Interest Payment	0		74,089	177,949	174,616	171,142	167,522	163,749	159,817	155,719	151,448	146,997	142,358	137,523	132,485
Principal Payment	0		75,791	78,989	82,322	85,796	89,416	93,189	97,121	101,219	105,490	109,941	114,580	119,415	124,453
TOTAL DEBT SERVICE	0		157,464	269,938	269,938	269,938	269,938	269,938	269,938	269,938	269,938	269,938	269,938	269,938	269,938
Mandatory SDHC Interest Payment		10,000	0	5,833	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
NET CASH FLOW	0	173,026	51,479	56,042	58,290	62,775	67,211	71,591	73,401	77,648	81,817	85,898	87,125	91,006	94,772
Debt Service Coverage Ratio	N/A	2.06	1.18	1.20	1.21	1.22	1.24	1.26	1.26	1.28	1.29	1.31	1.31	1.33	1.34

DISTRIBUTION OF CASH FLOW

Investor Services Fee	7,600	0	7,600	7,600	7,600	7,600	8,360	8,360	8,360	8,360	9,196	9,196	9,196	9,196	10,116	10,116
LP Investor Services Fee - Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GP Partnership Management Fee - Current	15,000	0	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572	20,159	20,764	21,386	22,028
San Diego Housing Commission	50.00%	0	75,213	14,215	16,264	17,149	18,766	20,731	22,660	23,296	24,725	26,524	28,272	28,583	29,752	31,314
Deferred Developer Fee		0	75,213	14,215	16,264	17,149	18,766	20,731	22,660	23,296	24,725	26,524	28,272	140	0	0
Seller Carryback Note	103.24%	0	0	0	0	0	0	0	0	0	0	0	0	29,365	30,716	32,329
Inclusionary Housing Capital (GP Loan I)	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GP Loan II (AHP)	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Resident Services	0	0	0	0	0	0	0	0	0	0	0	0	0	(922)	(964)	0
	Years 1-5	Year 6+														
General Partner	0.01%	90.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Limited Partner	99.99%	10.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0

\* To maintain qualified allocations for BEITC's, cash split = 99.99 / .01 years for BEITC compliance period; thereafter, 90% GP / 10% LP

North Park Senior  
Schedule of Outstanding Debt & Reserves

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SCHEDULE OF OUTSTANDING DEBT AND FEE ACCRUALS																
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MUFG Union Bank (Tax-Exempt Permanent)	4,410,000	4,334,209	4,255,219	4,172,897	4,087,101	3,997,685	3,904,496	3,807,375	3,706,156	3,600,666	3,490,725	3,376,145	3,256,730	3,132,277	3,002,572	2,867,395
Seller Carryback Note	1,520,276	1,560,563	1,601,918	1,644,369	1,687,945	1,732,675	1,778,591	1,825,724	1,874,106	1,923,769	1,974,749	2,027,080	2,051,433	2,075,080	2,097,740	2,107,751
San Diego Housing Commission	7,046,667	7,253,320	7,529,239	7,814,144	8,109,560	8,415,176	8,731,053	9,057,635	9,396,644	9,747,784	10,111,171	10,487,346	10,878,257	11,283,635	11,703,666	12,127,664
Inclusionary Housing Capital (GP Loan I)	1,170,076	1,201,083	1,232,912	1,265,584	1,299,122	1,333,549	1,368,888	1,405,163	1,442,400	1,480,624	1,519,860	1,560,137	1,601,480	1,643,919	1,687,483	1,732,202
GP Loan II (AHP)	751,252	771,160	791,596	812,573	834,107	856,210	878,900	902,191	926,099	950,640	975,832	1,001,692	1,028,237	1,055,485	1,083,455	1,112,167
Deferred Developer Fee	287,956	287,956	212,743	198,528	182,264	165,115	146,349	125,618	102,958	79,661	54,936	28,412	140	0	0	0
Deferred Partnership Mgmt Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OUTSTANDING DEBT	15,186,227	15,408,292	15,623,627	15,908,095	16,200,098	16,500,410	16,808,276	17,123,705	17,448,362	17,783,145	18,127,274	18,480,811	18,816,277	19,190,396	19,575,932	19,947,178
OPERATING RESERVE BALANCE																
Previous Balance	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809
Deposit to Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest on Reserve	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Withdrawal from Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809	131,809
REPLACEMENT RESERVE BALANCE																
Previous Balance	22,800	22,800	36,100	58,900	81,700	106,780	131,860	156,940	182,020	209,608	237,196	264,784	292,372	322,719	353,066	383,412
Deposit to Reserve	0	13,300	22,800	22,800	25,080	25,080	25,080	25,080	27,588	27,588	27,588	27,588	30,347	30,347	30,347	30,347
Interest on Reserve	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Withdrawal from Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	22,800	36,100	58,900	81,700	106,780	131,860	156,940	182,020	209,608	237,196	264,784	292,372	322,719	353,066	383,412	413,759

