



HOUSING AUTHORITY REPORT

EXECUTIVE SUMMARY SHEET

REPORT NO: HCR 08-09

DATE REPORT ISSUED: June 4, 2008
ATTENTION: Chair and Members of the Housing Authority
ORIGINATING DEPT.: SAN DIEGO HOUSING COMMISSION
SUBJECT: Loan Request for COMM 22 Senior Housing
COUNCIL DISTRICT: 8
STAFF CONTACT: Cissy Fisher (619)578-7585

REQUESTED ACTION:

Approve a loan of up to \$4,200,000 to COMM 22, LLC to facilitate the construction of a 70-unit rental housing development for very low-income seniors and disabled residents

STAFF RECOMMENDATION:

Recommend that the Housing Authority: (1) approve a 55-year, residual receipts loan of up to \$4,200,000 to COMM 22, LLC, as permanent financing for the development of 68 affordable housing units and two resident manager units to be located at 22nd Street and Commercial Street; and (2) authorize the Interim President and Chief Executive Officer of the Housing Commission, or their designee, to execute all documents necessary to make the approved loan.

EXECUTIVE SUMMARY

COMM 22, LLC, a California Limited Liability Company comprised of two experienced affordable housing developers, submitted an application for funding under the Housing Commission's Notice of Funding Availability. The 70 apartments would be part of the first phase of a proposed transit oriented, mixed-use development that will include affordable family and market-rate rental housing, for-sale homes, commercial and retail space.

The mixed-use site will be leased from the San Diego Unified School District (SDUSD) by COMM 22 under multiple long term ground leases. The site will be leased from SDUSD for a term of 65 years. The site and improvements would revert back to SDUSD at the end of the term. SDUSD has agreed to pay an amount equal to the costs of the environmental remediation and half of the infrastructure costs through a reduction in ground lease payments. Because the exact costs are uncertain at this time, the amount of lease payment reduction could not be determined.

The proposed Housing Commission loan would be contingent upon the receipt of 9% tax-credit financing from the California Tax Credit Allocation Committee and \$5,037,584 in Transit Oriented Development (TOD) Housing Program funds. The proposed development is an excellent TOD candidate due to its site location on the trolley line and near a trolley station.

The requested \$4,200,000 (\$60,000 per unit) loan would leverage \$20,235,369 from other sources for the \$24,435,369 (\$349,077 per unit) project. Approximately \$2,443,537 (\$34,908 per unit) is for costs associated with the soils remediation and infrastructure improvements and

soft costs which are allowable costs for TOD funds. The Housing Commission would record 55-year rent restrictions against the property making 68 units affordable to tenants with annual incomes of 50 percent or less of Area Median Income (AMI). Occupancy restrictions will be recorded at 60 percent of AMI, allowing units to be available to a wider range of income eligible residents who will pay at a lower range of actual rent.

FISCAL CONSIDERATIONS

The Housing Commission loan will be secured by a second trust deed against the property. Debt service on the Housing Commission loan will be a pro rata share of residual receipts between the investing public agency lenders. Payments will be based on the greater of 50% of residual receipts or \$16,606, which is equal to half of the estimated residual receipts at year one. In the event that the residual receipts are less than \$16,606, the pro rata payment between the public agency lenders will be based on 100% of annual residual receipts received.

This project may be fully or partially funded with federal HOME funds. Should the project receive such funding, a final reservation of HOME funds shall occur only upon satisfactory completion of environmental review and receipt by the City of San Diego of a release of funds from the U.S. Department of Housing and Urban Development. The Housing Authority and the Developer further agree that the provision of any HOME funds to the project is conditioned on the City of San Diego's determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review under the National Environment Protection Act.

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS

On April 4, 2008, the San Diego Housing Commission approved a residual receipts loan of up to \$4,200,000 for the COMM 22 Senior Housing development.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The proposed development was unanimously approved by the Southeastern San Diego Planning Committee on September 10, 2007. COMM 22 has performed outreach and provided updates to community groups such as the Sherman Heights Revitalization Committee, Barrios Unidos Hoy Organizados Community Organization, the Environmental Health Coalition, and bilingual community meetings at Bronze Triangle Community Development Corporation. The team has gone door-to-door and held an on-site community meeting in order to meet with local residents.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Stakeholders include Bridge Housing Corporation as the 60% co-general partner and the MAAC Project as the 40% co-general partner. The tax credit investor would be competitively selected by the partners. Other stakeholders are the San Diego Housing Commission as a lender, and SDUSD as the owner and lessor of the land. The project will increase the supply of affordable housing for low-income seniors and disabled residents in Logan Heights and Sherman Heights.

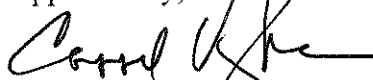
Respectfully submitted,



Cissy Fisher

Director of Housing Finance & Development

Approved by,



Carrol M. Vaughan

Interim President & Chief Executive Officer

HOUSING AUTHORITY REPORT

DATE ISSUED: June 4, 2008 REPORT NO.: HAR08-09

ATTENTION: Chair and Members of the Housing Authority
For the Agenda of June 10, 2008

SUBJECT: Loan Request for COMM 22 Senior Housing
(Council District 8)

REQUESTED ACTION:

Recommend that the San Diego Housing Commission facilitate the construction of a 70-unit rental housing development for seniors by funding a loan in the amount of up to \$4,200,000 to COMM 22, LLC, as further described below.

STAFF RECOMMENDATION:

Subject to the conditions described below, recommend Housing Authority approval of:

- (a) The funding of a 55-year, residual receipts loan of up to \$4,200,000 to COMM 22, LLC as permanent financing for development of 70 units (two two-bedroom units would be occupied by resident managers) of rental housing for very low-income seniors and disabled residents to be located at 22nd Street and Commercial Street; and,
- (b) Authorize the Interim President and Chief Executive Officer of the Housing Commission, or their designee, to execute all documents necessary to make the approved loan.

DISCUSSION:

The Project

COMM 22, LLC submitted this senior housing application for construction financing under the Housing Commission's current Notice of Funding Availability (NOFA) for the Construction, Acquisition, and Operation of Affordable Rental Housing. The 70 senior apartments are one component of a proposed transit oriented, mixed-use development that will include 127 affordable family rental housing units, 17 for-sale row homes, 38 live/work lofts in a refurbished warehouse, childcare facilities, commercial and retail space to be located along Commercial Street between 21st Street and Harrison Avenue in the neighborhood of Logan Heights. The development will be done in phases. The 3.45 acre mixed-use site will be leased from the San Diego Unified School District (SDUSD) by COMM 22 under multiple long term ground leases.

COMM 22 intends to apply for 9% tax-credit financing for the senior development from the California Tax Credit Allocation Committee (TCAC) during the latter half of 2008 or early 2009;

the proposed Housing Commission loan for the senior housing would be contingent upon the receipt of nine-percent tax credit financing and the State funding described below. It is also anticipated that a funding request will be made for the 127-unit family housing phase in a future report.

COMM 22 has also applied to the State of California Department of Housing and Community Development (HCD) for Transit Oriented Development (TOD) Housing Program funds made available under the state approved Proposition 1C. The purpose of the TOD Housing Program is to stimulate the production of housing development near transit stations that include affordable housing units and increase public transit ridership to minimize automobile trips. The proposed development is an excellent TOD candidate due to its site location along the light rail transit corridor and next to the 25th and Commercial Street trolley station. The developer is applying for the maximum amount possible for the project through the TOD application (\$5,037,584 in a three-percent simple interest, first position loan).

Affordable Housing Impact

The Housing Commission would record affordable rents at 50% of Area Median Income (AMI) with 55-year rent restrictions against the property making 68 units affordable to tenants with annual incomes of 50 percent or less of AMI, currently \$27,650 for a one-person household. Occupancy restrictions will be recorded at 60 percent of AMI, currently \$33,180 for a one-person household, allowing units to be available to a wider range of income eligible residents who will pay at a lower range of actual rent. The actual rents are subject to the more stringent restrictions of the California Tax Credit Allocation Committee (TCAC) and, as a result, would be affordable to tenants with incomes of between 30 percent and 50 percent of AMI. The proposed tax credit rents are outlined in the San Diego Housing Commission General Application Form (Attachment 5).

The Development Team

The owner and operator of the proposed development is currently a limited liability company (LLC) formed for the initial development phase. COMM 22 LLC will be subdivided into separate Limited Partnerships based on each of the individual development components. COMM 22 Senior Apartments will become a 9% tax credit limited partnership formed to develop, own, and operate the senior development in conformance with standard tax credit requirements and practice. The limited partnership will consist of BRIDGE Housing Corporation (BHC) as the co-general partner with a 60% share, and the Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc. (MAAC Project) as the co-general partner with a 40% share. The tax credit investor would be competitively selected by the general partners.

MAAC Project is a long established local nonprofit housing developer and social service provider. MAAC Project has been active in the San Diego area since 1965. Their mission is to promote self-sufficiency for low and moderate income families. MAAC Project has completed 844 units of multi-family rental housing in seven developments, including the 144-unit Mercado Apartments and the 70-unit Mayberry Townhomes which have received assistance from the San Diego Housing Commission. MAAC Project recently completed construction of the 42-unit

Seniors on Broadway development in Chula Vista located on a site leased from that area's local school district.

BHC began its nonprofit operation in 1983; BHC has completed 86 developments consisting of 10,562 units. It currently owns 69 developments that consist of 8,469 units throughout California. BHC successfully developed the 112 unit Torrey Del Mar Apartments with San Diego Housing Commission assistance. Under the proposed development plan, BHC will take the lead in partnership with MAAC Project for the site development.

The following table outlines the development team:

ROLE/FIRM	CONTACT
Owner- a California Limited Partnership to be formed later with % share shown	Mr. Brad Wiblin, Director Bridge Housing Corporation Co-General Partner (60%) Mr. Arnulfo Manriquez, COO MAAC Project Co-General Partner (40%)
Fee Developer- Owner	per above
General Contractor- to be determined	to be determined
Architects- McLarand Vasquez Emsiek + Partners (MVE)	Mr. Paul Zaleski
Tax Credit Investor- to be determined	to be determined

The Development

COMM 22 Senior Housing will be developed on a .77-acre portion of Site A and will be the first development phase. (See Attachment 1a for site orientation.) The three-story, 70-unit apartment development will be constructed over ground floor retail with a 59-space subterranean parking garage and 26 surface parking spaces. The senior housing will consist of eight studio units, 58 one-bedroom units, and four two-bedroom units. The site will be leased from SDUSD for a term of 65 years. The site and improvements would revert back to SDUSD at the end of the term. Please see Attachment 4 for a brief description of other Ground Lease terms. COMM 22 will refinance at the end of the 15-year partnership period and/or at the end of the 30-year mortgage. With a 65-year lease term all financing should be paid off before the site and improvements revert to SDUSD.

There is a significant amount of soils remediation and public infrastructure replacement work to be done over all sites included in the mixed-use development. The costs have been broken out and spread over all components. The remediation and infrastructure costs are allowable costs for the TOD application. The preconstruction site work over all components includes a 5-foot

diameter sewer, a subterranean 5-foot high by 15-foot wide storm drain adjacent to the parking garage, a 25-foot wide sidewalk easement, and the installation of an underground 69 kilo vector (kV) transformer and electrical power line. Per the proposed timeline, the senior development is anticipated to break ground in the Spring of 2009.

FISCAL CONSIDERATIONS:

The total development cost of the project is \$24,435,369 (\$349,077 per unit). While this is a high cost per unit, approximately \$2,443,537 (\$34,908 per unit) is for costs associated with the soils remediation, infrastructure improvements and soft costs. This amount is proposed to be funded by TOD. Without these extraordinary expenses, the cost per unit is \$314,169. The developer is requesting a \$4,200,000 (\$60,000 per unit) 55-year residual receipts loan from the Housing Commission to fill its development funding gap and would leverage \$20,235,369 from other sources.

The proposed financing sources include a \$5,037,584 first position State HCD TOD loan. The 55-year, three percent, simple-interest loan requires the payment of an annual administrative fee at the current rate of 0.42% and a share of the residual receipts as discussed in the pro rata formula calculation below. Additional financing sources include equity from the sale of 9% tax credits in the amount of \$15,196,266, a general partner equity contribution of \$1,519; and the Housing Commission loan.

It is expected that the developer will apply to the State of California for \$1 million of Mental Health Services Act (MHSA) funding to help subsidize approximately 15% of the units for eligible tenants. The developer is also expected to apply to the Centre City Development Corporation (CCDC) for approximately \$1 million of its special purpose funding. (CCDC is expected to commit a total of approximately \$8.2 million to the COMM 22 Senior and Family housing projects. The senior housing is the subject of this report.)

Should the MHSA application be successful, the Housing Commission loan will be reduced by the amount of the MHSA funding. Should the developer receive a commitment from CCDC for \$1 million in special purpose funding, the Housing Commission's commitment on the seniors project would be reduced by another \$1 million; however the Housing Commission's \$1 million would be transferred to the family housing site to round out the need for a total of \$8.2 million in CCDC gap financing. The family housing project funding matter will be presented to the Housing Authority as a separate action.

The Housing Commission loan will be a 55-year, 3 % interest, residual receipts loan secured by a second trust deed against the property and would be contingent upon the project receiving the TOD loan and 9% tax credits. Debt service on the Housing Commission loan will be a pro rata share of residual receipts between public agency lenders. Payments will be based on the greater of 50% of residual receipts or \$16,606, which is equal to half of the estimated residual receipts at year one. The residual receipts payment share would be between the State (54% or \$8,967), the Housing Commission (35% or \$5,812), and CCDC (11% or \$1,827) if CCDC approves funding for the development. The Housing Commission payment would increase to \$7,639 (46%) if

CCDC does not invest in the development. In the event that the annual residual receipts are less than \$16,606, the pro rata payment between the public agency lenders will be based on 100% of annual residual receipts received.

The Housing Commission loan approval will extend through calendar year 2009 to allow the project to be considered by TCAC for the 2008 second round and the 2009 rounds with any further extension to be approved by the Chief Executive Officer of the Housing Commission.

The 65-year Ground Lease for the senior development between COMM 22 LLC and the property owner, SDUSD, requires a first year annual payment of \$46,208 with a 0.5% annual increase. As part of the development of the seniors site, SDUSD is relying on the developer's expertise to perform environmental remediation and to realign infrastructure to make the site developable. SDUSD has agreed to pay an amount equal to the costs of the environmental remediation and half of the infrastructure costs. SDUSD will pay this amount through a reduction in ground lease payments it would otherwise receive from the developer/lessee. Because the exact costs are uncertain at this time, the amount of lease payment reduction could not be determined. It is anticipated however that in order for the development to be reimbursed within the 15-year tax credit period, the lease payment reductions will be substantial. As a result, the Housing Commission may receive loan payments larger than those indicated in the 15-year proforma. SDUSD acknowledges that the lease payments will be re-visited once the remediation and infrastructure costs have been incurred.

The following table outlines the estimated sources of financing:

Debt Position	Sources of Financing	Amount	Terms
1st	State Prop1C TOD loan	\$ 5,037,584	55 yrs. @ 3% interest, res. receipts loan
2nd	Housing Commission Loan	\$ 4,200,000	55 yrs. @ 3% interest; res. receipts loan
	9% Tax Credits	\$15,196,266	
	General Partner Equity	\$ 1, 519	
	Total Development Cost	\$24,435,369	

The proposed financing would not be funded until the project receives an award of the TOD funds and nine percent tax credits. The potential of bringing tax credits into this development makes this a desirable investment for the Housing Commission.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The proposed development was approved by the Southeastern San Diego Planning Committee on September 10, 2007 by a unanimous vote of seven with no abstentions. COMM 22 has performed outreach and provided updates to community groups such as the Sherman Heights Revitalization Committee, Barrios Unidos Hoy Organizados (BUHO) Community Organization, the Environmental Health Coalition, and bilingual community meetings at Bronze Triangle Community Development Corporation (development partner for the retail/commercial component). The team has also conducted an on-site community meeting and has gone door-to-

door to meet with local residents and business owners. There is also a project website at www.comm22.com for all interested parties.

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS

On April 4, 2008, the San Diego Housing Commission approved a residual receipts loan of up to \$4,200,000 for the COMM 22 Senior Housing development.

ENVIRONMENTAL REVIEW:

The California Environmental Quality Act (CEQA) process has been initiated with the City of San Diego Development Services Division. On December 4, 2007, the City Council unanimously approved the following pertinent actions for COMM 22 including: Certification of Mitigated Negative Declaration No. 122002; approval of the land use rezone for residential and retail/commercial purposes; adoption of an amendment of the Southeastern San Diego Community Plan and Community Plan and Progress Guide and General Plan, approved Tentative Map No. 415855; and granted to SDUSD the following permits: Site Development Permit No. SDP 415853, Planned Development Permit No. PDP454025, and Conditional Use Permit No. CUP431367. The site has previously been served by all required utilities and public services.

This project may be fully or partially funded with federal HOME funds. Should HOME funds constitute a portion of the funding for the project, a final reservation of HOME funds shall occur only upon satisfactory completion of environmental review and receipt by the City of San Diego of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58 of the National Environmental Protection Act (NEPA). The Housing Authority and the Developer further agree that the provision of any HOME funds to the project is conditioned on the City of San Diego's determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review under NEPA.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

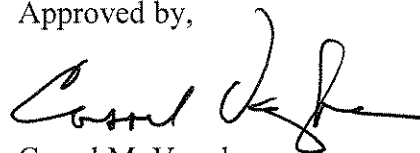
Stakeholders include BHC as the nonprofit administrative general partner, MAAC Project as the nonprofit managing general partner, the San Diego Housing Commission as a lender, and SDUSD as the owner and lessor of the land to the partnership. The project is expected to have a positive impact on the two communities of Logan Heights and Sherman Heights that COMM 22 is located between as it will contribute to the quality of the surrounding neighborhood and provide much-needed affordable housing for low-income seniors and disabled residents.

Respectfully submitted,



Cissy Fisher
Director of Housing Finance & Development

Approved by,



Carrol M. Vaughan
Interim President & Chief Executive Officer

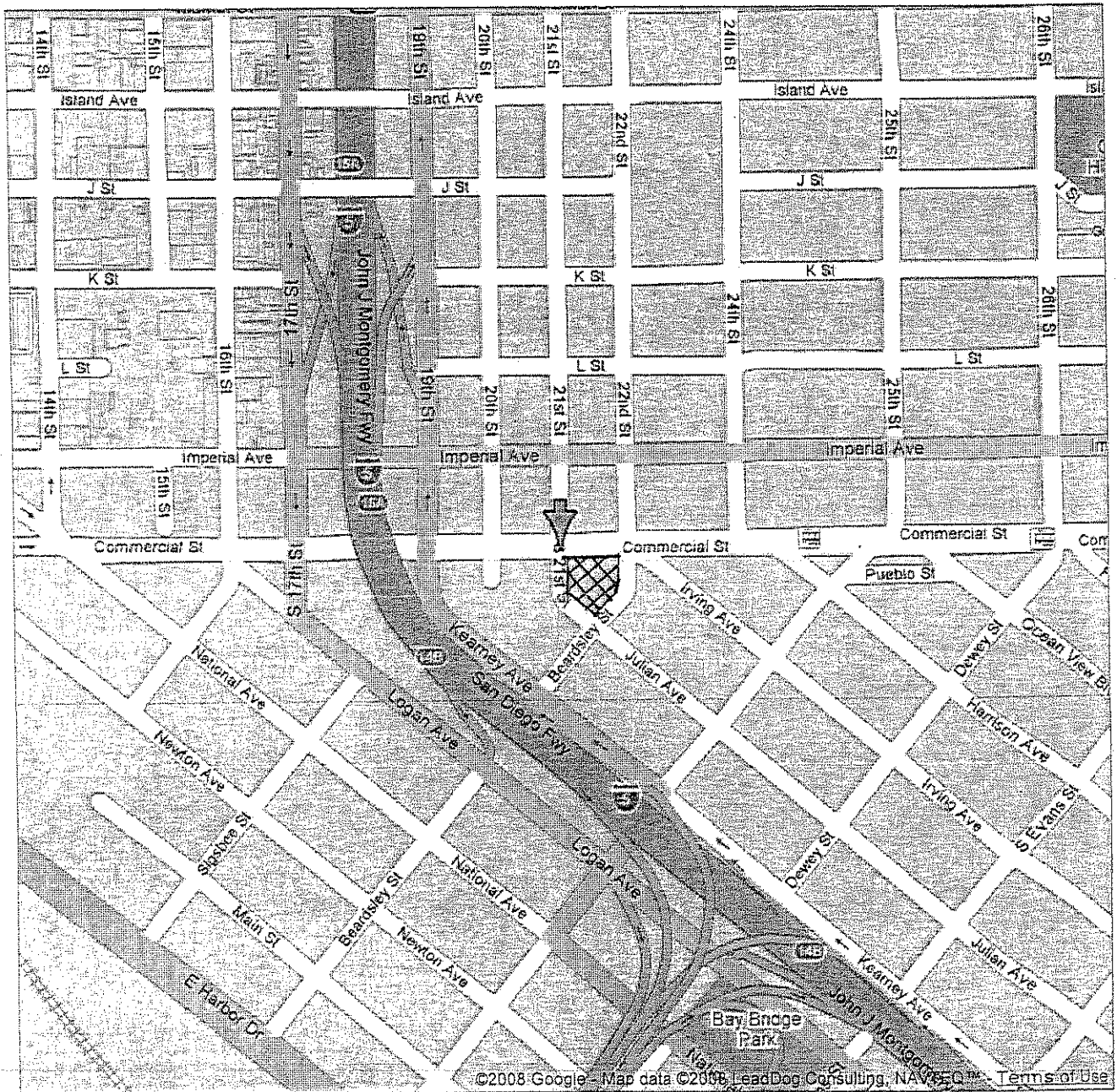
- Attachments:
1. Location Map
 - 1a. Site Map
 2. Development Summary
 3. Estimated Development Timeline
 4. Housing Commission Loan Terms
 5. SDHC General Application Form
 6. Disclosure Statements (Two)*
 - A. Bridge
 - B. MAAC
 7. Financial Statements (Two)*
 - A. Bridge
 - B. MAAC
 8. Letter of Commitment*

*Distribution of this attachment is limited. A copy is available for review at the Housing Commission office at 1122 Broadway and the office of the City Clerk, 2nd floor, 202 "C" Street.

Information: Mr. Carlos C. de Baca (619) 578-7586

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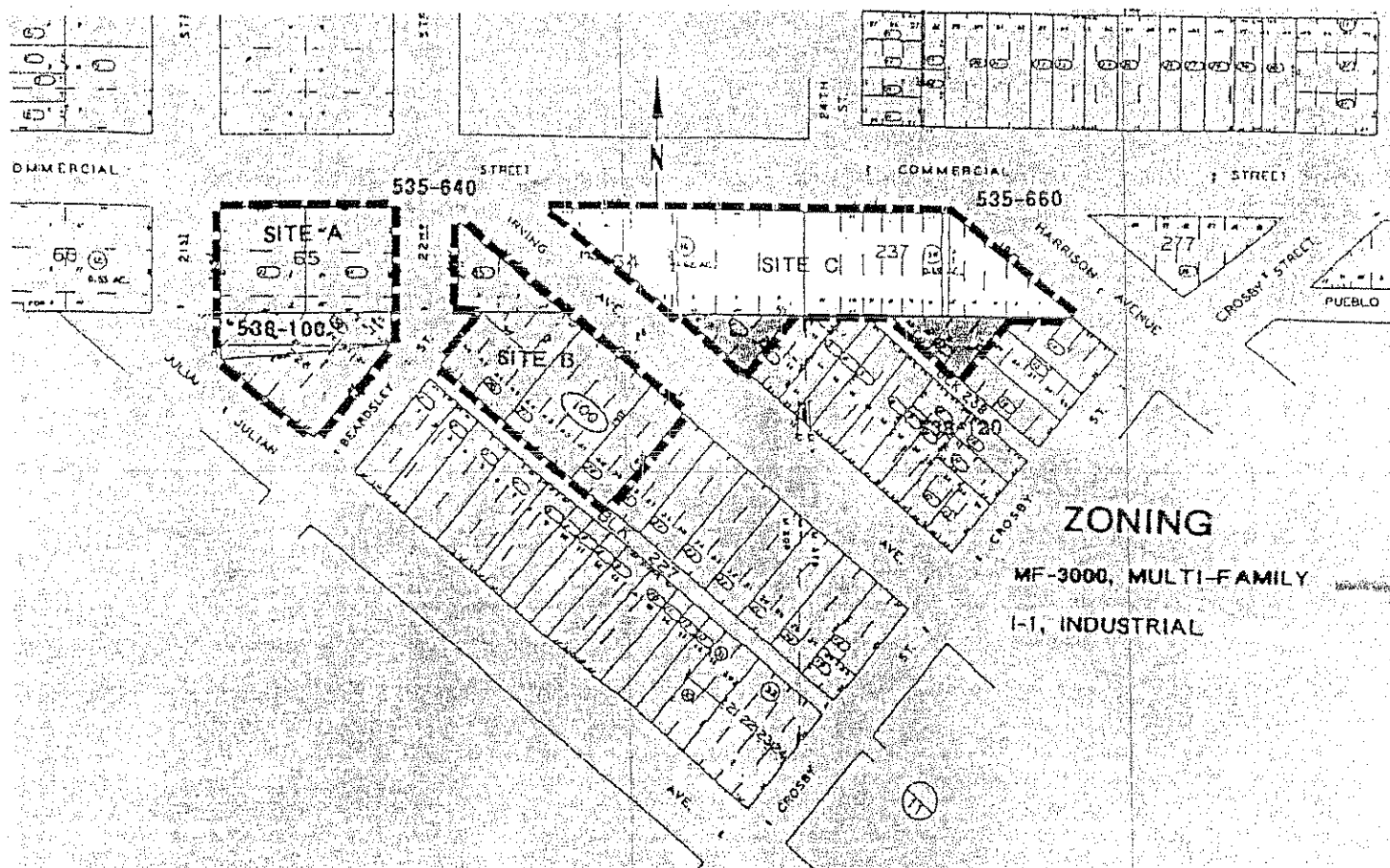
ATTACHMENT 1



LOCATION MAP COMM 22 SENIOR HOUSING

ATTACHMENT 1a

SITE MAP



SITE A = COMM 22 Senior Housing Development/ Phase 1

SITE B & C = COMM 22 Family Housing Development/ Phase 2

ATTACHMENT 2

DEVELOPMENT SUMMARY LOW-INCOME RENTAL HOUSING FOR SENIORS June 4, 2008

Name: COMM 22 Senior Housing Apartments
Location: 2100 block of Commercial Street
Description: 70 Unit, New Construction Senior Housing Development
Sponsor: COMM 22, LLC

Unit Affordability

Total # of units: 70
Assisted units: 68
Restricted rents: At or below 50 percent of Area Median Income (AMI) as imposed by TCAC
Market rent: \$673 to \$1,035 per month
Percent of AMI: occupancy of 8 studio units restricted at 60 percent or less of AMI
occupancy of 58 one-bedroom units restricted at 60 percent or less of AMI
occupancy of 3 two-bedroom units restricted at 60 percent or less of AMI
Affordability: 55 years

Development Cost

Total development cost: \$24,435,369
HC development cost (loan): \$ 4,200,000
Total development cost per unit: \$ 349,077 per unit / 70 units
HC cost per unit (loan): \$ 60,000 per unit / 70 units

Sources of Funds

Housing Commission Loan \$ 4,200,000
State HCD Transit Oriented Dev. Loan \$ 5,037,584
9 percent Tax Credits \$15,196,266
General Partner Equity \$ 1,519

Pro Forma Summary

Estimated annual income: \$ 496,835 (year 1)
Estimated annual expense: \$ 387,614 (year 1)
Annual debt service: \$ 21,158
Annual reserve deposit: \$ 24,850
LP Asset Management Fee \$ 5,000
GP Management Fee \$ 25,000
Estimated residual cash flow: \$ 33,212 (year 1)

50% Residual Receipt Payment \$ 16,606 (100%)
State TOD pro rata share \$ 8,967 (54%)
Housing Commission pro rata share \$ 7,639 (46%)

ATTACHMENT 3

COMM-22 SENIOR HOUSING APARTMENTS LOAN FOR LOW-INCOME SENIOR HOUSING

ESTIMATED TIMELINE

March 3, 2008	Loan Committee Loan Recommendation
March 7, 2008	State HCD Transit Oriented Development Application submittal
April 4, 2008	Housing Commission Consideration
June 10, 2008	Housing Authority for Final Authorization
Fall 2008/Spring 2009	Tax Credit Application.
4 th Quarter 2008	Tax Credit Award
4 th Quarter 2008	Housing Commission Loan Closing
1 st Quarter 2009	Start of Construction
4 th Quarter 2010	Estimated Full Occupancy

ATTACHMENT - 4

**HOUSING COMMISSION LOAN TERMS
AND
PAYMENT PROCEDURES**

Total Development Cost:	The total development cost of \$24,435,369 includes construction, interest costs, builder overhead and profit, and builder fees.
Developer Equity:	Nine percent tax credits.
General Partner Equity:	\$1,519.00
Housing Commission Loan Amount:	A \$4,200,000 loan leverages \$20,235,369 from other sources.
Security:	The Housing Commission loan would be secured by the value of the ground lease during construction and by the value of the ground lease and the property improvements following completion of construction.
Recourse:	The Housing Commission loan would be recourse until completion of construction, after which it would become non-recourse because of tax credit rules.
Cure Rights:	The Housing Commission would maintain the right to cure defaults in accordance with the requirements of the tax credit investor and the State TOD program.
Housing Commission Loan Payments:	An annual payment equal to a pro rated share of 50 percent of residual cash flow. Payments will equal the greater of 50% of residual receipts or \$16,606, which is equal to half of the estimated residual receipts at year one. In the event the residual receipts are less than \$16,606, the payment will be satisfied by a prorated 100% of residual receipts. Any unpaid principal and interest would be due as a balloon payment upon loan maturity.
Affordability Restrictions:	Tax credit rents would be affordable at or below 50 percent of Area Median Income (AMI). A Housing Commission Declaration of Covenants, Conditions, and Restrictions with a 55-year term would be recorded against the property to restrict occupancy

for 68 units to tenants with incomes of 60 percent or less of AMI.

