

## REPORT TO THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO

**DATE ISSUED:** October 27, 2020 **REPORT NO**: HAR20-040

**ATTENTION:** Chair and Members of the Housing Authority of the City of San Diego

For the Agenda of November 17, 2020

**SUBJECT:** Preliminary Bond Authorization for Fourth Corner Apartments

**COUNCIL DISTRICT: 9** 

#### REQUESTED ACTION

Take the initial steps to issue Housing Authority of the City of San Diego tax-exempt and taxable Multifamily Housing Revenue Bonds to facilitate the construction of a new affordable housing development at 4021, 4035, 4037 and 4061 Fairmount Ave. (Fourth Corner Apartments) in the City Heights neighborhood, which will consist of 74 units affordable for 55 years for low- and extremely low-income families and one unrestricted manager's unit.

#### STAFF RECOMMENDATION

That the Housing Authority of the City of San Diego (Housing Authority) and the San Diego City Council (City Council) take the following actions, as described in this report.

- 1) Approve the following preliminary steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds to facilitate the construction of a new affordable housing development at 4021, 4035, 4037 and 4061 Fairmount Ave. (Fourth Corner Apartments) in the City Heights neighborhood, which will consist of 74 units affordable for 55 years for low- and extremely low-income families and one unrestricted manager's unit:
  - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$27,000,000 in tax-exempt Multifamily Housing Revenue Bonds and up to \$5,800,000 in taxable bonds supporting the development of Fourth Corner Apartments by a limited partnership formed by Wakeland Housing and Development Corporation;
  - b. Authorize an application (and subsequent applications, if necessary) to the California Debt Limit Allocation Committee (CDLAC) for an allocation of authority to issue tax-exempt private activity bonds in an amount up to \$27,000,000 for Fourth Corner Apartments; and
  - c. Approve the financing team of Squire Patton & Boggs as Bond Counsel and Ross Financial as Financial Advisor; and
- 2) Authorize the San Diego Housing Commission (Housing Commission) President & Chief Executive Officer (President & CEO), or designee, to execute any and all documents that are necessary to effectuate the transaction and implement these approvals in a form approved by General Counsel and Bond Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of General Counsel and/or the Bond Counsel.

October 27, 2020 Preliminary Bond Authorization for Fourth Corner Apartments Page 2

#### **SUMMARY**

A development summary is included as Attachment 1.

**Table 1 – Development Details** 

Address	4021, 4035 4037, 4061 Fairmount Ave.
Council District	Council District 9
Community Plan Area	City Heights Area Planning Committee
Developers	Wakeland Housing & Development Corporation
Development Type	New Construction
Construction Type	Type IA and Type VA
Parking Type	67 spaces
Housing Type	Affordable Transit-Oriented Development, Family
Lot Size	23,766 square feet
Units	75
Density	137 units/acre
Unit Mix	55 two-bedroom, 20 three-bedroom
Gross Building Area	128,048 square feet
Net Rentable Area	74,343 square feet

#### The Development

Fourth Corner Apartments is a 75-unit, transit-oriented, new construction, affordable housing development, located on a 23,766-square-foot lot incorporating 4021, 4035, 4037 and 4061 Fairmount Ave., San Diego, CA 92105. The development is a partnership between Wakeland Housing and Development Corporation, an experienced San Diego-based developer of affordable housing, and Price Philanthropies, a San Diego-based philanthropy focusing on improving the lives of City Heights residents. A vacant commercial building is on one of the subject lots (4061 Fairmount Ave.), which will be demolished as part of the development.

Once completed, Fourth Corner Apartments will be composed of 75 rental units in a single wood-frame structure, sitting atop a first-floor concrete and steel parking structure. Fourth Corner Apartments will continue The Price Charities' focus on larger units, with bedroom accommodations for the larger family sizes common in San Diego's center city. Fifty-five of the units will feature two bedrooms, and the remaining 20 will feature three bedrooms. Of the 75 units, 74 will remain affordable for 55 years to low-and extremely low-income families with income between 30 percent and 60 percent of San Diego Area Median Income (AMI). Construction types will include Type 1 concrete and steel on the first floor, supporting four stories of wood-frame construction.

The project site is located near the intersection of Fairmount and University Avenues in the heart of City Heights. Within a 10-minute walk are The Price Charities Building, a seven-story office complex, the County of San Diego Administration Building and multiple nonprofit and public agencies providing medical, dental, youth-oriented, public benefit supports and other services to households with low or

October 27, 2020 Preliminary Bond Authorization for Fourth Corner Apartments Page 3

moderate income. Nearby amenities include multiple restaurants, grocery stores, pharmacy options, the La Maestra Community Health Clinic, Rosa Parks Elementary School, The City Heights Recreational Center, and the public library.

Because the development site is adjacent to or within a short walk of several major bus lines, including the San Diego Metropolitan Transit System's (MTS) Rapid I-15 express service, residents will be encouraged to incorporate mass transit as part of their transportation plans. Developers plan to include 67 parking spaces for its 75 apartment units.

#### **Project Sustainability**

Fourth Corner Apartments will be built as Green Point Rated with an anticipated Gold Rating standard and will comply with the CTCAC minimum energy efficiency construction standards for new construction. The project's features will include: Energy Star-rated efficient appliances, dual-glazed windows coated for limited solar heat gain, low-energy lighting, HVAC systems that utilize energy efficient heat pumps, use of Low Volatile Organic Compound (VOC) paints and stains for interior surfaces, and the roof design is focused on optimizing square footage to allow maximum area to install the Solar Photovoltaic system. The designed Solar Photovoltaic system is intended to offset the house load, including all or part of domestic hot water. Water conservation will be promoted via low-water-use fixtures in kitchens and bathrooms, low-flow toilets, and low-water- use native-plants landscaping with water-efficient irrigation controls

#### **Development Team**

The development team will be led by Wakeland Housing and Development Corporation, a nonprofit developer founded in San Diego in 1998. The project sponsor is Wakeland Price Fourth Corner LP, whose managing general partners is Wakeland Price Fourth Corner LLP, a subsidiary of Wakeland Housing and Development Corporation (Wakeland).

Wakeland currently has more than 5,600 units of affordable housing in its portfolio in 40 communities throughout California. The Housing Commission has worked with Wakeland on several successful projects. Recently completed projects include the 44-unit Beacon Apartments, 205-unit Atmosphere apartments, and the 132-unit scattered sites City Heights Ten rehabilitation project.

A Developer Disclosure Statements for Wakeland is provided as Attachment 3.

Wakeland plans to use Dess Partners as the architects and Sun Country Builders as the general contractor. Dess Partners is an architecture firm with a track record of completing multifamily residential, mixed-use, commercial, and historic infill developments in San Diego. Recent projects include Kalos Apartments and the 10<sup>th</sup> and B project. Founded in 1979, Sun Country Builders is an experienced, Carlsbad-based builder of multifamily housing. They are a frequent general contractor partner for affordable housing developers across Southern California and have extensive experience working with low-income housing tax credits and tax-exempt bond-financed developments.

Fourth Corner will be managed by ConAm Management Corporation (ConAm). Established in 1975, ConAm is a nationwide management company with a management portfolio of approximately 53,000 units in more than 26 metropolitan areas. ConAm is experienced in property management, marketing, leasing, maintenance, renovations, and tax credit developments. ConAm manages 34 developments for CHW. CHW's Asset Management Department will oversee ConAm.

Other members of the development team, including the administrative general partner, the tax credit investor, any limited partners, and the construction lender, will be determined prior to final bond approval and the close of construction finance as required.

**Table 2 - Development Team Summary** 

ROLE	FIRM/CONTACT
Developers	Wakeland Housing and Development
	Corporation
Owner/Borrower	Wakeland Price Fourth Corner LP
Managing General Partner	Wakeland Price Fourth Corner LLC
Administrative General Partner	TBD
Tax Credit Investor Limited Partner	TBD
Architect	Dess Partners Architecture
General Contractor	Sun Country Builders
Property Management	Con Am Management Corporation
Construction and Permanent Lender	TBD

#### Financing Structure

The Fourth Corner Apartments development has an estimated total development cost of \$40,519,820. Financing for the project will include Multifamily Housing Revenue Bonds, private bank debt, 4 percent federal low-income housing tax credits, a land contribution from Price Charities, and a \$14,250,000 contribution from Price Charities.

No Housing Commission loan proceeds will be provided to this development.

Estimated permanent sources and uses of financing are provided in Table 3. The developer's project proforma is provided as Attachment 4.

Table 3 – Fourth Corner Apartments Estimated Sources and Uses of Financing

Financing Sources	Amounts	Financing Uses	Amounts	Per Unit
Permanent Loan	\$8,798,000	Land acquisition:	\$4,330,000	\$57,733
4% Tax Credit Equity	\$13,321,820	Construction costs \$25,594,764	\$26,927,388	
		Contingency + \$1,332,624		\$359,032
		Total construction \$26,927,388		
Price Charities Contribution	\$14,250,000	Financing costs	\$2,115,058	\$28,201
Price Charities Land Donation	\$4,150,000	Other soft costs	\$3,337,711	\$44,503

		City permits and	\$2,145,000	\$28,600
		impact fees		
		Developer's fee	\$1,400,000	\$18,667
		Reserves	\$264,663	\$3,529
<b>Total Sources</b>	\$40,519,820	<b>Total Uses</b>	\$40,519,820	\$540,264

#### Developer Fee

The planned net cash developer fee shall be \$1,400,000 in compliance with CTCAC and CDLAC regulations.

On April 25, 2017, the Housing Authority approved the "Request for Approval of Updated Developer Fees" (Report No. HAR17-011; Resolution No. HA-1727). That report approved certain developer fee guidelines for multifamily loans and bond issuances. Attachment 1 to that report stated: "Developer Fee [for] 4% tax credits, in project costs: 15% eligible basis...." The developer is proposing a \$2,840,281 preliminary developer fee associated with the residential portion of development, which complies with HAR17-011. The proposed fee is in conformance with the "Request for Approval of Updated Developer Fees" guidelines approved by the Housing Authority on April 25, 2017.

#### **Prevailing Wages**

The proposed project is not subject to payment of state or federal prevailing wages.

#### **Development Cost Key Performance Indicators**

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

**Table 4 – Key Performance Indicators** 

ie i liej i ci ioi indicators		
Development Cost Per Unit	\$40,519,820 ÷ 75 units	\$540,264
Housing Commission Subsidy Per Unit	NA	\$0
Acquisition Cost Per Unit	\$4,330,000 ÷ 75 units	\$57,733
Gross Building Square Foot Hard Cost	\$26,927,388 ÷ 128,048 SF	\$210
Net Rentable Square Foot Hard Cost	\$26,927,388 ÷ 74,343 SF	\$362

#### **Project Comparison Chart**

Multiple factors and variables influence the cost of developing multifamily affordable housing, including but not limited to project location, site conditions, site improvements needed, environmental factors, land use approval process, community involvement, construction type, design requirements/constraints, economies of scale, City impact fees, developer experience and capacity, and amenities necessary to gain tax credit approval.

Table 5 shows a comparison of the subject property and other developments of the same construction type.

Table 5 - Comparable Development Projects

Development	Year	Construction Type	Unit	Prevailing Wage	Total Development Cost	Per Unit TDC	SDHC Subsidy	Gross Building Hard Cost per Square Foot
Subject – Fourth Street Apartments	2020	V over I	75	No	\$40,519,820	\$540,264	\$0	\$210
East Block Family	2019	III	78	Yes	\$41,579,692	\$533,073	\$0	\$214
Keeler Court	2019	V	71	Yes	\$35,692,466	\$575,941	\$0	\$304
Ulric Street II	2020	V	60	Yes	\$32,004,521	\$533,409	\$67,9177	\$301

Factors having an upward effect on the residential cost per unit for Fourth Corner Apartments include higher construction costs tied to its infill location within a dense urban area, the relatively large size of the units (150 square feet larger than TCAC minimums), greater than average number of bedrooms per unit, and parking accommodations that exceed regulatory requirements to address community concerns. Despite these factors the gross building hard cost per square foot compares favorably with similar recent developments.

#### **Proposed Housing Bonds**

The Housing Commission utilizes the Housing Authority's tax-exempt borrowing status to pass on lower interest rate financing (and make 4 percent low-income housing tax credits available) to developers of affordable rental housing. The Housing Authority's ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a development, the Housing Authority must first submit an application to CDLAC for a bond allocation. Prior to submitting applications to CDLAC, developments are brought before the Housing Commission, Housing Authority and City Council. Housing Authority bond inducement resolutions must be obtained prior to application submittal, and City Council TEFRA resolutions must be secured no later than 30 days after application submittal. These actions do not obligate the Housing Authority to issue bonds.

The developer plans to submit a bond allocation application to CDLAC in November 2020 for a January 2021 bond allocation meeting; however, if necessary, staff will submit additional applications to CDLAC to secure a bond allocation for the development.

The developer will be seeking a CDLAC bond allocation of approximately \$23,200,000 The developer proposes to have the Housing Authority issue the bonds through a tax-exempt private placement bond issuance. The bonds 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.

