

REPORT

DATE ISSUED: July 3, 2009

REPORT NO: HCR09-034

ATTENTION: Chair and Members of the Housing Commission
For the Agenda of July 10, 2009

SUBJECT: Vista Grande Apartments Finance Plan (Council District 4)

REQUESTED ACTION:

Approve a proposed plan for the Housing Commission to acquire the land and to finance rehabilitation of the Vista Grande Apartments.

STAFF RECOMMENDATIONS:

Proposed recommendations as described in this report:

1. Approve purchase of the land generally located at 5391 and 5411-25 Santa Margarita Street ("Property") for its current fair market appraised value of up to \$845,000.
2. Approve lease of the Property to a tax credit limited partnership (the "L.P.") to be formed by Wakeland Housing & Development Corp., for 65 years with at an annual rent of 4.5% of gross income, up to 100% of the project's residual receipts.
3. Approve a loan to the L.P., in the amount of \$2,967,000 (3% simple interest, 50% residual receipts, 55-year affordability restrictions).
4. Approve entry into an option agreement whereby the Housing Commission will have the option to purchase the improvements ("Project") at the end of the fifteen-year tax credit compliance period, for an amount equal to the greater of fair market value (restricted value of the leasehold) or the sum of exit taxes, forgiveness of all principal and interest on the Housing Commission loan, plus assumption of the first position loan.
5. Find that the total amount to be paid by the Housing Commission for the Property and the improvements (provided the Housing Commission exercises the option to purchase the improvements) is less than the fair market value for the same, as determined by Wayne S. Froboese, MAI, and therefore the acquisition complies with the Housing Commission's Real Estate Acquisition Policy 300.103.
6. Authorize the President and Chief Executive Officer, or his designee, to:
 - a. execute a resolution in the form attached hereto as Attachment 7.
 - b. execute any and all documents deemed necessary to effectuate the transaction and implement the project;
 - c. adjust financing terms/conditions as necessary to accommodate market changes that may occur after approval of this report but before close of escrow, provided the \$845,000 land purchase price and \$2,967,000 maximum loan amount may not increase.

This funding commitment is for the 2009 tax credit competition round and may be extended to subsequent tax credits rounds with the written approval of the President and Chief Executive Officer. The L.P., must obtain necessary TCAC 9% low-income housing tax credits. The proposed land purchase, lease and loan would be completed concurrently with the tax credit closing (estimated February, 2010). Documentation of the terms and conditions of the lease and loan would be approved by the Housing Commission's General Counsel.

BACKGROUND:

In September 2007, the Housing Commission received HUD approval to transition its public housing stock. On March 24, 2009, the Housing Authority adopted the Housing Commission Real Estate Acquisitions Policy 300.103 (Attachment 1).

In March, 2009, Wakeland Housing & Development Corp., submitted an application, requesting a \$3,812,000 residual receipts loan, under the Housing Commission's current Notice of Funding Availability (NOFA) for Construction, Acquisition, and Operation of Affordable Rental Housing. In June, 2009, Wakeland Housing & Development Corp., applied to TCAC for 9% tax credits to build the Project's 50 units. TCAC's 2009 single round tax credit application deadline was June 9, 2009, but August 17, 2009 is the milestone for local (Housing Commission) funding commitments to be in place. Allocation awards are expected September 9, 2009.

The Housing Commission is authorizing the loan pursuant to the powers delegated to the Housing Commission pursuant to Real Estate Acquisition Policy 300.103, which grants the Housing Commission the power to obtain dwelling units, pursuant to the procedures set forth therein. Section 3 of Policy 300.103 provides the Housing Commission "is authorized to review, approve, and execute any and all documents necessary and/or appropriate to effectuate the acquisition(s) referenced in this policy." Section 14 of Policy 300.103 delegates the authority and power to the Housing Commission to acquire other units and projects, to achieve the goal of acquiring and/or producing a minimum of 350 units required by HUD in its approval of the public housing disposition, without further action by the Housing Authority. The Housing Commission's purchase of the Property, loan to the developer and option to purchase the improvements at the end of the 15-year tax credit compliance period, as described in this Board Report, are intended to be an acquisition of units by the Housing Commission pursuant to Policy 300.103 and to partially satisfy the Housing Commission's obligation to acquire and/or produce a minimum of 350 units as required by HUD.