First Deed of Trust:	The Housing Commission loan would be subordinate to a State HCD Transit Oriented Development loan estimated at \$5,037,584, three percent, simple-interest, 55-year non-amortized loan with an annual administrative fee payment equal to 0.42 percent interest, or, \$21,158.
Second Deed of Trust:	A \$4,200,000, 55-year, 3% interest, residual receipts Housing Commission loan.
HOME Program Funds:	The Housing Commission loan may be funded in whole or in part with federal HOME Program funds. Construction and operation of the project shall be subject to all applicable HOME rules and regulations.
Prevailing Wages:	Borrower shall comply with the requirements for payment of both Federal Labor Wage Rates (Davis Bacon Act) if Federal funds are awarded and State of California Prevailing Wages as required by the State lending agency and shall pay the higher of the two in the event of a conflict on a trade-by-trade basis.
Time of Performance:	Stabilized occupancy shall be achieved according to TCAC requirements.
Ground Lease Terms:	A 65-year Ground Lease between COMM 22 LLC and the property owner, San Diego Unified School District (USD), requires a first year annual payment of \$46,208 with a .5% annual increase.
Management Plan:	The Management Plan is subject to periodic review and approval by the Housing Commission in its reasonable discretion.
Operating Expense:	Monthly operating expenses are estimated at \$32,299 (\$461 per unit per month for 70 units).
Pro Forma Assumptions:	Income increases are projected at 2.5 percent per year; operating expenses at 3.5 percent per year; the vacancy rate is 5 percent per year. Any shortfall in project income available for operating expenses will be funded from reserves with the permission of the Housing Commission.

Reserves:

Subject to the approval of the tax credit investor and institutional lender, the borrower would make minimum annual payments of \$24,850 into a reserve account. Use of reserves would require the reasonable approval of the President and Chief Executive Officer of the Housing Commission.

**SAN DIEGO HOUSING COMMISSION
GENERAL APPLICATION FORM - Project Overview**

ATTACHMENT 5

Page 1

Last revised: November 27, 2007

DATE: May 2, 2008

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED IN SHADED CELLS (Check all boxes that apply)

REQUEST FOR:	<input type="checkbox"/> EARLY ASSISTANCE	<input checked="" type="checkbox"/> PROJECT FUNDING	\$ 4,200,000
	<input type="checkbox"/> TECHNICAL ASSISTANCE	<input type="checkbox"/> PREDEVELOPMENT LOAN	\$
	<input type="checkbox"/>	<input type="checkbox"/> PROJECT SUPPORT GRANT	\$

PROJECT TYPE:	<input type="checkbox"/> ACQUISITION	<input type="checkbox"/> ACQUISITION & REHABILITATION	<input checked="" type="checkbox"/> RENTAL
	<input checked="" type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> REHABILITATION	<input type="checkbox"/> OWNERSHIP

PROJECT CONDITION:	<input type="checkbox"/> UNIMPROVED SITE	<input type="checkbox"/> RESIDENTIAL	<input type="checkbox"/> COMMERCIAL
YEAR BUILT:	<input type="checkbox"/> EXISTING STRUCTURE	<input type="checkbox"/> OTHER (DESCRIBE)	

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component

ADDRESS: Commercial Street btw 21st and Harrison San Diego CA 92113

LEGAL DESCRIPTION: see attached legal description
LOT NO. BLOCK NO. SUBDIVISION NAME ASSESSORS PARCEL NO. CENSUS TRACT

SITE CONTROL: ☐ DEED ☒ OPTION ☐ OTHER (DESCRIBE)

DWELLING UNITS:	8	58	4			70	66
	0-BEDROOM	1-BEDROOM	2-BEDROOM	3-BEDROOM	4-BEDROOM	TOTAL UNITS	BEDROOMS

HC Assisted Units:	8	58	4			70	66
	0-BEDROOM	1-BEDROOM	2-BEDROOM	3-BEDROOM	4-BEDROOM	TOTAL UNITS	BEDROOMS

EXISTING USES OF PROPERTY: Former school district warehouse/distribution

DESCRIPTION OF PROPOSED PROJECT: The senior housing component includes 70 rental units.

NO. OF BUILDINGS: 1

APPLICANT/BORROWER:

NAME: COMM 22, LLC	CONTACT PERSON: Steve Sutton
ADDRESS: 9191 Towne Centre Drive, Suite 310	San Diego Ca 92122
STREET CITY STATE ZIP	
TELEPHONE: (858) 535-0552 FAX NO. (858) 535-0652	E-mail address:

LEGAL DESCRIPTION OF APPLICANT:

<input type="checkbox"/> FOR PROFIT CORPORATION	<input type="checkbox"/> NONPROFIT CORPORATION	<input type="checkbox"/> PARTNERSHIP	<input type="checkbox"/> INDIVIDUAL OWNER
<input type="checkbox"/> CHDO	<input checked="" type="checkbox"/> OTHER	Limited Liability Company	
		DESCRIBE	

TAXPAYER IDENTIFICATION NUMBER: 73-1728124

CURRENT OWNER/SELLER INFORMATION:

NAME: San Diego Unified School District	LEGAL DESCRIPTION: School District
ADDRESS: 4860 Ruffner Street	San Diego Ca 92111
STREET CITY STATE ZIP	
TELEPHONE: (858) 637-3603 FAX NO. (858) 573-5856	

ZONING: CC-3-S COMMUNITY PLAN AREA: Southeastern San Diego

COUNCIL DISTRICT: 8 SCHOOL DISTRICT: San Diego Unified School District

	BRAD WIPLIN	VICE PRESIDENT	5.2.08
SIGNATURE	PRINT NAME	TITLE	DATE

SAN DIEGO HOUSING COMMISSION

APPLICANT INTEREST FORM - AI

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED

NAME, ADDRESS, TITLE/POSITION, TELEPHONE, NATURE OF INTEREST AND PERCENT OF INTEREST
FOR PROPOSED OWNERS, OFFICERS AND GENERAL PARTNERS - LIST ALL
FOR SHAREHOLDERS, INVESTORS, LIMITED PARTNERS AND OTHERS - LIST ALL WITH A 10% OR HIGHER INTEREST

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component
 ADDRESS: Commercial Street btw 21st and Harrison San Diego CA 92113
 ADDRESS CITY STATE ZIP
 OWNERSHIP NAME: COMM 22, LLC DATE: May 2, 2008

- | | | | |
|----|--|--|---|
| 1. | <u>BRIDGE Economic Development Corp. (E</u>
NAME
<u>9191 Towne Centre Drive, Suite 310</u>
STREET/PO
<u>San Diego</u> <u>CA</u> <u>92122</u>
CITY STATE ZIP | <u>Contact: Brad Wiblin, Vice President</u>
TITLE/POSITION
<u>858-535-0552</u>
BUSINESS TELEPHONE NO. | <u>Partner</u>
NATURE OF INTEREST
<u>60</u>
PERCENT INTEREST |
| 2. | <u>MAAC Project</u>
NAME
<u>1355 Third Avenue</u>
STREET/PO
<u>Chula Vista</u> <u>CA</u> <u>91911</u>
CITY STATE ZIP | <u>Contact: Arnulfo Manriquez, COO</u>
TITLE/POSITION
<u>619-426-4592</u>
BUSINESS TELEPHONE NO. | <u>Partner</u>
NATURE OF INTEREST
<u>40</u>
PERCENT INTEREST |
| 3. | <u>BRIDGE Housing Corporation (BHC)</u>
NAME
<u>345 Spear Street, Suite 700</u>
STREET/PO
<u>San Francisco</u> <u>CA</u> <u>94105</u>
CITY STATE ZIP | <u>Contact: Lydia Tan, Exec. Vice Pres</u>
TITLE/POSITION
<u>415-989-1111</u>
BUSINESS TELEPHONE NO. | <u>Parent Company of BHC</u>
NATURE OF INTEREST
<u>n/a</u>
PERCENT INTEREST |
| 4. | <u>Carol Galante</u>
NAME
<u>345 Spear Street, Suite 700</u>
STREET/PO
<u>San Francisco</u> <u>CA</u> <u>94105</u>
CITY STATE ZIP | <u>President/CEO</u>
TITLE/POSITION
<u>415-989-1111</u>
BUSINESS TELEPHONE NO. | <u>Officer - BHC</u>
NATURE OF INTEREST
<u>n/a</u>
PERCENT INTEREST |
| 5. | <u>Susan Johnson</u>
NAME
<u>345 Spear Street, Suite 700</u>
STREET/PO
<u>San Francisco</u> <u>CA</u> <u>94105</u>
CITY STATE ZIP | <u>EVP/Assistant Secretary</u>
TITLE/POSITION
<u>415-989-1111</u>
BUSINESS TELEPHONE NO. | <u>Officer - BHC</u>
NATURE OF INTEREST
<u>n/a</u>
PERCENT INTEREST |
| 6. | <u>Lydia Tan</u>
NAME
<u>345 Spear Street, Suite 700</u>
STREET/PO
<u>San Francisco</u> <u>CA</u> <u>94105</u>
CITY STATE ZIP | <u>EVP</u>
TITLE/POSITION
<u>415-989-1111</u>
BUSINESS TELEPHONE NO. | <u>Officer - BHC</u>
NATURE OF INTEREST
<u>n/a</u>
PERCENT INTEREST |
| 7. | <u>D. Kemp Valentine</u>
NAME
<u>345 Spear Street, Suite 700</u>
STREET/PO
<u>San Francisco</u> <u>CA</u> <u>94105</u>
CITY STATE ZIP | <u>Senior VP/CFO</u>
TITLE/POSITION
<u>415-989-1111</u>
BUSINESS TELEPHONE NO. | <u>Officer - BHC</u>
NATURE OF INTEREST
<u>n/a</u>
PERCENT INTEREST |
| 8. | <u>Richard Holliday</u>
NAME
<u>345 Spear Street, Suite 700</u>
STREET/PO
<u>San Francisco</u> <u>CA</u> <u>94105</u>
CITY STATE ZIP | <u>Vice Chair</u>
TITLE/POSITION
<u>415-989-1111</u>
BUSINESS TELEPHONE NO. | <u>Board of Directors - BHC</u>
NATURE OF INTEREST
<u>n/a</u>
PERCENT INTEREST |

5-2a

USE ADDITIONAL SHEETS AS NECESSARY

SAN DIEGO HOUSING COMMISSION

APPLICANT INTEREST FORM - AI

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED

NAME, ADDRESS, TITLE/POSITION, TELEPHONE, NATURE OF INTEREST AND PERCENT OF INTEREST
FOR PROPOSED OWNERS, OFFICERS AND GENERAL PARTNERS - LIST ALL
FOR SHAREHOLDERS, INVESTORS, LIMITED PARTNERS AND OTHERS - LIST ALL WITH A 10% OR HIGHER INTEREST

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component
 ADDRESS: Commercial Street btw 21st and Harrison San Diego CA 92113
 ADDRESS CITY STATE ZIP
 OWNERSHIP NAME: COMM 22, LLC DATE: May 2, 2008

1.	<u>Alan L. Stein</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Chair</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
2.	<u>Douglas D. Abbey</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
3.	<u>Richard Bender</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
4.	<u>Ray C. Carlisle</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
5.	<u>Kent L. Colwell</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
6.	<u>Harry Haigood</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
7.	<u>Bradley Inman</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
8.	<u>Ron Nahas</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST

5-2b

USE ADDITIONAL SHEETS AS NECESSARY

SAN DIEGO HOUSING COMMISSION

APPLICANT INTEREST FORM - AI

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED

NAME, ADDRESS, TITLE/POSITION, TELEPHONE, NATURE OF INTEREST AND PERCENT OF INTEREST
FOR PROPOSED OWNERS, OFFICERS AND GENERAL PARTNERS - LIST ALL
FOR SHAREHOLDERS, INVESTORS, LIMITED PARTNERS AND OTHERS - LIST ALL WITH A 10% OR HIGHER INTEREST

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component
 ADDRESS: Commercial Street btw 21st and Harrison San Diego CA 92113
 ADDRESS CITY STATE ZIP
 OWNERSHIP NAME: COMM 22, LLC DATE: May 2, 2008

1.	<u>Dennis O'Brien</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
2.	<u>Peter Palmisano</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
3.	<u>Lynn Sedway</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
4.	<u>Angelo Siracusa</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
5.	<u>Paul Stein</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
6.	<u>William Stipek</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
7.	<u>Phil Tagami</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
8.	<u>Ernie Vasquez</u> NAME <u>345 Spear Street, Suite 700</u> STREET/PO <u>San Francisco</u> <u>CA</u> <u>94105</u> CITY STATE ZIP	<u>Member</u> TITLE/POSITION <u>415-989-1111</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - BH</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST

5-2c

USE ADDITIONAL SHEETS AS NECESSARY

SAN DIEGO HOUSING COMMISSION

APPLICANT INTEREST FORM - AI

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED

NAME, ADDRESS, TITLE/POSITION, TELEPHONE, NATURE OF INTEREST AND PERCENT OF INTEREST
FOR PROPOSED OWNERS, OFFICERS AND GENERAL PARTNERS - LIST ALL
FOR SHAREHOLDERS, INVESTORS, LIMITED PARTNERS AND OTHERS - LIST ALL WITH A 10% OR HIGHER INTEREST

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component
 ADDRESS: Commercial Street btw 21st and Harrison San Diego CA 92113
 ADDRESS CITY STATE ZIP
 OWNERSHIP NAME: COMM 22, LLC DATE: #####

1. Clark Wallace	Member	Board of Directors - BH
NAME	TITLE/POSITION	NATURE OF INTEREST
345 Spear Street, Suite 700	415-989-1111	n/a
STREET/PO	BUSINESS TELEPHONE NO.	PERCENT INTEREST
San Francisco CA 94105		
CITY STATE ZIP		
2. Susanne B. Wilson	Member	Board of Directors - BH
NAME	TITLE/POSITION	NATURE OF INTEREST
345 Spear Street, Suite 700	415-989-1111	n/a
STREET/PO	BUSINESS TELEPHONE NO.	PERCENT INTEREST
San Francisco CA 94105		
CITY STATE ZIP		
3. Mary King	Member	Board of Directors - BH
NAME	TITLE/POSITION	NATURE OF INTEREST
345 Spear Street, Suite 700	415-989-1111	n/a
STREET/PO	BUSINESS TELEPHONE NO.	PERCENT INTEREST
San Francisco CA 94105		
CITY STATE ZIP		
4. Antonio V. Pizano	President / CEO	Officer-MAAC Project
NAME	TITLE/POSITION	NATURE OF INTEREST
1355 Third Avenue	619-426-3595	n/a
STREET/PO	BUSINESS TELEPHONE NO.	PERCENT INTEREST
Chula Vista CA 91911		
CITY STATE ZIP		
5. E. Roger Caldwell	Senior Vice President	Officer-MAAC Project
NAME	TITLE/POSITION	NATURE OF INTEREST
1355 Third Avenue	619-426-3595	n/a
STREET/PO	BUSINESS TELEPHONE NO.	PERCENT INTEREST
Chula Vista CA 91911		
CITY STATE ZIP		
6. Austin Foye	Chief Financial Officer	Officer-MAAC Project
NAME	TITLE/POSITION	NATURE OF INTEREST
1355 Third Avenue	619-426-3599	n/a
STREET/PO	BUSINESS TELEPHONE NO.	PERCENT INTEREST
Chula Vista CA 91911		
CITY STATE ZIP		
7. Arnulfo Manriquez	Chief Operations Officer	Officer-MAAC Project
NAME	TITLE/POSITION	NATURE OF INTEREST
1355 Third Avenue	619-426-3599	n/a
STREET/PO	BUSINESS TELEPHONE NO.	PERCENT INTEREST
Chula Vista CA 91911		
CITY STATE ZIP		
8. Paul Hernandez	Chief Programs Officer	Officer-MAAC Project
NAME	TITLE/POSITION	NATURE OF INTEREST
1355 Third Avenue	619-426-3599	n/a
STREET/PO	BUSINESS TELEPHONE NO.	PERCENT INTEREST
Chula Vista CA 91911		
CITY STATE ZIP		

USE ADDITIONAL SHEETS AS NECESSARY

SAN DIEGO HOUSING COMMISSION

APPLICANT INTEREST FORM - AI

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED

NAME, ADDRESS, TITLE/POSITION, TELEPHONE, NATURE OF INTEREST AND PERCENT OF INTEREST
FOR PROPOSED OWNERS, OFFICERS AND GENERAL PARTNERS - LIST ALL
FOR SHAREHOLDERS, INVESTORS, LIMITED PARTNERS AND OTHERS - LIST ALL WITH A 10% OR HIGHER INTEREST

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component
 ADDRESS: Commercial Street btw 21st and Harrison San Diego CA 92113
 ADDRESS CITY STATE ZIP
 OWNERSHIP NAME: COMM 22, LLC DATE: #####

1.	<u>Arturo Rivera</u> NAME <u>1355 Third Avenue</u> STREET/PO <u>Chula Vista</u> <u>CA</u> <u>91911</u> CITY STATE ZIP	<u>Chairperson</u> TITLE/POSITION <u>619-426-3599</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - MA</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
2.	<u>Carmen Spurling</u> NAME <u>1355 Third Avenue</u> STREET/PO <u>Chula Vista</u> <u>CA</u> <u>91911</u> CITY STATE ZIP	<u>Vice-Chairperson</u> TITLE/POSITION <u>619-426-3599</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - MA</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
3.	<u>Carmen Herrera</u> NAME <u>1355 Third Avenue</u> STREET/PO <u>Chula Vista</u> <u>CA</u> <u>91911</u> CITY STATE ZIP	<u>Secretary</u> TITLE/POSITION <u>619-426-3595</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - MA</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
4.	<u>Jesse Q. Allen</u> NAME <u>1355 Third Avenue</u> STREET/PO <u>Chula Vista</u> <u>CA</u> <u>91911</u> CITY STATE ZIP	<u>Treasurer</u> TITLE/POSITION <u>619-426-3599</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - MA</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
5.	<u>Carmen Hood</u> NAME <u>1355 Third Avenue</u> STREET/PO <u>Chula Vista</u> <u>CA</u> <u>91911</u> CITY STATE ZIP	<u>PPC Representative</u> TITLE/POSITION <u>619-426-3599</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - MA</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
6.	<u>Jimmy Ayala</u> NAME <u>1355 Third Avenue</u> STREET/PO <u>Chula Vista</u> <u>CA</u> <u>91911</u> CITY STATE ZIP	<u>Director</u> TITLE/POSITION <u>619-426-3599</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - MA</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
7.	<u>Ernie Cardoza</u> NAME <u>1355 Third Avenue</u> STREET/PO <u>Chula Vista</u> <u>CA</u> <u>91911</u> CITY STATE ZIP	<u>Director</u> TITLE/POSITION <u>619-426-3599</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - MA</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST
8.	<u>Ricardo Aguirre</u> NAME <u>1355 Third Avenue</u> STREET/PO <u>Chula Vista</u> <u>CA</u> <u>91911</u> CITY STATE ZIP	<u>Director</u> TITLE/POSITION <u>619-426-3599</u> BUSINESS TELEPHONE NO.	<u>Board of Directors - MA</u> NATURE OF INTEREST <u>n/a</u> PERCENT INTEREST

USE ADDITIONAL SHEETS AS NECESSARY

SAN DIEGO HOUSING COMMISSION

APPLICANT INTEREST FORM - AI

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED

NAME, ADDRESS, TITLE/POSITION, TELEPHONE, NATURE OF INTEREST AND PERCENT OF INTEREST
FOR PROPOSED OWNERS, OFFICERS AND GENERAL PARTNERS - LIST ALL
FOR SHAREHOLDERS, INVESTORS, LIMITED PARTNERS AND OTHERS - LIST ALL WITH A 10% OR HIGHER INTEREST

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component
 ADDRESS: Commercial Street btw 21st and Harrison San Diego CA 92113
 ADDRESS CITY STATE ZIP
 OWNERSHIP NAME: COMM 22, LLC DATE: #####

1. Arle Ricasa-Bagaporo Director Board of Directors - MA
 NAME TITLE/POSITION NATURE OF INTEREST
1355 Third Avenue 619-426-3599 n/a
 STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
Chula Vista CA 91911
 CITY STATE ZIP

2. Salvador Saucedo Director Board of Directors - MA
 NAME TITLE/POSITION NATURE OF INTEREST
1355 Third Avenue 619-426-3599 n/a
 STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
Chula Vista CA 91911
 CITY STATE ZIP

3. Yvonne Silva Director Board of Directors - MA
 NAME TITLE/POSITION NATURE OF INTEREST
1355 Third Avenue 619-426-3595 n/a
 STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
Chula Vista CA 91911
 CITY STATE ZIP

4. Stephen Tadlock Director Board of Directors - MA
 NAME TITLE/POSITION NATURE OF INTEREST
1355 Third Avenue 619-426-3599 n/a
 STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
Chula Vista CA 91911
 CITY STATE ZIP

5. Daniel Mangarin Director Board of Directors - MA
 NAME TITLE/POSITION NATURE OF INTEREST
1355 Third Avenue 619-426-3599 n/a
 STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
Chula Vista CA 91911
 CITY STATE ZIP

6. NAME TITLE/POSITION NATURE OF INTEREST
STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
CITY STATE ZIP

7. NAME TITLE/POSITION NATURE OF INTEREST
STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
CITY STATE ZIP

8. NAME TITLE/POSITION NATURE OF INTEREST
STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
CITY STATE ZIP

USE ADDITIONAL SHEETS AS NECESSARY

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED - CHECK ALL BOXES THAT APPLY

DATE: May 2, 2008

PROJECT TYPE ☐ ACQUISITION ☐ ACQUISITION & REHABILITATION ☒ RENTAL
 ☒ NEW CONSTRUCTION ☐ REHABILITATION ☐ OWNERSHIP

PROJECT NAME:	Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component		
ADDRESS:	Commercial Street btw 21st and Harrison	San Diego	CA 92113
	STREET	CITY	STATE ZIP

UTILITY INFORMATION [Input X, G, E, T, or L where indicated]

Type (X) in ONE box	Gas (G) or Electricity (E) FILL IN ALL BOXES G or E	Paid by Tenant (T) or Owner/Landlord (L) FILL IN ALL BOXES T or L
<input checked="" type="checkbox"/> Apartment	Heat <input type="text" value="e"/> <input type="text" value="e"/>	<input type="text" value="t"/> <input type="text" value="t"/>
<input type="checkbox"/> Duplex, Townhouse	Cooking <input type="text" value="e"/> <input type="text" value="e"/>	<input type="text" value="t"/> <input type="text" value="t"/>
	Water Heater <input type="text" value="g"/> <input type="text" value="g"/>	<input type="text" value="t"/> <input type="text" value="t"/>
	Water/Sewer <input type="text" value="e"/> <input type="text" value="e"/>	<input type="text" value="t"/> <input type="text" value="t"/>
<input type="checkbox"/> House, Mobile Home	Basic Electric <input type="text" value="e"/> <input type="text" value="e"/>	<input type="text" value="t"/> <input type="text" value="t"/>

COLUMN:

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>	<u>I</u>	<u>J</u>	<u>K</u>	<u>L</u>	<u>M</u>
BASIS FOR RENT*	NO. OF UNITS	BED- ROOMS PER UNIT	BATH- ROOMS PER UNIT	SQ FT PER UNIT	CURRENT RENT	MONTHLY HOUSING COST PER UNIT	LESS: MONTHLY UTILITY ALLOW. PER UNIT	EQUALS: MONTHLY Tenant Paid RENT PER UNIT	COMPARE TO: MONTHLY MARKET RENT PER UNIT	AFFORDABILITY LEVEL: PERCENT MEDIAN INCOME**	YEARLY GROSS RENTS ALL UNITS	YEARLY MARKET RENTS
TC	8	1	1.00	504	\$	\$ 552	\$ 13	\$ 539	\$ 673	44 %	\$ 51,744	\$ 64,608
TC	6	1	1.00	564	\$	\$ 394	\$ 17	\$ 377	\$ 950	27 %	\$ 27,144	\$ 68,400
TC	1	1	1.00	564	\$	\$ 592	\$ 17	\$ 575	\$ 950	41 %	\$ 6,900	\$ 11,400
TC	51	1	1.00	564	\$	\$ 658	\$ 17	\$ 641	\$ 950	46 %	\$ 392,292	\$ 581,400
TC	1	2	1.00	817	\$	\$ 474	\$ 22	\$ 452	\$ 1,035	29 %	\$ 5,424	\$ 12,420
TC	1	2	1.00	817	\$	\$ 711	\$ 22	\$ 689	\$ 1,035	44 %	\$ 8,268	\$ 12,420
TC	1	2	1.00	817	\$	\$ 790	\$ 22	\$ 768	\$ 1,035	49 %	\$ 9,216	\$ 12,420
					\$	\$	\$	\$	\$	%	\$	\$
					\$	\$	\$	\$	\$	%	\$	\$
					\$	\$	\$	\$	\$	%	\$	\$
					\$	\$	\$	\$	\$	%	\$	\$
					\$	\$	\$	\$	\$	%	\$	\$
					\$	\$	\$	\$	\$	%	\$	\$
					\$	\$	\$	\$	\$	%	\$	\$
MGR					\$	\$	\$	\$	\$	%	\$	\$
MGR	1	2	1.00	817	\$	\$ 790	\$ 22	\$ 768	\$ 1,035	49 %	\$ 9,216	\$ 12,420

* Indicate Tax Credit Rents with "TC", Housing Commission Rents with "SDHC", HOME rents with "HOME", and Resident Manager's unit(s) with "MGR (bottom two rows)."

** This calculation is based on a household size of one plus the bedroom type;
Please note that using tax credit rents may produce a different AMI percentage.