The developer proposes that the bonds will be used to provide construction and permanent financing for the project. Housing Commission staff will later return to both the Housing Commission and Housing Authority for approval of the final bonds and transaction documents. A general description of the Multifamily Housing Revenue Bond Program and the actions that must be taken by the Housing Authority and by the City Council to initiate and finalize proposed financings are described in Attachment 5.

Staff recommends assigning Squire Patton Boggs as Bond Counsel and Ross Financial as Financial Advisor to work on the development. The proposed financing team members have been selected in accordance with the existing policy for the issuance of bonds. Financial Advisors and Bond Counsels are selected in accordance with the Housing Commission's Bond Policy.

#### AFFORDABLE HOUSING IMPACT

Under the proposed bond financing, Fourth Corner Apartments would restrict eight units to households with income at or below 30 percent of the San Diego Area Median Income (AMI), 15 units at or below 45 percent of AMI, 30 units at or below 50 percent of AMI, and the remaining 21 affordable units at or below 60 percent of AMI. The affordable units will be restricted for a 55-year term.

Table 6 - Fourth Corner Apartments Affordability & Monthly Estimated Rent Table

<u>Unit Type</u>	AMI	Number of Units	Gross
			Rents
2BR/2BA	30%	6	\$780
2BR/2BA	45%	11	\$1,170
2BR/2BA	50%	22	\$1,300
2BR/2BA	60%	15	\$1,560
3BR/2BA	30%	2	\$901
3BR/2BA	45%	4	\$1,351
3BR/2BA	50%	8	\$1,501
3BR/2BA	60%	6	\$1,802
Manager	NA	1	-
Total Units	-	75	-

#### Development Schedule

The estimated development timeline is as follows.

Milestone	Fourth Corner
Housing Authority Preliminary Bond Authorization and City	November 10, 2020
Council TEFRA Hearing	
Planning Commission Hearing	January 2021
CTCAC/CDLAC application	January 2021
Start Construction	July 2021
Complete Construction	December 2022

October 27, 2020 Preliminary Bond Authorization for Fourth Corner Apartments Page 8

#### **FISCAL CONSIDERATIONS**

The proposed funding sources and uses approved by this action are not included in the Fiscal Year (FY) 2021 Housing Commission Budget. Approving this action will increase the FY 2021 total budget.

Funding sources approved by this action will be as follows: Bond Issuance Fees - \$82,000 (.0025 bond issuer fee x \$,000,000)

Funding uses approved by this action will be as follows: Administration Costs - \$82,000

Approval of the bond inducement and TEFRA resolutions does not commit the Housing Authority to issue the bonds. The bonds would not constitute a debt of the City. If bonds are ultimately issued for the development, the bonds 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 of the development. Neither the faith and credit nor the taxing power of the City or the Housing Authority would 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 annual administrative fee, as well as Housing Commission Bond Council and Financial Advisor fees.

#### **COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS**

On August 3, 2020, the Fourth Corner Apartments project was presented before the City Height Area Planning Committee. The projected was approved by 15 to 1 vote.

#### **KEY STAKEHOLDERS and PROJECTED IMPACTS**

Stakeholders include Wakeland Housing and Development Corporation, Price Charities, and the residents of the City Heights communities. 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 74 new affordable rental homes for families with low income.

#### **ENVIRONMENTAL REVIEW**

This activity is not a "project" and is therefore not subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15060(c)(3). This determination is predicated on Section 15004 of the Guidelines, which provides direction to lead agencies on the appropriate timing for environmental review. This action does not constitute approval of a project. Approval will occur once the environmental review has been completed in accordance with CEQA Section 15004. This action will not foreclose review of alternatives or mitigation measures by the public as part of the CEQA process. The proposed actions are approval of preliminary steps to issue bonds and do not constitute approval of the development activity or authorization for the issuance of bonds. Future actions to consider and approve development entitlement approvals related to the future development of the site will require additional review under the provisions of CEQA by the lead agency. Processing under the National Environmental Policy Act (NEPA) is not required as no federal funds are involved in this action.

October 27, 2020 Preliminary Bond Authorization for Fourth Corner Apartments Page 9

Colin Miller

Colin Miller Vice President, Multifamily Housing Finance Real Estate Division Jeff Davis

Jeff Davis Deputy Chief Executive Officer San Diego Housing Commission

Attachments: 1) Development Summary

2) Site Map

3) Developer Disclosure Statements

4) Developer's Project Sources and Uses Pro forma5) Multifamily Housing Revenue Bond Program

You may review docket materials in the "Governance & Legislative Affairs" section of the San Diego Housing Commission website at <a href="https://www.sdhc.org">www.sdhc.org</a>

### **Development Summary – Fourth Corner Apartments**

**Table 1 – Development Details** 

Address	4021, 4035 4037, 4061 Fairmount Ave
Council District	Council District 9
Community Plan Area	City Heights Area Planning Committee
Developers	Wakeland Housing and Development Corporation and Wakeland Price Fourth Corner LP
Development Type	New Construction
Construction Type	Type IA and Type VA
Parking Type	67 Spaces
Housing Type	Affordable Transit Oriented Development Family
Lot Size	23,766 square feet
Units	75
Density	137 units/acre
Unit Mix	55 two bedroom, 20 three bedroom
Gross Building Area	128,048 square feet
Net Rentable Area	74,343 square feet
Commercial/Retail Space	None
Project Based Housing Vouchers	None

**Table 2 - Development Team Summary** 

ROLE	FIRM/CONTACT	
Developers	Wakeland Housing and Development Corporation	
Owner/Borrower	Wakeland Price Fourth Corner LP	
Managing General Partner	Wakeland Price Fourth Corner LLC	
Administrative General Partner	TBD	
Tax Credit Investor Limited Partner	TBD	
Architect	Dess Partners Architecture	
General Contractor	Sun Country Builders	
Property Management	Con Am Management Company	
Construction and Permanent Lender	TBD	

Table 3 – Estimated Sources and Uses of Financing

Financing Sources	Amounts	Financing Uses	Amounts	Per Unit
Permanent Loan	\$8,798,000	Property acquisition:	\$4,330,000	\$57,733

Total Sources	\$40,519,820	Total Uses	\$40,519,820	\$540,264
		Reserves	\$264,663	\$3,529
		Developer's fee	\$1,400,000	\$18,667
		City permits and impact fees	\$2,145,000	\$28,600
Price Charities Land Donation	\$4,150,000	Other soft costs	\$3,337,711	\$44,503
Price Charities Loan	\$14,250,000	Financing costs	\$2,115,058	\$28,201
		Total construction \$26,927,388		
		Contingency + \$1,332,624		\$359,032
476 Tax Credit Equity	\$13,321,620	\$25,594,764	\$20,927,388	<b>***</b>
4% Tax Credit Equity	\$13,321,820	Construction costs	\$26,927,388	

### **Table 4 – Key Performance Indicators**

Development Cost Per Unit	\$40,519,820 ÷ 75 units	\$540,264
Housing Commission Subsidy Per Unit	NA	\$0
Acquisition Cost Per Unit	\$4,330,000 ÷ 75 units	\$57,733
Gross Building Square Foot	\$26,927,388 ÷	\$210
Hard Cost	128,048 square feet	4.2.72
Net Rentable Square Foot	\$26,927,388 ÷ 74,343	\$362
Hard Cost	square feet	

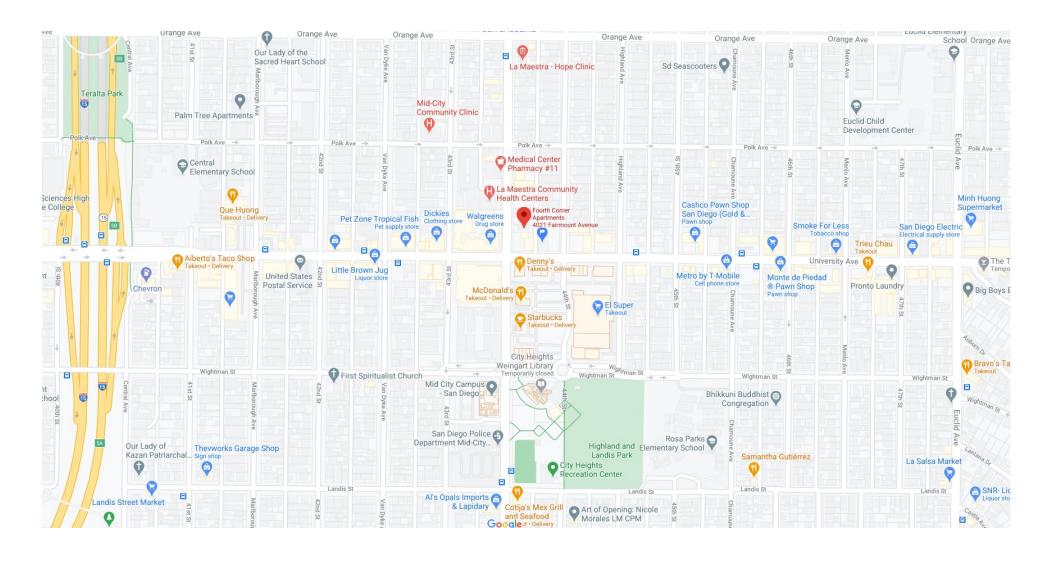
### **Table 5 – Comparable New Construction Projects**

Development	Year	Construction Type	Unit	Prevailing Wage	Total Development Cost	Per Unit TDC	SDHC Subsidy per unit	Gross Building Hard Cost per Square Foot
Subject – Fourth Corner Apartments	2020	V over I	75	No	\$40,519,820	\$540,264	\$0	\$210
East Block Family	2019	III	78	Yes	\$41,579,692	\$533,073	\$0	\$214
Keeler Court	2019	V	71	Yes	\$35,692,466	\$575,941	\$0	\$304
Ulric Street II	2020	V	60	Yes	\$32,004,521	\$533,409	\$67,917	\$201

 $Table\ 6-Afford ability\ \&\ Monthly\ Estimated\ Rent\ Table$ 

Unit Type	AMI	Number of Units	Gross Rents
2BR/2BA	30%	6	\$780
2BR/2BA	45%	11	\$1,170
2BR/2BA	50%	22	\$1,300
2BR/2BA	60%	15	\$1,560
3BR/2BA	30%	2	\$901
3BR/2BA	45%	4	\$1,351
3BR/2BA	50%	8	\$1,501
3BR/2BA	60%	6	\$1,802
			\$40
Average Affordability	49%		-
Manager	NA	1	-
Total Units	-	75	-

#### Attachment 2



#### **Developer Questionnaire**

## Developer Capacity Review San Diego Housing Commission

Developer:	Wakeland Housing and Development Corporation
Project:	Levant Senior Cottages

#### A. **KEY DEVELOPER PERSONNEL** (excluding Consultants)

- 1. Provide names of the key staff responsible for:
  - Entitlements Peter Armstrong
  - Construction management- Peter Armstrong
  - Lease-up Rebecca Louie and Tricia Tasto Levien
  - Property management Rebecca Louie and Tricia Tasto Levien
  - Asset management Rebecca Louie and Michelle Rocha
- 2. Indicate the length of time each key staff member has been with the firm and provide detailed professional resumes with the following details: *Please see attached BIO's* 
  - Number of years with company
    - o Ken Sauder 21 years
    - o Rebecca Louie 15 years
    - o Joan Edelman 15 years
    - o Tricia Tasto Levien 7 years
    - o Peter Armstrong 7 years
    - o Michelle Rocha 1.5 years
- 3. Provide the names of individual(s) authorized to negotiate, on behalf of the development entity/team and responsible for Project execution.
  - o Ken Sauder
  - o Peter Armstrong
  - o Rebecca Louie
  - Joan Edelman

#### B. REFERENCES

4. Provide three (3) public references:

City of Chula Vista 276 Fourth Avenue, Chula Vista, CA 91910 Development Partner/Lender Leilani Hines, Housing Manager (619) 691-5623

County of San Diego 5560 Overland Avenue, Suite 410, San Diego, CA 92123 Development Partner/Lessor Maria Marmolejo, Senior Real Property Agent (858) 694-2293

City of Vista Redevelopment and Housing Department 200 Civic Center Drive, Vista CA 92084 Development Partner Sylvia Solis Daniels, Housing Manager (760) 639-6191

#### C. <u>DEVELOPER CAPACITY</u>

5. List projects currently in planning or development by the developer or principals of the development entity/team.

#### **UNDER CONSTRICTION**

- The Grove, Vista, CA
- The Ivy, San Diego, CA
- Trinity, San Diego, Ca

#### **PREDEVELOPMENT**

- Levant Senior Cottages, San Diego, CA
- Cuatro at City Heights, San Diego CA
- Anita, Chula Vista, CA
- 4th Corner/Union Bank, San Diego Ca
- Entrada, Riverside, CA

- Mission Heritage, Riverside, CA
- Union Tower, National City, CA
- Amani, Los Angeles, CA
- Chesterfield, Los Angeles, CA
- Wilcox, Los Angeles, CA
- Quincy, Los Angeles, CA
- 6. Has the Developer or (if any), the Parent Corporation or any Subsidiary or affiliated Corporation of the Developer's Officers or Principal Members, Shareholders or Investors been adjudged bankrupt, either voluntary or involuntary, within the past ten (10) years? If yes, provide: **NO** 
  - Date:
  - Location:
  - Name(s) the bankruptcy was filed under:
- 7. Has the Developer or (if any), the Parent Corporation or any Subsidiary or affiliated Corporation of the Developer's Officers or Principal Members, Shareholders or Investors been involved in litigation relating to a development project either voluntary or involuntary within the past three (3) years? If yes, provide: *Please see attached litigation summary.* 
  - Date:
  - Place:
  - General Description:
  - Status:

#### **D. FINANCIAL STATEMENTS**

8. Provide the most recent two years of audited Financial Statements for each development entity/team. See Attached 2018/2019 audited Financial Statements for Wakeland Housing and Development Corporation.