ASSUMPTIONS		Residential		Commercial														
		Tax-exempt use Taxable use	100.00% 0.00%	40.0 straight line 27.5 straight line	40.0 straight line 27.5 straight line													
		AMOUNT	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
DEPRECIATION SCHEDULE																		
40 years straight line - Residential	21,853,666	91,057	546,342	546,342	546,342	546,342	546,342	546,342	546,342	546,342	546,342	546,342	546,342	546,342	546,342	546,342	546,342	546,342
Site Improvements (15 yr 150% DB)	562,104	9,368	55,274	49,746	44,772	40,294	36,265	33,192	33,192	33,192	33,192	33,192	33,192	33,192	33,192	33,192	33,192	17,154
Personal Property + Photovoltaic (5 yr 200% DB)	342,200	11,407	68,440	68,440	68,440	68,440	57,033											
SUBTOTAL	22,757,970	111,832	670,055	664,528	659,553	655,076	639,640	579,533	579,533	579,533	579,533	579,533	579,533	579,533	579,533	579,533	579,533	563,495
AMORTIZATION SCHEDULE																		
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Loan Fees	122,491	257	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083
Costs of Issuance - Tax-Exempt Bonds	285,238	0	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508
Title/Recording/Escrow - Permanent	5,000	0	0	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Legal: Permanent Closing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Appraisal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legal: Organization of Partnership	0	0																
SUBTOTAL	412,729	257	13,591	13,758	13,758	13,758	13,758	13,758	13,758	13,758	13,758	13,758	13,758	13,758	13,758	13,758	13,758	13,758
COSTS EXPENSED																		
Audit/Cost Certification	6,500	6,500																
0	0	0																
Marketing Account	90,000	90,000																
LP Investor Services Fee		0	7,600	7,600	7,600	7,600	8,360	8,360	8,360	8,360	9,196	9,196	9,196	9,196	10,116	10,116	10,116	
GP Partnership Management (Paid)		0	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572	20,159	20,764	21,386	22,028	0	
Resident Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL	96,500	96,500	22,600	23,050	23,514	23,991	25,243	25,749	26,271	26,808	28,198	28,768	29,355	58,403	61,254	64,473	54,264	
INTEREST PAYMENT SCHEDULE																		
Interest - NOI Tranche		0	74,089	177,949	174,616	171,142	167,522	163,749	159,817	155,719	151,448	146,997	142,358	137,523	132,485	127,233	121,761	
Interest - Soft Second # 1	San Diego Housing Commission	0	149,614	151,204	154,132	157,079	160,069	163,090	166,132	169,199	172,317	175,472	178,655	181,869	185,146	188,467	191,826	
Interest - Soft Second # 2	Seller Carryback Note	0	40,110	41,173	42,264	43,384	44,534	45,714	46,925	48,169	49,445	50,756	52,101	53,481	54,121	54,741	55,335	
Interest - Soft Second # 3	Inclusionary Housing Capital (GP Lr	(102,000)	30,871	31,689	32,528	33,391	34,275	35,184	36,116	37,073	38,056	39,064	40,099	41,162	42,253	43,372	44,522	
Interest - Soft Second # 4	GP Loan II (AHP)	(24,000)	19,875	20,402	20,942	21,497	22,067	22,652	23,252	23,868	24,501	25,150	25,816	26,501	27,203	27,924	28,664	
Interest- Expensed Constr. Loan Interest		118,520	355,560	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL		(7,480)	670,119	422,416	424,483	426,493	428,468	430,388	432,243	434,028	435,767	437,438	439,030	440,537	441,206	441,737	442,107	
TOTAL DEDUCTIONS			201,109	1,376,365	1,123,752	1,121,307	1,119,317	1,107,108	1,049,428	1,051,804	1,054,127	1,057,255	1,059,497	1,061,675	1,092,230	1,095,752	1,099,501	1,073,624