TOTAL RENT (YEAR)	\$ 510,204	\$ 775,488
Comp. to 90% of Market:	\$ 510,204	\$ 697,939

OTHER INCOME

Laundry	\$ 12,780
	\$
	\$

TOTAL ANNUAL INCOME	\$522,984
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TOTAL UNITS	70
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TOTAL UNIT SQ. FT. 40,012 + TOTAL COMMUNITY FACILITIES SQ. FT. 1,000,000

TOTAL SQ. FT.	40,012
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SAN DIEGO HOUSING COMMISSION
DEVELOPMENT FORM - OPERATING EXPENSE - OE

Page 4

DATE: May 2, 2008

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED - CHECK ALL BOXES THAT APPLY
 Last revised: November 27, 2007

PROJECT TYPE: ☐ ACQUISITION ☐ ACQUISITION & REHABILITATION ☒ RENTAL
☒ NEW CONSTRUCTION ☐ REHABILITATION ☐ OWNERSHIP

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component

ADDRESS: Commercial Street btw 21st and Harrison San Diego CA 92113
 STREET CITY STATE ZIP

TOTAL NUMBER OF UNITS 70

OPERATING EXPENSE ITEM	ANNUAL COST	COST PER UNIT	COST PER SQ. FT.
Administrative Expenses			
Office Supplies & Equipment	\$ 3,500	\$ 50	\$ 0.09
Telephone	\$ 5,200	\$ 74	\$ 0.13
Training & Travel	\$	\$	\$
Payroll Services	\$ 92,876	\$ 1,327	\$ 2.32
Program Services	\$	\$	\$
Other:	\$	\$	\$
Subtotal Percent of Total 26%	\$ 101,576	\$ 1,451	\$ 2.54
Marketing Expenses			
Advertising	\$ 1,500	\$ 21	\$ 0.04
Other:	\$ 500	\$ 7	\$ 0.01
Subtotal Percent of Total 1%	\$ 2,000	\$ 29	\$ 0.05
Professional Fees			
Property Management	\$ 31,080	\$ 444	\$ 0.78
Auditing Services	\$ 14,670	\$ 210	\$ 0.37
Legal Services	\$ 1,500	\$ 21	\$ 0.04
Other:	\$	\$	\$
Subtotal Percent of Total 12%	\$ 47,250	\$ 675	\$ 1.18
Utilities			
Electric	\$ 25,641	\$ 366	\$ 0.64
Gas	\$ 6,549	\$ 94	\$ 0.16
Water/Sewer	\$ 18,475	\$ 264	\$ 0.46
Other:	\$	\$	\$
Subtotal Percent of Total 13%	\$ 50,665	\$ 724	\$ 1.27
Contract Services			
Exterminating	\$ 5,400	\$ 77	\$ 0.13
Trash Removal	\$ 10,000	\$ 143	\$ 0.25
Security Patrol	\$ 9,000	\$ 129	\$ 0.22
Building/Grounds Maintenance	\$ 11,000	\$ 157	\$ 0.27
Janitorial Services	\$ 14,100	\$ 201	\$ 0.35
Repair Services	\$ 14,000	\$ 200	\$ 0.35
Elevator & Other Equipment	\$	\$	\$
Garage Operations/Maintenance	\$	\$	\$
Other: HVAC maintenance and misc.	\$ 7,500	\$ 107	\$ 0.19
Subtotal Percent of Total 18%	\$ 71,000	\$ 1,014	\$ 1.77
Cleaning & Decorating			
Painting Supplies	\$	\$	\$
Grounds Supplies	\$ 2,000	\$ 29	\$ 0.05
Other:	\$	\$	\$
Subtotal Percent of Total 1%	\$ 2,000	\$ 29	\$ 0.05
Taxes & Insurance			
Real Property Tax Assessment	\$	\$	\$
Property Insurance	\$ 30,000	\$ 429	\$ 0.75
Director's & Officer's Insurance	\$	\$	\$
Other: Workers Comp, Employee Benefits	\$ 30,000	\$ 429	\$ 0.75
Subtotal Percent of Total 15%	\$ 60,000	\$ 857	\$ 1.50
Other			
SDHC Monitoring Fees	\$ 3,850	\$ 55	\$ 0.10
Other: Misc	\$ 3,065	\$ 44	\$ 0.08
Other: Ground Lease Payment	\$ 46,208	\$ 660	\$ 1.15
Other:	\$	\$	\$
Subtotal Percent of Total 14%	\$ 53,123	\$ 759	\$ 1.33
Total Annual Operating Costs	\$ 387,614	\$ 5,537	\$ 9.69

Last revised: November 27, 2007

DATE: May 2, 2008

☐ RENTAL

OWNERSHIP

92113

ZIP

TOTAL DEVELOPMENT COST	\$	24,435,369
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DEVELOPMENT FORM - SOURCES AND USES OF FUNDS - SU

DATE: May 2, 2008

PLEASE PROVIDE ALL KNOWN INFORMATION AS REQUESTED - CHECK ALL BOXES THAT APPLY

PROJECT TYPE	<input type="checkbox"/> ACQUISITION	<input type="checkbox"/> ACQUISITION & REHABILITATION	<input checked="" type="checkbox"/> RENTAL	NUMBER OF UNITS	70
	<input checked="" type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> REHABILITATION	<input type="checkbox"/> OWNERSHIP		

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component

ADDRESS: Commercial Street btw 21st and Harrison	San Diego	CA	92113
STREET	CITY	STATE	ZIP

SOURCES

POSITION	TERMS	COMMITMENT	AMORTIZED	DEFERRED	TAX CREDIT	GRANT	EQUITY
1ST HCD/TOD	55 YRS. 0.42 % RATE	Y/N <input checked="" type="checkbox"/> N 6/1/2008 DATE OR EXPECTED	\$ 5,037,584	Not amortizing, INTEREST ONLY			
2ND SDHC	55 YRS. 3.00 % RATE	Y/N <input checked="" type="checkbox"/> N 6/1/2008 DATE OR EXPECTED	\$ 4,200,000				
(Select one) Residual Receipts or Amortized	<input type="checkbox"/>	Subsidy/Assisted Unit \$ 60,000 Subsidy/Assisted Bdr \$ 63,636					
3RD	YRS. RATE %	Y/N <input type="checkbox"/> DATE OR EXPECTED	\$	\$		\$	
4TH	YRS. RATE %	Y/N <input checked="" type="checkbox"/> DATE OR EXPECTED	\$	\$		\$	
TAX CREDIT: LP Capital		Y/N <input checked="" type="checkbox"/> N 6/1/2008 DATE OR EXPECTED			\$ 15,196,266		
EQUITY GP Capital		Y/N <input checked="" type="checkbox"/> N 6/1/2008 DATE OR EXPECTED					\$ 1,519
TOTAL \$ 24,435,369			\$ 5,037,584	\$ 4,200,000	\$ 15,196,266		\$ 1,519
24,435,369							

FUNDING SCHEDULE FOR SOURCES

	TOTAL	CLOSING	CONSTRUCTION PERIOD			COMPLETION 4TH QUARTER	RENT UP QTRS 5 & 6
			1ST QUARTER	2ND QUARTER	3RD QUARTER		
HCD/TOD	\$ 5,037,584	\$	\$	\$	\$	\$	\$ 5,037,584
SDHC	\$ 4,200,000	\$ 4,200,000	\$	\$	\$	\$	\$
	\$ -	\$	\$	\$	\$	\$	\$
	\$ -	\$	\$	\$	\$	\$	\$
LP Capital	\$ 15,196,266	\$ 100,000	\$	\$	\$	\$ 1,400,000	\$ 13,696,266
GP Capital	\$ 1,519	\$	\$	\$	\$	\$	\$ 1,519
	\$ 24,435,369	\$ 4,300,000	\$ -	\$ -	\$ -	\$ 1,400,000	\$ 18,735,369

INFORMATION ON CONSTRUCTION LOAN

CONSTRUCTION LENDER	TBD	9237584
CONSTRUCTION TIME	18 (MONTHS)	45.47%
CONSTRUCTION INTEREST	7.000 %	54.53%
COMMITTED:	YES <input checked="" type="checkbox"/> NO <input checked="" type="checkbox"/>	22.73%
DATE OF COMMITMENT/EXPECTE	June 1, 2008	27.27%

**SAN DIEGO HOUSING COMMISSION
DEVELOPMENT FORM - PRO FORMA - PF**

Last revised: November 27, 2007

PLEASE PROVIDE ALL KNOWN INFORMATION - CHECK ALL BOXES THAT APPLY

Date: May 2, 2008

PROJECT TYPE: ☐ ACQUISITION ☐ ACQUISITION & REHABILITATION ☒ RENTAL
☒ NEW CONSTRUCTION ☐ REHABILITATION ☐ OWNERSHIP

PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component

ADDRESS: Commercial Street btw 21st and Harris San Diego CA 92113
 STREET CITY STATE ZIP

Replacement Reserve	\$ 24,850	LP Asset Mgmt Fee	\$ 5,000	GP Management Fee	\$ 25,000
Rental Income	\$ 510,204	Project Income Increase	2.50 %	Mortgage Amount	\$ 5,037,584 %
Other Income	\$ 12,780	Operating Exp. Increase	3.50 %	Mortgage Rate	0.420
Operating Expenses	\$ 387,614	Vacancy Loss	5.00 %	Mortgage Term(Years)	55
LP & GP Annual Increase	3 %	Deferred Dev. Fee	\$	Interest on Deff. Dev. Fee	%

SDHC Participation	\$ 4,200,000	Residual Receipts or	<input checked="" type="checkbox"/>	Interest Rate	3.000 %
Percent of Residual to HC	50%	Amortize	<input type="checkbox"/>	Term (Years)	55

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Gross Project Income	\$ 522,984	\$ 536,059	\$ 549,460	\$ 563,197	\$ 577,276
Vacancy	\$ 26,149	\$ 26,803	\$ 27,473	\$ 28,160	\$ 28,864
Effective Gross Income	\$ 496,835	\$ 509,256	\$ 521,987	\$ 535,037	\$ 548,413
Operating Expense	\$ 387,614	\$ 401,180	\$ 415,222	\$ 429,755	\$ 444,796
Net Operating Income	\$ 109,221	\$ 108,075	\$ 106,765	\$ 105,282	\$ 103,617
Debt Service (HCD TOD I)	\$ 21,158	\$ 21,158	\$ 21,158	\$ 21,158	\$ 21,158
Coverage (1st)	5.16	5.11	5.05	4.98	4.90
Replacement Reserve	\$ 24,850	\$ 24,850	\$ 24,850	\$ 24,850	\$ 24,850
Cash Flow	\$ 63,213	\$ 62,067	\$ 60,757	\$ 59,274	\$ 57,609
LP Asset Management Fee	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628
GP Management Fee	\$ 25,000	\$ 25,750	\$ 26,523	\$ 27,318	\$ 28,138
	\$	\$	\$	\$	\$
SDHC Residual Receipts	\$ 16,606	\$ 15,584	\$ 14,465	\$ 13,246	\$ 11,922
Net Cash Flow	\$ 16,606	\$ 15,584	\$ 14,465	\$ 13,246	\$ 11,922

NOTE: Debt Service for the 1st loan has been modified to reflect an interest only payment to HCD.

NOTE: An annual ground lease payment to the School District has been added. This payment grows annually at 0.5%.

	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Gross Income	\$ 591,708	\$ 606,501	\$ 621,664	\$ 637,205	\$ 653,135
Vacancy	\$ 29,585	\$ 30,325	\$ 31,083	\$ 31,860	\$ 32,657
Effective Gross Income	\$ 562,123	\$ 576,176	\$ 590,580	\$ 605,345	\$ 620,479
Operating Expense	\$ 460,364	\$ 476,477	\$ 493,153	\$ 510,414	\$ 528,278
Net Operating Income	\$ 101,759	\$ 99,699	\$ 97,427	\$ 94,931	\$ 92,200
Debt Service (HCD TOD I)	\$ 21,158	\$ 21,158	\$ 21,158	\$ 21,158	\$ 21,158
Coverage (1st)	4.81	4.71	4.60	4.49	4.36
Replacement Reserve	\$ 24,850	\$ 24,850	\$ 24,850	\$ 24,850	\$ 24,850
Cash Flow	\$ 55,751	\$ 53,692	\$ 51,419	\$ 48,923	\$ 46,193
	\$	\$	\$	\$	\$
LP Asset Management Fee	\$ 5,796	\$ 5,970	\$ 6,149	\$ 6,334	\$ 6,524
GP Management Fee	\$ 28,982	\$ 29,851	\$ 30,747	\$ 31,669	\$ 32,619
	\$	\$	\$	\$	\$
SDHC Residual Receipts	\$ 10,487	\$ 8,935	\$ 7,262	\$ 5,460	\$ 3,525
Net Cash Flow	\$ 10,487	\$ 8,935	\$ 7,262	\$ 5,460	\$ 3,525

#DIV/0!

	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Gross Income	\$ 669,464	\$ 686,200	\$ 703,355	\$ 720,939	\$ 738,963
Vacancy	\$ 33,473	\$ 34,310	\$ 35,168	\$ 36,047	\$ 36,948
Effective Gross Income	\$ 635,991	\$ 651,890	\$ 668,188	\$ 684,892	\$ 702,015
Operating Expense	\$ 546,768	\$ 565,905	\$ 585,711	\$ 606,211	\$ 627,429
Net Operating Income	\$ 89,223	\$ 85,986	\$ 82,476	\$ 78,681	\$ 74,586
Debt Service (1st)	\$ 21,158	\$ 21,158	\$ 21,158	\$ 21,158	\$ 21,158
Coverage (1st)	4.22	4.06	3.90	3.72	3.53
Replacement Reserve	\$ 24,850	\$ 24,850	\$ 24,850	\$ 24,850	\$ 24,850
Cash Flow	\$ 43,215	\$ 39,978	\$ 36,468	\$ 32,673	\$ 28,578
	\$	\$	\$	\$	\$
LP Asset Management Fee	\$ 6,720	\$ 6,921	\$ 7,129	\$ 7,343	\$ 7,563
GP Management Fee	\$ 33,598	\$ 34,606	\$ 35,644	\$ 36,713	\$ 37,815
	\$	\$	\$	\$	\$
SDHC Residual Receipts	\$ 1,449	\$ (775)	\$ (3,152)	\$ (5,691)	\$ (8,400)
Net Cash Flow	\$ 1,449	\$ (775)	\$ (3,152)	\$ (5,691)	\$ (8,400)

**SAN DIEGO HOUSING COMMISSION
ENVIRONMENTAL REVIEW REQUEST**

Date: May 2, 2008

Last revised: November 27, 2007

PROPOSED PROJECT NAME: Commercial and 22nd Street Mixed Use (COMM 22) - Senior Housing Component

PROJECT STREET ADDRESS: Commercial Street btw 21st and Harrison ZIP CODE: 92113

ASSESSOR'S PARCEL NO:

ZONING: CC-3-5

COMMUNITY PLANNING AREA: Southeastern San Diego

Attach map page with arrow showing location of site. Attach assessor's parcel map if available. Attach labeled photos if available.

DEVELOPER/SPONSOR OF PROPOSED PROJECT: COMM 22, LLC

DEVELOPER'S ADDRESS:	9191 Towne Centre Drive, Suite 310	San Diego	Ca	92122
	STREET	CITY	STATE	ZIP

CONTACT PERSON: Steve Sutton

PHONE: (858) 535-0552 FAX: (35-065)

EXISTING USE OF SITE (Check all that apply):

Vacant Residential Commercial Industrial x Other (specify) Former whse/maint.



If residential, number of units: Studio 1-bedroom 2-bedroom
 3-bedroom 4-bedroom 5-bedroom TOTAL

Number of buildings: 2 Number of stories: 2

Size of site (acres or square ft): 23.967 Age of structure(s): 70 Years

PROPOSED PROJECT TYPE (check all that apply):

x New Construction Rehabilitation:  Major  Minor

Acquisition Acquisition & Rehabilitation  Exterior  Interior

Other (describe):

PROPOSED PROJECT DESCRIPTION *(be brief, but attach additional sheets if necessary)*

(describe differences in use, density, unit sizes, etc. between existing use and proposed use):

The senior housing component of COMM 22 consists of 70 affordable rental units. These units will range from 504-817 square feet and will serve households earning between 30-50% AMI. The density of the overall COMM 22 development is 63 du/ac. The overall COMM 22 project will redevelop the former Maintenance and Operations Center into a mixed-use, transit-oriented development combining workforce family and senior housing with day care facilities, community-serving retail and commercial space, office space, market rate live-work lofts, and for-sale townhomes. The existing warehouse building will be rehabilitated to provide office and live-work uses. Other existing buildings will be demolished to accommodate new construction of the residential and retail uses.

ATTACHMENT 6(A) - BRIDGE

DEVELOPERS/CONSULTANTS/SELLERS/CONTRACTORS/
ENTITY SEEKING GRANT/BORROWERS
(Collectively referred to as "CONTRACTOR" herein)
STATEMENT FOR PUBLIC DISCLOSURE

1. Name of CONTRACTOR: COMM 22, LLC
BRIDGE Economic Development Corporation (BREDCO)
2. Address and Zip Code: 9191 Towne Centre Drive, Suite 310
San Diego, CA 92122
3. Telephone Number: (858) 535-0552
4. Name of Principal Contact for CONTRACTOR: Brad Wiblin
5. Federal Identification Number or Social Security Number of CONTRACTOR: 73-1728124
6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as:
 - ☐ A corporation (Attach Articles of Incorporation)
 - ☐ A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status).
 - ☐ A partnership known as:
(Name)
Check one
 - ☐ General Partnership (Attach statement of General Partnership)
 - ☐ Limited Partnership (Attach Certificate of Limited Partnership)
 - ☐ A business association or a joint venture known as:
_____ (Attach joint venture or business association agreement)
 - ☐ A Federal, State or local government or instrumentality thereof.
 - ☒ Other (explain) COMM 22, LLC is a limited liability corporation (LLC) which will be subdivided into separate entities. Articles of Organization for COMM 22, LLC have been provided in the original NOFA submittal in December 2007.

7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization: Articles of Organization were filed on 11/5/04 and were included in the original NOFA submittal in December 2007.
8. Provide names, addresses, telephone numbers, title of position (if any) and nature and extent of the interest of the current officers, principal members, shareholders, and investors of the CONTRACTOR, other than a government agency or instrumentality, as set forth below:
- If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock.
 - If the CONTRACTOR is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.
 - If the CONTRACTOR is a partnership, each partner, whether a general or limited, and either the percent of interest or a description of the character and extent of interest.
 - If the CONTRACTOR is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.
 - If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

Name, Address and Zip Code	Position Title (if any) and percent of interest or description of character and extent of interest
-------------------------------	--

(Attach extra sheet if necessary)

Name: BRIDGE Economic Development Corporation
 Address: 9191 Towne Centre Drive, Suite 310
 San Diego, CA 92122
 Phone: 858-535-0552
 Relationship: Partner
 Officers: See Parent Company
 Directors: See Parent Company
 % of Interest: 60%

Name: BRIDGE Housing Corporation
 Address: 345 Spear Street, Suite 700
 San Francisco, CA 94105
 Phone: 415-989-1111
 Relationship: Parent Company
 Officers: Chair: Alan L. Stein
 Vice Chair: Richard Holliday
 President: Carol J. Galante
 Treasurer: Kent Colwell
 Secretary: Angelo Siracusa
 EVP/Asst. Sec: Susan M. Johnson
 EVP: Lydia Tan
 Senior VP/CFO: D. Kemp Valentine
 Directors: Alan L. Stein, Douglas D. Abbey, Richard Bender, Ray C. Carlisle, Kent L. Colwell, Harry Haigood, Richard Holliday,

Bradley Inman, Ron Nahas, Dennis O'Brien, Peter Palmisano, Lynn Sedway, Angelo Siracusa, Paul Stein, William Stipek, Phil Tagami, Ernie Vasquez, Clark Wallace, Susanne B. Wilson, Mary King.

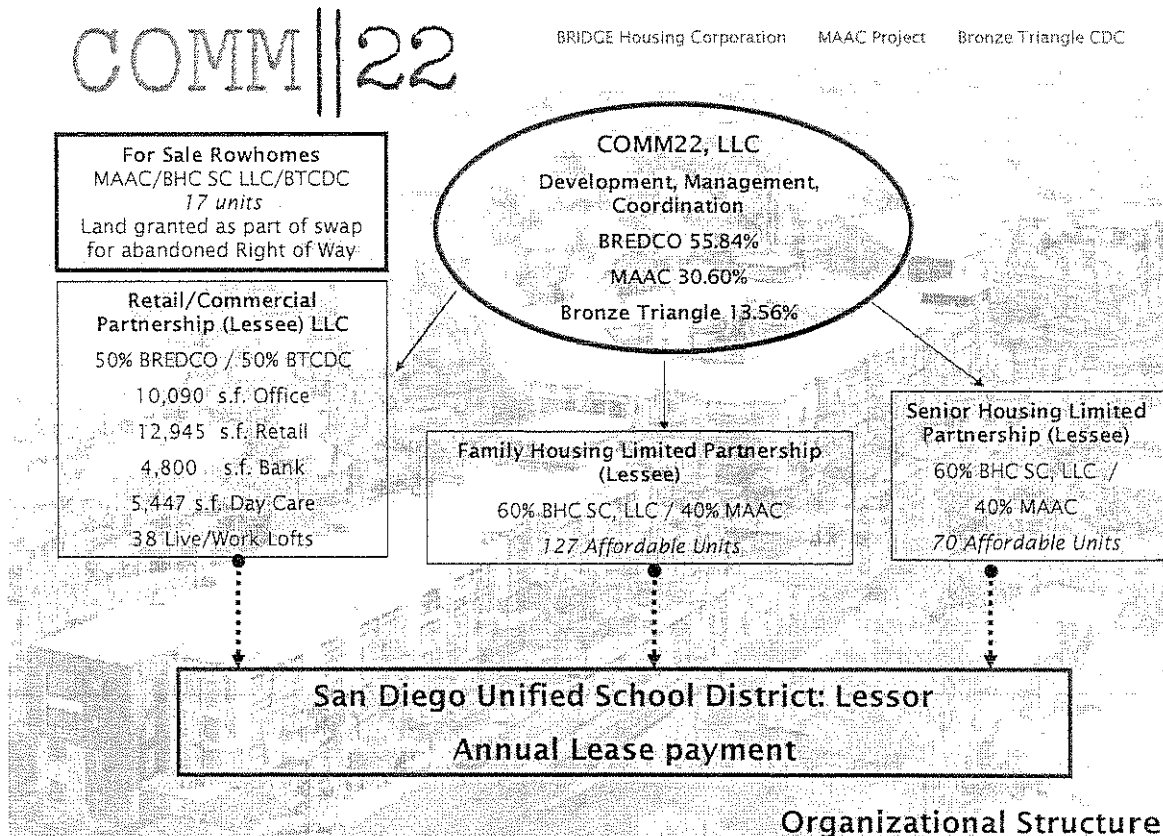
% of Interest: 0% Interest.

Officers and Directors are in common. Both corporations form many subsidiaries for the purposes of developing affordable housing.

9. Has the makeup as set forth in Item 8(a) through 8(e) changed within the last twelve (12) months. If yes, please explain in detail. NO.

10. Is it anticipated that the makeup as set forth in Item 8(a) through 8(e) will change within the next twelve (12) months? If yes, please explain in detail.

Yes, upon exercise of the Option to Lease with San Diego City Schools (SDCS), COMM 22, LCL will assign its interest to three entities that will build, own, and operate various aspects of the project under individual ground leases. Please see the flowchart below for a summary of the relationship between the development entities and SDCS.



11. Provide name, address, telephone number, and nature and extent of interest of each person or entity (not named in response to Item 8) who has a beneficial interest in any of the shareholders or investors named in response to Item 8 which gives such person or entity more than a computed 10% interest in the CONTRACTOR (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the CONTRACTOR or more than 50% of the stock in the corporation which holds 20% of the stock of the CONTRACTOR):

Name, Address and <u>Zip Code</u>	Position Title (if any and <u>extent of interest</u>
--------------------------------------	---

Name:	BRIDGE Economic Development Corporation
Address:	9191 Towne Centre Drive, Suite 310 San Diego, CA 92122
Phone:	858-535-0552
Relationship:	Partner
Officers:	See Parent Company
Directors:	See Parent Company
% of Interest:	60%

Name:	BRIDGE Housing Corporation
Address:	345 Spear Street, Suite 700 San Francisco, CA 94105
Phone:	415-989-1111
Relationship:	Parent Company
Officers:	Chair: Alan L. Stein Vice Chair: Richard Holliday President: Carol J. Galante Treasurer: Kent Colwell Secretary: Angelo Siracusa EVP/Asst. Sec: Susan M. Johnson EVP: Lydia Tan Senior VP/CFO: D. Kemp Valentine
Directors:	Alan L. Stein, Douglas D. Abbey, Richard Bender, Ray C. Carlisle, Kent L. Colwell, Harry Haigood, Richard Holliday, Bradley Inman, Ron Nahas, Dennis O'Brien, Peter Palmisano, Lynn Sedway, Angelo Siracusa, Paul Stein, William Stipek, Phil Tagami, Ernie Vasquez, Clark Wallace, Susanne B. Wilson, Mary King.
% of Interest:	0% Interest. Officers and Directors are in common. Both corporations form many subsidiaries for the purposes of developing affordable housing.

12. Names, addresses and telephone numbers (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 8 or Item 11 above:

See item 11 above.

6(A) - 4

13. Is the CONTRACTOR a subsidiary of or affiliated with any other corporation or corporations, any other firm or any other business entity or entities of whatever nature. If yes, list each such corporation, firm or business entity by name and address, specify its relationship to the CONTRACTOR, and identify the officers and directors or trustees common to the CONTRACTOR and such other corporation, firm or business entity.

See item 11 above.

14. Provide the financial condition of the CONTRACTOR as of the date of the statement and for a period of twenty-four (24) months prior to the date of its statement as reflected in the attached financial statements, including, but not necessarily limited to, profit and loss statements and statements of financial position.

The 2006 audited financial statement for BRIDGE Housing Corporation was included in the original NOFA submittal in December 2007.

15. If funds for the development/project are to be obtained from sources other than the CONTRACTOR's own funds, provide a statement of the CONTRACTOR's plan for financing the development/project:

Financing for the proposed development(s) will include City of San Diego funds, Prop 1C funds, and tax credit equity.

16. Provide sources and amount of cash available to CONTRACTOR to meet equity requirements of the proposed undertaking:

- a. In banks/savings and loans:

Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$

- b. By loans from affiliated or associated corporations or firms:

Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$

- c. By sale of readily salable assets/including marketable securities:

<u>Description</u>	<u>Market Value</u>	<u>Mortgages or Liens</u>
	\$	\$

Please refer to BRIDGE Housing Corporation 2006 audited financial statement included in original NOFA submittal in December 2007.

17. Names and addresses of bank references, and name of contact at each reference:

1. Union Bank of California
200 Pringle Avenue, Suite 200
Walnut Creek, Ca 94596
Contact: Jim Francis
Phone: (925) 947-2407
2. Wells Fargo
420 Montgomery Street, 11th Floor
San Francisco, Ca 94104
Contact: Jeff Bennett
Phone: (415) 396-0966

3. National Equity Fund
1055 Wilshire Blvd., Suite 1600
Los Angeles, Ca 90017
Contact: Todd Fabian
Phone: (213) 240-3144

18. Has the CONTRACTOR or any of the CONTRACTOR's officers or principal members, shareholders or investors, or other interested parties been adjudged bankrupt, either voluntary or involuntary, within the past 10 years?
___ Yes X No

If yes, give date, place, and under what name.

19. Has the CONTRACTOR or anyone referred to above as "principals of the CONTRACTOR" been convicted of any felony within the past 10 years? ___ Yes X No

If yes, give for each case (1) date, (2) charge, (3) place, (4) court, and (5) action taken. Attach any explanation deemed necessary.

- 20.** List undertakings (including, but not limited to, bid bonds, performance bonds, payment bonds and/or improvement bonds) **comparable to size of the proposed project** which have been completed by the CONTRACTOR including identification and brief description of each project, date of completion, and amount of bond, whether any legal action has been taken on the bond:

<u>Type Bond</u>	<u>Project Description</u>	<u>Date of Completion</u>	<u>Amount of Bond</u>	<u>Action on Bond</u>
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21. If the CONTRACTOR, or a parent corporation, a subsidiary, an affiliate, or a principal of the CONTRACTOR is to participate in the development as a construction contractor or builder, provide the following information:

NOT APPLICABLE

- a. Name and addresses of such contractor or builder:
- b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract? ___ Yes ___ No

If yes, please explain, in detail, each such instance:

- c. Total amount of construction or development work performed by such contractor or builder during the last three (3) years: \$

General description of such work:

List each project, including location, nature of work performed, name, address of the owner of the project, bonding companies involved, amount of contract, date of commencement of project, date of completion,

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state whether any change orders were sought, amount of change orders, was litigation commenced concerning the project, including a designation of where, when and the outcome of the litigation.

- d. Construction contracts or developments now being performed by such contractor or builder:

Identification of <u>Contract or Development</u>	<u>Location</u>	<u>Amount</u>	Date to be <u>Completed</u>
---	-----------------	---------------	--------------------------------

- e. Outstanding construction-contract bids of such contractor or builder:

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date Opened</u>
------------------------	---------------	--------------------

22. Provide a detailed and complete statement respecting equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

BRIDGE Housing Corporation (BRIDGE) has dedicated itself to the mission of producing large volumes of high quality affordable homes since 1983. Our diverse portfolio includes over 11,000 housing units in service, over 2,000 units under construction, and over 2,500 units scheduled for construction. We build a range of housing types that not only fit comfortably into their surroundings, but are the catalyst for revitalizing and strengthening neighborhoods. BRIDGE believes in capitalizing on local knowledge and experience in all of the communities we work in. We regularly partner with cities and redevelopment agencies as well as with local service providers in order to create communities that complement the neighborhood and are responsive to our residents' needs.

BRIDGE has won 41 Gold Nugget Awards from the Pacific Coast Builders Conference as well as two Awards of Excellence from the Urban Land Institute. BRIDGE was honored with the World Habitat Award in 1992, presented by the United Nations in Hiroshima, Japan. And, BRIDGE and World Savings together were awarded the 1995 World Habitat Award for their innovative World/BRIDGE Initiative. We have won multiple Builder's Choice awards from Builder Magazine, Fannie Mae Maxwell Awards of Excellence and two AIA awards. For our green building and energy conservation work, we have won awards from Flex Your Power, AIA Sustainable Development, Green Roofs for Healthy Cities, US EPA Energy Star and ULI Smart Growth.

COMM 22, LLC has formed a development team that can provide the creativity, expertise, and capacity needed to plan and execute a quality development. Key BRIDGE staff members form part of the COMM 22 team, including Brad Wiblin as Vice President of Development, Steve Sutton as the Project Manager, and Vanessa Ng as the Project Administrator, with guidance and oversight from Lydia Tan (Executive Vice President) and Carol Galante (CEO).

Outlines of each BRIDGE team member's qualifications are provided below.

Carol Galante, President and CEO

Ms. Galante is responsible for the overall direction of BRIDGE, including real estate development, property and asset management, and corporate administration, as well as its major affiliates such as BUILD, an investment advisor to CalPERS under the California Urban Real Estate Program, and BASS, a licensed life care provider. She joined BRIDGE as Vice President in 1987. Prior to BRIDGE, she was the Executive Director of Eden Housing, Inc., where she developed affordable homes and formed a property management subsidiary. Ms. Galante has also worked for the cities of Santa Barbara, Richmond and Philadelphia. She is a licensed real estate broker and holds a B.A. from Ohio Wesleyan and a Master of City Planning from U.C. Berkeley. Ms. Galante serves as Vice Chair of the National Housing Partnership Network and is a Director of the California Housing Consortium and the Center for Creative Land Recycling. In June 2005, the State Senate appointed Ms. Galante to the California Housing Finance Agency Board of Directors. She is also a member of the Advisory Board for the Bay Area Council, sits on the advisory committees of several banks, and is active in the Urban Land Institute. Ms. Galante co-chaired California's

successful Proposition 1C campaign in 2006 that garnered approval for a \$2.85 billion bond for affordable housing and urban infill development.