## Price City Heights 4th Corner 75 Units 4% Tax Credits

## Sources and Uses of Financing

Uses of Funding	F	Per Unit	C	onstruction	F	Permanent
Land Acquisition	\$	57,733	\$	4,330,000	\$	4,330,000
Design & Engineering		17,867		1,340,000		1,340,000
Legal/Financial/Other Consultants		3,400		242,500		255,000
Permits & Fees		31,267		2,345,000		2,345,000
Direct Construction Costs		355,366		26,652,475		26,652,475
Financing Costs		33,063		2,073,112		2,479,721
Marketing/General & Administrative		3,000		225,000		225,000
Developer Fees		18,667		400,000		1,400,000
Construction Contingency (5%)		17,768		1,332,624		1,332,624
Indirect Cost Contingency (5%)		2,133		160,000		160,000
Total Project Uses	\$	540,264	\$	39,100,711	\$	40,519,820
Sources of Funding	F	Per Unit	C	onstruction	F	Permanent
4% Tax Credit Equity	\$	177,624	\$	1,998,273	\$	13,321,820
Permanent Loan		117,307		-		8,798,000
Section 8 Increment Loan		-				-
Construction Loan		-		27,000,000		-
Price Land Donation		55,333		4,150,000		4,150,000
Price Contribution		190,000		5,952,438		14,250,000
Total Project Sources	\$	540,264	\$	39,100,711	\$	40,519,820

## Price City Heights 4th Corner 75 Units 4% Tax Credits

### **Development Budget**

	Per Uni	t	Total
Land Acquisition			
Demolition and Site Cleanup		,000	150,000
Land Acquisition	55	,333	4,150,000
Escrow and Title		400	30,000
Total Land Acquisition	57	,733	4,330,000
<b>Direct Construction Costs</b>			
Offsite Improvements		-	-
Onsite Improvements/Landscaping	14	,103	1,057,711
Residential Construction/Parking	341	,264	25,594,764
Furnishings		667	50,000
Contingency	17	,768	1,332,624
Total Construction Costs	373	,801	28,035,099
Indirect Development Costs			
Architecture and Engineering	17	,867	1,340,000
Construction Admin and Security	2	,560	192,000
Permits and Fees	28	,600	2,145,000
Legal and Accounting	3	,400	255,000
Taxes and Insurance	2	,667	200,000
Developer Fee	18	,667	1,400,000
Marketing/Market Study	1	,107	83,000
Soft Cost Contingency	2	,133	 160,000
Total Indirect Development Costs	77	,000	5,775,000
Financing Costs			
Loan Fees	6	,879	515,906
Construction Loan Interest		,348	1,526,077
Title/Recording/Escrow		200	15,000
TCAC and Syndication Fees		774	58,075
Operating Reserves	3	,529	 264,663
Total Financing Fees		,730	2,379,721
Total Development Cost	\$ 540	,264	\$ 40,519,820

# Price City Heights 4th Corner PROJECT CASH FLOW 75 Family Units 4%

	1	2	3	4	5	6	7	8
RENTAL REVENUES								
Gross Potential Rent (Affordable Units)	1,189,689	1,219,431	1,249,917	1,281,165	1,313,194	1,346,024	1,379,675	1,414,167
Laundry/Other	3,600	3,690	3,782	3,877	3,974	4,073	4,175	4,279
Vacancy Allowance	(59,664)	(61,156)	(62,685)	(64,252)	(65,858)	(67,505)	(69,193)	(70,922)
Net Rental Income	1,133,625	1,161,965	1,191,014	1,220,790	1,251,310	1,282,592	1,314,657	1,347,524
OPERATING EXPENSES								
Less: Operating Expenses	(495, 258)	(512,087)	(529,502)	(547,525)	(566,179)	(585,481)	(605,460)	(626, 130)
Less: Resident Services	(45,000)	(46,575)	(48,205)	(49,892)	(51,639)	(53,446)	(55,316)	(57,253)
Less: Replacement Reserves	(18,750)	(19,406)	(20,085)	(20,788)	(21,516)	(22,269)	(23,048)	(23,855)
NET OPERATING INCOME	574,618	583,898	593,222	602,585	611,977	621,396	630,833	640,287
Debt Service	(499,646)	(499,646)	(499,646)	(499,646)	(499,646)	(499,646)	(499,646)	(499,646)
CASH FLOW AFTER DEBT SERVICE	74,972	84,252	93,576	102,939	112,331	121,750	131,187	140,641
General Partner Asset Management Fee	(20,000)	(20,600)	(21,218)	(21,855)	(22,510)	(23,185)	(23,881)	(24,597)
Limited Partner Asset Management Fee	(7,500)	(7,725)	(7,957)	(8,195)	(8,441)	(8,695)	(8,955)	(9,224)
CASH FLOW AVAILABLE FOR DISTRIBUTION	47,472	55,927	64,402	72,889	81,379	89,870	98,351	106,820

# Price City Heights 4th Corner PROJECT CASH FLOW 75 Family Units 4%

	9	10	11	12	13	14	15
RENTAL REVENUES							
Gross Potential Rent (Affordable Units)	1,449,521	1,485,759	1,522,903	1,560,976	1,600,000	1,640,000	1,681,000
Laundry/Other	4,386	4,496	4,608	4,723	4,841	4,962	5,086
Vacancy Allowance	(72,695)	(74,513)	(76,376)	(78,285)	(80,242)	(82,248)	(84,304)
Net Rental Income	1,381,212	1,415,742	1,451,135	1,487,414	1,524,599	1,562,714	1,601,782
OPERATING EXPENSES							
Less: Operating Expenses	(647,519)	(669,657)	(692,562)	(716,267)	(740,801)	(766,193)	(792,473)
Less: Resident Services	(59,256)	(61,330)	(63,477)	(65,699)	(67,998)	(70,378)	(72,841)
Less: Replacement Reserves	(24,690)	(25,554)	(26,448)	(27,374)	(28,332)	(29,324)	(30,350)
NET OPERATING INCOME	649,747	659,200	668,648	678,074	687,468	696,819	706,118
Debt Service	(499,646)	(499,646)	(499,646)	(499,646)	(499,646)	(499,646)	(499,646)
CASH FLOW AFTER DEBT SERVICE	150,101	159,555	169,002	178,429	187,823	197,173	206,473
General Partner Asset Management Fee	(25,335)	(26,095)	(26,878)	(27,685)	(28,515)	(29,371)	(30,252)
Limited Partner Asset Management Fee	(9,501)	(9,786)	(10,079)	(10,382)	(10,693)	(11,014)	(11,344)
CASH FLOW AVAILABLE FOR DISTRIBUTION	115,265	123,673	132,045	140,362	148,614	156,788	164,876

FORECAST ASSUMPTIONS								
DEVELOPMENT SCHEDULE						DEBT FINANCING ASSUMPTIONS		
Units for Rent Manager's Units Total Number of Units Density Per Acre	1 40	Acres	-	74 1 75 53.44		CONSTRUCTION LOAN: Construction Loan Interest Rate Credit Loan Fee		4.65% 1.00%
Construction Start Completion/Certificate of Occupancy Construction Period (Months) Start of Leasing Units Leased per Month		. 101 00		33.11		PERMANENT LOAN: Permanent Loan Rate Permanent Loan Constant Loan Points and Fees Debt Service Coverage Ratio		4.50% 5.73% 1.00% 1.15
Stabilized Occupancy Lease-Up Period (Months) Permanent Loan Takeout Total Months - Const Start to Takeout						Loan Underwriting Term (Years) Construction Loan to Value Ratio Capitalization Rate Project Value (NOI/Cap Rate)		35 80.26% 4.00% 14,365,443
SOURCES AND USES OF FUNDS						Maximum Loan to Cost Ratio Cash Available for Debt Service (NOI) Loan to Value Ratio (restricted)		100.00% 574,618 IA
USES:	<u>per unit</u>	Construction	<u>Permanent</u>			Permanent Loan Annual Payment Actual DSC	•	8,798,000 499,646 1.150
Land/Acquisition Design & Engineering Legal/Financial/Other Consultants Permits & Fees	\$57,733 \$17,867 \$3,400 \$31,267	\$4,330,000 1,340,000 242,500 2,345,000	\$4,330,000 1,340,000 255,000 2,345,000			OTHER DEBT/LOANS: Interest Rate Loan Points and Fees Loan Term (Years)	Redev't Loan 3.00% 0.000% 55	Other Loan 0.00% 0.000% 0
Bridge Loan Interest Direct Building Construction Financing Costs Marketing/General & Administrative	\$0 \$355,366 \$33,063 \$3,000	0 26,652,475 2,073,112 225,000	0 26,652,475 2,479,721 225,000			Credit Year Federal Tax Credit Rate		2021 3.07%
Developer Fees Hard Cost Contingency Soft Cost Contingency Total Project Uses	\$18,667 \$17,768 \$2,133 \$540,264	400,000 1,332,624 160,000 \$39,100,711	1,400,000 1,332,624 160,000 \$40,519,820			State Tax Credit Rate Difficult to Develop % Applicable Fraction Adjusted Eligible Basis		0.00% 130.00% 100.00% 44,740,091
SOURCES:						Annual Tax Credits Investor Yield on 99% of Total Credit Allocation Gross Investor Contribution to Lower Tier		1,373,521 97.00% 13,321,819
Tax Credit Equity Perm. Loan Solar TC/Rebates	177,624 117,307 0	\$1,998,273 0 0	\$13,321,819 8,798,000 0	\$1,400,000		Deferred Pay-In on Tax Credit Equity  TCAC Credit Details		0
GP Capital Contribution Construction Loan Deferred Developer Fees Master Developer Offsite Donation	0 0 0	27,000,000 0 0	0 0 0			Eligible Annual Credits Based on Costs Round 1 Max Credit Available		
Master Developer Land Donation Price Contribution Development Gap	55,333 190,000 0	4,150,000 5,952,438 0	4,150,000 14,250,000 0			OTHER ASSUMPTIONS		
Total Project Sources	\$540,264	\$39,100,711	\$40,519,820			Property Taxes: Tax Rate		1.25%
Basis Reduction: 0.00%  RESIDENTIAL UNIT MIX/AFFORDABILIT	Y ANALYSIS		50% test	70.01%		Existing Property Basis (per unit)  New Unit Basis (per unit)  Ground Lease:		0
						Return on Ground Lease Inflation Indexes:	0	0.00%
Mgrs. Units <u>BR2/BA1</u> <u>0BR/1E</u> Income		3BR/2BA	4BR/2BA	Total Units		Income Inflator Expense Inflator Real Estate Tax Inflator		2.50% 3.50% 2.00%
	0 6 0 11 22 15	2 4 8 6	0 0 0 0	8 15 30 21	10.8% 20.3% 40.5% 28.4%	15.0% HUD INCOME GUIDELINES/UTIL ALLOWANC 20.0%	E/BASIS LIMITS	
70.00% 0 * MGR 0	0 0 0 0	0	0 0	0	0.0% 49.66%	PARTNER ALLOCATIONS		
Total Units 0 0.0% 0.0	0 0 55 % 0.0% 74.3%	20 27.0%	0 0.0%		units	General Partner Limited Partner A	Operations 0.01% 99.990%	Sale 0.01% 99.99%
Sqդ. Ft./Unit Flat 0 50	0 650 850 0	1,047 0	0		\$ psf	Limited Partner B	0.00%	0.00%

67,690

20,940

0 46,750

4% TC

RUN DATE:

09/23/20

10:17 AM

Price City Heights 4th Corner

Total Resid Sq Ft

Price City Heights 4th Corner	RUN DATE:	09/23/20
RENTAL INCOME ASSUMPTIONS		

### **RENTAL INCOME ANALYSIS:**

Family		Number	Monthly	Utility	Net Monthly	Net Annual	Unit	Total	Rent/
Size	Unit Type	of Units	Rent	Allowance	•		Sq. Ft.	Sq. Ft.	Sq. Ft.
% of Median									
30.00%	2BR/1BA	6	780	59	721	51,912	0	0	\$0.00
30.00%	3BR/2BA	2	901	79	822	19,728	0	0	\$0.00
45.00%	1BR/1BA	0	974	0	974	0	0	0	\$0.00
45.00%	2BR/1BA	11	1,170	59	1,111	146,652	0	0	\$0.00
45.00%	3BR/2BA	4	1,351	79	1,272	61,056	0	0	\$0.00
50.00%	2BR/1BA	22	1,300	59	1,241	327,624	850	18,700	\$1.46
50.00%	3BR/2BA	8	1,501	79	1,422	136,512	1,047	8,376	\$1.36
60.00%	2BR/1BA	15	1,560	59	1,501	270,180	850	12,750	\$1.77
60.00%	3BR/2BA	6	1,802	79	1,723	124,056	1,047	6,282	\$1.65
Mgr.	2BR/1BA	1	0	0	0	0	850	850	\$0.00
OTAL PROJE	СТ	75			1,264	1,137,720	626	46,958	\$2.02
					TC Units				
						94,810		119,219	1,430,628
Itility Allowance	es (SDHC):								
		Studio	One	Two	Three				
	Heating (Gas) Cooking (Gas) Other Electric								
	Gas Water Heating Total	\$0	\$0	\$59	\$79				

rice City Heights 4th Corner ROJECT CASH FLOW		VEAS							
ENTAL REVENUES:	2.5%/ann. increase	YEAR	1	2	3	4	5	6	7
Gross Potential Rent (Affordable Units .aundry/Other		\$4.00	1,189,689 3,600	1,219,431 3,690	1,249,917 3,782	1,281,165 3,877	1,313,194 3,974	1,346,024 4,073	1,379,675 4,175
Reimbusement of Operating Reserve /acancy Allowance		5.00%	0 (59,664)	0 (61,156)	(62,685)	0 (64,252)	0 (65,858)	(67,505)	(69,193)
Net Rental Income			1,133,625	1,161,965	1,191,014	1,220,790	1,251,310	1,282,592	1,314,657
Reimbursement of Operationg Rese	rve					0			
OPERTY OPERATING COSTS:	3.5%/ann. increase								
ministrative Expenses: Office Supplies & Equipment		\$1,000 /mo.	12,000	12,420	12,855	13,305	13,771	14,253	14,752
Payroll Services		\$200 /mo.	2,400	2,484	2,571	2,661	2,754	2,850	2,950
Van Services Telephone/Answering Service/Internet		\$0 /mo. \$450 /mo.	0 5,400	0 5,589	0 5,785	0 5,987	0 6,197	0 6,414	0 6,638
Auto Expense		\$200 /mo.	2,400	2,484	2,571	2,661	2,754	2,850	2,950
Training & Travel Misc. Administrative Expense		\$400 /mo. \$1,000 /mo.	4,800 12,000	4,968 12,420	5,142 12,855	5,322 13,305	5,508 13,771	5,701 14,253	5,901 14,752
Resident Services		\$0 /mo	45,000	46,575	48,205	49,892	51,639	53,446	55,316
Expense Plug Number Bond Issuer Fee		\$0 /unit 0.125%	0 10,998	0 10,998	0 10,998	0 10,998	0 10,998	0 10,998	0 10,998
arketing Expense:		51.2575							
Advertising rofessional Fees:			0	0	0	0	0	0	0
Property Management Fees	3.95% \$	55.00 u/mo	47,000	48,645	50,348	52,110	53,934	55,822	57,776
Accounting Legal Fees		\$0 /mo. \$300 /mo.	0 3,600	0 3,726	0 3,856	0 3,991	0 4,131	0 4,276	0 4,426
Auditing Expense		\$750 /mo.	9,000	9,315	9,641	9,978	10,327	10,688	11,062
tilities: Electricity (common areas)	assumes pv	\$1,000.00 /mo	12,000	12,420	12,855	13,305	13,771	14,253	14,752
Gas (community center and laundry)		\$1,000.00 /mo	12,000	12,420	12,855	13,305	13,771	14,253	14,752
Water and Sewer ayroll/Payroll Taxes:		\$70.00 /u/mo	63,000	65,205	67,487	69,849	72,294	74,824	77,443
Salaries-Manager		\$3,500 /mo.	42,000	43,470	44,991	46,566	48,196	49,883	51,629
Salaries-Assistant Manager Salaries-Administrative		\$0 /mo. \$0 /mo.	0	0	0	0	0	0	0
Salaries-Maintenance Supervisor	PT	\$3,500 /mo.	42,000	43,470	44,991	46,566	48,196	49,883	51,629
Salaries-Maintenance Personnel Employee Apartments		\$2,000 /mo. \$0 /mo.	12,000	12,420 0	12,855	13,305 0	13,771 0	14,253 0	14,752 0
Payroll Taxes		15.000%	14,400	14,904	15,426	15,966	16,524	17,103	17,702
Workers Compensation Health Insurance/Other Benefits		12.000% \$0 /mo.	11,520 0	11,923 0	12,340	12,772 0	13,219 0	13,682 0	14,161 0
ontract Services:		φο /πο.	O	U	U	U	U	U	U
Exterminating Trash Removal		\$8 /unit/r \$25.00 /u/mo	,	8,280 22,770	8,570 23,567	8,870 24,392	9,180 25,246	9,501 26,130	9,834 27,045
Elevator (3) Maintenance		\$2,000 /mo.	24,000	24,840	25,709	26,609	27,540	28,504	29,502
Building/Grounds Maintenance		\$1,000.00 mo \$5.00 /u/mo	12,000	12,420	12,855	13,305	13,771	14,253	14,752
Janitorial Repair		\$5.00 /u/mo \$500.00 /mo	5,000 6,000	5,175 6,210	5,356 6,427	5,543 6,652	5,737 6,885	5,938 7,126	6,146 7,375
HVAC Filters		\$5 u/mo.	4,500	4,658	4,821	4,990	5,165	5,346	5,533
eaning & Decorating: Painting Supplies		\$10.00 /u/mo	9,000	9,315	9,641	9,978	10,327	10,688	11,062
Grounds Supplies		\$1,000.00 /mo	12,000	12,420	12,855	13,305	13,771	14,253	14,752
epairs & Maintenance: Repairs & Maintenance General		\$3,500.00 /mo	42,000	43,470	44,991	46,566	48,196	49,883	51,629
IR Assessments									
IN Assessments		\$0 /unit	0	0	0	0	0	0	0
		\$0 /u.	0	0	0	0	0	0	0
TOTAL VARIABLE COSTS		\$6,774 /unit	508,018	525,414	543,418	562,053	581,343	601,306	621,970
xes & Insurance:									
Real Property Tax Assessment		\$107 /unit	8,000	8,160	8,323	8,489	8,659	8,832	9,009
HOA Fee Misc Taxes/Licenses/Permits		\$0 u/mo. \$20 /mo.	0 240	0 248	0 257	0 266	0 275	0 285	0 295
Insurance		\$325 /unit	24,000	24,840	25,709	26,609	27,540	28,504	29,502
Fidelity Bond Insurance cound Lease Payment		\$0 /mo.	0	0	0	0	0	0 0	0
•									
TOTAL FIXED COSTS Operating Reserve	TCAC Expenses 487,258	2.00%	32,240	33,248	34,289	35,364 0	36,474 0	37,621 0	38,806
TOTAL OPERATING COSTS	6,497	\$7,203 /unit	540,258	558,662	577,707	597,417	617,817	638,927	660,776
T OPERATING INCOME:	4,420		593,368	603,304	613,307	623,373	633,493	643,665	653,881
ASH FLOW FROM OPERATIONS:	-,							·	
Net Operating Income MHP Debt Service		0.42%	593,368 0	603,304 0	613,307 0	623,373 0	633,493 0	643,665 0	653,881 0
Replacement Reserve		\$250 per ur	nit 18,750	19,406	20,085	20,788	21,516	22,269	23,048
Solar Inverter Reserve SH FLOW AVAILABLE FOR DEBT S	ERVICE	\$0 per m	o. <u> </u>	0 583,898	0 593,222	0 602,585	0 611,977	0 621,396	630,833
Debt Service - First Trust Deed		8,798,000 <b>1.1</b>	<b>5</b> (499,646)	(499,646)	(499,646)	(499,646)	(499,646)	(499,646)	(499,646)
Cash Flow After Debt Service General Partner Asset Mgt Fee		3.00%	74,972 (20,000)	84,252 (20,600)	93,576 (21,218)	102,939 (21,855)	112,331 (22,510)	121,750 (23,185)	131,187 (23,881)
Limited Partner Asset Mgmt. Fee		3.00%	(7,500)	(7,725)	(7,957)	(8,195)	(8,441)	(8,695)	(8,955)
Other Other		100.00%	0	0	0	0	0	0	0
ASH FLOW AVAILABLE FOR to Pay o	leveloper Fee	100.00 /0	47,472	55,927	64,402	72,889	81,379	89,870	98,351
Remaining Cash Flow			0	0	0	0	0	0	0
ev. Fee Repay Analysis									
Beginning Principal Amount Current Year Interest		3.00%	0	0	0	0	0	0	0
Califern Februaries		J.UU70	U	U	U	U	U	_	U
Current Year Payment from Cash Flow	1		0	0	0	0	0	0	0