The Property is located at 5391 and 5411-25 Santa Margarita Street and includes 49 dwelling units spread among 9 separate buildings. The L.P., has the option to purchase the Property up to and including the TCAC closing date of February 1, 2010, for \$845,000. The L.P., will assign the purchase option to the Housing Commission. The L.P. has agreed to obtain and pay for one or more extensions of the option if necessary so that the Property may be acquired by the Housing Commission concurrently with the tax credit closing. The Property was appraised on April 27, 2009 by Wayne S. Froboese, MAI, at \$845,000.

Staff has identified several possible funding sources for acquisition of the property and making the loan described herein, which include local funds, HUD HOME funds and the bank line of credit and permanent financing that the Housing Commission is seeking to obtain. A final determination of the funding source(s) to be used will be made by the CEO.

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Vista Grande Apartments Finance Plan

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The Development - The Vista Grande Apartments was built in 1986 and is located in the Encanto community. The current owner is Vista Grande Apts., L.P. The development consists of 49 units in seven three-story buildings, one two-story building and one one-story duplex on a 3.1 acre site, 135,035 square feet. (see Attachment 2 – Location Map). Construction is wood frame and stucco. There are 72 parking spaces, a ratio of 1.47 spaces per unit. Laundry facilities are provided at the site; the property is within walking distance of a bus stop and trolley station, and is nearby to schools, supermarkets and other retail establishments. The site is adjacent to the San Diego Housing Commission owned Santa Margarita Apartments which consist of 32 affordable housing units. The Harriett Tubman/Cesar Chavez Community Center, the Malcolm X Public Library and the Market Creek Plaza with its many community oriented facilities funded by the Jacobs Family Foundation is nearby at the intersection of Euclid Avenue and Market Street. Although the existing improvements have been maintained, the complex is suffering the effects of age and could become a detriment to the neighborhood if it is not renovated in the near future.

Planned improvements to Vista Grande Apartments include the construction of a new community center building (none exists today) to house new resident services programs. An existing centrally located building will be gutted leaving a slab and one existing wall. A 1,740 square foot community center will be built on the ground floor. It will include a large meeting/classroom space, a computer center, the property management office and a laundry facility. The second level will include 2 new two-bedroom units. One will house the on-site property manager. An outdoor patio/barbecue area will be built to adjoin the community center. The building will also include a solar energy system. The developer is investigating a photovoltaic system for the roof to serve the community center and site lighting needs. It is anticipated that solar tax credits, rebates and operational cost savings will pay for a significant portion of the system. The project will utilize materials that increase energy efficiency by at least 15% above State Title 24 energy standards.

The location and function of the building will create an attractive community focal point that will enhance the aesthetics as well as the security of the entire development. The total cost of the building is estimated to be \$600,000

Other improvements include a new access gate which will improve the street frontage, additional landscaping, roofing, mproved site drainage and walkway repairs. Interiors will include kitchen and bathroom remodeling, insulation, energy efficient door and window replacements, ceiling fans, floor coverings, appliances, water-efficient plumbing fixtures and interior and exterior painting. Free internet service for each unit will also be provided.

Accessibility improvements will be made to the project's large sloped open space area improving access throughout the entire site to the community spaces. Ground level units equal to five percent of total units will be improved for accessibility with an additional two percent retrofitted for sight and hearing impairments. A replacement of all staircases within the development is also planned. An enhanced security system based on input from the Police Department is planned as well as a possible community substation for the Police Department within the complex. The parking lot will be resurfaced and striped to include three handicapped accessible spaces.

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The Developer - Wakeland Housing & Development Corp., is a California 501(c)(3) nonprofit corporation established in 1998 with the mission of developing affordable housing. The project team for the Vista Grande Apartments will be the staff of Wakeland, including Ken Sauder, President and Chief Executive Officer, Barry Getzel, Director of Project Development and Jack Farris, Project Manager.

Wakeland Housing & Development Corp., has participated in the new construction and acquisition/rehabilitation of over 5,500 affordable rental and for sale housing units, including over 1900 affordable housing units in seven developments in San Diego in the past five years. Wakeland's most recent projects with the Housing Commission are the Beyer Courtyard Apartments, a new construction project completed in April 2006 and Lillian Place, a new construction project completed in December 2006. Wakeland is currently in compliance with the terms of its previous loans from the Housing Commission.