Lydia Tan, Executive Vice President

Ms. Tan oversees real estate development and project finance activities for the company. In her 15 years at BRIDGE, Ms. Tan has managed or overseen a wide range of developments throughout the State, including mixed income, mixed use and transit oriented development, resulting in the production of more than 8,500 new homes. Ms. Tan is a registered architect, with an A.B. Architecture degree from the University of California, Berkeley, and a Masters in Business Administration from Stanford University. She currently serves on the Board of Directors of SPUR, the Northern California Community Loan Fund and the California Organized Investment Network. She is also the Planning Commissioner for Santa Clara County and a member of the Urban Land Institute.

Brad Wiblin, Vice President

Mr. Wiblin joined BRIDGE in 1994. Prior to joining BRIDGE, Mr. Wiblin worked as a land planner and urban designer primarily responsible for the design elements of residential and mixed-use communities. Since joining BRIDGE, Mr. Wiblin has completed the development of over 1,500 units of affordable and market-rate housing in San Jose, Irvine, Carlsbad, San Marcos and San Diego, and is currently managing the development of over 500 units of market rate and affordable housing. Mr. Wiblin holds a Bachelor of Science in Design from Arizona State University and a Masters of City Planning from the University of California Berkeley.

Steven Sutton, Project Manager

Mr. Sutton joined BRIDGE Housing Corporation's San Diego office as a Project Manager in 2005 and is currently working on the mixed use project on Commercial and 22nd Street. Prior to joining BRIDGE, Mr. Sutton was with the San Diego non profit Community HousingWorks where he managed the development of acquisition/rehab and new construction. Prior to his work in development Mr. Sutton's experience also includes several years working in public affairs both in San Diego and the Bay Area. Mr. Sutton holds a Juris Doctorate from Tulane School of Law and Bachelor of Arts from the University of San Francisco.

Vanessa Ng, Project Administrator

Ms. Ng joined BRIDGE in November 2006 as a Project Administrator and is involved with various aspects of the development process for all Southern California projects. Prior to joining BRIDGE, Ms. Ng worked as a land use consultant for the County of Riverside, where she managed the entitlement process for over 100 major development proposals. Her work at the County was highly specialized in the entitlements of master-planned communities. Ms. Ng earned a Bachelor of Science in Public Policy, Management, and Planning from the University of Southern California in 2004.

23. Does any member of the governing body of the San Diego Housing Commission ("COMMISSION"), Housing Authority of the City of San Diego ("AUTHORITY") or City of San Diego ("CITY"), to which the accompanying proposal is being made or any officer or employee of the COMMISSION, the AUTHORITY or the CITY who exercises any functions or responsibilities in connection with the carrying out of the project covered by the CONTRACTOR's proposal, have any direct or indirect personal financial interest in the CONTRACTOR or in the proposed contractor? ☐ Yes ☒ No

If yes, explain.

24. Statements and other evidence of the CONTRACTOR's qualifications and financial responsibility (other than the financial statement referred to in Item 8) are attached hereto and hereby made a part hereof as follows:

No additional items are attached.

25. Is the proposed CONTRACTOR, and/or are any of the proposed subcontractors, currently involved in any construction-related litigation? ☒ Yes ☐ No

If yes, explain:

LITIGATION INFORMATION

BRIDGE Housing Corporation

Date	2005
Place	San Mateo County, CA
General Description	Wrongful death & breach of contract claim by surviving family of resident of senior care facility
Current Status	Court verdict in our favor

Date	2004
Place	Marin County, CA
General Description	Claim BY BRIDGE against contractor for construction defects
Current Status	Terms Settled - Agreement under negotiation

Date	2004
Place	Alameda County, CA
General Description	Claim BY BRIDGE against contractor for construction defects
Current Status	Terms Settled - Agreement under negotiation

6 (A) -10

26.

State the name, address and telephone numbers of CONTRACTOR's insurance agent(s) and/or companies for the following coverages: List the amount of coverage (limits) currently existing in each category:

- a. General Liability, including Bodily Injury and Property Damage Insurance [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

Check coverage(s) carried:

- ☐ Comprehensive Form
- ☐ Premises - Operations
- ☐ Explosion and Collapse Hazard
- ☐ Underground Hazard
- ☐ Products/Completed Operations Hazard
- ☐ Contractual Insurance
- ☐ Broad Form Property Damage
- ☐ Independent Contractors
- ☐ Personal Injury

- b. Automobile Public Liability/Property Damage [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

Check coverage(s) carried:

- ☐ Comprehensive Form
- ☐ Owned
- ☐ Hired
- ☐ Non-Owned

- c. Workers Compensation [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

- d. Professional Liability (Errors and Omissions) [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

- e. Excess Liability [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

- f. Other (Specify) [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

27. CONTRACTOR warrants and certifies that it will not during the term of the PROJECT, GRANT, LOAN, CONTRACT, DEVELOPMENT and/or RENDITIONS OF SERVICES discriminate against any employee, person, or applicant for employment because of race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the COMMISSION setting forth the provisions of this nondiscrimination clause.

28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the COMMISSION, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the COMMISSION, during the term of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT and/or RENDITION OF SERVICES.
29. CONTRACTOR warrants and certifies that no member, commissioner, councilperson, officer, or employee of the COMMISSION, the AUTHORITY and/or the CITY, no member of the governing body of the locality in which the PROJECT is situated, no member of the government body in which the Commission was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, has during his or her tenure, or will for one (1) year thereafter, have any interest, direct or indirect, in this PROJECT or the proceeds thereof.

30. List all citations, orders to cease and desist, stop work orders, complaints, judgments, fines, and penalties received by or imposed upon CONTRACTOR for safety violations from any and all government entities including but not limited to, the City of San Diego, County of San Diego, the State of California, the United States of America and any and all divisions and departments of said government entities for a period of five (5) years prior to the date of this statement. If none, please so state:

NONE.

Government Entity
Making Complaint

Date

Resolution

31. Has the CONTRACTOR ever been disqualified, removed from or otherwise prevented from bidding on or completing a federal, state, or local government project because of a violation of law or a safety regulation. If so, please explain the circumstances in detail. If none, please so state:

NONE.

32. Please list all licenses obtained by the CONTRACTOR through the State of California and/or the United States of America which are required and/or will be utilized by the CONTRACTOR and/or are convenient to the performance of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT, or RENDITION OF SERVICES. State the name of the governmental agency granting the license, type of license, date of grant, and the status of the license, together with a statement as to whether the License has ever been revoked:

<u>Governmental</u> <u>Agency</u>	<u>Description</u> <u>License</u>	<u>License</u> <u>Number</u>	<u>Date Issued</u> <u>(original)</u>	<u>Status</u> <u>(current)</u>	<u>Revocation</u> <u>(yes/no)</u>
--------------------------------------	--------------------------------------	---------------------------------	---	-----------------------------------	--------------------------------------

NOT APPLICABLE.

33. Describe in detail any and all other facts, factors or conditions that may adversely affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, SALES of Real Property to, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the COMMISSION.

NO FACTORS IDENTIFIED.

34. Describe in detail, any and all other facts, factors or conditions that may favorably affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the COMMISSION.

NO FACTORS IDENTIFIED.

35. List all CONTRACTS with, DEVELOPMENTS for or with, LOANS with, PROJECTS with, GRANTS from, SALES of Real Property to, the COMMISSION, AUTHORITY and/or the CITY within the last five (5) years:

<u>Date</u>	<u>Entity Involved</u> (i.e., CITY, COMMISSION, etc.)	<u>Status</u> (Current, delinquent repaid, etc.)	<u>Dollar</u> <u>Amount</u>
2001	Housing Commission	Current	\$910,000

36. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, been the subject of a complaint filed with the Contractor's State License Board (CSLB)? ___ Yes X No

If yes, explain:

37. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, had a revocation or suspension of a CONTRACTOR's License?

☐ Yes ☒ No

If yes, explain:

38. List three local references who would be familiar with your previous construction project:

Name: Wemers Multifamily Corp. – Tom Werners

Address: 5120 Shoreham Place, Suite 150, San Diego, CA 92122

Phone: (858) 535-1475

Project Name and Description:

Woodbury Walk Apartments is a 150-unit family rental development recently completed in Irvine, CA.

Name: KTG Y Group – Chris Texter

Address: 17992 Mitchell South, Irvine, CA 92614

Phone: (949) 851-2133

Project Name and Description:

Sage Canyon Apartments is a 72-unit family rental development in San Marcos, CA.

Name: City of Carlsbad – Debbie Fountain

Address: 2965 Roosevelt Street, Suite B, Carlsbad, CA 92008

Phone: (760) 434-2815

Project Name and Description:

Villa Loma Apartments is a 344-unit family rental development in Carlsbad, CA.

39. Give a brief statement respecting equipment, experience, financial capacity and other resources available to the Contractor for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment and the general experience of the Contractor.

See narrative provided in item #22.

40. Give the name and experience of the proposed Construction Superintendent.

A construction superintendent has not been selected at this time.

CONSENT TO PUBLIC DISCLOSURE BY CONTRACTOR

By providing the "Personal Information", (if any) as defined in Section 1798.3(a) of the Civil Code of the State of California (to the extent that it is applicable, if at all), requested herein and by seeking a loan from, a grant from, a contract with, the sale of real estate to, the right to develop from, and/or any and all other entitlements from the SAN DIEGO HOUSING COMMISSION ("COMMISSION"), the HOUSING AUTHORITY OF THE CITY OF SAN DIEGO ("AUTHORITY") and/or the CITY OF SAN DIEGO ("CITY"), the CONTRACTOR consents to the disclosure of any and all "Personal Information" and of any and all other information contained in this Public Disclosure Statement. CONTRACTOR specifically, knowingly and intentionally waives any and all privileges and rights that may exist under State and/or Federal Law relating to the public disclosure of the information contained herein. With respect to "Personal Information", if any, contained herein, the CONTRACTOR, by executing this disclosure statement and providing the information requested, consents to its disclosure pursuant to the provisions of the Information Practices Act of 1977, Civil Code Section 1798.24(b). CONTRACTOR is aware that a disclosure of information contained herein will be made at a public meeting or meetings of the COMMISSION, the AUTHORITY, and/or the CITY at such times as the meetings may be scheduled. CONTRACTOR hereby consents to the disclosure of said "Personal Information", if any, more than thirty (30) days from the date of this statement at the duly scheduled meeting(s) of the COMMISSION, the AUTHORITY and/or the CITY. CONTRACTOR acknowledges that public disclosure of the information contained herein may be made pursuant to the provisions of Civil Code Section 1798.24(d).

CONTRACTOR represents and warrants to the COMMISSION, the AUTHORITY and the CITY that by providing the information requested herein and waiving any and all privileges available under the Evidence Code of the State of California, State and Federal Law, (to the extent of this disclosure that the information being submitted herein), the information constitutes a "Public Record" subject to disclosure to members of the public in accordance with the provisions of California Government Section 6250 et seq.

CONTRACTOR specifically waives, by the production of the information disclosed herein, any and all rights that CONTRACTOR may have with respect to the information under the provisions of Government Code Section 6254 including its applicable subparagraphs, to the extent of the disclosure herein, as well as all rights of privacy, if any, under the State and Federal Law.

Executed this 19 day of December, 2007, at San Francisco, California.

CONTRACTOR

By:


Signature

Executive Vice President

Title

CERTIFICATION

The CONTRACTOR, COMM 22, LLC, hereby certifies that this CONTRACTOR's Statement for Public Disclosure and the attached information/evidence of the CONTRACTOR's qualifications and financial responsibility, including financial statements, are true and correct to the best of CONTRACTOR's knowledge and belief.

By: [Signature] By: _____
Title: Executive Vice President Title: _____
Dated: December 19, 2007 Dated: _____

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willingly makes or uses a document or writing containing any false, fictitious or fraudulent statement or entry, in any matter within the jurisdiction or any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

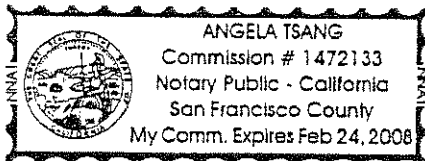
JURAT

State of California

County of San Francisco

Subscribed and sworn to (or affirmed) before me on this 19th day of December, 2007

by Lydia Tan personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

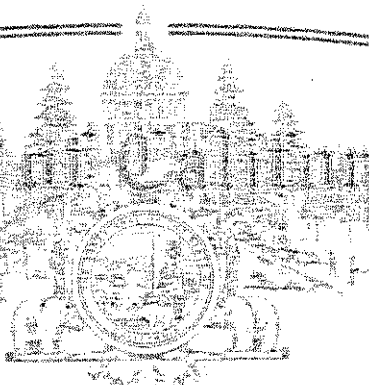


SEAL

[Signature]
Signature of Notary

DISCLOSE.PUB

State of California



SECRETARY OF STATE

I, *Kevin Shelley*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

NOV 09 2004



Kevin Shelley
Secretary of State



State of California
Kevin Shelley
Secretary of State

LIMITED LIABILITY COMPANY
ARTICLES OF ORGANIZATION

NOTE: A limited liability company is not permitted to render professional services.

A \$70.00 filing fee must accompany this form.

File # 200431310257

ENDORSED - FILED

in the office of the Secretary of State
of the State of California

NOV 05 2004

KEVIN SHELLEY
Secretary of State

IMPORTANT - Read instructions before completing this form.

This Space For Filing Use Only

1. NAME OF THE LIMITED LIABILITY COMPANY (END THE NAME WITH THE WORDS "LIMITED LIABILITY COMPANY," "LTD. LIABILITY CO.," OR THE ABBREVIATIONS "LLC" OR "L.L.C.")
COMM 22, LLC

2. THE PURPOSE OF THE LIMITED LIABILITY COMPANY IS TO ENGAGE IN ANY LAWFUL ACT OR ACTIVITY FOR WHICH A LIMITED LIABILITY COMPANY MAY BE ORGANIZED UNDER THE BEVERLY-KILLEA LIMITED LIABILITY COMPANY ACT.

INITIAL AGENT FOR SERVICE OF PROCESS - If the agent is an individual, the agent must reside in California and both items 3 and 4 must be completed. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and item 3 must be completed (leave item 4 blank).

3. NAME OF THE INITIAL AGENT FOR SERVICE OF PROCESS Carol Galante

4. IF AN INDIVIDUAL, THE ADDRESS OF THE INITIAL AGENT FOR SERVICE OF PROCESS IN CALIFORNIA

ADDRESS 345 Spear Street, Ste. 700

CITY San Francisco

STATE CA

ZIP CODE 94105

5. THE LIMITED LIABILITY COMPANY WILL BE MANAGED BY: (CHECK ONLY ONE)

☐

ONE MANAGER

☐

MORE THAN ONE MANAGER

☒

ALL LIMITED LIABILITY COMPANY MEMBER(S)

6. ADDITIONAL INFORMATION SET FORTH ON THE ATTACHED PAGES, IF ANY, IS INCORPORATED HEREIN BY THIS REFERENCE AND MADE A PART OF THIS CERTIFICATE.

7. TYPE OF BUSINESS OF THE LIMITED LIABILITY COMPANY (FOR INFORMATIONAL PURPOSES ONLY)

Facilitate and coordinate, among other things, economic development and housing activities in San Diego County.

8. I DECLARE I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS MY ACT AND DEED.

SIGNATURE OF ORGANIZER

Kevin Lutz
Kevin Lutz, Organizer

TYPE OR PRINT NAME OF ORGANIZER

November 5, 2004

DATE

9. RETURN TO:

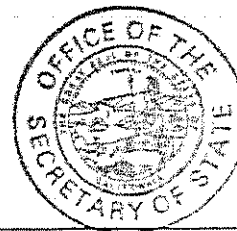
NAME Jenny Collins

FIRM Goldfarb & Lipman

ADDRESS 1300 Clay Street, 9th Floor

CITY/STATE Oakland, CA 94612

ZIP CODE



APPROVED BY SECRETARY OF STATE

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 02/14/08												
PRODUCER 0726293 1-415-546-9300 Arthur J. Gallagher & Co. Insurance Brokers of California, Inc., License #0726293 One Market Plaza, Spear Tower Suite 200 San Francisco, CA 94105		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
INSURED Bridge Housing Corporation Bridge Property Management 345 Spear Street Suite 700 San Francisco, CA 94105														
		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURERS AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A: Travelers Property Casualty Company of</td> <td>25674</td> </tr> <tr> <td>INSURER B: Federal Ins Co</td> <td>20281</td> </tr> <tr> <td>INSURER C: Zenith Ins Co</td> <td>13269</td> </tr> <tr> <td>INSURER D: Fidelity & Deposit Co Of MD</td> <td>39306</td> </tr> <tr> <td>INSURER E: Great American Ins Co</td> <td>16691</td> </tr> </table>	INSURERS AFFORDING COVERAGE	NAIC #	INSURER A: Travelers Property Casualty Company of	25674	INSURER B: Federal Ins Co	20281	INSURER C: Zenith Ins Co	13269	INSURER D: Fidelity & Deposit Co Of MD	39306	INSURER E: Great American Ins Co	16691
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INSURER E: Great American Ins Co	16691													

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS		
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	\$ \$ \$ \$ \$	
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	BA435H825907	07/01/07	07/01/08	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	\$1,000,000 \$ \$ \$	
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	\$ \$ \$	
B	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ Nil	93631899	02/01/08	01/01/09	EACH OCCURRENCE AGGREGATE	\$10,000,000 \$10,000,000 \$ \$	
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Z065173405	10/14/07	10/14/08	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER		
C	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	Z065173305	10/14/07	10/14/08	E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	\$1,000,000 \$1,000,000 \$1,000,000	
D	OTHER	CCP0064328	08/01/07	08/01/10	Ea Occur/Aggregate	1,000,000	
E	Crime	SAA5594680	08/01/07	08/01/10	Ea Occur/Aggregate	2,000,000	
	Excess Crime	NHP625633	07/01/07	07/01/08	Ea Occur/Aggregate	5,000,000	
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS RE: Evidence of Coverage							

CERTIFICATE HOLDER COMM 22, LLC 345 Spear Street Suite 700 San Francisco, CA 94105 USA	CANCELLATION *10 days notice for non-payment of premium. SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
--	--

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

SUPPLEMENT TO CERTIFICATE OF INSURANCE

DATE
02/14/08

NAME OF INSURED: Bridge Housing Corporation
Bridge Property Management

Additional Description of Operations/Remarks from Page 1:

Additional Information:

**Insurer for the Directors & Officers is as follows:
RSUI Indemnity Company

ACORD™ CERTIFICATE OF LIABILITY INSURANCEDATE (MM/DD/YY)
02/14/08

PRODUCER

IMA of Colorado, Inc.
350 17th Street, Suite 600
Denver, CO 80202
303 534-4567

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED

BRIDGE Housing Corporation
345 Spear St, Ste 700
San Francisco, CA 94105

INSURER A: Lexington Insurance Company

INSURER B:

INSURER C:

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	6992534	01/01/08	01/01/09	EACH OCCURRENCE \$1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire) \$1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$10,000
					PERSONAL & ADV INJURY \$1,000,000
					GENERAL AGGREGATE \$2,000,000
					PRODUCTS - COMP/OP AGG \$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:				
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC				
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS				
	<input type="checkbox"/> NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
	EXCESS LIABILITY				EACH OCCURRENCE \$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$
	<input type="checkbox"/> DEDUCTIBLE				\$
	<input type="checkbox"/> RETENTION \$				\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS OTH-ER
					E.L. EACH ACCIDENT \$
					E.L. DISEASE - EA EMPLOYEE \$
					E.L. DISEASE - POLICY LIMIT \$
A	OTHER Buildings	8258236C	01/01/08	01/01/09	\$75,000,000 Loss Limit
	Personal Property	Bus. Income/Rents			\$5,000 Deductible
	Bld Ordinance and	Boiler & Machinery			SPC/Agreed Value/RC

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Named Insured: COMM 22, LLC

CERTIFICATE HOLDER

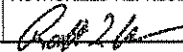
ADDITIONAL INSURED: INSURER LETTER: _____

CANCELLATION

COMM 22, LLC
345 Spear Street, Suite 700
San Francisco, CA 94105

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

ATTACHMENT 6(B) -MAAC

DEVELOPERS/CONSULTANTS/SELLERS/CONTRACTORS/
ENTITY SEEKING GRANT/BORROWERS
(Collectively referred to as "CONTRACTOR" herein)
STATEMENT FOR PUBLIC DISCLOSURE

1. Name of CONTRACTOR: COMM 22, LLC
Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County,
Inc., (MAAC Project).
2. Address and Zip Code: 1355 Third Avenue
Chula Vista, CA 91911
3. Telephone Number: (619) 426-3595 x.256
4. Name of Principal Contact for CONTRACTOR: Arnulfo Manriquez
5. Federal Identification Number or Social Security Number of CONTRACTOR: 95-2457354

6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as:

☐ A corporation (Attach Articles of Incorporation)

☐ A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status).

☐ A partnership known as:

(Name)

Check one

☐ General Partnership (Attach statement of General Partnership)

☐ Limited Partnership (Attach Certificate of Limited Partnership)

☐ A business association or a joint venture known as:

_____ (Attach joint venture or business association agreement)

☐ A Federal, State or local government or instrumentality thereof.

☒ Other (explain) COMM 22, LLC is a limited liability corporation (LLC) which will be subdivided into separate entities. Articles of Organization for COMM 22, LLC have been provided in the original NOFA submittal in December 2007.

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7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization:

Articles of Organization were filed on 11/5/04 and were included in the original NOFA submittal in December 2007.

8. Provide names, addresses, telephone numbers, title of position (if any) and nature and extent of the interest of the current officers, principal members, shareholders, and investors of the CONTRACTOR, other than a government agency or instrumentality, as set forth below:

- a. If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock.
- b. If the CONTRACTOR is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.
- c. If the CONTRACTOR is a partnership, each partner, whether a general or limited, and either the percent of interest or a description of the character and extent of interest.
- d. If the CONTRACTOR is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.
- e. If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

Name, Address and Zip Code _____	Position Title (if any) and percent of interest or description of character and extent of interest
-------------------------------------	--

(Attach extra sheet if necessary)

Organization Information:

Name: MAAC Project
Address: 1355 Third Avenue
Chula Vista, CA 91911
Phone: 619-426-3595
Relationship: Partner
% of Interest: 60%

Executive Staff:

President & CEO:	Antonio V. Pizano
Senior VP:	E. Roger Caldwell
CFO:	Austin Foye
CPO:	Paul Hernandez
COO:	Arnulfo Manriquez

Board of Directors:

Last Name	First Name	Board Position	Professional Occupation	Company	Address		
					Street Address	City	State
Rivera	Arturo	Chair	Finance	Business Consultant	1355 Third Avenue	Chula Vista	CA
Spurling	Carmen	Vice Chair	Community Rep	Community at Large	1355 Third Avenue	Chula Vista	CA
Herrera	Carmen	Secretary	Finance	Sempre	1355 Third Avenue	Chula Vista	CA
Allen	Jesse	Treasurer	Finance	Countrywide Financial	1355 Third Avenue	Chula Vista	CA
Cardoza	Ernest	Director	Finance	Retired CPA	1355 Third Avenue	Chula Vista	CA
Ricasa Bagaporo	Arlie	Director	Counselor	Southwestern College	1355 Third Avenue	Chula Vista	CA
Mangarin	Dan	Director	Attorney	San Diego County	1355 Third Avenue	Chula Vista	CA
Silva	Yvonne	Director	Marketing	SD Union Tribune	1355 Third Avenue	Chula Vista	CA
Roberts	Lucy	Director	Marketing	Self Employed	1355 Third Avenue	Chula Vista	CA
Saucedo	Sal	Director	Community Rep	Retired	1355 Third Avenue	Chula Vista	CA
Tadlock	Steve	Director	Workforce	Southwestern College	1355 Third Avenue	Chula Vista	CA
Hood	Carmen	Director	Community Rep	Head Start Parent	1355 Third Avenue	Chula Vista	CA
Aguirre	Ricardo	Director	Technology	Qualcomm	1355 Third Avenue	Chula Vista	CA
Ayala	Jimmy	Director	Housing Dev.	Pardee Homes	1355 Third Avenue	Chula Vista	CA

% of Interest: 0% Interest.
Officers and Directors are in common.

9. Has the makeup as set forth in Item 8(a) through 8(e) changed within the last twelve (12) months. If yes, please explain in detail. **NO.**

10. Is it anticipated that the makeup as set forth in Item 8(a) through 8(e) will change within the next twelve (12) months? If yes, please explain in detail.

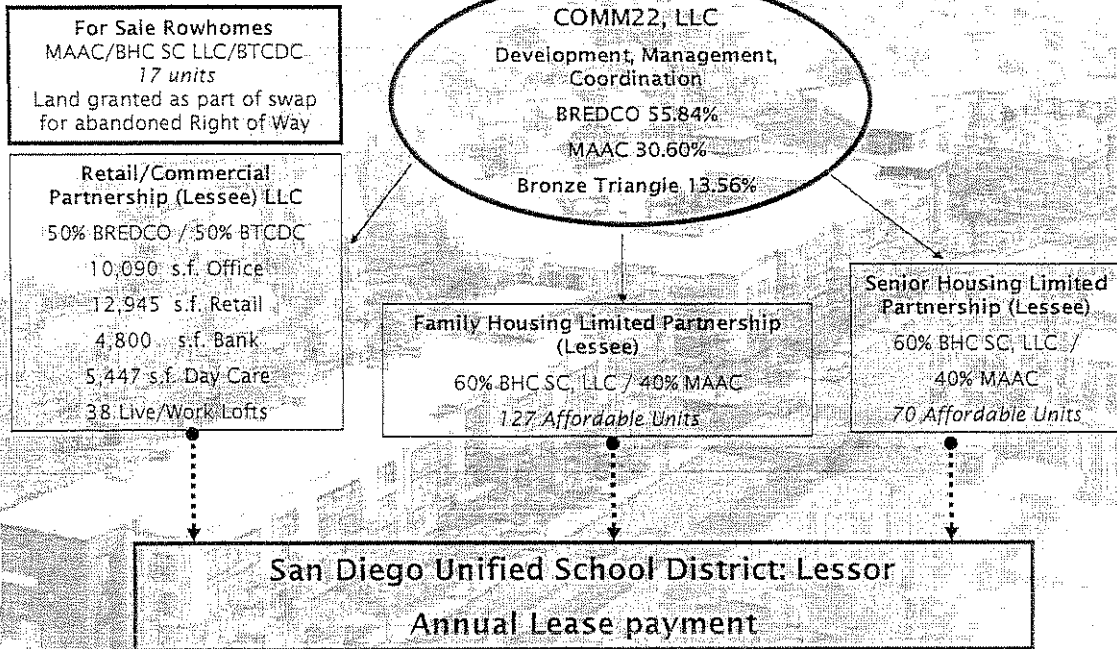
Yes, upon exercise of the Option to Lease with San Diego City Schools (SDCS), COMM 22, LCL will assign its interest to three entities that will build, own, and operate various aspects of the project under individual ground leases. Please see the flowchart below for a summary of the relationship between the development entities and SDCS.

See diagram below.

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COMM||22

BRIDGE Housing Corporation MAAC Project Bronze Triangle CDC



Organizational Structure

11. Provide name, address, telephone number, and nature and extent of interest of each person or entity (not named in response to Item 8) who has a beneficial interest in any of the shareholders or investors named in response to Item 8 which gives such person or entity more than a computed 10% interest in the CONTRACTOR (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the CONTRACTOR or more than 50% of the stock in the corporation which holds 20% of the stock of the CONTRACTOR):

Name, Address and
Zip Code _____

Position Title (if any and
extent of interest _____

Organization Information:

Name: MAAC Project
Address: 1355 Third Avenue
Chula Vista, CA 91911
Phone: 619-426-3595
Relationship: Partner
% of Interest: 60%

Executive Staff:

President & CEO: Antonio V. Pizano
Senior VP: E. Roger Caldwell
CFO: Austin Foye
CPO: Paul Hernandez
COO: Arnulfo Manriquez

Board of Directors:

Last Name	First Name	Board Position	Professional Occupation	Company	Address		
					Street Address	City	State
Rivera	Arturo	Chair	Finance	Business Consultant	1355 Third Avenue	Chula Vista	CA
Spurling	Carmen	Vice Chair	Community Rep	Community at Large	1355 Third Avenue	Chula Vista	CA
Herrera	Carmen	Secretary	Finance	Sempre	1355 Third Avenue	Chula Vista	CA
Allen	Jesse	Treasurer	Finance	Countrywide Financial	1355 Third Avenue	Chula Vista	CA
Cardoza	Ernest	Director	Finance	Retired CPA	1355 Third Avenue	Chula Vista	CA
Ricasa Bagaporo	Arlie	Director	Counselor	Southwestern College	1355 Third Avenue	Chula Vista	CA
Mangarin	Dan	Director	Attorney	San Diego County	1355 Third Avenue	Chula Vista	CA
Silva	Yvonne	Director	Marketing	SD Union Tribune	1355 Third Avenue	Chula Vista	CA
Roberts	Lucy	Director	Marketing	Self Employed	1355 Third Avenue	Chula Vista	CA
Saucedo	Sal	Director	Community Rep	Retired	1355 Third Avenue	Chula Vista	CA
Tadlock	Steve	Director	Workforce	Southwestern College	1355 Third Avenue	Chula Vista	CA
Hood	Carmen	Director	Community Rep	Head Start Parent	1355 Third Avenue	Chula Vista	CA
Aguirre	Ricardo	Director	Technology	Qualcomm	1355 Third Avenue	Chula Vista	CA
Ayala	Jimmy	Director	Housing Dev.	Pardee Homes	1355 Third Avenue	Chula Vista	CA

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12. Names, addresses and telephone numbers (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 8 or Item 11 above:

See item 11 above.