ROJECT CASH FLOW									
		8	9	10	11	12	13	14	15
ENTAL REVENUES: Gross Potential Rent (Affordable Units) Laundry/Other	2.5%/ann. increase	1,414,167 4,279	1,449,521 4,386	1,485,759 4,496	1,522,903 4,608	1,560,976 4,723	1,600,000 4,841	1,640,000 4,962	1,681,000 5,086
Reimbusement of Operating Reserve Vacancy Allowance		(70,922)	(72,695)	(74,513)	(76,376)	(78,285)	(80,242)	(82,248)	(84,304)
Net Rental Income	_	1,347,524	1,381,212	1,415,742	1,451,135	1,487,414	1,524,599	1,562,714	1,601,782
Reimbursement of Operationg Reser	rve								
ROPERTY OPERATING COSTS:	3.5%/ann. increase								
dministrative Expenses: Office Supplies & Equipment		15,268	15,802	16,355	16,927	17,519	18,132	18,767	19,424
Payroll Services		3,053	3,160	3,271	3,385	3,503	3,626	3,753	3,884
Van Services Telephone/Answering Service/Internet		0 6,870	0 7,110	0 7,359	0 7,617	0 7,884	0 8,160	0 8,446	0 8,742
Auto Expense Training & Travel		3,053 6,108	3,160 6,322	3,271 6,543	3,385 6,772	3,503 7,009	3,626 7,254	3,753 7,508	3,884 7,771
Misc. Administrative Expense		15,268	15,802	16,355	16,927	17,519	18,132	18,767	19,424
Resident Services Expense Plug Number		57,253 0	59,256 0	61,330 0	63,477 0	65,699 0	67,998 0	70,378 0	72,841 0
Bond Issuer Fee		10,998	10,998	10,998	10,998	10,998	10,998	10,998	10,998
arketing Expense: Advertising		0	0	0	0	0	0	0	0
rofessional Fees: Property Management Fees	3.95%	59,798	61,891	64,057	66,299	68,619	71,021	73,507	76,080
Accounting	3.3370	0	0	0	0	0	0	0	0
Legal Fees Auditing Expense		4,581 11,449	4,741 11,850	4,907 12,265	5,079 12,694	5,257 13,138	5,441 13,598	5,631 14,074	5,828 14,567
tilities: Electricity (common areas)	assumes pv	15,268	15,802	16,355	16,927	17,519	18,132	18,767	19,424
Gas (community center and laundry)	2500.1100 pv	15,268	15,802	16,355	16,927	17,519	18,132	18,767	19,424
Water and Sewer ayroll/Payroll Taxes:		80,154	82,959	85,863	88,868	91,978	95,197	98,529	101,978
Salaries-Manager		53,436	55,306	57,242	59,245	61,319	63,465	65,686	67,985
Salaries-Assistant Manager Salaries-Administrative		0	0	0	0	0	0	0	0
Salaries-Maintenance Supervisor Salaries-Maintenance Personnel	PT	53,436 15,268	55,306 15,802	57,242 16,355	59,245 16,927	61,319 17,519	63,465 18,132	65,686 18,767	67,985 19,424
Employee Apartments		0	0	0	0	0	0	0	0
Payroll Taxes Workers Compensation		18,321 14,657	18,962 15,170	19,626 15,701	20,313 16,251	21,024 16,820	21,759 17,409	22,521 18,018	23,309 18,649
Health Insurance/Other Benefits		0	0	0	0	0	0	0	0
Exterminating		10,178	10,534	10,903	11,285	11,680	12,089	12,512	12,950
Trash Removal Elevator (3) Maintenance		27,992 30,535	28,972 31,604	29,986 32,710	31,036 33,855	32,122 35,040	33,246 36,266	34,410 37,535	35,614 38,849
Building/Grounds Maintenance		15,268	15,802	16,355	16,927	17,519	18,132	18,767	19,424
Janitorial Repair		6,361 7,633	6,584 7,900	6,814 8,177	7,052 8,463	7,299 8,759	7,554 9,066	7,818 9,383	8,092 9,711
HVAC Filters eaning & Decorating:		5,727	5,927	6,134	6,349	6,571	6,801	7,039	7,285
Painting Supplies		11,449	11,850	12,265	12,694	13,138	13,598	14,074	14,567
Grounds Supplies  pairs & Maintenance:		15,268	15,802	16,355	16,927	17,519	18,132	18,767	19,424
Repairs & Maintenance General		53,436	55,306	57,242	59,245	61,319	63,465	65,686	67,985
R Assessments									
		0	0 0	0 0	0	0 0	0 0	0 0	0
		0							
TOTAL VARIABLE COSTS	_	643,353	665,482	688,391	712,095	736,630	762,026	788,313	815,522
axes & Insurance:		643,353			·				815,522
TOTAL VARIABLE COSTS  axes & Insurance: Real Property Tax Assessment HOA Fee			9,373 0	688,391 9,560 0	712,095 9,751 0	736,630 9,946 0	762,026 10,145 0	788,313 10,348 0	
Ixes & Insurance: Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits		9,189 0 305	9,373 0 316	9,560 0 327	9,751 0 338	9,946 0 350	10,145 0 362	10,348 0 375	815,522 10,555 0 388
xes & Insurance: Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance		9,189 0	9,373 0	9,560 0	9,751 0	9,946	10,145 0	10,348	815,522 10,555 0 388 38,849 0
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance		9,189 0 305	9,373 0 316	9,560 0 327	9,751 0 338 33,855	9,946 0 350 35,040	10,145 0 362 36,266	10,348 0 375 37,535	815,522 10,555 0 388 38,849
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance round Lease Payment  TOTAL FIXED COSTS	TCAC Expenses	9,189 0 305 30,535 0 0	9,373 0 316 31,604 0 0	9,560 0 327 32,710 0	9,751 0 338 33,855 0	9,946 0 350 35,040 0	10,145 0 362 36,266 0	10,348 0 375 37,535 0	815,522 10,555 0 388 38,849 0
xes & Insurance: Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance ound Lease Payment	TCAC Expenses 487,258 6,497	9,189 0 305 30,535 0	9,373 0 316 31,604 0	9,560 0 327 32,710 0 0	9,751 0 338 33,855 0 0	9,946 0 350 35,040 0	10,145 0 362 36,266 0 0	10,348 0 375 37,535 0 0	815,522 10,555 0 388 38,849 0
xes & Insurance: Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance ound Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  ET OPERATING INCOME:	487,258	9,189 0 305 30,535 0 0	9,373 0 316 31,604 0 0 41,293	9,560 0 327 32,710 0 0 42,597	9,751 0 338 33,855 0 0	9,946 0 350 35,040 0 0	10,145 0 362 36,266 0 0	10,348 0 375 37,535 0 0	815,522 10,555 0 388 38,849 0 0 49,792
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance ound Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  T OPERATING INCOME: SH FLOW FROM OPERATIONS:	487,258 6,497	9,189 0 305 30,535 0 0 40,029 0 683,382	9,373 0 316 31,604 0 0 41,293 0 706,775	9,560 0 327 32,710 0 0 42,597 0 730,988	9,751 0 338 33,855 0 0 43,944 756,039	9,946 0 350 35,040 0 0 45,336 781,966	10,145 0 362 36,266 0 0 46,773	10,348 0 375 37,535 0 0 48,258	815,522 10,555 0 388 38,849 0 0 49,792 865,314
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance ound Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  TOPERATING INCOME: SH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service	487,258 6,497	9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 684,754	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0	9,946 0 350 35,040 0 0 45,336 781,966 705,448 705,448	10,145 0 362 36,266 0 0 46,773 808,799 715,800 715,800 0	10,348 0 375 37,535 0 0 48,258 836,571 726,143	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance ound Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  T OPERATING INCOME: SH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service Replacement Reserve Solar Inverter Reserve	487,258 6,497 4,420	643,353 9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0 23,855 0	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437 0 24,690 0	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 0 25,554 0	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0 26,448 0	9,946 0 350 35,040 0 45,336 781,966 705,448 0 27,374 0	10,145 0 362 36,266 0 0 46,773 808,799 715,800 0 28,332 0	10,348 0 375 37,535 0 0 48,258 836,571 726,143 726,143	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468 736,468 30,350 0
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance ound Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  ET OPERATING INCOME: ASH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service Replacement Reserve Solar Inverter Reserve	487,258 6,497 4,420	643,353 9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0 23,855 0 640,287	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437 0 24,690 0 649,747	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 0 25,554 0 659,200	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0 26,448 0 668,648	9,946 0 350 35,040 0 0 45,336 781,966 705,448 0 27,374 0 678,074	10,145 0 362 36,266 0 0 46,773 808,799 715,800 0 28,332 0 687,468	10,348 0 375 37,535 0 0 48,258 836,571 726,143 726,143 29,324 0 696,819	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468 736,468 30,350 0 706,118
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance Found Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  ET OPERATING INCOME: ASH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service Replacement Reserve Solar Inverter Reserve ASH FLOW AVAILABLE FOR DEBT SE Debt Service - First Trust Deed Cash Flow After Debt Service	487,258 6,497 4,420	643,353 9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0 23,855 0 640,287 (499,646) 140,641	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437 0 24,690 0 649,747 (499,646) 150,101	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 0 25,554 0 659,200 (499,646) 159,555	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0 26,448 0 668,648 (499,646) 169,002	9,946 0 350 35,040 0 0 45,336 781,966 705,448 0 27,374 0 678,074 (499,646) 178,429	10,145 0 362 36,266 0 0 46,773 808,799 715,800 715,800 0 28,332 0 687,468 (499,646) 187,823	10,348 0 375 37,535 0 0 48,258 836,571 726,143 726,143 29,324 0 696,819 (499,646) 197,173	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468 736,468 30,350 0 706,118 (499,646) 206,473
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance round Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  ET OPERATING INCOME: ASH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service Replacement Reserve Solar Inverter Reserve ASH FLOW AVAILABLE FOR DEBT SE Debt Service - First Trust Deed	487,258 6,497 4,420	643,353 9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0 23,855 0 640,287 (499,646)	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437 0 24,690 0 649,747 (499,646)	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 0 25,554 0 659,200 (499,646)	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0 26,448 0 668,648 (499,646)	9,946 0 350 35,040 0 0 45,336 781,966 705,448 0 27,374 0 678,074 (499,646)	10,145 0 362 36,266 0 0 46,773 808,799 715,800 0 28,332 0 687,468 (499,646)	10,348 0 375 37,535 0 0 48,258 836,571 726,143 726,143 29,324 0 696,819 (499,646)	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468 736,468 30,350 0 706,118 (499,646)
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance round Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  ET OPERATING INCOME: ASH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service Replacement Reserve Solar Inverter Reserve ASH FLOW AVAILABLE FOR DEBT SE Debt Service - First Trust Deed Cash Flow After Debt Service General Partner Asset Mgt Fee Limited Partner Asset Mgmt. Fee Other	487,258 6,497 4,420	643,353 9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0 23,855 0 640,287 (499,646) 140,641 (24,597)	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437 0 24,690 0 649,747 (499,646) 150,101 (25,335)	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 0 25,554 0 659,200 (499,646) 159,555 (26,095)	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0 26,448 0 668,648 (499,646) 169,002 (26,878)	9,946 0 350 35,040 0 0 45,336 781,966 705,448 0 27,374 0 678,074 (499,646) 178,429 (27,685)	10,145 0 362 36,266 0 0 46,773 808,799 715,800 715,800 0 28,332 0 687,468 (499,646) 187,823 (28,515)	10,348 0 375 37,535 0 0 48,258 836,571 726,143 726,143 29,324 0 696,819 (499,646) 197,173 (29,371)	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468 736,468 30,350 0 706,118 (499,646) 206,473 (30,252)
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance Found Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  ET OPERATING INCOME: ASH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service Replacement Reserve Solar Inverter Reserve Solar Inverter Reserve ASH FLOW AVAILABLE FOR DEBT SE Debt Service - First Trust Deed Cash Flow After Debt Service General Partner Asset Mgt Fee Limited Partner Asset Mgmt. Fee Other Other ASH FLOW AVAILABLE FOR to Pay deserved ASH FLOW AVAILABLE FOR TOTAL FIRE FOR TOTAL FIRE FOR TOTAL FIRE FIRE FIRE FIRE FIRE FIRE FIRE FIRE	487,258 6,497 4,420 =	643,353 9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0 23,855 0 640,287 (499,646) 140,641 (24,597)	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437 674,437 0 24,690 0 649,747 (499,646) 150,101 (25,335) (9,501)	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 0 25,554 0 659,200 (499,646) 159,555 (26,095)	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0 26,448 0 668,648 (499,646) 169,002 (26,878) (10,079)	9,946 0 350 35,040 0 0 45,336 781,966 705,448 0 27,374 0 678,074 (499,646) 178,429 (27,685) (10,382)	10,145 0 362 36,266 0 0 46,773 808,799 715,800 715,800 0 28,332 0 687,468 (499,646) 187,823 (28,515)	10,348 0 375 37,535 0 0 48,258 836,571 726,143 726,143 29,324 0 696,819 (499,646) 197,173 (29,371) (11,014)	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468 736,468 30,350 0 706,118 (499,646) 206,473 (30,252)
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance Found Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  ET OPERATING INCOME: ASH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service Replacement Reserve Solar Inverter Reserve Solar Inverter Reserve ASH FLOW AVAILABLE FOR DEBT SE Debt Service - First Trust Deed Cash Flow After Debt Service General Partner Asset Mgt Fee Limited Partner Asset Mgmt. Fee Other	487,258 6,497 4,420 =	643,353 9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0 23,855 0 640,287 (499,646) 140,641 (24,597) (9,224) 0	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437 0 24,690 0 649,747 (499,646) 150,101 (25,335) (9,501) 0	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 0 25,554 0 659,200 (499,646) 159,555 (26,095) (9,786) 0	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0 26,448 0 668,648 (499,646) 169,002 (26,878) (10,079) 0	9,946 0 350 35,040 0 0 45,336 781,966 705,448 0 27,374 0 678,074 (499,646) 178,429 (27,685) (10,382) 0	10,145 0 362 36,266 0 0 46,773 808,799 715,800 0 28,332 0 687,468 (499,646) 187,823 (28,515) (10,693) 0	10,348 0 375 37,535 0 0 48,258 836,571 726,143 726,143 29,324 0 696,819 (499,646) 197,173 (29,371) (11,014) 0 0	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468 736,468 30,350 0 706,118 (499,646) 206,473 (30,252) (11,344) 0 0
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance ound Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  TOPERATING INCOME: SH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service Replacement Reserve Solar Inverter Reserve SH FLOW AVAILABLE FOR DEBT SE Debt Service - First Trust Deed Cash Flow After Debt Service General Partner Asset Mgt Fee Limited Partner Asset Mgmt. Fee Other Other SH FLOW AVAILABLE FOR to Pay d Remaining Cash Flow  V. Fee Repay Analysis	487,258 6,497 4,420 =	643,353 9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0 23,855 0 640,287 (499,646) 140,641 (24,597) (9,224) 0	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437 674,437 0 24,690 0 649,747 (499,646) 150,101 (25,335) (9,501) 0 0 115,265	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 0 25,554 0 659,200 (499,646) 159,555 (26,095) (9,786) 0 0 123,673	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0 26,448 0 668,648 (499,646) 169,002 (26,878) (10,079) 0 0 132,045	9,946 0 350 35,040 0 0 45,336 781,966 705,448 0 27,374 0 678,074 (499,646) 178,429 (27,685) (10,382) 0 0 140,362	10,145 0 362 36,266 0 0 46,773 808,799 715,800 715,800 0 28,332 0 687,468 (499,646) 187,823 (28,515) (10,693) 0 0 148,614	10,348 0 375 37,535 0 0 48,258 836,571 726,143 726,143 29,324 0 696,819 (499,646) 197,173 (29,371) (11,014) 0 0 156,788	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468 736,468 30,350 0 706,118 (499,646) 206,473 (30,252) (11,344) 0 0
Real Property Tax Assessment HOA Fee Misc Taxes/Licenses/Permits Insurance Fidelity Bond Insurance round Lease Payment  TOTAL FIXED COSTS Operating Reserve TOTAL OPERATING COSTS  ET OPERATING INCOME: ASH FLOW FROM OPERATIONS: Net Operating Income MHP Debt Service Replacement Reserve Solar Inverter Reserve ASH FLOW AVAILABLE FOR DEBT SE Debt Service - First Trust Deed Cash Flow After Debt Service General Partner Asset Mgt Fee Limited Partner Asset Mgmt. Fee Other Other ASH FLOW AVAILABLE FOR to Pay deserved ASH FLOW AVAILABLE FOR TOTAL FLOW AV	487,258	643,353 9,189 0 305 30,535 0 0 40,029 0 683,382 664,142 0 23,855 0 640,287 (499,646) 140,641 (24,597) (9,224) 0	9,373 0 316 31,604 0 0 41,293 0 706,775 674,437 0 24,690 0 649,747 (499,646) 150,101 (25,335) (9,501) 0	9,560 0 327 32,710 0 0 42,597 0 730,988 684,754 0 25,554 0 659,200 (499,646) 159,555 (26,095) (9,786) 0	9,751 0 338 33,855 0 0 43,944 756,039 695,096 0 26,448 0 668,648 (499,646) 169,002 (26,878) (10,079) 0	9,946 0 350 35,040 0 0 45,336 781,966 705,448 705,448 0 27,374 0 678,074 (499,646) 178,429 (27,685) (10,382) 0 0 140,362	10,145 0 362 36,266 0 0 46,773 808,799 715,800 0 28,332 0 687,468 (499,646) 187,823 (28,515) (10,693) 0	10,348 0 375 37,535 0 0 48,258 836,571 726,143 726,143 29,324 0 696,819 (499,646) 197,173 (29,371) (11,014) 0 0	815,522 10,555 0 388 38,849 0 0 49,792 865,314 736,468 736,468 30,350 0 706,118 (499,646) 206,473 (30,252) (11,344) 0 0