AFFORDABLE HOUSING IMPACT:

The Housing Commission's loan to the L.P., would provide rehabilitation and permanent gap financing for 48 units of affordable rental housing for families and one unrestricted manager's unit. Housing Commission rent and occupancy restrictions would be recorded against the property for 55 years. The units will be affordable to Area Median Income (AMI) levels ranging from 30% AMI to 50% AMI. Attachment 3 summarizes the project's 49 units by type, proposed rents, and affordability.

FISCAL CONSIDERATIONS:

The estimated total development cost is \$15,165,289 (\$309,557/unit). The Housing Commission's proposed cost for development of these 49 four-bedroom rental housing units would be \$3,812,000 (land cost: \$845,000 plus the proposed development loan: \$2,967,000; \$77,796 per unit and \$20,169 per bedroom, 189 bedrooms). The Housing Commission's proposed purchase of the land and 55-year residual receipts permanent loan are contingent upon TCAC's prior award and concurrent closing of 9% tax credits to the Project.

Appraisals and Option to Purchase Improvements

On March 24, 2009, the Housing Authority approved updating the Housing Commission's Real Estate Acquisition Policy 300.103, and delegated to the President and Chief Executive Officer and the Board of Commissioners the authority to acquire additional affordable housing under specific conditions. Section 11 of Policy 300.103 provides "the purchase price for the property to be acquired must be at or below the appraised value."

Wayne S. Froboese, MAI., appraised the Property at \$845,000 as of April 27, 2009, which equals the Housing Commission's purchase price for the Property. In addition, the Housing Commission will have an option to purchase the improvements to the Property at the end of the of the fifteen-year tax credit compliance period, for an amount equal to the greater of fair market value (restricted value of the leasehold) or the sum of exit taxes, forgiveness of all principal and interest on the Housing Commission loan, plus assumption of the first position loan. The appraisal establishes that the total Housing Commission contribution toward both land and buildings is below appraised value. The appraisal conclusions confirm: (1) the land valuation is \$845,000, which is the purchase price; (2) the value of the improvements at the year 15 exercise of option (at restricted rents) is \$3,830,000 compared to the balance of the Housing Commission's contribution minus potential exit taxes is worth \$3,817,000 at year 15. Provided the Housing Commission exercises the option to purchase the improvements at year 15, the

15, the Housing Commission's purchase price is below appraised value

Proposed Land Lease

The Housing Commission would lease the land to the L.P., at an annual rent of 4.5% of gross income up to 100% of the project's residual receipts. The land lease would be a triple net lease with all costs paid by the L.P. Because the developer has deferred a portion of its developer fee for the project (\$291,439), the developer fee must be paid first in accordance with tax credit program requirements. Deferred developer fee is estimated to be paid off at the 7th year and a partial land lease payment of \$22,167 is made with the balance of residual receipts. At year 8, a full lease payment is made, based on 4.5% of gross income of \$711,671, in the amount of \$32,025.

Proposed Loan

Concurrently with closing on the tax credits, the Housing Commission will make the \$2,967,000 residual receipts rehabilitation and permanent loan to the L.P. The Housing Commission loan shall bear 3% simple interest. The Housing Commission loan is expected to be secured by a second trust deed recorded against the leasehold. The Housing Commission deed of trust will be subordinate to the construction loan deed of trust and then to the permanent bank loan deed of trust, both of which will be recorded against the leasehold only and not the fee. The Commission loan would be recourse until the timely completion of rehabilitation of the project, after which it would become non recourse (as required by the tax credit program). Loan payments begin at year 8, after payoff of the deferred developer fee and after the land lease payment, from 50% of residual receipts (\$16,498 at year 8). If the option to purchase at year 15 is not utilized, the note would be due and payable in 55 years from the funding of the Commission Loan. To minimize public financing, the Housing Commission's loan would require the developer to obtain the largest possible bank loan. Staff has identified several possible funding sources for the loan described herein, which include local funds, HUD HOME funds and the bank line of credit and permanent financing that the Housing Commission is seeking to obtain. A final determination of the funding source(s) to be used will be made by the CEO.