13. Is the CONTRACTOR a subsidiary of or affiliated with any other corporation or corporations, any other firm or any other business entity or entities of whatever nature. If yes, list each such corporation, firm or business entity by name and address, specify its relationship to the CONTRACTOR, and identify the officers and directors or trustees common to the CONTRACTOR and such other corporation, firm or business entity.

See item 11 above.

14. Provide the financial condition of the CONTRACTOR as of the date of the statement and for a period of twenty-four (24) months prior to the date of its statement as reflected in the attached financial statements, including, but not necessarily limited to, profit and loss statements and statements of financial position.

The 2006 audited financial statement for MAAC Project is attached. Note that the 2004/2005 audited financial statements for MAAC Project were included in the original NOFA submittal in December 2007.

15. If funds for the development/project are to be obtained from sources other than the CONTRACTOR's own funds, provide a statement of the CONTRACTOR's plan for financing the development/project:

Financing for the proposed development(s) will include City of San Diego funds, State of California - Prop 1C funds, and Low Income Housing Tax Credit equity, and private financing

16. Provide sources and amount of cash available to CONTRACTOR to meet equity requirements of the proposed undertaking:

- a. In banks/savings and loans:

Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$

- b. By loans from affiliated or associated corporations or firms:

Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$

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- c. By sale of readily salable assets/including marketable securities:

<u>Description</u>	<u>Market Value</u>	<u>Mortgages or Liens</u>
	\$	\$

Please refer to MAAC Project 2006 audited financial statement - Attached.

17. Names and addresses of bank references, and name of contact at each reference:

1. Local Initiatives Support Corporation
450 B Street, Suite 450
San Diego, CA 92101
Contact: Joe Horiye
Phone: (619) 239-6691

2. Bank of America Securities
Dorothy Forbes

Los Angeles, CA 90071
(213) 229-3436

3. National Equity Fund
1055 Wilshire Blvd., Suite 1600
Los Angeles, Ca 90017
Contact: Todd Fabian
Phone: (213) 240-3144

18. Has the CONTRACTOR or any of the CONTRACTOR's officers or principal members, shareholders or investors, or other interested parties been adjudged bankrupt, either voluntary or involuntary, within the past 10 years?
___ Yes X No

If yes, give date, place, and under what name.

19. Has the CONTRACTOR or anyone referred to above as "principals of the CONTRACTOR" been convicted of any felony within the past 10 years? ___ Yes X No

If yes, give for each case (1) date, (2) charge, (3) place, (4) court, and (5) action taken. Attach any explanation deemed necessary.

20. List undertakings (including, but not limited to, bid bonds, performance bonds, payment bonds and/or improvement bonds) comparable to size of the proposed project which have been completed by the CONTRACTOR including identification and brief description of each project, date of completion, and amount of bond, whether any legal action has been taken on the bond:

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<u>Type Bond</u>	<u>Project Description</u>	<u>Date of Completion</u>	<u>Amount of Bond</u>	<u>Action on Bond</u>
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NOT APPLICABLE

21. If the CONTRACTOR, or a parent corporation, a subsidiary, an affiliate, or a principal of the CONTRACTOR is to participate in the development as a construction contractor or builder, provide the following information:

NOT APPLICABLE

- a. Name and addresses of such contractor or builder:
- b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract? ___ Yes ___ No

If yes, please explain, in detail, each such instance:

- c. Total amount of construction or development work performed by such contractor or builder during the last three (3) years: \$

General description of such work:

List each project, including location, nature of work performed, name, address of the owner of the project, bonding companies involved, amount of contract, date of commencement of project, date of completion, state whether any change orders were sought, amount of change orders, was litigation commenced concerning the project, including a designation of where, when and the outcome of the litigation.

- d. Construction contracts or developments now being performed by such contractor or builder:

<u>Identification of Contract or Development</u>	<u>Location</u>	<u>Amount</u>	<u>Date to be Completed</u>
--	-----------------	---------------	-----------------------------

- e. Outstanding construction-contract bids of such contractor or builder:

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date Opened</u>
------------------------	---------------	--------------------

22. Provide a detailed and complete statement respecting equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

MAAC Project

MAAC Project's Housing and Real Estate Development Department has completed over 1,000 units of multi- and single-family affordable housing and continues to provide quality asset and property management to over 800 of those housing units. Affordable Housing Development for MAAC started in the early 1990's, focusing attention to

bringing new residential development to Barrio Logan. In 1994, MAAC completed the new construction of the Mercado Apartments, a 144-unit family rental project financed with Low Income Housing Tax Credits, local subsidies and private financing. It was the Mercado Apartments that created a momentum for MAAC to continue working on developing affordable housing. In 1999 MAAC continued its development of affordable housing by constructing the 136-unit, Laurel Tree Apartments in Carlsbad. In 2002 MAAC completed a new construction development of 118-unit San Martin de Porres Apartments located in Spring Valley.

MAAC Project has also played a key role in preserving affordable housing units by securing private and public investments and acquiring existing affordable housing properties. In 1998, MAAC acquired the 300-unit President John Adams Manor Apartments in San Diego and completed a moderate rehabilitation on the units. This project was financed with private financing and Low Income Housing Tax Credits. Additionally, in 2003, MAAC acquired two troubled multi-family properties at risk of losing their affordability. These most recent acquisitions Villa Lakeshore (34 units) and Mayberry Townhomes (70 units), located in Lakeside and San Diego respectively, were purchased at market values with private financing and public support. Even though both properties were acquired by MAAC, both continue to be works in progress and are included in our development pipeline as they both require rehabilitation and the funding needed to complete it.

MAAC recently completed Seniors on Broadway, a 42-unit mixed use development located in Chula Vista. This project was financed with HOME Funds, LIHTC, AHP, private sources and a long-term land lease from the Chula Vista Elementary School District. Construction was completed in December 2007.

MAAC Project's administrative structure consists of the following executed staff: Board of Directors, Presidents/CEO, Senior Vice-President, Chief Financial Officer, Chief Operating Officer, and Chief Program Officer.

Outlines of each MAAC team member's qualifications are provided below.

Arnulfo Manriquez, Chief Operating Officer

Arnulfo Manriquez has over 14 years of experience in the affordable housing and community development field. Mr. Manriquez received an Urban Studies and Planning degree from the University of California at San Diego in 1993 and a Master of Arts in Leadership and Nonprofit Management from the University of San Diego in 2005. Over the past fourteen years, Mr. Manriquez has been directly involved in the development of over eight hundred affordable housing units in over 9 developments in California, Colorado and Utah. Mr. Manriquez has served in different senior management and executive positions over the last five years at MAAC Project, overseeing the Housing and Real Estate Development activities of the organization. In that time period, MAAC Project has successfully completed the rehabilitation of a 34 unit apartment complex, the new construction of the Seniors on Broadway project in Chula Vista, a 42-unit senior housing project and the financial restructure and start of rehabilitation of a 70 unit apartment complex. Arnulfo Manriquez has an extensive background in development finance using Federal, state and local public programs, including LIHTC, HOME, CDBG, redevelopment funding, as well as other private and conventional financing sources.

Adolfo Ventura, Assistant Project Manager

Mr. Ventura became Assistant Project Manager for MAAC Project in October 2006, working full time on the Commercial and 22nd Street Mixed-Used Project. Mr. Ventura joined MAAC Project Housing and Community Development in March of 2005, as a Community Development Program Coordinator, in charge of coordinating all efforts promoting self-sufficiency to Mercado Apartments' residents. Prior to MAAC Project, Mr. Ventura was coordinating community organizing programs in the nonprofit sector. He holds a bachelors degree in Latin American Studies from the University of California Berkeley and a Master of Arts in Nonprofit Leadership and Management from the University of San Diego.

23. Does any member of the governing body of the San Diego Housing Commission ("COMMISSION"), Housing Authority of the City of San Diego ("AUTHORITY") or City of San Diego ("CITY"), to which the accompanying proposal is being made or any officer or employee of the COMMISSION, the AUTHORITY or the CITY who exercises any functions or responsibilities in connection with the carrying out of the project covered by the CONTRACTOR's proposal, have any direct or indirect personal financial interest in the CONTRACTOR or in the proposed contractor? Yes ___ No X

If yes, explain.

24. Statements and other evidence of the CONTRACTOR's qualifications and financial responsibility (other than the financial statement referred to in Item 8) are attached hereto and hereby made a part hereof as follows:

No additional items are attached.

25. Is the proposed CONTRACTOR, and/or are any of the proposed subcontractors, currently involved in any construction-related litigation? ___ Yes X No

If yes, explain:

26. State the name, address and telephone numbers of CONTRACTOR's insurance agent(s) and/or companies for the following coverages: List the amount of coverage (limits) currently existing in each category:

Geisen Insurance Brokers
Linda Geisen
1174 Surf Crest Drive
San Diego, CA 92154
(619) 661-0641
(619) 661-0642 fax

a. General Liability, including Bodily Injury and Property Damage Insurance [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

Check coverage(s) carried:

- ☐ Comprehensive Form
- ☐ Premises - Operations
- ☐ Explosion and Collapse Hazard
- ☐ Underground Hazard
- ☐ Products/Completed Operations Hazard
- ☐ Contractual Insurance
- ☐ Broad Form Property Damage
- ☐ Independent Contractors
- ☐ Personal Injury

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- b. Automobile Public Liability/Property Damage [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

Check coverage(s) carried:

- ☐ Comprehensive Form
☐ Owned
☐ Hired
☐ Non-Owned

- c. Workers Compensation [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

- d. Professional Liability (Errors and Omissions) [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

- e. Excess Liability [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

- f. Other (Specify) [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

27. CONTRACTOR warrants and certifies that it will not during the term of the PROJECT, GRANT, LOAN, CONTRACT, DEVELOPMENT and/or RENDITIONS OF SERVICES discriminate against any employee, person, or applicant for employment because of race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the COMMISSION setting forth the provisions of this nondiscrimination clause.

28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the COMMISSION, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the COMMISSION, during the term of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT and/or RENDITION OF SERVICES.

29. CONTRACTOR warrants and certifies that no member, commissioner, councilperson, officer, or employee of the COMMISSION, the AUTHORITY and/or the CITY, no member of the governing body of the locality in which the PROJECT is situated, no member of the government body in which the Commission was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, has during his or her tenure, or will for one (1) year thereafter, have any interest, direct or indirect, in this PROJECT or the proceeds thereof.

30. List all citations, orders to cease and desist, stop work orders, complaints, judgments, fines, and penalties received by or imposed upon CONTRACTOR for safety violations from any and all government entities including but not limited to, the City of San Diego, County of San Diego, the State of California, the United States of America and any and all divisions and departments of said government entities for a period of five (5) years prior to the date of this statement. If none, please so state:

Government Entity
Making Complaint

Date

Resolution

NONE

31. Has the CONTRACTOR ever been disqualified, removed from or otherwise prevented from bidding on or completing a federal, state, or local government project because of a violation of law or a safety regulation. If so, please explain the circumstances in detail. If none, please so state:

NONE

32. Please list all licenses obtained by the CONTRACTOR through the State of California and/or the United States of America which are required and/or will be utilized by the CONTRACTOR and/or are convenient to the performance of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT, or RENDITION OF SERVICES. State the name of the governmental agency granting the license, type of license, date of grant, and the status of the license, together with a statement as to whether the License has ever been revoked:

<u>Governmental Agency</u>	<u>Description License</u>	<u>License Number</u>	<u>Date Issued (original)</u>	<u>Status (current)</u>	<u>Revocation (yes/no)</u>
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NOT APPLICABLE.

33. Describe in detail any and all other facts, factors or conditions that may adversely affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, SALES of Real Property to, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the COMMISSION.

NO FACTORS IDENTIFIED.

34. Describe in detail, any and all other facts, factors or conditions that may favorably affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the COMMISSION.

NO FACTORS IDENTIFIED.

35. List all CONTRACTS with, DEVELOPMENTS for or with, LOANS with, PROJECTS with, GRANTS from, SALES of Real Property to, the COMMISSION, AUTHORITY and/or the CITY within the last five (5) years:

<u>Date</u>	<u>Entity Involved</u> (i.e., CITY, COMMISSION, etc.)	<u>Status</u> (Current, delinquent repaid, etc.)	<u>Dollar</u> <u>Amount</u>
2001	San Diego Redevelopment Agency	Current	\$3,423,440
2003	San Diego Housing Commission	Current	\$670,000

36. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, been the subject of a complaint filed with the Contractor's State License Board (CSLB)? ___ Yes No X

If yes, explain:

37. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, had a revocation or suspension of a CONTRACTOR's License?

☐ Yes ☒ No

If yes, explain:

38. List three local references who would be familiar with your previous construction project:

Name: Jaynes Corporation of California—Rick Cohen, Executive Vice President

Address: 111 Elm Street, 4th Floor San Diego, CA 92101

Phone: 619-233-4090

Project Name and Description:

Seniors on Broadway Apartments is a 42-unit affordable senior rental development in Chula Vista, CA.

Name: City of Chula Vista—Diem Do, Development Specialist

Address: 276 Fourth Avenue, Chula Vista, CA 91910

Phone: 619-585-5731

Project Name and Description:

Seniors on Broadway Apartments is a 42-unit affordable senior rental development in Chula Vista, CA.

Name: Rodriguez & Simon Design—Carlos Rodriguez, Architect

Address: 2445 Fifth Avenue, Suite 220, San Diego, CA 92101

Phone: 619-544-8951

Project Name and Description:

Seniors on Broadway Apartments is a 42-unit affordable senior rental development in Chula Vista, CA.

Mercado Apartments is a 144-unit multi-family affordable rental development in San Diego, CA

San Martin de Porres Apartments is a 116-unit multi-family affordable rental development in Spring Valley, CA.

Laurel Tree Apartments is a 136-unit multi-family affordable rental development in Carlsbad, CA.

39. Give a brief statement respecting equipment, experience, financial capacity and other resources available to the Contractor for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment and the general experience of the Contractor.

See Item # 22

40. Give the name and experience of the proposed Construction Superintendent.

A construction superintendent has not been selected at this time.

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CONSENT TO PUBLIC DISCLOSURE BY CONTRACTOR

By providing the "Personal Information", (if any) as defined in Section 1798.3(a) of the Civil Code of the State of California (to the extent that it is applicable, if at all), requested herein and by seeking a loan from, a grant from, a contract with, the sale of real estate to, the right to develop from, and/or any and all other entitlements from the SAN DIEGO HOUSING COMMISSION ("COMMISSION"), the HOUSING AUTHORITY OF THE CITY OF SAN DIEGO ("AUTHORITY") and/or the CITY OF SAN DIEGO ("CITY"), the CONTRACTOR consents to the disclosure of any and all "Personal Information" and of any and all other information contained in this Public Disclosure Statement. CONTRACTOR specifically, knowingly and intentionally waives any and all privileges and rights that may exist under State and/or Federal Law relating to the public disclosure of the information contained herein. With respect to "Personal Information", if any, contained herein, the CONTRACTOR, by executing this disclosure statement and providing the information requested, consents to its disclosure pursuant to the provisions of the Information Practices Act of 1977, Civil Code Section 1798.24(b). CONTRACTOR is aware that a disclosure of information contained herein will be made at a public meeting or meetings of the COMMISSION, the AUTHORITY, and/or the CITY at such times as the meetings may be scheduled. CONTRACTOR hereby consents to the disclosure of said "Personal Information", if any, more than thirty (30) days from the date of this statement at the duly scheduled meeting(s) of the COMMISSION, the AUTHORITY and/or the CITY. CONTRACTOR acknowledges that public disclosure of the information contained herein may be made pursuant to the provisions of Civil Code Section 1798.24(d).

CONTRACTOR represents and warrants to the COMMISSION, the AUTHORITY and the CITY that by providing the information requested herein and waiving any and all privileges available under the Evidence Code of the State of California, State and Federal Law, (to the extent of this disclosure that the information being submitted herein), the information constitutes a "Public Record" subject to disclosure to members of the public in accordance with the provisions of California Government Section 6250 et seq.

CONTRACTOR specifically waives, by the production of the information disclosed herein, any and all rights that CONTRACTOR may have with respect to the information under the provisions of Government Code Section 6254 including its applicable subparagraphs, to the extent of the disclosure herein, as well as all rights of privacy, if any, under the State and Federal Law.

Executed this 20 day of February, 20 18, at San Diego, California.

CONTRACTOR

By: Arnulfo Manriquez
Signature Arnulfo Manriquez
Title Chief Operating Officer

CERTIFICATION

The CONTRACTOR, MMC Project, hereby certifies that this CONTRACTOR's Statement for Public Disclosure and the attached information/evidence of the CONTRACTOR's qualifications and financial responsibility, including financial statements, are true and correct to the best of CONTRACTOR's knowledge and belief.

By: [Signature]

By:

Title: Chief Operating Officer

Title:

Dated: 2/20/08

Dated:

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willingly makes or uses a document or writing containing any false, fictitious or fraudulent statement or entry, in any matter within the jurisdiction or any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

JURAT

State of California

County of _____

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20

by _____ personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature of Notary

SEAL

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**STATE
COMPENSATION
INSURANCE
FUND**

P.O. BOX 420807, SAN FRANCISCO, CA 94142-0807

CERTIFICATE OF WORKERS' COMPENSATION INSURANCE

ISSUE DATE: 07-01-2007

GROUP: 000589
POLICY NUMBER: 0000815-2007
CERTIFICATE ID: 14
CERTIFICATE EXPIRES: 07-01-2008
07-01-2007/07-01-2008SAN DIEGO COMMISSION
9841 RIDGEHAVEN CT
SAN DIEGO CA 92123

SD

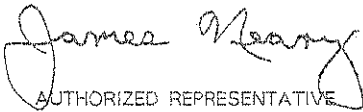
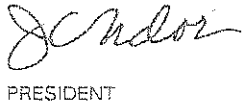
JOB:JOB: ALL OPERATIONS

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 30 days advance written notice to the employer.

We will also give you 30 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.


AUTHORIZED REPRESENTATIVE
PRESIDENT

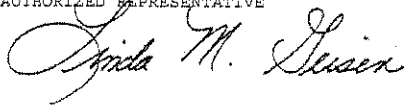
EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

ENDORSEMENT #2065 ENTITLED CERTIFICATE HOLDERS' NOTICE EFFECTIVE 07-01-2005 IS ATTACHED TO AND FORMS A PART OF THIS POLICY.

EMPLOYER

MAAC PROJECT (A NON PROFIT CORP)
22 W 35TH ST
NATIONAL CITY CA 91950

SD

ACORD	CERTIFICATE OF INSURANCE	ISSUE DATE 2/15/2008			
PRODUCER GEISEN INSURANCE BROKERS, INC. 2910 MORNING CREEK RD., SUITE 4 SAN DIEGO CA 91914-4312 Tel (619) 661-0641 Fax (619) 661-0642 INSURED METROPOLITAN AREA ADVISORY COMMITTEE ON ANTI-POVERTY OF SAN DIEGO COUNTY, INC. DBA: MAAC PROJECT 22 WEST 35TH STREET, SUITE 100 NATIONAL CITY, CA 91950		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGES AFFORDED BY THE POLICIES BELOW. COMPANIES AFFORDING COVERAGES COMPANY A GREAT AMERICAN INSURANCE COMPANY COMPANY B PHILADELPHIA INSURANCE COMPANY COMPANY C NON-PROFITS UNITED COMPANY D LEXINGTON INSURANCE COMPANY			
COVERAGES THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE NAMED INSURED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.					
CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (M/D/Y)	EXPIRATION DATE (M/D/Y)	ALL LIMITS IN THOUSANDS
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [] CLAIMS MADE [X] OCCUR. [] OWNER'S & CONTRACTOR'S PROT. []	PAC2153153	7/1/2007	7/1/2008	GENERAL AGGREGATE \$2,000 PRODUCTS-COMP/OPS AGGREGATE \$1,000 PERSONAL & ADVERTISING INJURY \$1,000 EACH OCCURRENCE \$1,000 FIRE DAMAGE (Any one fire) \$300 MEDICAL EXPENSE (Any one person) \$10
C D	AUTOMOBILE LIABILITY [] ANY AUTO [X] ALL OWNED AUTOS [X] SCHEDULED AUTOS [X] HIRED AUTOS [X] NON-OWNED AUTOS	NPU 0620	7/1/2007	7/1/2008	COMBINED SINGLE LIMIT \$5,000 BODILY INJURY (Per person) \$5 BODILY INJURY (Per accident) \$35 PROPERTY DAMAGE \$
A	EXCESS LIABILITY [] [X] OTHER THAN UMBRELLA FORM	EXC2254897	7/1/2007	7/1/2008	EACH OCCURRENCE \$5,000 AGGREGATE \$5,000
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				(each accident) \$ (disease-policy limit) \$ (disease-each employee) \$
B	OTHER DIRECTORS & OFFICERS LIABILITY- CLAIMS MADE; PRIOR ACT DATE 6/22/94	PHSD263975	7/1/2007	7/1/2008	AGGREGATE LIMIT/POLICY YEAR \$2,000 Deductible Amount \$15,000
A	CRIME- EMPLOYEE DISHONESTY	PAC2153153	7/1/2007	7/1/2008	COVERAGE LIMIT \$500
A	PROPERTY- CAUSES OF LOSS- SPECIAL FORM	PAC2153153	7/1/2007	7/1/2008	COVERAGE LIMIT \$ By Location
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS DIRECTORS' & OFFICERS' POLICY INCLUDES EMPLOYMENT PRACTICES LIABILITY COVERAGE					
CERTIFICATE HOLDER			CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30* DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES (* 10 DAYS FOR NON-PAYMENT OF PREMIUM) AUTHORIZED REPRESENTATIVE 		

ACORD 25-S

MAAC RESPONSE TO ITEM NO. 26

6 (B)-18

ATTACHMENT 7 (A)

**BRIDGE HOUSING CORPORATION
AND AFFILIATES**

COMBINED FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

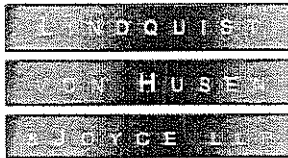
YEAR ENDED DECEMBER 31, 2006

BRIDGE HOUSING CORPORATION AND AFFILIATES
COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

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* * * *



JAMES M. KRAFT
S. SCOTT SEAMANDS
MARK C. WRETAIN
ALEXIS H. WONG
CHARLOTTE NEW-KUN TAY
CATHY L. HWANG
RITA B. DELA CRUZ

Board of Directors
BRIDGE Housing Corporation and Affiliates
San Francisco, California

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying combined statement of financial position of BRIDGE Housing Corporation, a California nonprofit public benefit corporation, and affiliates as of December 31, 2006, and the related combined statements of activities, functional expenses and cash flows for the year ended December 31, 2006. These financial statements are the responsibility of BRIDGE Housing Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of BRIDGE Housing Corporation and affiliates' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements present fairly, in all material respects, the financial position of BRIDGE Housing Corporation and affiliates as of December 31, 2006, and the results of their operations and their cash flows for the year ended December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic combined financial statements taken as a whole. The accompanying supplementary information on pages 25 through 31 is presented for the purpose of additional analysis and is not a required part of the basic combined financial statements. The information has been subjected to the audit procedures applied in the audit of the basic combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic combined financial statements taken as a whole.

Lindquist, von Hussen and Joyce LLP

May 8, 2007

BRIDGE HOUSING CORPORATION AND AFFILIATES
COMBINED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2006

ASSETS

Current assets:	
Cash and cash equivalents	\$ 46,637,000
Accounts receivable – net (Note 3)	2,949,000
Contributions receivable (Note 4)	220,000
Notes receivable (Note 5)	2,523,000
Prepaid expenses and deposits	6,329,000
Impounds (Note 6)	7,338,000
Total current assets	<u>65,996,000</u>
Non-current assets:	
Restricted cash and deposits (Note 7)	40,075,000
Marketable securities (Note 2)	5,015,000
Contributions receivable – net of current portion (Note 4)	134,000
Notes receivable – net of current portion (Note 5)	36,646,000
Prepaid expenses and deposits – net of current portion	15,000
Property and equipment – net (Note 8)	774,361,000
Deferred costs – net (Note 9)	9,297,000
Land under lease and held for development (Note 10)	7,123,000
Other investments (Note 11)	1,603,000
Total non-current assets	<u>874,269,000</u>
Total assets	<u>\$ 940,265,000</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable and accrued expenses	\$ 20,284,000
Notes payable (Note 12)	89,440,000
Interest payable (Note 12)	3,290,000
Deferred revenues (Note 14)	542,000
Security and other deposits	3,781,000
Total current liabilities	<u>117,337,000</u>
Non-current liabilities:	
Notes payable – net of current portion (Note 12)	483,357,000
Interest payable – net of current portion (Note 12)	25,077,000
Deferred revenues – net of current portion (Note 14)	32,056,000
Total non-current liabilities	<u>540,490,000</u>
Total liabilities	<u>657,827,000</u>
Net assets:	
Unrestricted:	
Controlling interests	54,123,000
Non-controlling interests	182,638,000
Total unrestricted	<u>236,761,000</u>
Temporarily restricted (Note 15)	43,927,000
Permanently restricted (Note 16)	1,750,000
Total net assets	<u>282,438,000</u>
Total liabilities and net assets	<u>\$ 940,265,000</u>

The accompanying notes are an integral part of these combined financial statements.

BRIDGE HOUSING CORPORATION AND AFFILIATES
 COMBINED STATEMENT OF ACTIVITIES
 YEAR ENDED DECEMBER 31, 2006

	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Permanently Restricted</i>	<i>Total</i>
Support and revenue:				
Rental income				
– net of vacancies and concessions	\$ 62,249,000	\$ -	\$ -	\$ 62,249,000
Management revenue	4,254,000	-	-	4,254,000
Contributions	748,000	1,509,000	-	2,257,000
Interest income	4,032,000	-	-	4,032,000
Other	2,221,000	-	-	2,221,000
Net assets released				
from restrictions (Note 15)	4,118,000	(4,118,000)	-	-
Total support and revenue	77,622,000	(2,609,000)	-	75,013,000
Expenses:				
Program services	93,736,000	-	-	93,736,000
Supporting services	2,314,000	-	-	2,314,000
Total expenses	96,050,000	-	-	96,050,000
Changes in net assets	(18,428,000)	(2,609,000)	-	(21,037,000)
Net assets, beginning of year	229,983,000	46,536,000	1,750,000	278,269,000
Capital contribution				
– non-controlling interest	25,177,000	-	-	25,177,000
Syndication costs	29,000	-	-	29,000
Net assets, end of year	\$ 236,761,000	\$ 43,927,000	\$ 1,750,000	\$ 282,438,000

The accompanying notes are an integral part of these combined financial statements.

BRIDGE HOUSING CORPORATION AND AFFILIATES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2006

	<i>Program Services</i>	<i>Supporting Services</i>	<i>Total Expenses</i>
Salaries	\$ 6,991,000	\$ 916,000	\$ 7,907,000
Professional and office	11,333,000	686,000	12,019,000
Utilities	6,467,000	143,000	6,610,000
Operating and maintenance	10,827,000	110,000	10,937,000
Taxes and insurance	7,063,000	448,000	7,511,000
Lease	6,521,000	72,000	6,593,000
Residential services	6,315,000	-	6,315,000
Depreciation and amortization	20,657,000	100,000	20,757,000
Interest	20,248,000	647,000	20,895,000
Miscellaneous	2,929,000	26,000	2,955,000
Total expenses before allocation to development in progress	99,351,000	3,148,000	102,499,000
Allocation to development in progress	(5,615,000)	(834,000)	(6,449,000)
Total expenses	<u>\$ 93,736,000</u>	<u>\$ 2,314,000</u>	<u>\$ 96,050,000</u>

The accompanying notes are an integral part of these combined financial statements.

BRIDGE HOUSING CORPORATION AND AFFILIATES
COMBINED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2006

Cash flows from operating activities:	
Change in net assets	\$ (21,037,000)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	20,171,000
Amortization of deferred revenue	(1,405,000)
Contributions earmarked for acquisition of property and equipment	(106,000)
(Increase) decrease in assets:	
Accounts receivable	(82,000)
Contributions receivable	1,157,000
Prepaid expenses and deposits	(1,344,000)
Impounds	14,776,000
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	(9,538,000)
Deferred revenues	226,000
Interest payable	3,629,000
Net cash provided by operating activities	<u>6,447,000</u>
Cash flows from investing activities:	
Collection of notes receivable	2,432,000
Net decrease in other investments	6,787,000
Net decrease in land under lease and held for development	227,000
Net increase in restricted cash and deposits	(4,243,000)
Purchase of marketable securities	(275,000)
Purchase of property and equipment	(76,765,000)
Net increase in deferred costs	(244,000)
Net cash used in investing activities	<u>(72,081,000)</u>
Cash flows from financing activities:	
Proceeds from notes payable	63,975,000
Payment of notes payable	(21,547,000)
Proceeds from capital contributions	25,205,000
Net increase in syndication cost	
Net cash provided by financing activities	<u>67,633,000</u>
Increase in cash and cash equivalents	1,999,000
Cash and cash equivalents, beginning of year	<u>44,638,000</u>
Cash and cash equivalents, end of year	<u>\$ 46,637,000</u>
Supplementary information:	
Cash paid for interest	<u>\$ 14,842,000</u>
Noncash investing and financing activities:	
Assets acquired by assuming current liabilities	<u>\$ 9,199,000</u>
Assets acquired by assuming non-current liabilities	<u>\$ 29,616,000</u>

The accompanying notes are an integral part of these combined financial statements.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

BRIDGE Housing Corporation (BRIDGE) creates high-quality, affordable homes for working families and seniors. With over 10,000 homes placed in service and over 4,000 units currently in progress, BRIDGE is among the largest affordable housing developers in California. BRIDGE builds a range of housing types that not only fit comfortably into their surroundings but also act as the catalyst for revitalizing and strengthening neighborhoods.