## Price City Heights 4th Corner

## CTCAC BASIS CALCULATIONS

	2018	3 SD County 9%		208.89%	**
		TCAC Basis	Basis x	TCAC Basis	Basis x
Unit Size	# of Units Limi	ts w/o Features	# of Units	Limits w/ Features	# of Units
BR2/BA1	0	330,400	0	690,179	0
0BR/1BA	0	237,558	0	496,239	0
1BR/1BA	0	273,902	0	572,159	0
2BR/1BA	55	330,400	18,172,000	690,179	37,959,835
3BR/2BA	20	422,912	8,458,240	883,429	17,668,578
4BR/2BA	0	0	0	0	0
				Impact Fees	2,070,000
Totals	75		26,630,240	· •	60,361,436
Net Project Basis					34,415,455
Requested Eligible Basis					34,415,455
Less :Credit Reduction				0.00%	0
		To	tal Eligible Basis		34,415,455

Price City Heights 4th Corner RUN DATE: 09/23/20

ELIGIBLE BASIS CALCULATION

			NON	98.62%		)	
DEVELOPMENT COSTS	TOTAL	PER UNIT	NON- DEPRECIABLE		ABLE BASIS NON-RESDNT	AMORTIZED	EXPENSED
Land Costs							
Land Cost	4,180,000	55,733	4,180,000	0	0	0	0
Easement Purchases & Legal	0	0	0	0	0	0	0
Broker Fees		0	0	0	0	0	0
Total Land Costs	4,180,000	55,733	4,180,000	0	0	0	0
<b>Total Acquisition Costs</b>	0	0	0		0	0	0
New Construction							
Site Work	1,207,711	16,103	150,000	1,057,711	0	0	0
Structures	21,758,000	290,107	0	21,458,328	299,672	0	0
Contractor Overhead + Gen Conditions	2,328,134	31,042	0	2,296,069	32,065	0	0
Contractor Profit	1,508,631	20,115	0	1,487,852	20,778	0	0
Total New Construction Costs	26,802,475	357,366	150,000	26,299,960	352,515	0	0
Architectural Fees							
Design	700,000	9,333	0	690,359	9,641	0	0
Supervision	40,000	533	0	39,449	551	0	0
Total Architectural Costs	740,000	9,867	0	729,808	10,192	0	0
Total Survey & Engineering Costs	500,000	6,667		493,114	6,886	0	0
Construction Interest and Fees							
Construction Loan Interest	1,526,077	20,348	0	899,030	12,555	0	614,492
Constr Loan Origination Fee	270,000	3,600	0	266,281	3,719	0	0
Bond Premium	50,000		0	49,311	689	0	0
Property Taxes & Organizational fees	50,000	667		49,311	689	0	
Construction Period Insurance	150,000	2,000	0	147,934	2,066	0	0
Title & Recording	15,000	200	0	14,793	207	0	0
Total Construction Interest & Fees	2,061,077		0	1,426,661	19,924	0	614,492
Permanent Financing							
Permanent Loan Legal/Origination Fee	122,980	1,640	0	0	0	122,980	0
Perm. Loan Conversion	23,626	315	0	0	0	23,626	0
City Financial Advisor	20,020	0.0	0	O	O	20,020	O
Bond Issuer Fee	0	· ·	· ·	0		0	
Trustee Fee	0	0	0	0	0	0	0
Total Permanent Financing Costs	146,606	1,955	0	0	0		0
Legal Fees							
Legal Costs (Const Loan+ Project Related)	105,000	1,400	0	103,554	1,446	0	0
Other (Tax Credits)	40,000	533	U	100,004	1,440	0	40,000
Total Attorney Costs	145,000	1,933	0	103,554	1,446	0	40,000
Constr lender due diligience + inspections	34,300	457	0	33,828	472	0	0
Reserves							
Operating Reserves	264,663	3,529	264,663	0	0	0	0
Other	0	0,020	0	0	0	n O	0
Total Reserve Costs	264,663	3,529	264,663	0	0	0	0
Total Construction Contingency Costs	1,332,624	17,768	0	1,314,270	18,354	0	0

<u>Other</u>							
TCAC App./Reserv./Monitoring Fees	46,075	614	0	0	0		46,075
CDLAC/CDIAC Fees	12,000	160				12,000	·
Environmental Audit/Toxic Remediation	100,000	1,333	0	98,623	1,377	0	0
Local Permit Fees	2,145,000	28,600	0	2,115,457	29,543	0	0
Marketing+ Market Study	83,000	1,107	0	8,000	0	0	75,000
Impound Taxes/Insurance	0	0	0	0	0	0	0
Furnishings	50,000	667	0	49,311	689	0	0
Relocation	0	0	0	0	0	0	0
Security	42,000	560		41,422	578		
Soft Cost Contingency	160,000	2,133	0	157,796	2,204	0	0
Legal - Bond Counsel	55,000	733	0	0	0	55,000	0
Legal - Bond Issuer	5,000	67	0	0	0	5,000	0
Total Other Costs	2,698,075	35,974	0	2,470,609	34,391	72,000	121,075
Sub-Total Residential Costs	38,904,820	518,731	4,594,663	32,871,803	444,181	218,606	775,567
Developer Conto							
Developer Costs  Developer Costs	1 100 000	40.667	0	1 200 710	40.000	0	0
Developer Overhead/Profit	1,400,000	18,667	0	1,380,718	19,282	0	0
Construction Manager	150,000	2,000	0	147,934	2,066	0	0
Accounting & Audit	15,000	200	0	15,000	0	0	
Syndicator	50,000	667	50,000	0	0	0	0
Total Developer Costs	1,615,000	21,533	50,000	1,543,652	21,348	0	0
Total Project Costs	40,519,820	540,264	4,644,663	34,415,455	465,529	218,606	775,567