Construction financing is expected to be provided by the California Community Reinvestment Corporation ("CCRC") in the amount of approximately \$7,500,000, which will convert to a permanent loan in the amount of approximately \$3,135,105 upon completion of rehabilitation and the project being placed in service. The deed of trust securing the CCRC construction and permanent loan will be senior to the deed of trust securing the Housing Commission loan. In addition to the Housing Commission and CCRC loans, other estimated construction and permanent financing sources include, approximately \$7,929,725 of 9% tax credit equity and deferral of approximately \$291,439 of deferred developer fee.

Cost Savings - Cost savings will be used as allowed by TCAC. If allowed by TCAC, additional tax credit and/or additional senior debt will be used to reduce the principal of the Housing Commission's loan. The developer will obtain the largest possible private first mortgage and largest possible tax credit equity. The cost savings, and possible Housing Commission loan reduction, will be determined at completion of rehabilitation and the TCAC placed in service date, with a TCAC-required audit certification which shall: reflect all costs, expenditures and funds used for the project, up to the funding

of the permanent loan; and include a TCAC-provided sources and uses closing form reflecting the actual total costs incurred up to the funding of the permanent loan.

PREVIOUS BOARD and/or COMMITTEE ACTION:

None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The proposed development was reviewed by the Encanto Area Community Planning Group at their regular meeting on July 21, 2008. The group voted with ten in favor, three opposed, and no abstentions, to support the acquisition and rehabilitation of Vista Grande Apartments.

ENVIRONMENTAL REVIEW:

The City of San Diego determined on May 13, 2009 that this project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA guidelines Section 15301 (existing facilities). The City of San Diego also determined this project to be Categorical Excluded pursuant to the National Environmental Policy Act (NEPA) Section 58.35(a) (3) (ii) on May 13, 2009.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Stakeholders include: Wakeland Housing & Development Corp., which will control the L.P., the property seller Vista Grande LP, the neighborhood community of Encanto, and the City of San Diego as this project supports its efforts to increase affordable housing.


The Vista Grande Apartments will add to the City's housing stock for low-income families by restricting 48 units for 55 years and will create construction/supplier jobs in San Diego to help stimulate the area's economy. The proposed loan would enable the project to compete for TCAC tax credits without delay. Rehabilitation may start as soon as February 2010. For the reasons stated above, staff recommends project funding upon the terms and conditions outlined in this report.

Respectfully submitted,



D. Lawrence Clemens
Senior Vice President

Approved by,



Carrol M. Vaughan
Executive Vice President
and Chief Operating Officer

Attachments:

1. Real Estate Acquisitions Policy 300.103
2. Location Map
3. Development Summary
4. Development Timeline
5. Resolution
6. SDHC General Application Form
7. Developer Disclosure Statement
8. Developer Financial Information