BRIDGE is also affiliated with and under common board control with other not-for-profit corporations which have been formed either as supporting entities to BRIDGE, or as instruments to further BRIDGE's organizational objectives. These entities, which are included in the combined financial statements of BRIDGE in accordance with Statement of Position (SOP) 94-3, *Reporting of Related Entities by Not-for-Profit Organizations*, issued by the American Institute of Certified Public Accountants (AICPA), and Emerging Issues Task Force (EITF) Issue No. 04-5, *Determining Whether a General Partner, or the General Partners as a Group, Controls a Limited Partnership or Similar Entity When the Limited Partners Have Certain Rights*, issued by Financial Accounting Standards Board (FASB), are:

- Bay Area Senior Services, Inc. (BASS), the licensee operating The Peninsula Regent (TPR), a senior assisted living facility in San Mateo, California.
- BRIDGE Economic Development Corporation (BREDCO), developer and co-managing member of COMM 22 LLC, developer of property in Fremont, California, developer, lender and land owner of a property in Oakland, California and owner and operator of commercial rental properties developed by BRIDGE.
- BRIDGE Housing Acquisitions, Inc. (BHAJ), owner of The Summit at Hilltop, a 240-unit mixed affordable and market rate apartment complex in Richmond, California.
- BRIDGE Housing Corporation Southern California, Inc., a general partner of Santa Alicia Family Housing Associates, Poinsettia Housing Associates, Carmel Valley Housing Associates, White Dove Canyon Housing Associates, Copper Creek 4% Housing Associates, Copper Creek 9% Housing Associates, Laguna Canyon Housing Associates, Northwood Housing Associates, managing member of BRIDGE SC LLC, which is a general partner of Area F-1 Housing Associates, Woodbury Partners, and co-managing member of CPW One Tribeca, LLC.
- BRIDGE Housing Ventures, Inc. (BHVI), a general partner of Chestnut Linden Associates, Mandela Gateway Associates, and North Beach Housing Associates, and a co-general partner of Marina Annex Associates. BHVI is also a co-limited partner of Pacific Oaks Associates, South San Francisco Magnolia Plaza Associates and SR Fountains Limited Partnership, which are accounted for under the equity method of accounting.
- BRIDGE Infill Development, Inc. (BID), a taxable not-for-profit entity, is a managing member and 2% owner of BRIDGE Urban Infill Land Development, LLC (BUILD). BUILD was formed to acquire, own, develop, manage, lease, finance, construct, redevelop, reposition and ultimately dispose of real and personal properties. BID is the managing member and the State of California Public Employees' Retirement System (CalPERS), is the non-managing member of BUILD, which is accounted for under the equity method of accounting.
- BRIDGE Homes, Inc., developer of an affordable ownership housing project in Marin City, California and the general partner of Mandela Gateway Townhomes, LLC.
- BRIDGE Regional Partners (BRP), a developer of affordable housing properties and owner of land in Fremont, California.
- BRIDGE Properties, Inc. (BPI), a taxable not-for-profit entity, provider of property management services to a project co-developed by BRIDGE.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

- BRIDGE Property Management Company (BPMC), provider of property and marketing services to rental properties developed by BRIDGE or acquired by other related entities.
- BRIDGE West Oakland Housing, Inc., BOMH, Inc., Redwood Shores Housing, Inc., Chestnut Creek, Inc., Emeryville Senior Housing, Inc., Alto Station, Inc., Brisbane Senior Housing, Inc., and Bayview Senior Housing, Inc., recipients of grants and loans mainly from the U.S. Department of Housing and Urban Development (HUD), for the rehabilitation and/or construction of housing properties in Oakland, Vallejo and South San Francisco, California, and owners and operators of affordable housing properties in Emeryville, Mill Valley, San Rafael, Brisbane, and San Francisco, California.
- BLP, Inc., developer of a senior assisted living facility in Pleasanton, California.
- HomeBricks, Inc., provider of home ownership services and mortgage assistance programs.
- Northpoint Housing, Inc., a general partner of Canal Housing Associates, Chelsea Housing Associates, Northpoint Housing Associates, Northpoint II Housing Associates, and managing member of BRIDGE Tower LLC, who is the general partner of Irvington Development Group, LP, Grand Oak Associates, Jennings Avenue Associates, 14th Street Associates, Cottonwood Creek Associates, Cinnabar Commons II, LP, Kentfield Associates, LP, Trestle Glen Associates, LP, and a co-general partner of Marina Tower Associates.
- Single-purpose not-for-profit corporations holding a controlling general partner interest (ranging from .01% to 1%) in their respective limited partnerships providing affordable housing:

Not-For-Profit Corporation	Limited Partnership(s)
BRIDGE Terraza, Inc.	La Terraza Associates
BRIDGE Third Street, Inc.	YWCA Villa Nueva Partners
Church Street Housing, Inc.	Church Street Housing Associates and Bridge Grayson Creek Associates
Coggins Square, Inc.	Coggins Square Associates
Danville Senior Housing, Inc.	Danville Senior Housing Associates and Sanraf Associates
Fell Street Housing, Inc.	Fell Street Housing Associates
Hercules Senior Housing, Inc.	Hercules Senior Housing Associates and Pinole Grove Associates
Hotel Don, Inc.	Hotel Don Associates
Milpitas Housing, Inc.	Milpitas Housing Associates
Northside Senior Housing, Inc.	Northside Senior Housing Associates
Ohlone Housing Corporation	Ohlone Housing Associates
Roberts Avenue, Inc.	Roberts Avenue Senior Housing, LP
Rotary Valley, Inc.	Rotary Valley Associates
San Marcos Family Housing, Inc.	Terra Cotta Housing Associates
Site K, Inc.	South Beach Family Associates
Strobridge Housing, Inc.	Strobridge Housing Associates
Winfield Hill, Inc.	Winfield Hill Associates and Richmond City Center Associates

- Single-purpose not-for-profit corporations holding a general partner interest (ranging from .01% to 1%) in their respective limited partnerships providing affordable housing. BRIDGE's officers and/or board have majority control over these entities:

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

Not-For-Profit Corporation	Limited Partnership(s)
Calistoga Brannan Housing, Inc.	Calistoga Brannan Housing Associates
Hunt Avenue, Inc.	Hunt Avenue Associates
Metro Senior Homes, Inc.	Metro Senior Housing Associates
Nairobi Housing, Inc.	Nairobi Housing Associates
Silverado Creek Housing, Inc.	Silverado Creek Partners

- BRIDGE is a general partner of Drake Marin Associates and owner of land in Livermore, California. BRIDGE is also a co-general partner of Pacific Oaks Associates, South San Francisco Magnolia Plaza Associates, Cinnabar Commons, L.P. and Cinnabar Commons II, L.P., and San Rafael Apartments LP, which are accounted for under the equity method of accounting.
- The combined financial statements do not include single-purpose not-for-profit corporations holding a general partner interest (ranging from .01% to 1%) in their respective limited partnerships providing affordable housing for which BRIDGE's officers and/or board are deemed not to have majority control, namely:

Not-For-Profit Corporation	Limited Partnership(s)
Bernal Senior Housing Corporation	Bernal Senior Housing Partners
Centertown, Inc.	Centertown Associates
Emery BRIDGE, Inc.	Emery Bay II Associates
SR Senior Housing, Inc.	SR Fountains Limited Partnership

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Principles of Combination

Not-for-Profit Corporations

The combined financial statements include the accounts of BRIDGE (Parent) and other not-for-profit entities that are commonly controlled by BRIDGE's Officers or Board of Directors, including those not-for-profit entities that are majority controlled by BRIDGE. Other not-for-profit entities, over which BRIDGE does not exercise majority control, are not included in the combined financial statements. All material intercompany balances and transactions have been eliminated in the combined financial statements.

Limited Partnerships

Partnerships that are controlled by BRIDGE or its affiliated not-for-profit entities are included in the combined financial statements. Partnerships over which BRIDGE or its affiliates exercise significant influence are included in the financial statements using the equity method of accounting.

The partnership interests generally range from .01% to 1.0% with the remainder of the partnership's equity generally held by a limited partner and shown as non-controlling interests in unrestricted net assets.

Basis of Presentation

The combined financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, financial statements are presented on the basis of unrestricted, temporarily restricted and permanently restricted net assets predicated on the existence of donor-imposed restrictions.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

Unrestricted

Unrestricted net assets consist of all resources of BRIDGE which have not been specifically restricted by a donor.

Temporarily Restricted

Temporarily restricted net assets consist of cash and other assets received with donor stipulations that limit their use. Donor restrictions are stipulated by either a time restriction or a purpose restriction. Upon expiration of a time restriction or completion of a purpose restriction, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted

Permanently restricted net assets consist of assets whose use has been restricted for investment in perpetuity.

The combined financial statements generally reflect the same classification of net assets as appears on the individual financial statements of each affiliated entity, except for the unamortized portion of forgivable loans from HUD under the Section 202 program or the Multifamily Property Disposition – Upfront Grant which are recorded as temporarily restricted net assets in the combined financial statements.

The financial statements of one of the affiliates have additionally been prepared in accordance with applicable provisions of the Audit and Accounting Guide, *Health Care Organizations*, issued by the AICPA, with respect to accounting for the long-term obligation to provide continuing care and the use of the facility to current residents.

Cash and Cash Equivalents

BRIDGE and affiliates consider all highly liquid debt instruments purchased with an original maturity of one year or less to be cash equivalents. BRIDGE's board has designated certain cash and cash equivalents for the development of affordable homes and for operating and replacement reserves at one of the properties. Donor restricted cash represents amounts received with donor stipulations that limit the use of the donated assets. Not included as cash equivalents are funds restricted as to their use such as reserves for replacements, operations and security deposits.

Cash and cash equivalents as of December 31, 2006 include board designated cash of \$2,132,000 and donor restricted cash of \$2,111,000.

Marketable Securities

Marketable securities are stated at fair value and consist of the following:

- A money market fund that invests in government obligations. As of December 31, 2006, the balance was \$4,374,000 of which \$4,366,000 was designated for operating and replacement reserves at one of the properties.
- Bonds, to be held to maturity, are stated at amortized cost.

Fair Value of Financial Instruments

The carrying value of cash and cash equivalents approximates fair value due to the short-term maturity of these instruments. It is not practicable for management to estimate the fair value of accounts and notes receivable and notes payable because of the nature of such instruments and because there is no readily available market information for financial instruments with similar terms.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

Revenue Recognition

BRIDGE earns fees for development of properties and generally recognizes the fees as earned over the development period as follows:

- 30% of each anticipated total developer fee is recorded when the predevelopment phase ends and the construction period begins;
- 70% is recorded throughout the construction period based on the percentage of completion as gauged by the general contractor's progress billing.

An allowance of 5% of the fee is reserved until the Internal Revenue Service Form 8609 is obtained, or its equivalent, to signify completion of the development process.

Development fees recognized from combined affiliates or consolidated subsidiaries are eliminated as intercompany transactions. BRIDGE estimates that 70% of its development fees cover related project costs. Project costs include costs of development, such as consultants, allocated internal salaries and benefits, related overhead, and other non-reimbursed fees that are ordinarily capitalized, which are presented on the statement of functional expenses as allocation to development in progress. Therefore, real property costs have been reduced by 30% of the developer fees.

Revenue from the sales of condominium leasehold interests and related memberships at one of the properties, net of related deferred project costs, is recognized on the straight-line basis over the 40-year lease term. Net revenue arising from the transfer fees out of subsequent re-sales of condominium leasehold interests and related memberships is recognized over the remaining lease term. Unrecognized revenue from transfer fees of a previous resale is recognized in full in the year of the subsequent resale.

Revenue from resident fees, rents and services is recognized in the period rendered. Rental income is shown at its maximum gross potential. Vacancy loss and concessions are shown as a reduction of rental income. Rental units occupied by employees are included in rental income and as an expense of operations. Most of the rental income is received under short-term residential leases.

Revenue from long-term leases on land is recorded in the period earned, according to lease contract terms. In many situations, rental revenue is payable only from excess cash and is recorded when cash is received. Such intercompany revenue has been eliminated in the combined financial statements.

Management Revenue and Related Accounts

BRIDGE provides property management, bookkeeping and asset management services. Income is earned in accordance with the terms of the agreements and recorded as revenue. Such intercompany revenue has been eliminated in the combined financial statements. BRIDGE also provides investment management, marketing and other services.

Contributions

Contributions are recognized as revenue when unconditionally promised. Noncash contributions are recorded at their estimated fair value when received. Contributions to be received after one year are discounted at an appropriate discount rate when material.

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BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

Allowances for Uncollectible Accounts

The allowances for uncollectible accounts are determined on specific identification basis, based upon management's assessment. Management determines the allowance for uncollectible amounts based on historical experience, current economic conditions and by regularly evaluating individual receivables.

Management elects to record bad debts using the direct write-off method related to rents for the housing properties. Accounting principles generally accepted in the United States of America require that the allowance method be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the result that would have been obtained had the allowance method been followed.

Other Investments

Other investments in a for profit entity, taxable not-for-profit entities, and other not-for-profit organizations are recorded using the cost or equity method of accounting, depending on the level of ownership and control. Investments in entities which are 100% or majority controlled by BRIDGE are eliminated in the combined financial statements.

Mortgage loans held for investment are second deeds of trust and are valued at aggregate cost. Cost consists of loan principal balance, less allowance for losses, if any.

Property and Equipment, Leasehold Improvements, Ground Lease and Deferred Costs

Property and equipment are stated at cost of acquisition or construction, or fair value if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Maintenance, repair, and renewals, which neither materially add to the value of the property nor appreciably prolong its life, are charged to expense as incurred.

Development in progress is not depreciated until the completion of the development.

Deferred costs are incurred in order to obtain permanent financing and tax credits for the properties. Deferred costs are stated at cost and amortized on a straight-line basis. Organization costs are expensed as incurred.

The useful lives of the assets are estimated as follows:

Buildings and improvements	15 to 55 years
Furniture, fixtures and equipment	3 to 12 years
Tax credit costs	10 years
Permanent loan costs	15 to 55 years

In accordance with Statement of Financial Accounting Standards (SFAS) No. 144, *Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of*, BRIDGE reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property, including the low-income housing tax credits and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There were no impairment losses recognized in 2006.

Land

Purchased land is carried at cost. Donated land is carried at estimated fair market value at the date of donation. BRIDGE leases most of its land to affiliated affordable housing developments under long-term leases.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

Accounting for Leases

Leasehold interests of several combined entities are not subject to capitalization and thus are accounted for as operating leases. Prepaid ground leases are an allocation of the total cost of the property which are amortized over the respective lease terms.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

BRIDGE is a not-for-profit corporation pursuant to the Internal Revenue Code Section 501(c)(3) and related California code sections, and, accordingly, is exempt from federal and state income taxes on related business income. BID and BPI are the only entities combined which are not tax-exempt. Deferred income taxes do not arise from the operations of these entities in a material amount. The income or loss from the partnerships is reported by the partners on their income tax returns.

Guarantees

BRIDGE has adopted Financial Accounting Standards Board Interpretation No 45 (FIN 45) – *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Direct Guarantees of Others*. FIN 45 requires a liability to be recorded for the fair value of the stand ready obligation associated with a guarantee issued after December 31, 2002. Guarantees issued between entities under common control or on behalf of an entity under common control are excluded. Consequently, no liabilities have been recorded as all guarantees are considered to be issued to entities under common control (see Note 19).

Allocation of Partnership Income/Loss and Tax Credits

The affiliated partnerships are generally expected to generate low-income housing credits, which will be allocated in the same manner as the income or loss of each partnership. Because the limited partners' losses are limited to their investments, the limited partners' equity will not be reduced below zero unless future capital contributions will be made in an amount sufficient to absorb the losses. All remaining losses are allocated to the general partners.

Functional Expense Allocation

The costs of providing program services and supporting services have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, certain costs have been allocated among program services and supporting services based on estimates of employees' time incurred and on usage of resources.

Program services include all expenses relating to development, management of properties, and resident services. Supporting services consist of management and general expenses. Fundraising expenses are not significant and are included in supporting services.

Related-party Transactions

Most related-party transactions have been eliminated in the combined financial statements. The remaining related-party transactions are not material.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of December 31, 2006 consist of the following:

Reimbursable costs	\$ 1,273,000
Rent	985,000
Management and consulting fees	776,000
Other	35,000
	<u>3,069,000</u>
Less: allowance for uncollectible accounts	<u>120,000</u>
Total	<u>\$ 2,949,000</u>

NOTE 4 – CONTRIBUTIONS RECEIVABLE

Contributions receivable, as of December 31, 2006, are comprised of the following:

Stein Educational Program	\$ 195,000
Neighborhood Partnership Initiative	100,000
Building and Technology Initiative	54,000
	<u>354,000</u>
Less: current portion	<u>220,000</u>
Non-current portion	<u>\$ 134,000</u>

Contributions are expected to be received as follows:

	<u>Year ended December 31,</u>
2007	\$ 220,000
2008	75,000
2009	<u>59,000</u>
	<u>\$ 354,000</u>

NOTE 5 – NOTES RECEIVABLE

Notes receivable, including accrued interest, as of December 31, 2006, consist of the following:

Construction financing	\$ 38,908,000
Other	261,000
	<u>39,169,000</u>
Less: current portion	<u>2,523,000</u>
Non-current portion	<u>\$ 36,646,000</u>

Construction financing of \$50,000,000 for one of the leased properties was loaned to the property owner out of the proceeds from the initial sales of leasehold condominium interests and related memberships. The loan is secured by a first deed of trust and bears interest at 6%, with monthly principal and interest payments of \$380,000 through December 2018. As of December 31, 2006, the principal outstanding was \$38,908,000.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
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Principal payments under these notes are estimated to be received as follows:

	<u>Year ended December 31,</u>
2007	\$ 2,523,000
2008	2,425,000
2009	2,574,000
2010	2,733,000
2011	2,902,000
Thereafter	<u>26,012,000</u>
	<u>\$ 39,169,000</u>

NOTE 6 – IMPOUNDS

Certain properties are required to make deposits to debt service accounts or hold proceeds of bonds in accordance with certain lender agreements. The balance of these accounts as of December 31, 2006 was \$1,185,000.

Certain properties are required to make monthly deposits to impound accounts to cover property tax and insurance premiums in accordance with certain lenders' regulatory agreements. The balance held by the lenders as of December 31, 2006 was \$6,153,000.

NOTE 7 – RESTRICTED CASH AND DEPOSITS

Restricted cash and deposits as of December 31, 2006 consist of the following:

Operating reserves	\$ 13,193,000
Replacement reserves	11,554,000
Mortgage assistance program	11,478,000
Tenant security deposits	3,199,000
Residual receipts and other	<u>651,000</u>
Total	<u>\$ 40,075,000</u>

Operating and Replacement Reserves

BRIDGE and affiliates are required to maintain operating reserves as well as replacement and repair reserves for property and equipment in accordance with partnership and other lenders' regulatory agreements.

Tenant Security Deposits

BRIDGE and affiliates are required to hold security deposits in separate bank accounts in the name of the properties.

Agency Restricted

Agency restricted cash represents developer fees received subject to restrictions from agencies and other parties regarding the future use of such cash.

Residual Receipts

BRIDGE and affiliates are required to deposit excess cash, as generally defined by HUD, into separate bank accounts in accordance with the HUD regulatory agreements.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

NOTE 8 – PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2006 consists of the following:

Land	\$ 88,380,000
Buildings and improvements	631,805,000
Sitework and offsite improvements	67,367,000
Furniture, fixtures and equipment	21,186,000
Development in progress	91,072,000
	<u>899,810,000</u>
Less: accumulated depreciation and amortization	<u>125,449,000</u>
Total	<u>\$ 774,361,000</u>

Depreciation and amortization of property and equipment totaled \$20,757,000 for the year ended December 31, 2006.

NOTE 9 – DEFERRED COSTS

Deferred costs as of December 31, 2006 are summarized as follows:

Permanent loan costs	\$ 8,688,000
Tax credit fees	2,291,000
Other	1,723,000
	<u>12,702,000</u>
Less: accumulated amortization	<u>3,405,000</u>
Total	<u>\$ 9,297,000</u>

NOTE 10 – LAND UNDER LEASES AND HELD FOR DEVELOPMENT

Land under long-term leases and held for development as of December 31, 2006 consists of the following:

Oakland, California, held for development (2000)	\$ 2,169,000
Livermore, California, donated (1986)	1,660,000
San Diego, California, donated (2000)	1,428,000
Foster City, California (1995)	804,000
Pinole, California (1993)	538,000
Carlsbad, California, donated (1999)	327,000
Richmond, California (1992)	107,000
Richmond, California (1990)	90,000
	<u>7,123,000</u>
Total	<u>\$ 7,123,000</u>

BRIDGE leases all of the above land except for land held for development under various long-term leases to affiliates. Terms of the leases range from 55 to 90 years. The land is pledged as security under deeds of trust for the related notes payable or is pledged as security for certain liabilities of the lessees.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
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NOTE 11 – OTHER INVESTMENTS

Other investments as of December 31, 2006 consist of the following:

BUILD	\$ 1,054,000
Second Mortgage Loans	396,000
Willowbrook property	232,000
HPI Holding Company, Inc.	494,000
Housing Partnership Securities, LLC	20,000
General and limited partner interests accounted for under the equity method:	
North Beach Development Associates, LLC	118,000
North Beach Retail Associates, LLC	(53,000)
Pacific Oaks Associates	(134,000)
San Rafael Apartments, LP	1,000
South San Francisco Magnolia Plaza Associates	(291,000)
SR Fountains Limited Partnership	(234,000)
Cinnabar Commons, L.P. and Cinnabar Commons II, L.P.	-
Total	<u>\$ 1,603,000</u>

BRIDGE holds various second mortgage loans associated with a development project in Pinole, California. The loans bear no interest but share in the appreciation of the property. It is the intention of BRIDGE to re-lend the amounts to future buyers. However, BRIDGE may receive proceeds from the mortgage loans when the property is sold.

In 2004, BRIDGE invested in HPI Holding Company, Inc. (HPIH) for the purpose of gaining access to property and liability insurance for its various development properties from a captive insurance company. The investment is recorded at cost and represents 13% of the capital of HPIH. The dividends are pledged as security for a related loan receivable of Housing Partnership Ventures, Inc (HPV). BRIDGE entered into an agreement pledging its shares in HPIH to Merrill Lynch Community Development Corporation (MLCDC) as support for MLCDC guaranteeing a letter of credit that supports the insurance operation. BRIDGE made a required additional equity contribution in HPIH of \$114,000. BRIDGE retired the loan with HPV for \$384,000. The note was retired prior to its maturity date of March, 2009. In conjunction with the loan retirement, the pledge of future dividends on HPIH shares was rescinded and shares of HPIH were converted from Class B shares into Class C shares.

Summarized financial information for unconsolidated entities accounted for under the equity method, excluding San Rafael Apartments, LP which is not available, as of December 31, 2006, consist of the following:

Total assets	\$ 79,135,000
Total liabilities	74,338,000
Partners' equity ⁽¹⁾	4,797,000
Income	6,079,000
Expenses	10,282,000
Results of operations	(4,203,000)

⁽¹⁾ BRIDGE's share of this equity, as of December 31, 2006, was \$(593,000).

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BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
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The following financial position and activity summarizes the entities that are not included in the combined financial statements based on BRIDGE's board participation:

Total assets	\$ 29,304,000
Total liabilities	27,283,000
Net assets ⁽¹⁾	2,021,000
Support and revenue	7,790,000
Expenses	4,392,000
Change in net assets	3,398,000

⁽¹⁾ BRIDGE's pro-rata share of the net assets as of December 31, 2006 was \$1,192,000 based on its ratio of board representation.

NOTE 12 – NOTES PAYABLE

Notes payable as of December 31, 2006 are generally secured by the respective properties and consist of the following:

	<i>Interest Payable</i>	<i>Principal</i>
Permanent loans, bearing interest from 1% to 9%, generally with principal and interest due monthly, to be repaid in full through 2038. Interest expense was \$9,418,000 for the year ended December 31, 2006.	\$ 1,262,000	\$ 160,596,000
Construction loans, bearing variable interest, generally with interest only payments due monthly, to be repaid in full or partially converted to permanent loans through 2008. Interest expense was \$2,528,000 for the year ended December 31, 2006.	1,692,000	144,879,000
Local loans, bearing interest from 0% to 10%, generally payable out of excess cash annually in arrears, to be repaid in full through 2059. Interest expense was \$3,117,000 for the year ended December 31, 2006.	12,416,000	118,287,000
Bonds, bearing interest from 2% to 14%, generally with principal and interest paid monthly, to be repaid in full through 2036. Principal payments are generally accumulated in a principal fund held by a trustee. Interest expense was \$3,010,000 for the year ended December 31, 2006.	1,522,000	61,969,000
County loans, bearing interest from 3% to 6.5%, generally with principal and interest due annually out of excess cash in arrears, to be repaid in full through 2059. Interest expense was \$1,112,000 for the year ended December 31, 2006.	3,674,000	37,614,000
State loans, bearing 3% interest, generally with principal and interest due annually out of excess cash in arrears, to be repaid in full through 2059. Interest expense was \$890,000 for the year ended December 31, 2006.	7,521,000	31,850,000
Federal loans, bearing no interest, with principal payments generally deferred through 2060, at which time all outstanding principal is due.	-	10,671,000

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
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	<i>Interest Payable</i>	<i>Principal</i>
Ground leases, bearing interest from 0% to 7.75%, generally payable out of excess cash annually in arrears, to be repaid in full through 2065. Interest expense was \$98,000 for the year ended December 31, 2006.	100,000	2,675,000
Other loans, bearing interest from 0% to 7%, generally with principal and interest due monthly, to be repaid in full through 2059. Interest expense was \$102,000 for the year ended December 31, 2006.	180,000	4,256,000
Total	28,367,000	572,797,000
Less: current portion	3,290,000	89,440,000
Non-current portion	\$ 25,077,000	\$ 483,357,000

Principal payments toward notes payable for the next five years are subject to changes in net cash flow which is a contingency that cannot be reasonably estimated. Minimum required payments are estimated as follows:

<i>Year ended December 31,</i>	<i>Principal Payments</i>
2007	\$ 89,440,000
2008	15,780,000
2009	24,435,000
2010	18,595,000
2011	12,935,000
Thereafter	411,612,000
	<u>\$ 572,797,000</u>

NOTE 13 – LINES OF CREDIT

In 2000, BRIDGE entered into an unsecured line of credit with Bank of America for \$7.0 million. In 2006, BRIDGE amended the line of credit whereby interest is variable at LIBOR plus 1.5% and extended the maturity date to August 16, 2007. At December 31, 2006, no amounts were drawn on the line of credit.

In 2001, BRIDGE entered into an unsecured line of credit with Wells Fargo Bank for \$2.0 million. The line of credit bears interest at prime plus 1% with an expiration date of April 18, 2007. At December 31, 2006, no amounts were drawn on the line of credit. BRIDGE is in discussions to renew the line of credit.

BRIDGE HOUSING CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
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NOTE 14 – DEFERRED REVENUES

Deferred revenues as of December 31, 2006 consist of the following:

Condominium and membership sales – net	\$ 28,775,000
Transfer fees	3,281,000
Other	542,000
	<hr/> 32,598,000
Less: current portion	<hr/> 542,000
Non-current portion	<hr/> <u>\$ 32,056,000</u>

Residents of one of the leased properties purchased a leasehold condominium interest in the building by entering into a membership agreement. The purchase price, plus a monthly fee, entitle the resident to occupy a residential unit, receive services, and use common areas for future periods until the resident or the resident's estate sells the membership to a third party. The membership is valid for 99 years and the leasehold interest is valid for 40 years from the date of issuance. Total initial membership sales proceeds amounted to \$57,455,000 net of related deferred project costs of \$5,139,000 and are being deferred and amortized over the lease term. The remaining deferred revenue of condominium and membership sales at December 31, 2006 was \$28,775,000.

Upon the resale of a leasehold condominium, a BRIDGE affiliate is entitled to a transfer fee equal to 10% of the seller's purchase price, plus 75% of any realized appreciation. The affiliate is required to pay 75% of the transfer fee as contingent lease payments to the owner of the property. Transfer of the seller's membership occurs simultaneously with the sale of the leasehold condominium. Both the revenue from the transfer fees and the related contingent lease payments to the owner of the property are deferred and amortized over the remaining lease term in accordance with Financial Accounting Standards Board Statement No. 66, *Accounting for Sales of Real Estate*. In the year of subsequent resale, any unamortized fees from the previous resale are recognized as revenue in full. Total cumulative transfer fees received up to 2006 on condominiums which had no subsequent resales to 2005 amounted to \$16,570,000, of which \$12,427,000 represented contingent lease payments made to the owner of the property. The remaining deferred revenue, net of related deferred lease costs, was \$3,281,000 as of December 31, 2006.