Price City Heights 4th Corner

100%

DEVELOPMENT COST BUDGET

CONSTRUCTION SOURCES AND USES ANALYSIS

			Dormonout	Construction		Nov	Dec	Jan	Feb	Mar	Apr
DESCRIPTION			Permanent Budget	Construction BUDGET	At Closing	1	2	3	4	5	
and Acquisition & ESCROW	\$0.00	per sq.ft.	4,150,000	4,150,000	4,150,000		0	0	0	0	
egal, Escrow, Title Demo LAND ACQUISITION & CLOSING		-	30,000 150,000 4,330,000	30,000 150,000 4,330,000	30,000 150,000 4,330,000	0	0	0	0	0	
rchitect/Mechanical/Structural/Electrical/ E	=		700,000	700,000	560,000	6,364	6,364	6,364	6,364	6,364	6,30
esign/Landscape Arch-Const Observation ivil Engineer (w. their reimbursables)			40,000 250,000	40,000 250,000	32,000 125,000	0 8,929	0 8,929	0 8,929	0 8,929	0 8,929	8,9
tility Consultant ther Consultants			100,000 150,000	100,000 150,000	100,000 150,000						
rchaeology oils Engineering			0	0	0	0		0	0	0	
Surveying			0	100,000	0	0	0	0			
nvironmental Consultants (Phase 1 update eimbursables - Construction	<del>)</del> )		100,000	100,000	100,000	0	0	0	0	0	
Reimburseable Exp's-Pre-Dev't Contingency		0.00%	0 0	0 0	0 0	0	0 0	0	0	0 0	
DESIGN & ENGINEERING			1,340,000	1,340,000	1,067,000	15,292	15,292	15,292	15,292	15,292	15,2
egal-Project Development Perm lender			60,000 35,000	60,000 35,000	60,000 35,000	0	0	0	0	0	
egal-Bond Counsel		0.333%	55,000	55,000	55,000	0	0	0	0	0	
egal-Tax Credit & organizational egal - Construction Lender			40,000 45,000	40,000 45,000	40,000 45,000	0	0	0	0	0	
ssuer Counsel .ccounting & Auditing			5,000 15,000	5,000 2,500	5,000 2,500		0	0	0	0	
ontingency LEGAL/FINANCIAL/OTHER		0.00%	0 255,000	0 242,500	0 242,500	0	0	0	0	0	
ermits & Fees (City & Utilities)	DIF Permit Fees 1,560,000 510,000		2,070,000	2,070,000	1,863,000	9,409	9,409	9,409	9,409	9,409	9,4
Sovernment permits and plan checks	.,555,555		0	0	0						
tilities, Testing & Inspections tility company processing fees			75,000 0	75,000 0	0	6,250	6,250	6,250	6,250	6,250	6,
eveloper Performance Bonds revailing Wage Monitoring Consultant			50,000 0	50,000 0	50,000	0	0	0	0	0	
Construction Manager Contingency		0 0.00%	150,000 0	150,000 0	150,000 0	0	0 0	0	0	0	
PERMITS/BONDS/FEES	0	<del>-</del>	2,345,000	2,345,000	2,063,000	15,659	15,659	15,659	15,659	15,659	15,
Off-Site Imp's/Infrastructure & Demo	0		0	0	0	0	0	0	0	0	
On-Site Imp's/Infrastructure Contingency		5.00%	1,057,711 52,886	1,057,711 52,886	0	352,570 17,629	352,570 17,629	352,570 17,629	0	0	
SITE IMP'S/INFRASTRUCTURE		\$13.81	1,110,596	1,110,596	0	370,199	370,199	370,199	0	0	
uilding Costs ommercial Costs	\$ 164.84	\$0	21,758,000	21,758,000 0		989,000 0	989,000 0	989,000 0	989,000 0	989,000 0	989,
General Conditions Contractor Overhead (including Ins.)	8% 2%	ų v	1,825,257 502,877	1,825,257 502,877		82,966 22,858	82,966 22,858	82,966 22,858	82,966 22,858	82,966 22,858	82, 22,
ontractor's Fee	6%	/	1,508,631	1,508,631		68,574	68,574	68,574	68,574	68,574	68,
ontingency DIRECT CONSTRUCTION		5.00% <sub>_</sub> \$334.25	1,279,738 26,874,503	1,279,738 26,874,503	0	58,170 1,221,568	58,170 1,221,568	58,170 1,221,568	58,170 1,221,568	58,170 1,221,568	58, 1,221,
onstruction Interest	Total Directs	413.43	27,985,099 1,526,077	1,526,077							
Predev Loan interest + Fees	on Conquitant		0	0	0	0 650	650	0	0 650	0 650	a
Appraisal/Environ.and Review & Construction Other	on Consultant		34,300	34,300	20,000	0	0	650 0	0	0	6
onstruction Loan Origination Fee scrow/Title Fees-Construction Loan			270,000 15,000	270,000 15,000	270,000 15,000		0	0	0	0	
erm Loan Fee			87,980	0	. 3,333	0	0	0	0	0	
ermanent Loan Conversion Fees + Legal ermanent Loan Appraisal, Environ. Review	v, ALTA, etc.		18,626 5,000	0		U	U	U	U	U	
ond Commitment Deposit rustee Start-Up Fee		1.50%	0	0	0						
ond Issuer Fee VRA Doc Fee & Monitoring Set-up	0.125%	0.05%	0	0	0						
elocation consultants			0	0	0	0	0	0	0	0	
elocation scrow/Title Fees-Permanent Loan			0	0	U	0	0	0	0	0	
Construction Period Insurance arthquake Insurance		0.00%	150,000 0	150,000	150,000		0	0	0	0	
ond Lag Deposit perating Reserve		3 mos.	0 264,663	0	0	0	0	0	0	0	
roperty taxes roperty Taxes & Organizational Fees			50,000	50,000	16,667		0	-	0	0	16
npound Taxes/Insurance			0	0	0 000	0	0	0	0	0	
•			15 /35	15,735	2,000		0	0	0	0	
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees			15,735 12,000	12,000	12,000						
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit		0.50% \$410	12,000 0		12,000 0	0	0	0	0	0	
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees ontingency		0.50% \$410 0.00%	12,000 0 30,340 0	12,000 0	0	0	0 0 0	0 0 0	0	0 0 0	17
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees ontingency FINANCING COSTS		\$410	12,000 0 30,340 0 2,479,721	12,000 0 0 2,073,112	12,000 0 0 485,667	650	0 0 0 650	0 0 0 650	0 0 650	0 0 0 650	17,
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees contingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses		\$410	12,000 0 30,340 0 2,479,721 50,000 75,000	12,000 0 0 2,073,112 50,000 75,000	0	0 650 0 0	0	0	0 0 650 0	0	
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees Contingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity		\$410	12,000 0 30,340 0 2,479,721 50,000	12,000 0 0 2,073,112 50,000	0	650		0 0 0 650 0 0 3,500 0	0 0 650	0 0 0 650 0 0 3,500 0	
CTCAC Application + Reservation Fees CDLAC and CDIAC Filing Fees CDLAC Performance Deposit CTCAC Fees Contingency FINANCING COSTS  Furnishings & Signage Feese-Up/Advertising Expenses Fecurity Financial Feese Fe		\$410 0.00% <sub>_</sub>	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000	12,000 0 0 2,073,112 50,000 75,000 42,000 8,000 50,000	8,000 50,000	0 650 0 0 3,500	0 0 3,500 0	0 0 3,500 0	0 0 0 650 0 0 3,500 0	0 0 3,500 0	3,
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees Contingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity larket Study/Appraisal ax Credit Syndicator		\$410	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 385,000	12,000 0 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 385,000	0 0 485,667 8,000	0 650 0 0 3,500	0 0 3,500	0 0 3,500	0 0 650 0 0 3,500	0 0 3,500	3, <del>(</del>
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees contingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity larket Study/Appraisal ax Credit Syndicator contingency	15% of Eligik \$4,930,770	\$410 0.00% _	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000	12,000 0 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000	8,000 50,000 100,000	0 650 0 0 3,500 0 3,750	0 0 3,500 0 3,750	0 0 3,500 0 3,750	0 0 0 650 0 0 3,500 0	0 0 3,500 0 3,750	3, <del>(</del>
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees ontingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity larket Study/Appraisal ax Credit Syndicator ontingency MARKETING/GEN & ADMIN  DEVELOPER FEES	15% of Eligit \$4,930,770	\$410 0.00% _	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 0 1,400,000	12,000 0 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 385,000 0 400,000	8,000 50,000 100,000	0 650 0 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250	0 0 0 650 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250	3, 3, 7,
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees ontingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity arket Study/Appraisal ax Credit Syndicator ontingency MARKETING/GEN & ADMIN  DEVELOPER FEES  OTAL PROJECT COSTS		\$410 0.00% _	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 385,000 0	12,000 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 385,000 0	8,000 50,000 100,000 400,000	0 650 0 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250	0 0 0 650 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250	3,
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees ontingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity arket Study/Appraisal ax Credit Syndicator ontingency MARKETING/GEN & ADMIN  DEVELOPER FEES  OTAL PROJECT COSTS  OURCES OF FUNDS - CONSTRUCTION		\$410 0.00%_ 0.00%_ 540,264_	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 0 1,400,000	12,000 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 0 400,000 39,100,711	0 0 485,667 8,000 50,000 100,000 158,000 400,000	0 650 0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 0 650 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250 0 1,260,420	3, 3, 7,
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees ontingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity larket Study/Appraisal ax Credit Syndicator ontingency MARKETING/GEN & ADMIN  DEVELOPER FEES OTAL PROJECT COSTS  OURCES OF FUNDS - CONSTRUCTION HTax Credit Equity + Solar Equity ity Subsidy		\$410 0.00% _ 0.00%	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 0 1,400,000	12,000 0 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 385,000 0 400,000	8,000 50,000 100,000 400,000	0 650 0 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250	0 0 0 650 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250 0 1,260,420	3.7
ETCAC Application + Reservation Fees EDLAC and CDIAC Filing Fees EDLAC Performance Deposit ETCAC Fees Eontingency FINANCING COSTS  Turnishings & Signage Tease-Up/Advertising Expenses Tecurity Tarket Study/Appraisal Tax Credit Syndicator Teontingency MARKETING/GEN & ADMIN  DEVELOPER FEES  TOTAL PROJECT COSTS  TOTAL PROJECT COSTS  TOTAL PROJECT COSTS  TOTAL PROJECT COSTS  TOTAL Credit Equity+ Solar Equity Tity Subsidy Teferred Developer Fee		\$410 0.00%_ 0.00%_ 540,264_	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 0 1,400,000	12,000 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 0 400,000 39,100,711	0 0 485,667 8,000 50,000 100,000 158,000 400,000	0 650 0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 0 650 0 3,500 0 3,750 7,250	0 0 3,500 0 3,750 7,250 0 1,260,420	3, 3, 7,
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees ontingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity arket Study/Appraisal ex Credit Syndicator ontingency MARKETING/GEN & ADMIN  DEVELOPER FEES  OTAL PROJECT COSTS  OURCES OF FUNDS - CONSTRUCTION HTax Credit Equity+ Solar Equity ity Subsidy eferred Developer Fee P Equity rice Land Donation		\$410 0.00%_ 0.00%_ 0.00%_ 540,264_ 1,998,273 0 0 0 4,150,000	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 0 1,400,000	12,000 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 385,000 0 400,000 39,100,711 1,998,273 0 0 0 4,150,000	0 485,667 8,000 50,000 100,000 158,000 400,000 8,746,167 1,998,273 0 0 0 4,150,000	0 650 0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 0 650 0 3,500 0 3,750 7,250 1,260,420	0 0 3,500 0 3,750 7,250 0 1,260,420	3, 7, 1,277,
TCAC Application + Reservation Fees DLAC and CDIAC Filing Fees DLAC Performance Deposit TCAC Fees ontingency FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity larket Study/Appraisal ax Credit Syndicator ontingency MARKETING/GEN & ADMIN  DEVELOPER FEES  OTAL PROJECT COSTS  OURCES OF FUNDS - CONSTRUCTION  IHTax Credit Equity+ Solar Equity ity Subsidy eferred Developer Fee IP Equity rice Land Donation rice Contribution eginning Construction Loan Balance		\$410 0.00%_ 0.00%_ 0.00%_ 540,264_ 1,998,273 0 0 0 4,150,000 5,952,438	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 0 1,400,000	12,000 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 0 400,000 39,100,711 1,998,273 0 0	0 485,667 8,000 50,000 100,000 158,000 400,000 8,746,167 1,998,273 0 0 0 4,150,000 2,000,000	0 650 0 0 3,500 0 3,750 7,250 0 1,630,618 0 0 1,000,000 597,894	0 0 3,500 0 3,750 7,250 0 1,630,618 0 0 1,000,000 1,230,829	0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 0 0 3,500 0 3,750 7,250 1,260,420 0 0 0	0 0 3,500 0 3,750 7,250 0 1,260,420 0 0 0 0	3, 7, 1,277, 1,000, 6,056,
ETCAC Application + Reservation Fees EDLAC and CDIAC Filing Fees EDLAC Performance Deposit ETCAC Fees Entropy FINANCING COSTS  urnishings & Signage ease-Up/Advertising Expenses ecurity larket Study/Appraisal ax Credit Syndicator contingency MARKETING/GEN & ADMIN  DEVELOPER FEES  OTAL PROJECT COSTS  OURCES OF FUNDS - CONSTRUCTION ENTROPY ENT		\$410 0.00%_ 0.00%_ 0.00%_ 540,264_ 1,998,273 0 0 0 4,150,000	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 0 1,400,000	12,000 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 0 400,000 39,100,711 1,998,273 0 0 0 4,150,000 5,952,438	0 485,667 8,000 50,000 100,000 158,000 400,000 8,746,167 1,998,273 0 0 0 4,150,000	0 650 0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 0 0 3,500 0 3,750 7,250 1,260,420 0 0 3,504,067 1,260,420 13,578	0 0 3,500 0 3,750 7,250 0 1,260,420 0 0	3, 3, 7, 1,277, 1,000, 6,056, 277,
CTCAC Application + Reservation Fees CDLAC and CDIAC Filing Fees CDLAC Performance Deposit CTCAC Fees Contingency FINANCING COSTS  Furnishings & Signage Lease-Up/Advertising Expenses Security Market Study/Appraisal Fax Credit Syndicator Contingency MARKETING/GEN & ADMIN	N PERIOD	\$410 0.00%_ 0.00%_ 0.00%_ 540,264_ 1,998,273 0 0 4,150,000 5,952,438 25,473,923	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 0 1,400,000	12,000 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 385,000 0 400,000 39,100,711 1,998,273 0 0 0 4,150,000 5,952,438	0 485,667 8,000 50,000 100,000 158,000 400,000 8,746,167 1,998,273 0 0 0 4,150,000 2,000,000	0 650 0 0 3,500 0 3,750 7,250 0 1,630,618	0 0 3,500 0 3,750 7,250 0 1,630,618 0 0 1,000,000 1,230,829 630,618	0 0 3,500 0 3,750 7,250 0 1,630,618 0 0 0 1,866,217 1,630,618 7,232 0	0 0 0 0 3,500 0 3,750 7,250 1,260,420 0 0 0	0 0 3,500 0 3,750 7,250 0 1,260,420 0 0 0 4,778,065 1,260,420	1,000,6 6,056,9 277,0
CTCAC Application + Reservation Fees CDLAC and CDIAC Filing Fees CDLAC Performance Deposit CTCAC Fees Contingency FINANCING COSTS  Furnishings & Signage ease-Up/Advertising Expenses Security Market Study/Appraisal Fax Credit Syndicator Contingency MARKETING/GEN & ADMIN  DEVELOPER FEES  FOTAL PROJECT COSTS  SOURCES OF FUNDS - CONSTRUCTION CITY Subsidy Deferred Developer Fee GP Equity Price Land Donation Price Contribution Designining Construction Loan Balance Construction Loan Draw Construction Loan Interest	N PERIOD  Equity Repay	\$410 0.00%_ 0.00%_ 0.00%_ 540,264_ 1,998,273 0 0 4,150,000 5,952,438 25,473,923 1,526,077 0	12,000 0 30,340 0 2,479,721 50,000 75,000 42,000 8,000 50,000 160,000 0 1,400,000	12,000 0 2,073,112 50,000 75,000 42,000 8,000 50,000 160,000 0 400,000 39,100,711 1,998,273 0 0 0 4,150,000 5,952,438	0 485,667 8,000 50,000 100,000 158,000 400,000 8,746,167 1,998,273 0 0 4,150,000 2,000,000 597,894	0 650 0 0 3,500 0 3,750 7,250 0 1,630,618 0 0 1,000,000 597,894 630,618 2,317 0	0 0 3,500 0 3,750 7,250 0 1,630,618 0 0 1,000,000 1,230,829 630,618 4,769 0	0 0 3,500 0 3,750 7,250 0 1,630,618 0 0 0 1,866,217 1,630,618 7,232 0 3,504,067	0 0 0 3,500 0 3,750 7,250 1,260,420 0 0 0 3,504,067 1,260,420 13,578 0	0 0 3,500 0 3,750 7,250 0 1,260,420 0 0 0 4,778,065 1,260,420 18,515 0	1,000,0 6,056,9 277,0 23,4 1,277,0