ATTACHMENT 1

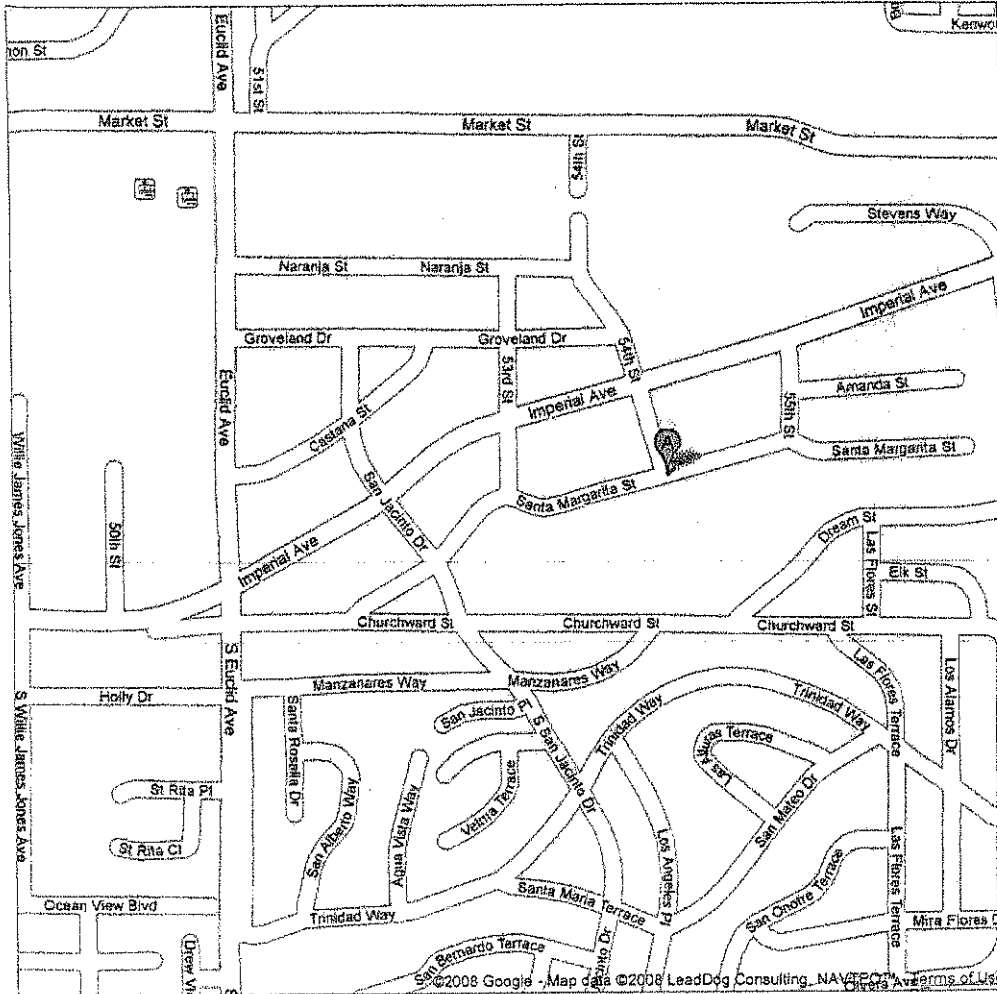
The Housing Commission submitted an application to transition from the Federal public housing program to the U.S. Department of Housing and Urban Development in March 2007 and received approval on September 10, 2007 to “dispose” of the public housing stock (excepting thirty-six units that were in acquisition stage resulting from a taking of units by the San Diego Unified School District). The approval included the transfer of title to the units to the Housing Commission and new Housing Choice Vouchers made available to the Housing Commission. In addition, as proposed in the original application, the Housing Commission agreed to leverage the equity in the former public housing units to create a minimum of 350 additional affordable units. The 1366 housing units that were the subject of this approval continue to be rented to low income households at rent levels affordable to either 50% AMI (\$41,300 for a family of four), 80% AMI (\$66,100 for a family of four) or at market rate rents, whichever is less.

On March 24, 2009, the Housing Authority approved updating the Housing Commission’s Real Estate Acquisitions Policy 300.103, and delegated, under specific conditions, to the President and Chief Executive Officer and the Board of Commissioners the authority to acquire single-family and multifamily properties for the purpose of providing additional affordable housing. The Housing Commission was also delegated the power and authority to acquire lending necessary and appropriate for any acquisition approved by it. In addition, under the new policy 300.103 the Housing Authority may ask to review the action within seven (7) days.

ATTACHMENT 2

LOCATION MAP

5411-25 and 5391 Santa Margarita Street (A)



July 3, 2009

Vista Grande Apartments Finance Plan

**ATTACHMENT 3
DEVELOPMENT SUMMARY
VISTA GRANDE APARTMENTS**

Unit Affordability:

Total # of units: 49

Assisted units: 48

Percent of AMI: The restricted units will be affordable to Area Median Income (AMI) levels ranging from 30% AMI to 50% AMI, with initial rents as follows:

(a) Unit Type	(b) Unit Size (sq. ft.)	(c) No. of Units	(d) HC's Estd Restricted Monthly Rents -- Net of Utility Allowance	(e) Income Restrictions (% of Area Median Income)	(f) Estimated Monthly Market Rate Rents (from market study)	(g) Monthly Rent Savings vs. Market Rate
2br/1ba	830	1	\$530	30%	\$850	\$320
2br/1ba	830	1	\$808	45%	\$850	\$42
	Subtotal	2				
3br/1ba	1100	1	\$1,040	50%	\$1,100	\$60
	Subtotal	1				
4br/2ba	1,225	4	\$627	30%	\$1,300	\$673
4br/2ba	1,225	7	\$960	45%	\$1,300	\$340
4br/2ba	1,225	34	\$1,072	50%	\$1,300	\$228
	Subtotal	45				
2br/1ba	830	1	Manager's unit	n/a	n/a	n/a
Total units		49				
Total Annual Rent Savings						\$158,952