North Park Senior  
Analysis of Taxable Income

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ASSUMPTIONS:																		
Marginal Tax Rate - Federal	35.0%																	
Marginal Tax Rate - State	0.0%																	
Effective Combined Marginal Tax Rate	35.0%																	
Number of Pay-Ins	3																	
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
LOSSES																		
Net Operating Income			21,735	349,623	354,217	358,780	363,308	367,793	372,229	376,609	380,927	385,174	389,343	393,424	397,410	401,291	405,057	408,698
Total Deductions			201,022	1,375,840	1,123,227	1,120,782	1,118,792	1,106,583	1,048,903	1,051,279	1,053,602	1,056,730	1,058,972	1,061,150	1,091,705	1,095,227	1,098,976	1,073,099
Total Taxable Income (Loss)			(179,286)	(1,026,217)	(769,010)	(762,002)	(755,485)	(738,790)	(676,674)	(674,670)	(672,675)	(671,557)	(669,629)	(667,726)	(694,295)	(693,935)	(693,919)	(664,401)
AFTER TAX VALUE OF LOSSES																		
Allowable Losses (adj. for min. gain)			(179,374)	(1,026,742)	(769,535)	(762,527)	(756,010)	(739,315)	(677,199)	(675,195)	(673,200)	(672,082)	(670,154)	(668,251)	(694,820)	(694,460)	(694,444)	(664,926)
After Tax Value of Losses	35.0%		62,781	359,360	269,337	266,884	264,603	258,760	237,020	236,318	235,620	235,229	234,554	233,888	243,187	243,061	243,055	232,724
General Partner Share	0.01%		6	36	27	27	26	26	24	24	24	24	23	23	24	24	24	23
Limited Partner Share	99.99%		62,775	359,324	269,310	266,858	264,577	258,734	236,996	236,295	235,597	235,205	234,531	233,865	243,163	243,037	243,031	232,701
TAX CREDITS																		
Federal Tax Credits-Rehabilitation			0	914,400	933,061	933,061	933,061	933,061	933,061	933,061	933,061	933,061	933,061	18,661				
TOTAL TAX CREDITS			0	914,400	933,061	933,061	933,061	933,061	933,061	933,061	933,061	933,061	933,061	18,661	0	0	0	0
General Partner Share	0.01%		0	91	93	93	93	93	93	93	93	93	93	2	0	0	0	0
Limited Partner Share	99.99%		0	914,309	932,968	932,968	932,968	932,968	932,968	932,968	932,968	932,968	932,968	18,659	0	0	0	0
TOTAL AFTER TAX BENEFITS			62,781	1,273,760	1,202,399	1,199,946	1,197,665	1,191,822	1,170,081	1,169,380	1,168,682	1,168,290	1,167,615	252,549	243,187	243,061	243,055	232,724
General Partner Share	0.01%		6	127	120	120	120	119	117	117	117	117	117	25	24	24	24	23
Limited Partner Share	99.99%		62,775	1,273,632	1,202,278	1,199,826	1,197,545	1,191,703	1,169,964	1,169,263	1,168,565	1,168,173	1,167,499	252,524	243,163	243,037	243,031	232,701
LIMITED PARTNER CAPITAL CONTRIBUTIONS			1,128,892	0	10,160,027	0	0	0	0	0	0	0	0					

North Park Senior  
Capital Account Analysis and Tax Liability (sale price equals debt)

		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
LIMITED PARTNER SHARE																	
Adjusted Basis @ 99.9%		27,043,521	26,374,058	25,710,121	25,051,159	24,396,673	23,757,622	23,178,672	22,599,721	22,020,771	21,441,820	20,862,870	20,283,919	19,704,969	19,126,018	18,547,068	17,984,154
Outstanding Nonrecourse Debt @ 99.9%	Recourse?																
Permanent Loan	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MUFG Union Bank (Tax-Exempt Permanent)	N	4,410,000	4,334,209	4,255,219	4,172,897	4,087,101	3,997,685	3,904,496	3,807,375	3,706,156	3,600,666	3,490,725	3,376,145	3,256,730	3,132,277	3,002,572	2,867,395
Rural Development 514	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
San Diego Housing Commission	N	7,000,000	7,074,401	7,211,390	7,349,258	7,489,187	7,630,490	7,772,849	7,916,321	8,062,224	8,209,816	8,358,763	8,509,146	8,662,433	8,817,826	8,974,979	9,122,656
Seller Carryback Note	Y	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inclusionary Housing Capital (GP Loan I)	Y	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GP Loan II (AHP)	Y	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		11,410,000	11,408,609	11,466,609	11,522,154	11,576,288	11,628,175	11,677,345	11,723,696	11,768,379	11,810,481	11,849,488	11,885,291	11,919,163	11,950,103	11,977,551	11,990,051
CAPITAL ACCOUNT																	
Beg. of Yr Capital Account Balance		0	949,536	10,083,012	9,313,992	8,551,629	7,796,132	7,056,978	6,380,284	5,705,244	5,032,548	4,360,621	3,690,971	3,022,875	2,328,562	1,634,258	940,321
Capital Contributions		1,128,892	10,160,027	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Losses @ 99.9%		(179,269)	(1,026,114)	(768,933)	(761,925)	(755,409)	(738,716)	(676,607)	(674,603)	(672,608)	(671,489)	(669,562)	(667,659)	(694,226)	(693,866)	(693,849)	(664,334)
Allowable Losses (to extent of minimum gain)		(179,269)	(1,026,114)	(768,933)	(761,925)	(755,409)	(738,716)	(676,607)	(674,603)	(672,608)	(671,489)	(669,562)	(667,659)	(694,226)	(693,866)	(693,849)	(664,334)
(cap acct before min gain adjustment)		949,623	10,083,449	9,314,079	8,552,066	7,796,220	7,057,416	6,380,372	5,705,681	5,032,636	4,361,059	3,691,059	3,023,312	2,328,649	1,634,696	940,409	275,987
End of Year Capital Account Balance		949,623	10,083,449	9,314,079	8,552,066	7,796,220	7,057,416	6,380,372	5,705,681	5,032,636	4,361,059	3,691,059	3,023,312	2,328,649	1,634,696	940,409	275,987
Marginal Tax Rate	35.0%																
Tax Benefit/(Liability) on Sale		332,368	3,529,207	3,259,928	2,993,223	2,728,677	2,470,096	2,233,130	1,996,988	1,761,423	1,526,371	1,291,871	1,058,159	815,027	572,143	329,143	96,595