NOTE 15 – TEMPORARILY RESTRICTED NET ASSETS AND NET ASSETS RELEASED FROM RESTRICTIONS

The major programs for which BRIDGE has received restricted contributions are as follows:

HUD Capital Advances - HUD has granted capital advances to certain multi-family properties under the Multifamily Property Disposition – Upfront Grant or the Section 202 program. These advances are secured by deeds of trust with assignment of rents. The capital advances bear no interest and shall be repayable if the properties do not remain available for very low-income housing through a specific term or the notes become due and payable by reason of default under the notes, mortgages or regulatory agreements. In the event of noncompliance with affordability provisions as described in the notes, interest and principal will be payable on demand. The capital advances will not otherwise have to be repaid. Since the capital advances are expected to be forgiven, they are released over 40 years from temporary restricted net assets to unrestricted net assets.

Stein Educational Assistance Program - Provides scholarships or awards to qualified residents in BRIDGE developments.

Homeownership Initiative - Increases the number of new affordable homes for sale and ensures that low-income, moderate-income and minority families have the proper level of support through services and financial backing to purchase and sustain a new home.

BRIDGE HOUSING CORPORATION AND AFFILIATES
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Building and Technology Initiative - Enabled BRIDGE to move to new, larger headquarters in 2004 and is bringing greater operational efficiency and improved information technology systems to BRIDGE and its properties throughout the state of California.

Neighborhood Partnership Initiative (NPI) - Increases affordable housing and economic development in low-income urban communities. NPI properties are ambitious, mixed-income, multi-use developments that combine many elements of community revitalization. In addition to housing, NPI efforts also focus on creating jobs, retail activity, services, and neighborhood facilities.

Temporarily restricted net assets as of December 31, 2006 were available for the following purposes:

HUD Capital Advances	\$ 40,129,000
Stein Educational Assistance Program	1,111,000
Homeownerships Initiative	1,001,000
Neighborhood Partnership Initiative	758,000
Building and Technology Initiative	393,000
Other	535,000
	<hr/>
Total	\$ 43,927,000

Net assets were released from restrictions for the year ended December 31, 2006 as follows:

HUD Capital Advances	\$ 1,208,000
Stein Educational Assistance Program	67,000
Homeownerships Initiative	494,000
Neighborhood Partnership Initiative	1,072,000
Building and Technology Initiative	339,000
Time Restriction	700,000
Other	238,000
	<hr/>
Total	\$ 4,118,000

NOTE 16 - PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets, as of December 31, 2006, consist of land required to be used for low-income housing of \$1,750,000.

NOTE 17 - EMPLOYEE BENEFIT PLANS

BRIDGE has employee 403(b) plans, established effective July 1, 1998, covering eligible employees. BRIDGE contributions to the plan consist of a percentage based on eligible employees' compensation plus a discretionary amount to match voluntary employee contributions. Contributions and plan expenses totaled approximately \$534,000 for the year ended December 31, 2006.

A taxable not-for-profit affiliate of BRIDGE has an employee 401(k) plan, established effective January 1, 2003, covering eligible employees. The affiliate's contributions to the plan consist of a percentage based on eligible employees' compensation plus a discretionary amount to match voluntary employee contributions. Contributions and plan expenses totaled approximately \$21,000 for the year ended December 31, 2006.

BRIDGE HOUSING CORPORATION AND AFFILIATES
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BRIDGE has an employee 457(b) plan, established effective July 1, 2004, covering eligible employees. BRIDGE's contributions are discretionary. BRIDGE made no plan contributions and did not incur significant plan expenses for the year ended December 31, 2006.

NOTE 18 – COMMITMENTS AND CONTINGENCIES

Rental Payments under Non-cancelable Operating Leases

Office space

BRIDGE has leases for office space in San Francisco, California and San Diego, California, which expire in April 2014 and September 2008, respectively.

The following is a schedule by year of the future minimum rental payments under the office space leases:

<i>Year ended December 31,</i>	
2007	\$ 627,000
2008	631,000
2009	598,000
2010	615,000
2011	623,000
Thereafter	1,500,000
	<u>\$ 4,594,000</u>

Rent expense totaled approximately \$750,000 for 2006.

Property-related leases

BRIDGE and affiliates lease property land, facilities, and commercial space under leases ranging from 30 to 55 years.

Minimum future lease payments under the foregoing leases are:

<i>Year ended December 31,</i>	
2007	\$ 4,804,000
2008	4,804,000
2009	4,805,000
2010	4,805,000
2011	4,805,000
Thereafter	33,632,000
	<u>\$ 57,655,000</u>

Litigation

BRIDGE is named in various claims and legal actions in the normal course of its activities. Based upon counsel and management's opinion the outcome of such matters are not expected to have a material adverse effect on the financial position or changes in net assets of BRIDGE.

BRIDGE HOUSING CORPORATION AND AFFILIATES
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Letters of Credit

In connection with a certain project development, BRIDGE is contingently liable for \$200,000 on a letter of credit in conjunction with a project in Oakland, California.

Surety Bonds

In connection with certain project developments, BRIDGE enters into surety bond agreements which bind BRIDGE to repay the surety company if the contractor is unable to successfully perform on the contract. As of December 31, 2006, BRIDGE has outstanding a maximum of \$1,663,000 in surety bonds.

Property Management

Property management on certain properties are contracted with non-affiliated entities for annual amounts subject to yearly increases.

Other

As general partner in various partnerships, BRIDGE may be subject to other liabilities, should an affected partnership's assets become insufficient to meet its obligations. In the opinion of management, the future revenues and the value of the underlying assets of each of these partnerships will be sufficient to meet ongoing and future partnership obligations.

NOTE 19 – GUARANTEES

BRIDGE issues a variety of guarantees in the course of developing properties. The guarantees are generally issued in favor of limited partner investors or lenders. Guarantees, as of December 31, 2006 (except for tax benefits which are as of December 31, 2005), consist of the following:

Operating deficits	\$ 10,998,000
Construction loan repayment and completion	153,219,000
Tax benefits	232,928,000
Equity contribution	<u>2,305,000</u>
Total	<u>\$ 399,450,000</u>

Operating Deficit Guarantees

Operating deficit guarantees are commitments to fund future operating deficits of partnerships. The guarantees are issued in favor of limited tax credit partnerships, and generally are for the fifteen-year period when the investor is expected to hold its limited partner interest, or for shorter periods (for example, until certain debt ratios are achieved). A payment under a guarantee would create a receivable from the partnership. BRIDGE usually capitalizes the public benefit corporations which are the general partners of the limited partnerships; any funding call against the guarantee would first be paid from these general partners' cash funds. To date, BRIDGE has not experienced any calls on these guarantees.

Construction Loan Repayment and Completion Guarantees

BRIDGE has provided repayment guarantees for construction loans used for the development. BRIDGE has also provided unlimited construction completion guarantees in favor of certain lenders for the development. There are no significant completion delays in current BRIDGE developments. To date, BRIDGE has not experienced non-completion of a project, nor has it been called on for any loan repayment guarantee.

BRIDGE HOUSING CORPORATION AND AFFILIATES
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Tax Benefits Guarantees

As the sponsor or the developer of certain properties financed in part by federal and/or state tax credit allocations, BRIDGE has made certain guarantees to investors as to the tax credits and other benefits to be derived from the properties. These guarantees generally cover the tax compliance periods of fifteen years after initial lease up. In the opinion of management, compliance with tax regulations and careful monitoring of the properties should preclude these contingent liabilities from materializing. To date, BRIDGE has not experienced any calls on these guarantees.

Equity Contribution Guarantee

During 2002, BRIDGE became a co-managing member of North Beach Development Associates, LLC (NBDA), the developer of North Beach Housing Associates. NBDA has executed certain performance guarantees relating to construction completion, operating cash flows and tax credit recapture. BRIDGE is obligated to fund NBDA up to \$2.3 million should specified events occur resulting in a capital call by NBDA's managing members. BRIDGE considers the occurrence of such events highly unlikely.

No stand ready liability has been recorded in connection with the operating deficit, construction loan repayment and completion, tax benefit, or equity contribution guarantees as these are guarantees to entities under common control.

NOTE 20 – CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject BRIDGE to credit risk consist primarily of cash and cash equivalents and receivables. BRIDGE maintains cash and cash equivalents with commercial banks and other major financial institutions. Such balances generally exceed federally insured balances.

NOTE 21 – SUBSEQUENT EVENTS

Subsequent to December 31, 2006, an affiliate of BRIDGE sold its interest in a property located in Emeryville, California. The BRIDGE affiliate's portion of the sale proceeds was \$18.4 million.

Subsequent to December 31, 2006, BRIDGE borrowed \$1.7 million on the Bank of America \$7.0 million line of credit to provide short term, interim financing for a project in Colma, California.

SUPPLEMENTARY INFORMATION

BRIDGE HOUSING CORPORATION AND AFFILIATES
COMBINING SCHEDULE OF FINANCIAL POSITION

DECEMBER 31, 2006

	BRIDGE Housing Corporation	BID	BASS	BPMC	HomeBricks, Inc.	Housing Properties ^(a)	Other Entities ^(a)	Subtotal	Eliminations	Total
ASSETS										
Current assets:										
Cash and cash equivalents	\$ 18,014,000	\$ 467,000	\$ 2,997,000	\$ 588,000	\$ -	\$ 15,101,000	\$ 9,470,000	\$ 46,637,000	\$ -	\$ 46,637,000
Accounts receivable—net	17,701,000	525,000	615,000	1,169,000	902,000	1,064,000	7,635,000	29,611,000	(26,562,000)	2,949,000
Contributions receivable—current portion	220,000	-	-	-	-	-	-	220,000	-	220,000
Notes receivable—current portion	505,000	-	2,284,000	-	-	64,000	75,000	2,928,000	(405,000)	2,523,000
Prepaid expenses and deposits—current portion	2,190,000	200,000	247,000	8,000	6,000	3,601,000	77,000	6,329,000	-	6,329,000
Impounds	-	-	-	-	-	7,338,000	-	7,338,000	-	7,338,000
Total current assets	38,630,000	1,192,000	6,143,000	1,765,000	908,000	27,168,000	17,257,000	93,063,000	(27,067,000)	65,996,000
Non-current assets:										
Restricted cash and deposits	91,000	-	-	-	11,478,000	28,506,000	-	40,075,000	-	40,075,000
Marketable securities	-	-	4,374,000	-	-	641,000	-	5,015,000	-	5,015,000
Contributions receivable—net of current portion	134,000	-	-	-	-	-	-	134,000	-	134,000
Notes receivable—net of current portion	6,928,000	-	36,624,000	-	-	-	12,585,000	56,135,000	(19,489,000)	36,646,000
Prepaid expenses and deposits—net of current portion	5,733,000	327,000	2,947,000	-	-	2,622,000	125,000	2,747,000	(2,732,000)	15,000
Property and equipment—net	400,000	-	-	-	101,000	762,628,000	19,568,000	791,304,000	(16,943,000)	774,361,000
Deferred costs—net	5,369,000	-	53,000	-	-	9,369,000	-	9,822,000	(525,000)	9,297,000
Land under lease and held for development	-	-	-	-	-	-	1,754,000	7,123,000	-	7,123,000
Other investments	3,625,000	1,057,000	-	-	-	-	10,023,000	14,700,000	(13,097,000)	1,603,000
Total non-current assets	22,278,000	1,379,000	43,998,000	-	11,579,000	803,766,000	44,055,000	927,055,000	(52,786,000)	874,269,000
Total assets	\$ 60,908,000	\$ 2,571,000	\$50,141,000	\$ 1,765,000	\$12,487,000	\$830,934,000	\$61,312,000	\$1,020,118,000	\$ (79,853,000)	\$ 940,265,000

^(a) Includes properties owned by separate entities in the form of limited partnerships, limited liability companies, or not-for-profit corporations.

^(a) Includes entities that control certain housing property entities.

BRIDGE HOUSING CORPORATION AND AFFILIATES
COMBINING SCHEDULE OF FINANCIAL POSITION

DECEMBER 31, 2006

BRIDGE Housing Corporation	BID	BASS	BPMC	HomeBricks, Inc.	Housing Properties ⁽¹⁾	Other Entities ⁽²⁾	Subtotal	Eliminations	Total
LIABILITIES AND NET ASSETS									
Current liabilities:									
Accounts payable and accrued expenses	\$ 9,290,000	\$ 503,000	\$ 824,000	\$ 1,089,000	\$ 33,546,000	\$ 4,249,000	\$ 49,741,000	\$ (29,457,000)	\$ 20,284,000
Notes payable - current portion	1,000,000	-	-	-	87,506,000	934,000	89,440,000	-	89,440,000
Interest payable - current portion	18,000	-	-	-	2,877,000	395,000	3,290,000	-	3,290,000
Deferred revenues - current portion	125,000	-	-	-	542,000	400,000	1,067,000	(525,000)	542,000
Security and other deposits	-	-	505,000	-	2,000	3,203,000	3,781,000	-	3,781,000
Total current liabilities	10,433,000	503,000	1,329,000	1,089,000	127,674,000	6,049,000	147,319,000	(29,982,000)	117,337,000
Non-current liabilities:									
Notes payable - net of current portion	25,484,000	-	-	-	11,000,000	444,906,000	504,644,000	(21,287,000)	483,357,000
Interest payable - net of current portion	638,000	-	-	-	427,000	23,929,000	25,077,000	-	25,077,000
Deferred revenues - net of current portion	-	-	32,056,000	-	-	110,000	34,788,000	(2,732,000)	32,056,000
Total non-current liabilities	26,122,000	-	32,056,000	-	11,427,000	468,945,000	564,509,000	(24,019,000)	540,490,000
Total liabilities	36,555,000	503,000	33,385,000	1,089,000	596,619,000	32,008,000	711,828,000	(54,001,000)	657,827,000
Net assets:									
Unrestricted:									
Controlling interests	19,124,000	2,068,000	16,756,000	676,000	740,000	11,307,000	79,975,000	(25,852,000)	54,123,000
Non-controlling interests	-	-	-	-	-	182,638,000	182,638,000	-	182,638,000
Total unrestricted	19,124,000	2,068,000	16,756,000	676,000	740,000	193,945,000	262,613,000	(25,852,000)	236,761,000
Temporarily restricted	3,479,000	-	-	-	-	-	43,927,000	-	43,927,000
Permanently restricted	1,750,000	-	-	-	78,000	40,370,000	1,750,000	-	1,750,000
Total net assets	24,353,000	2,068,000	16,756,000	676,000	818,000	234,315,000	308,290,000	(25,852,000)	282,438,000
Total liabilities and net assets	\$ 60,908,000	\$ 2,571,000	\$ 50,141,000	\$ 1,765,000	\$ 12,487,000	\$ 830,934,000	\$ 1,020,118,000	\$ (79,853,000)	\$ 940,265,000

⁽¹⁾ Includes properties owned by separate entities in the form of limited partnerships, limited liability companies, or not-for-profit corporations.

⁽²⁾ Includes entities that control certain housing property entities.

BRIDGE HOUSING CORPORATION AND AFFILIATES
COMBINING SCHEDULE OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2006

	BRIDGE Housing Corporation	BHD	BASS	BPMC	Hometricks, Inc.	Housing Properties ⁽¹⁾	Other Entities ⁽²⁾	Subtotal	Eliminations	Total
Support and revenue:										
Developer fees	\$ 7,928,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,000	\$ 7,967,000	\$ (7,967,000)	\$ -
Rental income - net of vacancies and concessions	226,000	-	9,604,000	-	-	51,828,000	915,000	62,573,000	(324,000)	62,249,000
Management revenue	2,573,000	1,356,000	1,641,000	2,495,000	912,000	-	2,330,000	11,307,000	(7,053,000)	4,254,000
Contributions	1,420,000	-	-	-	256,000	581,000	-	2,257,000	-	2,257,000
Interest income	326,000	7,000	2,671,000	-	321,000	916,000	440,000	4,681,000	(649,000)	4,032,000
Other	38,000	11,000	(7,000)	-	-	2,227,000	(48,000)	2,221,000	-	2,221,000
Total support and revenue	12,511,000	1,374,000	13,909,000	2,495,000	1,489,000	55,552,000	3,676,000	91,066,000	(15,993,000)	75,013,000
Expenses:										
Program services	9,685,000	1,123,000	14,342,000	2,683,000	584,000	75,273,000	-	103,690,000	(9,980,000)	93,710,000
Supporting services	2,421,000	125,000	645,000	-	65,000	-	2,533,000	5,789,000	(3,449,000)	2,340,000
Total expenses	12,106,000	1,248,000	14,987,000	2,683,000	649,000	75,273,000	2,533,000	109,479,000	(13,429,000)	96,050,000
Changes in net assets	405,000	126,000	(1,078,000)	(188,000)	840,000	(19,721,000)	1,143,000	(18,473,000)	(2,564,000)	(21,037,000)
Net assets, beginning of period	24,204,000	1,942,000	17,834,000	864,000	(22,000)	226,566,000	28,161,000	299,549,000	(21,280,000)	278,269,000
Capital contribution	-	-	-	-	-	27,214,000	-	27,214,000	(2,008,000)	25,206,000
Reclassification	(256,000)	-	-	-	-	256,000	-	-	-	-
Net assets, end of period	\$ 24,353,000	\$ 2,068,000	\$ 16,756,000	\$ 676,000	\$ 818,000	\$ 234,315,000	\$ 29,304,000	\$ 308,290,000	\$ (25,852,000)	\$ 282,438,000

⁽¹⁾ Includes properties owned by separate entities in the form of limited partnerships, limited liability companies, or not-for-profit corporations.

⁽²⁾ Includes entities that control certain housing property entities.

BRIDGE HOUSING CORPORATION AND AFFILIATES
COMBINING SCHEDULE OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2006

	BRIDGE Housing Corporation	BHD	BASS	BPM/C	HomeBricks, Inc.	Housing Properties ⁽¹⁾	Other Entities ⁽²⁾	Subtotal	Eliminations	Total
Cash flows from operating activities:										
Change in net assets	\$ 405,000	\$ 126,000	\$ (1,079,000)	\$ (188,000)	\$ 840,000	\$ (19,720,000)	\$ 1,143,000	\$ (18,473,000)	\$ (2,564,000)	\$ (21,037,000)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:										
Depreciation and amortization	138,000	5,000	481,000	59,000	45,000	19,378,000	65,000	20,171,000	-	20,171,000
Amortization of deferred revenue	-	-	(1,405,000)	-	-	-	-	(1,405,000)	-	(1,405,000)
Contributions earmarked for acquisition of property and equipment	-	-	-	-	(106,000)	-	-	(106,000)	-	(106,000)
Reclassifications between consolidating entities	(256,000)	-	-	-	-	256,000	-	-	-	-
(Increase) decrease in assets:										
Accounts receivable	(1,565,000)	(45,000)	(25,000)	(459,000)	(717,000)	(2,000)	(894,000)	(3,707,000)	3,625,000	(82,000)
Contributions receivable	1,120,000	-	-	-	-	37,000	-	1,157,000	-	1,157,000
Prepaid expenses and deposits	(696,000)	(200,000)	253,000	(7,000)	(5,000)	(565,000)	(76,000)	(1,296,000)	(48,000)	(1,344,000)
Impounds	-	-	-	-	-	14,776,000	-	14,776,000	-	14,776,000
Increase (decrease) in liabilities:										
Accounts payable and accrued expenses	2,026,000	379,000	74,000	27,000	22,000	395,000	(6,860,000)	(3,937,000)	(5,601,000)	(9,538,000)
Deferred revenues	125,000	-	24,000	-	-	200,000	354,000	703,000	(477,000)	226,000
Interest payable	(172,000)	-	-	-	243,000	1,810,000	361,000	2,342,000	1,287,000	3,629,000
Net cash provided by (used in) operating activities	1,225,000	265,000	(1,677,000)	(568,000)	322,000	16,565,000	(5,907,000)	10,225,000	(3,778,000)	6,447,000
Cash flows from investing activities:										
(Additions to) Collection of notes receivable	(2,553,000)	-	2,151,000	-	-	13,000	(8,854,000)	(9,243,000)	11,675,000	2,432,000
Net decrease in other investments	(276,000)	(427,000)	(72,000)	-	-	-	6,699,000	5,924,000	863,000	6,787,000
Net decrease in land under lease and held for development	184,000	-	-	-	-	43,000	-	227,000	-	227,000
Net (increase) decrease in restricted cash and deposits	572,000	-	-	-	(308,000)	(4,561,000)	54,000	(4,243,000)	-	(4,243,000)
(Purchase) Sale of marketable securities	-	-	(853,000)	-	-	578,000	-	(275,000)	-	(275,000)
(Purchase) Disposal of property and equipment	(2,086,000)	(331,000)	(133,000)	(59,000)	(39,000)	(77,627,000)	(15,000)	(80,280,000)	3,525,000	(76,765,000)
Net (increase) decrease in deferred costs	(323,000)	-	-	-	-	(446,000)	-	(769,000)	525,000	(244,000)
Net cash provided by (used in) investing activities	(4,482,000)	(758,000)	1,093,000	(59,000)	(347,000)	(82,000,000)	(21,116,000)	(88,669,000)	16,588,000	(72,081,000)
Cash flows from financing activities:										
Proceeds from notes payable:										
Payment of notes payable	9,800,000	-	-	-	-	55,989,000	8,988,000	74,777,000	(10,802,000)	63,975,000
Proceeds from (distribution of) capital contributions	(3,425,000)	-	-	-	-	(18,122,000)	-	(21,547,000)	-	(21,547,000)
Net cash provided by (used in) financing activities	6,375,000	-	-	-	-	65,080,000	8,988,000	80,443,000	(12,810,000)	67,633,000
Increase in cash and cash equivalent	3,118,000	(493,000)	(584,000)	(627,000)	(25,000)	(355,000)	965,000	1,999,000	-	1,999,000
Cash and cash equivalent, beginning of year	14,896,000	960,000	3,581,000	1,215,000	25,000	15,456,000	8,505,000	44,638,000	-	44,638,000
Cash and cash equivalent, end of year	\$ 18,014,000	\$ 467,000	\$ 2,997,000	\$ 588,000	\$ -	\$ 15,101,000	\$ 9,470,000	\$ 46,637,000	\$ -	\$ 46,637,000
Supplementary information:										
Cash paid for interest	\$ 596,000	\$ -	\$ -	\$ -	\$ -	\$ 14,246,000	\$ -	\$ 14,842,000	\$ -	\$ 14,842,000
Noncash investing and financing activities:										
Assets acquired by assuming current liabilities	\$ 481,000	\$ -	\$ -	\$ -	\$ -	\$ 8,718,000	\$ -	\$ 9,199,000	\$ -	\$ 9,199,000
Assets acquired by assuming non-current liabilities	\$ 13,000	\$ -	\$ -	\$ -	\$ -	\$ 20,233,000	\$ 9,380,000	\$ 29,616,000	\$ -	\$ 29,616,000

⁽¹⁾ Includes properties owned by separate entities in the form of limited partnerships, limited liability companies, or not-for-profit corporations.

⁽²⁾ Includes entities that control certain housing property entities.

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BRIDGE HOUSING CORPORATION AND AFFILIATES
SCHEDULE OF CASH COMPOSITION
(BRIDGE HOUSING CORPORATION ONLY)
YEAR ENDED DECEMBER 31, 2006

BRIDGE Housing Corporation's cash composition as of December 31, 2006 is as follows:

Unrestricted	\$ 13,451,000
Designated	<u>2,132,000</u>
Unrestricted & Designated	15,583,000
Agency restricted	91,000
Donor restricted	<u>2,033,000</u>
Subtotal - Corporate	17,707,000
Predevelopment	398,000
Total	<u><u>\$ 18,105,000</u></u>

BRIDGE HOUSING CORPORATION AND AFFILIATES
SCHEDULE OF NOTES PAYABLE
(BRIDGE HOUSING CORPORATION ONLY)
YEAR ENDED DECEMBER 31, 2006

Notes payable of BRIDGE Housing Corporation as of December 31, 2006 are as follows:

	<i>Interest Payable</i>	<i>Principal</i>
Wells Fargo Bank, unsecured, due April 12, 2016, with 2% interest payable quarterly.	\$ -	\$ 3,000,000
Wells Fargo Bank, unsecured due January 16, 2011, with 4% interest payable quarterly.	-	2,000,000
Wells Fargo Bank, unsecured, due April 30, 2014, with zero interest in the first five years, and 3% interest payable quarterly beginning in 2004.	-	1,000,000
The Ford Foundation, unsecured, due September 20, 2020, with 1% interest payable quarterly. Loan proceeds are designated to be lent to HomeBricks for the Mortgage Assistance Program.	-	3,000,000
Bank of America, unsecured, due October 31, 2010 with zero interest in the first five years, and 4.5% interest payable quarterly beginning in 2005.	-	2,989,000
Catholic Healthcare West, unsecured, due September 1, 2010, with 3% interest payable quarterly.	3,000	2,000,000
Calvert Social Investment Foundation, unsecured, due December 31, 2009, with 4.5% interest payable semi-annually interest payments commencing December 2003.	-	1,000,000
S.H Cowell Foundation, unsecured, due November 1, 2013, with 2.5% interest payable quarterly.	4,000	1,000,000
Washington Mutual Bank, unsecured, due November 30, 2007, with 4% interest payable quarterly.	7,000	1,000,000
FB Heron Foundation, unsecured, due September 2012, payable in two installments of \$50,000 each on September 30, 2010 and September 30, 2011 with a final installment of \$400,000 due on September 30, 2012. Interest of 4% is due and payable quarterly.	5,000	500,000
Redevelopment Agency of the City of Pinole, secured by a deed of trust. Simple interest accrues at 4% per annum. Principal and interest due in October 2024, but under certain conditions, the due date can be extended for another 19 years, with the note being forgiven at the end of that term.	440,000	900,000
County of Contra Costa, secured by a deed of trust. Simple interest accrues at 4% per annum. Principal and interest due in October 2024, but under certain conditions, the due date can be extended for another 19 years, with the note being forgiven at the end of that term.	184,000	400,000

BRIDGE HOUSING CORPORATION AND AFFILIATES

SCHEDULE OF NOTES PAYABLE

(BRIDGE HOUSING CORPORATION ONLY)

YEAR ENDED DECEMBER 31, 2006

	<i>Interest Payable</i>	<i>Principal</i>
Community Development Agency of the City of Foster City, non-interest-bearing, secured primarily by a deed of trust. Principal payments are due annually in an amount equal to rental payments received. The note is due in June 2050, with unpaid balance to be forgiven under certain circumstances.	-	676,000
Total	643,000	19,465,000
Less: current portion	19,000	1,000,000
Non-current portion	\$ 624,000	\$ 18,465,000

METROPOLITAN AREA ADVISORY COMMITTEE

FINANCIAL STATEMENTS

Year Ended December 31, 2006

METROPOLITAN AREA ADVISORY COMMITTEE
FINANCIAL STATEMENTS
Year Ended December 31, 2006

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Metropolitan Area Advisory Committee
Chula Vista, California

We have audited the accompanying statement of financial position of Metropolitan Area Advisory Committee (a nonprofit organization) as of December 31, 2006, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Metropolitan Area Advisory Committee's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Metropolitan Area Advisory Committee as of December 31, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

AKT LLP

Carlsbad, California
January 31, 2008

METROPOLITAN AREA ADVISORY COMMITTEE
STATEMENT OF FINANCIAL POSITION
December 31, 2006

ASSETS

CURRENT ASSETS

Cash	\$	403,599
Restricted cash		274,574
Accounts receivable		2,259,504
Prepaid expenses		62,396
Other current assets		30,387

TOTAL CURRENT ASSETS 3,030,460

OTHER ASSETS

Investment in rental property	10,636,105
Property and equipment, net	10,354,193
Investment in other entities	3,422,422
Permanent financing costs, net of accumulated amortization of \$87,325	556,852
Accrued developer fees	164,568
Deposits	149,998

TOTAL OTHER ASSETS 25,284,138

TOTAL ASSETS \$ 28,314,598

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$	738,222
Accrued expenses		830,156
Lines of credit		925,037
Current portion of long-term debt		657,696
Deferred revenue		1,050,044
Capital lease obligation		60,396

TOTAL CURRENT LIABILITIES 4,261,551

OTHER LIABILITIES

Long-term debt, net of current portion	18,712,806
Advances payable to related parties	520,821
Other liabilities	104,421

TOTAL OTHER LIABILITIES 19,338,048

TOTAL LIABILITIES 23,599,599

NET ASSETS

Unrestricted	3,558,443
Temporarily restricted	1,156,556

TOTAL NET ASSETS 4,714,999

TOTAL LIABILITIES AND NET ASSETS \$ 28,314,598

See notes to financial statements.

METROPOLITAN AREA ADVISORY COMMITTEE
STATEMENT OF ACTIVITIES
Year Ended December 31, 2006

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Contract revenue	\$ 12,673,359	\$ -	\$ 12,673,359
Contributions	47,788	1,079,403	1,127,191
Special events	80,000	-	80,000
Program service fees	1,727,367	-	1,727,367
Contractual services	3,691,118	-	3,691,118
Charter school apportionments	1,747,247	-	1,747,247
Rents and tenants fees	1,414,001	-	1,414,001
Other income	597,187	-	597,187
Interest income	23,602	-	23,602
Net assets released from restrictions, satisfaction of program restrictions	631,324	(631,324)	-
TOTAL REVENUE AND SUPPORT	22,632,993	448,079	23,081,072
EXPENSES			
Program services	22,077,961	-	22,077,961
Supporting services			
Management and general	1,875,302	-	1,875,302
Fundraising	63,547	-	63,547
Costs of direct benefits to donors	17,588	-	17,588
TOTAL EXPENSES	24,034,398	-	24,034,398
INCREASE (DECREASE) IN NET ASSETS	(1,401,405)	448,079	(953,326)
NET ASSETS AT BEGINNING OF YEAR	4,959,848	708,477	5,668,325
NET ASSETS AT END OF YEAR \$	\$ 3,558,443	\$ 1,156,556	\$ 4,714,999

See notes to financial statements.