Development Cost (Estimated):

Total development cost (estimated): \$15,168,269

HC total financing provided: \$ 3,812,000

Total development cost per unit: \$ 309,557

Housing Commission cost per unit: \$ 77,796

Sources of Funds (Estimated):

Bank Loan (first trust deed) \$3,135,105 (permanent) \$7,500,000 (construction)

HC (2nd trust deed) \$2,967,000

HC Land Acquisition \$ 845,000

Tax Credit Equity \$7,929,725

Deferred Developer Fee \$ 291,439

Total Permanent Sources \$15,168,269

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Vista Grande Apartments Finance Plan

Proforma Summary (Year 1):

Estimated gross income	\$	598,704
Estimated effective gross income:	\$	568,769
Estimated annual expenses:	\$	257,704
Annual debt service:	\$	246,971
Estimated residual cash flow:	\$	31,804*

*Paid to Deferred Developer Fee

ATTACHMENT 4

ESTIMATED DEVELOPMENT TIMELINE – VISTA GRANDE APARTMENTS

- June 9 - Tax Credit Allocation Committee (TCAC) milestone: developer submitted application to TCAC for 9% tax credits (single round for 2009).
- July 10 - Housing Commission review of proposed loan.
- Aug 17 - Local funding commitments must be in place for TCAC's 9% tax credits.
- Sept 9 - TCAC announces awards for 9% tax credits single round 2009.
- Feb 6, 2010 - TCAC closing (150 days from award)
- Feb 2010 - Estimated start of rehabilitation.
- Spring 2011 - Estimated Construction Completion and Occupancy.

ATTACHMENT 5

SAN DIEGO HOUSING COMMISSION
RESOLUTION NO. _____
ADOPTED ON JULY 10, 2009

A RESOLUTION : (1) APPROVING HOUSING COMMISSION PURCHASE OF THE LAND GENERALLY LOCATED AT 5391 and 5411-25 SANTA MARGARITA STREET (THE "PROPERTY") FOR ITS CURRENT APPRAISED VALUE OF UP TO \$845,000; (2) APPROVING LEASE OF THE PROPERTY TO A TO-BE-FORMED LIMITED PARTNERSHIP (the "L.P.") FOR 65 YEARS; (3) APPROVING A RESIDUAL RECEIPTS LOAN TO THE L.P., IN THE AMOUNT OF \$2,967,000; (4) APPROVING ENTRY INTO AN OPTION AGREEMENT WHEREBY THE HOUSING COMMISSION WILL HAVE THE OPTION TO PURCHASE THE IMPROVEMENTS AT THE END OF THE 15-YEAR TAX CREDIT COMPLIANCE PERIOD; (5) FINDING THAT THE TOTAL AMOUNT TO BE PAID BY THE HOUSING COMMISSION FOR THE PROPERTY IS LESS THAN ITS APPRAISED FAIR MARKET VALUE AND THEREFORE COMPLIES WITH HOUSING COMMISSION REAL ESTATE ACQUISITION POLICY 300.103; AND (6) AUTHORIZING THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE HOUSING COMMISSION, OR DESIGNEE, TO EXECUTE ALL NECESSARY DOCUMENTS

WHEREAS, the San Diego Housing Commission has issued a Notice of Funding Availability (NOFA) for proposals from qualified developers for the Construction, Acquisition, and Operation of Affordable Rental Housing; and

WHEREAS, Wakeland Housing & Development Corporation, on behalf of itself and/or the L.P. a California Limited Partnership [the "Developer"], has proposed and requested that the San Diego Housing Commission provide financial assistance for the land acquisition and acquisition with rehabilitation of a forty-nine unit rental housing development known as "Vista Grande Apartments", at 5391 and 5411-25 Santa Margarita Street (also identified as assessors parcel no. 548-204-49 and 11) [the "Property"], of which forty-eight rental units will be restricted for occupancy by very low-income families [the "Development"]; and

WHEREAS, the Developer has an option to purchase the Property; and

WHEREAS, Developer has applied to the State of California Tax Credit Allocation Committee (TCAC) for nine percent tax credits for the Development; and

WHEREAS, under the application for nine percent tax credits, TCAC requires submittal of a resolution confirming the local funds contribution; and