ASSUMPTIONS:							
Marginal Tax Rate		35.0%					
YEAR	LIMITED PARTNER PAY-INS	AFTER- TAX VALUE OF LOSSES	TOTAL LTD PTR FED TAX CREDITS	TOTAL LTD PTR CAL. TAX CREDITS	TAX BENEFIT/ (LIABILITY) UPON SALE	TOTAL LTD PTR TAX BENEFITS	CUMULATIVE RATIO OF BENEFITS TO LTD PTR PAY-INS
2016	1,128,892	0	0	0		0	0.00
2017	0	62,775	0	0		62,775	0.06
2018	10,160,027	359,324	914,309	0		1,273,632	0.12
2019	0	269,310	932,968	0		1,202,278	0.22
2020	0	266,858	932,968	0		1,199,826	0.33
2021	0	264,577	932,968	0		1,197,545	0.44
2022	0	258,734	932,968			1,191,703	0.54
2023	0	236,996	932,968			1,169,964	0.65
2024	0	236,295	932,968			1,169,263	0.75
2025		235,597	932,968			1,168,565	0.85
2026		235,205	932,968			1,168,173	0.96
2027		234,531	932,968			1,167,499	1.06
2028		233,865				233,865	1.08
2029		243,163				243,163	1.10
2030		243,037				243,037	1.12
2031		243,031				243,031	1.15
2032		232,701				232,701	1.17
2033					96,595	96,595	1.17
TOTAL	11,288,919	3,623,295	9,311,022	0		13,263,614	

North Park Senior  
Net Quarterly Benefit Schedule

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INTERNAL RATE OF RETURN:		3.25%			
YEAR	INVESTMENT	TOTAL QUART. BENEFITS	NET QUART. BENEFITS	INSTALLMENT MILESTONE	
2016	0	0	0		
	0	0	0		
	-1,128,892	0	-1,128,892	LP admission	
	0	0	0		
2017	0	0	0		
	0	0	0		
	0	0	0		
	0	0	0		
2018	0	62,744	62,744		
	0	318,362	318,362		
	0	318,362	318,362		
	-10,010,027	318,362	-9,691,665	Stabilization & perm conversion	
2019	-150,000	318,362	168,362	8609	
	0	300,524	300,524		
	0	300,524	300,524		
	0	300,524	300,524		
2020	0	300,524	300,524		
	0	299,911	299,911		
	0	299,911	299,911		
	0	299,911	299,911		
2021	0	299,911	299,911		
	0	299,340	299,340		
	0	299,340	299,340		
	0	299,340	299,340		
2022	0	299,340	299,340		
	0	297,880	297,880		
	0	297,880	297,880		
	0	297,880	297,880		
2023	0	297,880	297,880		
		292,445	292,445		
		292,445	292,445		
		292,445	292,445		
2024		292,445	292,445		
		292,270	292,270		
		292,270	292,270		
		292,270	292,270		
2025		292,270	292,270		
		292,095	292,095		
		292,095	292,095		
		292,095	292,095		
2026		292,095	292,095		
		291,997	291,997		
		291,997	291,997		
		291,997	291,997		
2027		291,997	291,997		
		291,829	291,829		
		291,829	291,829		
		291,829	291,829		
2028		291,829	291,829		
		58,420	58,420		
		58,420	58,420		
		58,420	58,420		
2029		58,420	58,420		
		60,745	60,745		
		60,745	60,745		
		60,745	60,745		
2030		60,745	60,745		
		60,713	60,713		
		60,713	60,713		
		60,713	60,713		
2031		60,713	60,713		
		60,712	60,712		
		60,712	60,712		
		60,712	60,712		
2032		60,712	60,712		
		58,129	58,129		
		58,129	58,129		
		58,129	58,129		
2033		58,129	58,129		
		96,442	96,442		
TOTAL	11,288,919	12,989,844	1,700,925		