METROPOLITAN AREA ADVISORY COMMITTEE
STATEMENT OF CASH FLOWS
Year Ended December 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES

Decrease in net assets	\$ (953,326)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:	
Depreciation	873,518
Amortization	21,108
(Increase) decrease in operating assets:	
Accounts receivable	117,783
Prepaid expenses	1,435
Other current assets	(2,215)
Increase (decrease) in operating liabilities:	
Accounts payable	172,888
Accrued expenses	2,467
Deferred revenue	(10,179)
Other liabilities	27,012

NET CASH PROVIDED BY OPERATING ACTIVITIES 250,491

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment	(297,489)
Improvements to rental property	(53,939)
Additional investment in other entities	(111,434)
Receipt of developer fees	165,295
Increase in deposits	(27,214)

NET CASH USED BY INVESTING ACTIVITIES (324,781)

CASH FLOWS FROM FINANCING ACTIVITIES

Payments of capital lease obligation	(70,038)
Increase in lines of credit	845,291
Payments of long-term debt	(572,375)

NET CASH PROVIDED BY FINANCING ACTIVITIES 202,878

NET INCREASE IN CASH 128,588

CASH AT BEGINNING OF YEAR 549,585

CASH AT END OF YEAR \$ 678,173

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Interest paid \$ 918,631

Cash consists of:

Unrestricted	\$ 403,599
Restricted	274,574

\$ 678,173

See notes to financial statements.

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Metropolitan Area Advisory Committee (Organization) is a California nonprofit corporation organized to provide an extensive network of services to the residents of San Diego County. The Organization offers various programs to meet a variety of social, economic, and health needs for low income people, and is supported primarily through federal, state and county award programs.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- Unrestricted net assets represent expendable funds available for operations, which are not otherwise limited by donor restrictions.
- Temporarily restricted net assets consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds.
- Permanently restricted net assets are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations.

The Organization had no permanently restricted net assets at December 31, 2006.

Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Revenue from grants/contracts is recognized to the extent of eligible costs incurred up to an amount not to exceed the total grant/contract authorized. Deferred revenue results from grant awards received that are applicable to the subsequent period.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Accounts Receivable

Accounts receivable consist of grants, contracts, and other receivables due in less than one year. Because of the nature of the Organization's revenues and collection history, no allowance for doubtful accounts is considered necessary.

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Acquisitions of property and equipment of \$5,000 or more are capitalized. Property and equipment are stated at cost, or if donated, at the approximate fair market value at the date of donation. Expenditures for maintenance and repairs are charged against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets of three to 40 years. Amortization of leasehold improvements is included in depreciation expense. Land, buildings and equipment acquired with grant funds are considered to be owned by the Organization while used in the program or in future authorized programs. However, the funding source may have a reversionary interest in the property as well as the right to determine the use of any proceeds from the sale of assets purchased with their respective funds.

Investment in other entities

Investments in the other entities are recorded using the equity method of accounting. Under this method, the investments are adjusted to recognize the Organization's share of the income or losses of the other entities.

Contributed Materials and Services

Contributed materials are recorded at their fair market value where an objective basis is available to measure their value. Such items are capitalized or charged to operations as appropriate. The Organization received a substantial amount of services donated by volunteers in carrying out the Organization's program services. No amounts have been recorded for those services as they do not meet the requirements for recognition as contributions in the financial statements. The fair market value of contributed professional services is reported as support and expense in the period in which the services are performed.

Income Taxes

The Organization is a qualified nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. This exemption is for all income taxes except for those assessed on unrelated business income, if any. The Organization had no such unrelated business income. The Organization is not a private foundation.

Advertising Costs

The Organization expenses the costs of advertising as incurred.

NOTE 2. CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances in bank accounts which, at times, exceed the federal insurable limit. The Organization manages the risk by using only high quality financial institutions.

NOTE 3. RESTRICTED CASH

Cash balances are held in restricted cash accounts to comply with the terms of certain loan agreements. Withdrawals from these accounts are allowed only for specific purposes. The financial institutions maintain a security interest in the cash account balances.

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 4. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

The California Endowment	\$	831,516
Related parties		490,775
State of California		354,291
County of San Diego		181,828
Youthbuild DOL		113,470
Rental properties		77,728
Charter school		53,601
Other receivables		<u>356,296</u>
	\$	<u>2,259,504</u>

NOTE 5. INVESTMENT IN RENTAL PROPERTY

The Organization owns and operates two rental properties. The Mayberry Townhomes project was acquired in 2003 and consists of a 70 unit apartment complex located in San Diego, California. The Villa Lakeshore project was acquired in 2003 and consists of a 34 unit apartment complex located in Lakeside, California. The rental properties consist of the following:

Buildings	\$	7,902,474
Land		3,256,397
Building improvements		409,551
Equipment		<u>17,674</u>
		11,586,096
Less accumulated depreciation		<u>(949,991)</u>
	\$	<u>10,636,105</u>

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Buildings	\$	7,930,470
Land		2,669,988
Vehicles		1,172,640
Leasehold improvements		871,550
Equipment		782,646
Building improvements		599,153
Computer equipment		<u>141,274</u>
		14,167,721
Less accumulated depreciation		<u>(3,813,528)</u>
	\$	<u>10,354,193</u>

A substantial portion of the Organization's property and equipment is identified as collateral for the related long-term debt.

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 7. CAPITAL LEASE OBLIGATION

The Organization has a five year capital lease for lighting equipment which expired in August 2007. The lease agreement required monthly payments of \$7,277 and included an option to purchase for \$1 at the end of the lease term.

NOTE 8. LINES OF CREDIT

The Organization has an unsecured \$150,000 line of credit with Raza Development Fund with interest only payments due monthly at 7.5%. The funds are to be used in connection with predevelopment costs associated with the COMM 22 LLC project. The principal and any unpaid interest are due in April 2009. The line of credit has a balance of \$63,721 at December 31, 2006.

The Organization had an additional \$865,000 line of credit with Raza Development Fund with interest only payments due monthly at 7.95%. The line of credit was secured by real property located in National City, California. The line of credit had a balance of \$761,316 at December 31, 2006 and was paid in full when the National City property was sold in August 2007.

The Organization also had an unsecured \$100,000 line of credit with Local Initiative Support Corporation that required quarterly interest only payments at 6.3%. The line of credit had a balance of \$100,000 at December 31, 2006. In June 2007, the line of credit was converted into a note payable with an interest rate of 6.75%.

NOTE 9. LONG-TERM DEBT

Long-term debt consists of the following:

Note payable to California Statewide Communities Development Authority to repay funds acquired through issuance of variable rate demand revenue bonds. The loan proceeds were used to acquire and rehabilitate a facility in Chula Vista, California. The note is secured by a Deed of Trust covering the land, improvements and other property. The note requires monthly payments of \$19,703, including interest at a fixed swap rate of 3.72%. The principal portion of monthly payments is deposited into a restricted account and will be applied to the principal balance of the note at certain times as set forth in the loan and reimbursement agreements. The note is also secured by an irrevocable letter of credit for \$4,263,000. \$ 3,900,000

Note payable to ARCS Commercial Mortgage with monthly payments of \$22,071 including interest at 6.75%, matures November 2031. The note is secured by a Deed of Trust covering the land, improvements and certain other property located at the Mayberry Street property in San Diego, California. 3,190,446

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 9. LONG-TERM DEBT (continued)

Note payable to California Statewide Communities Development Authority to repay funds acquired through issuance of variable rate demand multi-family housing revenue bonds. The note is secured by a Deed of Trust covering the land, improvements and other property. The note requires monthly principal payments of \$8,333 until the note becomes due in May 2033. Monthly interest payments are also due based on weekly interest rates determined by the bond remarketing agent. The monthly principal payments are deposited into a restricted account and will be applied to the principal balance of the note at certain times as set forth in the loan and reimbursement agreements. The note is also secured by an irrevocable letter of credit for \$2,861,721.

2,720,000

Note payable to California Statewide Communities Development Authority to repay funds acquired through issuance of Qualified Zone Academy Bonds. The loan proceeds were used to renovate and rehabilitate qualified zone academy programs. Bi-monthly payments of \$27,546 are required until the note becomes due in January 2016. Payments are deposited into a restricted account and will be applied to the principal of the note at the maturity date. The note is secured by a lease agreement between the Organization and the Sweetwater Union High School District.

2,500,000

Note payable to ARCS Commercial Mortgage with monthly payments of \$11,711 including interest at 6.26%, matures November 2014. The note is secured by a Deed of Trust covering the land, improvements and certain other property located at the Mayberry Street property in San Diego, California.

1,826,776

Note payable to Jarome Navarra with monthly payments of \$9,314 including interest at 7.0%, matures October 2013. The note is secured by a Deed of Trust covering the land, improvements and other property located in National City and Chula Vista, California.

1,317,842

Note payable to Low Income Investment Fund with monthly payments of \$4,943 including interest at 7.0%, matures November 2014. The note is secured by a Deed of Trust covering the land, improvements and other property located at the Mayberry Street property in San Diego, California.

720,463

Note payable to Union Bank of California with monthly payments of \$4,003 including interest at 2.0% above LIBOR (5.33% at December 31, 2006). The note was secured by a Deed of Trust covering the land, improvements and other property located in National City, California. The note was paid in full when the National City property was sold in August 2007.

717,936

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 9. LONG-TERM DEBT (continued)

Note payable to the County of San Diego Redevelopment Agency (SDRA) with interest at 3% and principal payments beginning June 2035 in an amount equal to the lesser of interest accrued over the past twelve months or the amount determined by SDRA to be necessary to cover the costs of monitoring the Organization's compliance with the loan agreement. If residual revenues are generated from the property's operations, SDRA will receive 25% of the residual revenues each fiscal year. In the event that the Organization has repaid the \$356,000 note payable to the County of San Diego Department of Housing and Community Development, SDRA will receive 50% of the residual revenues each fiscal year. Per the terms of the loan agreement, all payments received shall first be applied toward any costs or charges incurred in connection with the loan, next to the payment of accrued interest, then to the reduction of the principal balance. The outstanding balance including any unpaid interest is due in June 2063. The note is secured by a Deed of Trust covering the land, any improvements and certain other property located in Lakeside, California.

1,000,000

Note payable to the San Diego Housing Commission (SDHC) with interest at 3.0%. The note is secured by a Deed of Trust covering the land, improvements and other property located at the Mayberry Street property in San Diego, California. Annual payments are due only to the extent that residual receipts are available from the operations of the property. Per the terms of the loan agreement, SDHC will receive the lesser of 50% of the residual receipts or annual installments of \$33,897 including interest. The outstanding principal balance and all accrued interest are due in March 2029.

670,000

Note payable to Wells Fargo Bank with interest at 8.0% and the outstanding loan balance including all unpaid interest is due in October 2013.

500,000

Note payable to Wells Fargo Bank with a fixed interest rate of 3.0% requiring quarterly interest-only payments. The principal balance including any unpaid interest is due at the earlier of closing of normal business operations or the maturity date in July 2012. Wells Fargo Bank has the option to extend the maturity date for an additional year if the Organization is in compliance with the loan.

500,000

Note payable to Ideas in Actions with monthly payments of \$2,161 including interest at 9.25%, matures February 2014. The note is secured by a Deed of Trust covering the land and improvements located in San Marcos, California.

135,522

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 9. LONG-TERM DEBT (continued)

Note payable to the County of San Diego Department of Housing and Community Development (HCD) requiring annual payments of \$32,000 including interest at 3% beginning in June 2034. The note is secured by a Deed of Trust covering the land, improvements and other property located at the Lakeshore property in Lakeside, California. In the event that the operations of the property generate residual revenue, HCD will receive 25% of the residual revenue each fiscal year to be applied toward accrued interest. The principal balance and all unpaid interest are due in June 2062.

356,000

Non-interest bearing note payable to Community Development Commission (CDC) that was secured by a Deed of Trust covering the land and improvements located in National City, California. The note was paid in full in August 2007 when the National City property was sold.

40,402

Note payable to Dorothy Helferich with monthly payments of \$1,520 including interest at 9.0%, matures in February 2009. The note is secured by a Deed of Trust covering the land and improvements located in San Marcos, California.

35,786

20,131,173

Less amounts forwarded to reserve account

(760,671)

19,370,502

Less current portion

(657,696)

\$ 18,712,806

Future principal payments at December 31, 2006 are due as follows:

Year Ending
December 31,

2007	\$	657,696
2008		569,154
2009		577,030
2010		593,197
2011		615,076
Thereafter		<u>16,358,349</u>
	\$	<u>19,370,502</u>

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 10. INVESTMENT IN OTHER ENTITIES AND RELATED PARTY TRANSACTIONS

The Organization's investment in other entities consists of the following:

Carlsbad Laurel Tree Apartments, L.P.	\$	3,269,081
COMM 22 Associates, LLC		214,439
San Martin de Porres, L.P.		4,299
President John Adams Manor, L.P.		(1,100)
Mercado Apartments, L.P.		<u>(64,297)</u>
	\$	<u>3,422,422</u>

Carlsbad Laurel Tree Apartments, L.P.

The Organization is the managing general partner of Carlsbad Laurel Tree Apartments, L.P., a California limited partnership. The partnership was organized in 1998 for the purpose of developing and operating a low-income housing project. The original funding for the project included \$3.4 million of contributions from the City of Carlsbad Inclusionary Housing Developer Loan Program. The funds were contributed to the Organization, who in turn purchased land and paid for other capitalized costs of the project. Upon formation of the partnership, the land, other assets, and remaining cash balance was contributed by the Organization to the partnership.

San Martin de Porres, L.P.

The Organization is the managing general partner in San Martin de Porres, L.P., a California limited partnership. The partnership was formed for the purpose of developing 118 low-income housing units.

President John Adams Manor, L.P.

The Organization manages and controls PJAM, Inc., a non-profit organization, who is the managing partner of President John Adams Manor, L.P. The limited partnership was formed in 1998 to purchase and renovate a 300 unit low-income housing project. The Organization has made certain commitments relative to the limited partnership and the housing project.

Mercado Apartments, L.P.

The Organization is the managing general partner in Mercado Apartments, L.P., a limited partnership organized under the laws of the State of California. The Organization has a minority interest in the partnership.

San Diego Mercado Associates

The Organization manages and controls Logan Mercado, a California corporation. Logan Mercado is a general partner in San Diego Mercado Associates (SDMA), a general partnership organized under the laws of the State of California, and owns a 50% interest in the partnership. SDMA owned a 50% interest in Mercado Alliance, LLC, (Company) which was organized to develop and operate a shopping center located at 1930 Main Street, San Diego, CA. In July 2006, the Organization, as general partner of SDMA, executed a withdrawal, redemption and release agreement in connection with SDMA's ownership interests in the Company. The agreement provided for SDMA's withdrawal from the Company, the release of claims against SDMA, and rights and obligations of the SDMA partners and other members of the Company.

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 10. INVESTMENT IN OTHER ENTITIES AND RELATED PARTY TRANSACTIONS (continued)

Seniors on Broadway, L.P.

The Organization is managing general partner of Seniors on Broadway, L.P., a California limited partnership. The partnership was formed in 2004 for the purpose of developing a low income senior housing project. In March 2005, the partnership was amended to admit a special limited partner and an investor limited partner, and the partnership obtained initial funding for the project. The funding included one loan from the City of Chula Vista in the amount of \$3,511,195, and two loans from the U.S. Bank National Association for \$1,000,000 and \$4,593,500, for which the Organization has executed loan guarantees.

COMM 22 Associates, LLC

The Organization is a member of COMM 22 Associates, LLC, a California limited liability company. The LLC was formed in 2004 for the purpose of developing a mixed-use affordable rental housing project, with retail and commercial space and associated amenities.

Balances and transactions with related parties as of and for the year ended December 31, 2006 are as follows:

Accrued developers fees	
Seniors on Broadway, L.P.	\$ <u>164,568</u>
Contractual services	
President John Adams Manor, L.P.	\$ 752,626
Carlsbad Laurel Tree Apartments, L.P.	322,864
Mercado Apartments, L.P.	291,731
San Martin de Porres, L.P.	274,636
	\$ <u>1,641,857</u>
Accounts receivable	
San Martin de Porres, L.P.	\$ 247,022
President John Adams Manor, L.P.	131,703
Mercado Apartments, L.P.	45,317
Carlsbad Laurel Tree Apartments, L.P.	34,526
Seniors on Broadway, L.P.	32,209
	\$ <u>490,775</u>
Advances payable	
Mercado Alliance, LLC	\$ 328,550
President John Adams Manor, L.P.	182,234
San Martin de Porres, L.P.	10,037
	\$ <u>520,821</u>

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 11. OPERATING LEASES

The Agency occupies facilities under operating lease agreements which expire through May 2014. Future minimum payments under non-cancelable operating leases as of December 31, 2006 are as follows:

<u>Year Ending</u> <u>December 31,</u>	
2007	\$ 541,232
2008	470,928
2009	376,136
2010	124,052
2011	97,052
Thereafter	<u>155,104</u>
	\$ <u>1,764,504</u>

NOTE 12. INDIRECT COSTS

The Organization was granted an indirect cost rate of 9.8% by the U.S. Department of Health and Human Services, the Organization's federal cognizant agency.

NOTE 13. CONTIGENCIES

President John Adams Manor, L.P.

The Organization has made certain guarantees with respect to their involvement with President John Adams Manor, L.P. The Organization agreed to guarantee the general partner's (PJAM, Inc.) obligation under the partnership agreement. The general partner is obligated to make additional contributions to the partnership to cover future potential operating deficits up to \$1.5 million in excess of the required reserves, as outlined in the partnership agreement. Any contributions made shall be deemed as capital contributions by the general partner. The Organization would be able to recover any such additional contributions upon availability of funds or upon the sale of the housing project. In addition, the Organization is required to maintain net assets of not less than \$268,000.

The general partner has indemnified the limited partner, with respect to certain benefits the limited partner anticipates based on the economic projections, which are, in part, the basis of the limited partner's investment decision. The benefits to the limited partner are the sum of the Low Income Housing Credit plus the sum of the interest, depreciation, amortization, and similar non-operating deductions multiplied by the marginal tax rate of the limited partner less any income derived from operations. While the Organization and the general partner expect to meet all of the conditions of the partnership agreement, the partnership agreement requires the general partner to maintain net assets of not less than \$134,000.

San Diego Mercado Associates

In connection with SDMA partnership, the Organization executed a withdrawal, redemption and release agreement in July 2006, which relinquished SDMA's interests in the Mercado Alliance, LLC. The other partner of SDMA refused to be a party of that settlement, and has made verbal claims that the Organization owes him compensation for his prior investment in SDMA. While the Organization does not consider these claims to be valid, attorneys engaged to handle the SDMA withdrawal agreement were unable to form a judgment, in accordance with applicable standards, as to whether an ultimate outcome favorable to the Organization in this matter is either probable or remote.

METROPOLITAN AREA ADVISORY COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 13. CONTIGENCIES (continued)

In connection with the project, the Organization guaranteed repayment of a \$1,000,000 loan from the Enterprise Housing Financial Services, Inc. to Mercado Alliance, LLC. The Organization would be obligated to perform under this guarantee if Mercado Alliance, LLC failed to pay principal, interest, and all other fees, costs and charges to the lender when due. However, if the Organization were required to honor the guarantee, it would be entitled to land owned by Mercado Alliance, LLC that collateralizes the loan.

Grants and Contracts

The Organization has grants and contracts with government agencies which are subject to audit. No provision has been made for any liability that may result from such audits since the amounts, if any, cannot be determined. Management believes that any such liability will not be material.

NOTE 14. RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets are available for the following purposes:

San Diego Works for Better Health	\$	799,288
Charter school activities		189,673
Self-sufficiency program		75,936
Other		<u>91,659</u>
	\$	<u>1,156,556</u>

NOTE 15. SUBSEQUENT EVENT

The Organization sold a facility located in National City, California in August 2007 for \$3,000,000 and recognized a gain of approximately \$2,190,000. In addition, the Organization retired approximately \$2,217,000 in long-term debt and received approximately \$611,000 in cash as part of the transaction.



April 14, 2008

Brad Wiblin, Director
Bridge Housing Corporation
9191 Towne Centre Drive
San Diego California 92122-1229

Re: Proposed COMM-22 Senior Housing Development Project located at the
2100 Block of Commercial Street, San Diego

Dear Mr. Wiblin:

I am pleased to offer this loan proposal for your consideration, subject to the approval of the Housing Authority of the City of San Diego.

The parameters of this loan proposal are as follows:

Borrower: COMM 22, L.L.C., A California Limited Liability Company, has been formed to facilitate and coordinate the initial development phase of the proposed development. Upon award of nine percent tax credits during the fiscal year 2009 application rounds, a tax credit ownership entity will be formed by BRIDGE Housing Corporation (BHC) as the co-general partner with a 60% share and the Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc., (MAAC Project or MAAC) as co-general partner with a 40% share in conformance with standard tax credit requirements and practice. The identity of each limited partner and their respective roles and responsibilities as limited partner(s) in each phase of the development shall be subject to the approval of the President and CEO or designee of the Housing Commission. The documentation of the limited partnership or limited liability company is subject to approval by the Housing Commission and its General Counsel. The limited partner tax credit investor would be competitively selected by the general partners.

Number of Units: A minimum of 70 total units.

Affordability Terms: 68 units will be rent-restricted and affordable to very low-income households with incomes at or below 50 percent of Area Median Income (AMI); all units will be occupancy-restricted to low-income households with incomes up to 60 percent of AMI. The term of the affordability restrictions will be 55 years from the date of completion of the development, and these restrictions shall be recorded against the property. The form and format of all restrictions shall be as drafted by the Housing Commission's General Counsel.

Housing Commission Loan:	<p>A 55-year, 3 percent simple interest per year, residual receipts, secured loan not to exceed \$4,200,000. The loan shall be made to the legal ownership entity that will be formed by BHC and the MAAC Project as the co-general partners. Payment of all principal and accrued interest under each of the loans will be due and payable at the earlier of: (i) the end of 55 years, or (ii) upon refinancing of the project. The loan shall be secured by a deed of trust against the leasehold interest, in a form and format acceptable to the Housing Commission and General Counsel in their sole discretion, made in favor of the Housing Commission and secured by the property. Such deed of trust shall be senior to all other encumbrances except as otherwise set forth herein.</p>
Total Development Cost:	<p>If the actual total development cost of the project is less than \$24,435,369, or if the Housing Commission loan has not been fully funded, then the Housing Commission loan will be decreased or the loan will be repaid, by an amount equal to the difference between the total development sources less total development uses as verified by a construction cost audit.</p>
Senior Financing:	<p>The Housing Commission loan will be subordinate to the first position State of California Transit Oriented Development (TOD) loan. The Housing Commission's obligation to fund its loan is subject to the borrower receiving the TOD loan, an allocation of 9% tax credits, obtaining binding commitments for the tax credit equity, and borrower closing on all other sources of funds necessary to construct and permanently finance the project.</p>
Housing Commission Payments:	<p>The borrower will begin making annual residual receipts payments after construction completion and following the end of the first 12 months of operations that coincide with the end of the borrower's fiscal year. Payments will be based on the greater of 50% of residual receipts or \$16,606, which is equal to half of the estimated residual receipts at year one. In the event that the State of California or any other public agency approves a residual receipts loan to the development, the residual receipts payment would be a pro rata share between funding agencies. In the event that the annual residual receipts are less than \$16,606, the pro rata payment between the public agency lenders will be based on 100% of annual residual receipts received.</p>

Any unpaid principal and accrued interest will be due in a balloon payment at the earlier of the end of the 55-year loan term or upon project refinancing.

Recourse: Prior to completion of construction this will be a recourse loan to the legal partnership between BHC and MAAC, after which it will become a non-recourse loan to comply with tax credit rules.

Expenses: All expenses and the annual operating budget of the development must be approved by the Housing Commission at its sole discretion. A maximum escalation factor of not more than 3.5 percent shall be used. No other expenses, fees, or taxes shall be allowed for the purposes of calculating residual receipts.

Reserves: Reserves for replacement shall be placed in a dedicated reserve account to be established on terms and in an amount consistent with the requirements of the Housing Commission and the first position lender. In addition to the replacement reserve account, there shall be capitalized operating reserves equal to three months of operating expenses and debt service payments. Use of reserves shall be subject to the reasonable approval of the President and CEO or designee of the Housing Commission.

Cure Rights: The Housing Commission shall have the right, but not the obligation, to cure all senior encumbrances in all subordination agreements that it executes. The subordination agreement to be used shall be subject to the sole approval of the President and CEO and General Counsel of the Housing Commission.

Management Plan: The Management Plan shall be subject to periodic approval by the Housing Commission, in its reasonable discretion.

Approval of Management: The Housing Commission shall have the right to require the removal of the Property Manager, after an uncured ninety (90) day written notice of malfeasance and/or misfeasance at the project.

Monitoring Fees: The Housing Commission shall perform on-site monitoring during the construction phase for the fee of \$5,000.00 for a period not to exceed 24 months.

Time of Funding: The Housing Commission will fund its loan upon satisfaction of all conditions set forth in the Housing Commission loan documents. All loan documentation, including without limitation any and all documents, all tax credit documents, all

partnership and/or other entity formation documents including, without limitation, the partnership agreement, shall be subject to the approval of the President and Chief Executive Officer or designee and General Counsel, in their sole discretion.

Construction Contract:

Funding of the Housing Commission loan will be subject to Housing Commission approval of a contract for construction of the improvements.

Tax Credits:

The Housing Commission's obligation to fund the loan is further subject to the borrower providing the Housing Commission with a written binding commitment from a tax credit partner, subject to the approval of the Housing Commission in its sole discretion.

Developer Fee:

The total developer fee shall not exceed the sum of One Million, Four Hundred Thousand Dollars (\$1,400,000). The developer fee, or any portion thereof, shall not be disbursed until the developer satisfies its scheduled performance requirements and any other terms and conditions of the Housing Commission Loan Agreement and in accordance with the Funding Agreement and/or Limited Partnership Agreement, that may include various milestones including commencement of construction, completion of construction and timely filing of a notice of completion of the project and certification that all payments have been made or assured to the general contractor, suppliers, subcontractors, consultants, material suppliers, laborers, engineers, architects and all others providing labor or services to the project.

Events of Default:

The following events, among others, will be considered events of default: failure to comply with rent and occupancy restrictions, failure to make loan payments when due; failure to construct and maintain the property.

Limited Partner Asset Management Fee:

Shall not exceed Five Thousand Dollars (\$5,000) per year with an escalation factor of not more than 3 percent.

General Partner Management Fee:

Shall not exceed Twenty Five Thousand Dollars (\$25,000) per year with an escalation factor of not more than 3 percent. No other fee shall be allowed for the purpose of calculating residual receipts.

Prevailing Wages:

Borrower shall comply with the requirements for payment of both Federal Labor Wage Rates (Davis Bacon Act) if Federal funds are awarded and State of California Prevailing Wages as required by the State lending agency and shall pay the

higher of the two in the event of a conflict on a trade-by-trade basis.

Time of Performance: Stabilized occupancy shall be achieved according to TCAC requirements.

HOME Program Funds: The Housing Commission loan may be funded in whole or in part with federal HOME Program funds. Construction and operation of the project shall be subject to all applicable HOME rules and regulations.

ALTA Lender's Policy: The Borrower shall acquire, at its sole cost and expense, ALTA Lender's Policies for the loan with endorsements acceptable to the Housing Commission insuring the Housing Commission's lien priority, as referenced herein.

Attorney Fees: Borrower shall reimburse the Housing Commission for \$5,000 of the Housing Commission's legal fees.

Other Terms: The Housing Commission reserves the right to impose any additional conditions in the Housing Commission Loan Documents that may be necessary, in its reasonable discretion, to protect the interests of the Housing Commission and fulfill the intent of this Commitment Letter. Such documentation shall be approved by the President and CEO, or designee, and the General Counsel of the Housing Commission.

This commitment is based on the condition that the construction of the project will meet or exceed all applicable building codes and requirements and will be performed with labor paid at applicable State prevailing wage rates. This commitment assumes that the Borrower has firm commitments from its other sources of financing.

Notwithstanding any provision of this Letter, the parties agree and acknowledge that this Letter constitutes a conditional reservation and does not represent a final commitment of HOME funds or site approval under 24 CFR Part 58 of the National Environmental Policy Act (NEPA). Should HOME funds constitute a portion of the funding for the project, a final reservation of HOME funds shall occur only upon satisfactory completion of environmental review and receipt by the City of San Diego of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58 of NEPA. The parties agree that the provision of any HOME funds to the project is conditioned on the City of San Diego's determination to proceed with, modify or cancel the project based on the results of subsequent environmental review under NEPA.

By execution of this Letter, you acknowledge no legal claim to any amount of HOME funds to be used for the project or site unless and until the site has received environmental clearance under NEPA. You are also prohibited from undertaking or committing any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, clearance,

Brad Wiblin
April 17, 2008
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rehabilitation, conversion, repair or construction prior to environmental clearance under NEPA. Violation of this provision may result in denial of any HOME funds for this project.

If your organization wishes to obtain a Housing Commission loan under the terms described herein, please accept this commitment by signing below and returning this signed original to my office.

Sincerely,



Cissy Fisher
Director of Housing Finance and Development
619.578.7585
619.578.7356 fax

Agreed to and accepted this ____ day of _____, 2007 for COMM 22, L.L.C., A California Limited Liability Company,
(Borrower)

By: _____ Title: _____

Print Name: _____