Price City Heights 4th Corner	
100%	
DEVELOPMENT COST BUDGET	

			•			Aug	Sep	Oct	Nov	Dec
DESCRIPTION  Land Acquisition & ESCROW	\$0.00	por sa ft	<b>7</b> 0	0	<b>9</b> 0	<b>10</b>	<b>11</b> 0	<b>12</b> 0	<b>13</b>	<b>14</b>
Legal, Escrow, Title  Demo	<b>\$</b> 0.00	per sq.ft.	0	0	0	0	0			C
LAND ACQUISITION & CLOSING		_	0	0	0	0	0		0	0
Architect/Mechanical/Structural/Electrical/ Eng Design/Landscape Arch-Const Observation Civil Engineer (w. their reimbursables) Utility Consultant	ineering		6,364 0 8,929	6,364 8,929	6,364 2,000 8,929	6,364 2,000 8,929	6,364 2,000 8,929	6,364 2,000 8,929	6,364 0 8,929	6,364 0 8,929
Other Consultants Archaeology Soils Engineering Surveying			0	0	0	0	0 0		0 0	0
Environmental Consultants (Phase 1 update) reimbursables - Construction			0	0	0	0	0 0 0	0 0 0	0	0
Reimburseable Exp's-Pre-Dev't Contingency DESIGN & ENGINEERING		0.00%_	0 0 15,292	0 0 15,292	17,292	0 0 17,292	17,292	0	15,292	15,292
Legal-Project Development Perm lender			0	0	0	0	0	0	0	(
Legal-Bond Counsel Legal-Tax Credit & organizational Legal - Construction Lender Issuer Counsel		0.333%	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0	0 0	(
Accounting & Auditing Contingency LEGAL/FINANCIAL/OTHER		0.00%	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0	0 0 0	(
	DIF Permit Fees 1,560,000 510,000		9,409	9,409	9,409	9,409	9,409		9,409	9,409
Utility company processing fees Developer Performance Bonds Prevailing Wage Monitoring Consultant			6,250 0 0	6,250 0 0	6,250 0 0	6,250 0 0	6,250 0 0	0 0	0	(
Construction Manager Contingency PERMITS/BONDS/FEES		0 0.00% _	0 0 0 15,659	0 0 0 15,659	0 0 0 15,659	0 0 0 15,659	0 0 0 15,659	0	9,409	9,409
Off-Site Imp's/Infrastructure & Demo On-Site Imp's/Infrastructure	0 0		0	0 0	0 0	0 0	0 0	0 0	0 0	0,403
Contingency SITE IMP'S/INFRASTRUCTURE		5.00% _ \$13.81	0	0	0	0	0	0	0	C
Building Costs Commercial Costs	\$ 164.84	\$0	989,000	989,000	989,000	989,000	989,000	0	0	989,000
General Conditions Contractor Overhead (including Ins ) Contractor's Fee	8% 2% 6%		82,966 22,858 68,574	82,966 22,858 68,574	82,966 22,858 68,574	82,966 22,858 68,574	82,966 22,858 68,574	82,966 22,858 68,574	82,966 22,858 68,574	82,966 22,858 68,574
Contingency DIRECT CONSTRUCTION T	otal Directs	5.00% <sub>_</sub> \$334.25 413.43	58,170 1,221,568	58,170 1,221,568	58,170 1,221,568	58,170 1,221,568	58,170 1,221,568	58,170 1,221,568	58,170 1,221,568	58,170 1,221,568
Construction Interest Predev Loan interest + Fees			0	0	0	0	0	0	0	(
Appraisal/Environ.and Review & Construction (Other	Consultant		650 0	650 0	650 0	650 0	650 0	650 0	650 0	650 0
Construction Loan Origination Fee Escrow/Title Fees-Construction Loan Perm Loan Fee			0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	( (
Permanent Loan Conversion Fees + Legal Permanent Loan Appraisal, Environ. Review, A Bond Commitment Deposit	ALTA, etc.	1.50%	0	0	0	0	0	0	0	(
Trustee Start-Up Fee  Bond Issuer Fee  CVRA Doc Fee & Monitoring Set-up	0.125%	0.05%						0	0	
Relocation consultants Relocation Escrow/Title Fees-Permanent Loan			0	0	0	0	0		0	
Construction Period Insurance Earthquake Insurance		0.00%	0	0	0	0	0	0	0	(
Bond Lag Deposit Operating Reserve Property taxes		3 mos.	0	0	0	0	0		0	
Property Taxes & Organizational Fees Impound Taxes/Insurance CTCAC Application + Reservation Fees			0 0 0	0 0	0 0	0 0	0 0		0 0	
CDLAC and CDIAC Filing Fees CDLAC Performance Deposit CTCAC Fees		0.50% \$410	0	0	0	0	0	0	0	
Contingency FINANCING COSTS		0.00%_	0 650	0 650	0 650	0 650	0 650	0	0 650	650
Furnishings & Signage Lease-Up/Advertising Expenses Security			0 0 3,500	0 3,500	0 3,500	3,500	3,500	0 15,000 3,500		50,00 15,00
Market Study/Appraisal Tax Credit Syndicator Contingency		0.00% _	0 3,750	0 3,750	3,750	3,750	3,750	3,750	0 3,750	3,750
MARKETING/GEN & ADMIN			7,250	7,250	7,250	7,250	7,250	0	18,750	68,750
DEVELOPER FEES 1  TOTAL PROJECT COSTS	5% of Eligik \$4,930,770	540,264	1,260,420	1,260,420	1,262,420	1,262,420	1,262,420	1,294,086	1,265,670	1,315,670
SOURCES OF FUNDS - CONSTRUCTION F	PERIOD	J~U,∠U <del>1</del> =	.,200,720	.,_00,720	.,_0∠,+∠∪	., , , , , , , , , , , , , , , , , , ,	.,_0_,+20	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	.,200,070	
LIHTax Credit Equity+ Solar Equity City Subsidy Deferred Developer Fee		1,998,273 0 0	0 0 0	0 0 0	0	0 0 0	0 0 0	0 0 0	0	
GP Equity Price Land Donation Price Contribution		0 4,150,000 5,952,438	0 0 1,000,000	0 0 1,000,000	0	0 0 (1 047 562)	0 0		0	
Beginning Construction Loan Balance Construction Loan Draw Construction Loan Interest		5,952,438 25,473,923 1,526,077	1,000,000 6,357,556 260,420 24,636	1,000,000 6,642,611 260,420 25,740	6,928,771 1,262,420 26,849	(1,047,562) 8,218,040 2,309,982 31,845	10,559,866 1,262,420 40,919		13,203,262 1,265,670 51,163	14,520,094 1,315,670 56,269
		0	24,030	25,740	20,049	0	0	0	51,100	55,20
Ending Construction Loan Balance Before Equ	uity Repay	27,000,000	6,642,611	6,928,771	8,218,040	10,559,866	11,863,205	13,203,262	14,520,094	15,892,029

Price City Heights 4th Corner

Capitalized Interest

DEVELOPMENT COST BUDGET

100%

911,585

Feb Oct Jan Mar Apr May Jun Jul Aug Sep Nov Dec Jan **DESCRIPTION** 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 **TOTAL** Land Acquisition & ESCROW \$0.00 0 4,150,000 per sq.ft. Legal, Escrow, Title 30,000 150,000 Demo 0 LAND ACQUISITION & CLOSING 0 0 0 4,330,000 0 0 0 0 0 0 Architect/Mechanical/Structural/Electrical/ Engineering 6,364 6,364 6,364 6,364 6,364 6,364 6,364 6,364 700,000 Design/Landscape Arch-Const Observation 0 0 0 0 0 40,000 Civil Engineer (w. their reimbursables) 0 0 0 0 0 250,000 **Utility Consultant** 100,000 Other Consultants 150,000 Archaeology Soils Engineering 0 Surveying 100,000 Environmental Consultants (Phase 1 update) reimbursables - Construction 0 0 Reimburseable Exp's-Pre-Dev't 0 Contingency 0.00% 0 **DESIGN & ENGINEERING** 6,364 6,364 6,364 6,364 6,364 6,364 6,364 6,364 0 0 0 0 0 0 0 1,340,000 Legal-Project Development 0 60,000 0 0 35,000 Perm lender Legal-Bond Counsel 0.333% 0 0 55,000 Legal-Tax Credit & organizational 0 40,000 Legal - Construction Lender 0 45,000 Issuer Counsel 5,000 Accounting & Auditing 0 0 2,500 0 Contingency 0.00% LEGAL/FINANCIAL/OTHER 0 242,500 0 0 0 0 0 0 0 0 DIF Permit Fees 1,560,000 510,000 9,409 Permits & Fees (City & Utilities) 9,409 9,409 9,409 9,409 9,409 9,409 9,409 2,070,000 Government permits and plan checks Utilities, Testing & Inspections 75,000 Utility company processing fees Developer Performance Bonds 0 50,000 Prevailing Wage Monitoring Consultant Construction Manager 0 0 150,000 Contingency 0.00% PERMITS/BONDS/FEES 9,409 9,409 9,409 9,409 9,409 9,409 9,409 9,409 0 0 2,345,000 0 0 0 0 0 0 Off-Site Imp's/Infrastructure & Demo 0 0 0 On-Site Imp's/Infrastructure 0 0 1,057,711 Contingency 5.00% 0 52,886 SITE IMP'S/INFRASTRUCTURE 0 \$13.81 1,110,596 **Building Costs** \$ 164.84 989,000 989,000 989,000 989,000 21,758,000 989,000 989,000 989,000 989,000 \$0 **Commercial Costs** 8% 82,966 82,966 82,966 82,966 1,825,257 General Conditions 82,966 82,966 82,966 82,966 22,858 Contractor Overhead (including Ins ) 22,858 22,858 22,858 22,858 22,858 22,858 22,858 502,877 2% 6% Contractor's Fee 68,574 68,574 68,574 68,574 68,574 68,574 68,574 68,574 1,508,631 Contingency 58,170 1,279,738 5.00% 58,170 58,170 58,170 58,170 58,170 58,170 58,170 **DIRECT CONSTRUCTION** \$334.25 1,221,568 1,221,568 1,221,568 1,221,568 1,221,568 1,221,568 1,221,568 0 26,874,503 1,221,568 0 0 0 0 0 0 **Total Directs** 413.43 1,526,077 Construction Interest 0 Predev Loan interest + Fees Appraisal/Environ.and Review & Construction Consultant 650 650 650 650 650 650 650 650 34,300 Other 0 0 0 0 0 Construction Loan Origination Fee 270,000 Escrow/Title Fees-Construction Loan 15,000 Perm Loan Fee Permanent Loan Conversion Fees + Legal Permanent Loan Appraisal, Environ. Review, ALTA, etc. **Bond Commitment Deposit** 1.50% Trustee Start-Up Fee Bond Issuer Fee 0.05% 0.125% CVRA Doc Fee & Monitoring Set-up Relocation consultants 0 Relocation Escrow/Title Fees-Permanent Loan Construction Period Insurance 0.00% 150,000 Earthquake Insurance **Bond Lag Deposit** Operating Reserve 3 mos. 50,000 Property taxes Property Taxes & Organizational Fees Impound Taxes/Insurance 0 13,735 CTCAC Application + Reservation Fees 15,735 CDLAC and CDIAC Filing Fees 12,000 **CDLAC Performance Deposit** 0.50% CTCAC Fees \$410 0 Contingency 0.00% 0 650 FINANCING COSTS 650 650 650 650 650 650 14,385 0 2,073,112 0 0 0 0 0 Furnishings & Signage 50,000 15,000 75,000 Lease-Up/Advertising Expenses 15,000 0 42,000 Security Market Study/Appraisal 8,000 Tax Credit Syndicator 50,000 3,750 160,000 Contingency 0.00% 3,750 **MARKETING/GEN & ADMIN** 385,000 18,750 18,750 0 0 0 0 0 0 **DEVELOPER FEES** 15% of Eligik \$4,930,770 0 0 0 400,000 0 **TOTAL PROJECT COSTS** 540,264 1,256,741 1,256,741 1,237,991 1,237,991 1,237,991 1,237,991 1,237,991 1,237,991 0 39,100,711 **SOURCES OF FUNDS - CONSTRUCTION PERIOD** 1,998,273 1,998,273 LIHTax Credit Equity+ Solar Equity 0 City Subsidy Deferred Developer Fee **GP** Equity Price Land Donation 4,150,000 4,150,000 5,952,438 Price Contribution 5,952,438 Beginning Construction Loan Balance 15,892,029 17,210,351 18,533,782 19,843,592 21,158,477 22,478,457 23,803,552 25,133,782 26,482,901 26,585,523 26,688,542 26,791,960 26,895,779 Construction Loan Draw 1,256,741 25,473,923 25,473,923 1,256,741 1,237,991 1,237,991 1,237,991 1,237,991 1,237,991 1,251,726 0 1,526,077 61,582 66,690 102,621 1,526,077 Construction Loan Interest 71,818 76,894 81,989 87,104 92,239 97,393 103,019 103,418 103,819 104,221 **27,000,000** 17,210,351 18,533,782 19,843,592 21,158,477 22,478,457 23,803,552 25,133,782 26,482,901 26,585,523 26,688,542 26,791,960 26,895,779 27,000,000 Ending Construction Loan Balance Before Equity Repay TOTAL CONSTRUCTION SOURCES OF FUNDS 39,100,711 1,256,741 1,256,741 1,237,991 1,237,991 1,237,991 1,237,991 1,237,991 1,251,726 **Expensed Interest** 614,492

Price City Heights 4th Corner	RUN DATE:	09/23/20
TAX CREDIT CALCULATIONS		

	Federal Tax Credits	State Tax Credits	Total
Preliminary Eligible Basis	34,415,455	0	
Deductions from Eligible Basis:			
Grant Proceeds Used to Finance Costs in Eligible Basis Federal Loans Used to Finance Costs in 9% Eligible Basis Non-Qualified Non-Recourse Financing Non-Qualifying Portion of Higher Quality Units Historic Credit (Residential Portion Only)	0 0 0 0	0 0 0 0 0	
Total Deductions from Eligible Basis	0	0	35,344,672
Total Eligible Basis	34,415,455	0	1,085,081 1,084,973
High Cost Area Adjustment	130.00%	100.00%	10,849,729 10,524,237
Total Adjusted Eligible Basis	44,740,091	0	
Applicable Fraction	100.00%	100.00%	
Total Qualified Basis	44,740,091	0	
Tax Credit %	3.07%	0.00%	
Total Annual Tax Credits	1,373,521	0	
_P Share of Credits	99.990%	99.99%	
Credits Available to Equity Provider	1,373,383	0	
Credit Period	10	1	
Total Credit Allocation	13,733,834	0	13,733,834
nvestor Yield	0.970000	0.970000	9,409,370
Gross Investor Contribution	13,321,819	0	13,321,819
_ess Lower Tier Syndication Expenses:			
Legal - Syndication Syndication Consulting Syndication Accounting	0 0 0	0 0 0	0 0 0
Total Syndication Expenses	0	0	0
Total Investor Contribution	13,321,819	0	13,321,819
% Investor Contribution	97.00%	0.00%	97.00%

#### 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 or 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.



## The City of San Diego **Item Approvals**

Item Subject: Preliminary Bond Authorization for Fourth Corner Apartments.

Contributing Department	Approval Date
DOCKET OFFICE	10/28/2020

Approving Authority	Approver	Approval Date
HOUSING COMMISSION FINAL DEPARTMENT APPROVER	MARSHALL, SCOTT	10/27/2020
CITY ATTORNEY	MIDDAUGH, MARGUERITE	10/29/2020
EXECUTIVE VICE PRESIDENT	DAVIS, JEFF	10/30/2020