WHEREAS, as described in the San Diego Housing Commission Report HCR 09-034 “Vista Grande Apartments Finance Plan”, and acting pursuant to the authority described in Housing Commission Acquisitions Policy 300.103, on July 10, 2009 the San Diego Housing Commission approved acquisition of the 5391 and 5411-25 Santa Margarita Street property and approved making a residual receipts loan, up to \$2,967,000, to the Developer for the Development; and

BE IT RESOLVED by the San Diego Housing Commission that on the terms and conditions as described in the San Diego Housing Commission Report HCR 09-034 “Vista Grande Apartments Finance Plan”:

1. The San Diego Housing Commission is authorized to purchase the Property for its current fair market appraised value of up to \$845,000.
2. The San Diego Housing Commission is authorized to lease the Property to Developer for 65 years with at an annual rent of 4.5% of gross income, up to 100% of the project’s residual receipts.
3. The San Diego Housing Commission is authorized to approve a loan to Developer in the amount of \$2,967,000, pursuant to the powers delegated to the Housing Commission by Real Estate Acquisition Policy 300.103.
4. The San Diego Housing Commission is authorized to enter into an option agreement whereby the San Diego Housing Commission will have the option to purchase the improvements at the end of the fifteen-year tax credit compliance period. Section 11

of Real Estate Acquisition Policy 300.103 provides “the purchase price for the property to be acquired must be at or below the appraised value.”

5. The appraisal performed by Wayne S. Froboese, MAI, determined: (1) the fair market value of the land is \$845,000, which equals the purchase price; and (2) the fair market value of the fee will be \$8,875,000 after 15 years, which is more than the \$6,382,000 total amount to be paid by the Commission for the fee (\$845,000 land acquisition, plus the projected option price to be paid by the Housing Commission of \$5,537,000 (forgiveness of the Housing Commission loan of approximately \$2,967,000, assumption of the first position loan which will have a then principal balance of approximately \$2,320,000, plus exit taxes estimated at \$250,000).

6. The San Diego Housing Commission hereby finds that the total amount to be paid by the Housing Commission for the Property and the improvements (provided the Housing Commission exercises the option to purchase the improvements) is less than the fair market value for the same, as determined by Wayne S. Froboese, MAI, and therefore the acquisition complies with the Housing Commission’s Real Estate Acquisition Policy 300.103.

7. City of San Diego staff determined on May 13, 2009 that this project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA guidelines Section 15301 (existing facilities).

8. City staff also determined this project to be Categorical Excluded pursuant to the National Environmental Policy Act (NEPA) Section 58.35(a) (3) (ii) on May 13, 2009.

9. The President and Chief Executive Officer of the San Diego Housing Commission, or his designee, is authorized to: (a) execute any and all documents deemed

necessary to effectuate this transaction and implement the project; (b) adjust financing terms/conditions as necessary to accommodate market changes that may occur after approval of this report but before close of escrow, provided the \$845,000 land purchase price and \$2,967,000 maximum loan amount may not increase.

THIS ACTION OF THE SAN DIEGO HOUSING COMMISSION BOARD OF COMMISSIONERS SHALL BECOME FINAL IF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO DOES NOT ELECT TO HEAR THE MATTER, ON OR BEFORE THE CLOSE OF BUSINESS ON JULY 17, 2009, BY WRITTEN REQUEST TO THE CHIEF EXECUTIVE OFFICER OF THE SAN DIEGO HOUSING COMMISSION, PURSUANT THE APPLICABLE PROVISIONS OF SAN DIEGO HOUSING COMMISSION ACQUISITION POLICY 300.103.

I hereby certify that the foregoing is a full, true and correct copy of Resolution Number ____, passed and adopted by the San Diego Housing Commission on July 10, 2009.

By: _____
Richard C. Gentry, President and CEO
San Diego Housing Commission

Approved as to Form:
Christensen & Spath

By: _____
General Counsel
San Diego Housing Commission

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

DATE: June 30, 2009

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

REQUEST FOR: EARLY ASSISTANCE PROJECT FUNDING \$ 3,812,000
 TECHNICAL ASSISTANCE PREDEVELOPMENT LOAN \$ _____
 _____ PROJECT SUPPORT GRANT \$ _____

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

PROJECT CONDITION: UNIMPROVED SITE RESIDENTIAL COMMERCIAL
YEAR BUILT: 1986 EXISTING STRUCTURE OTHER (DESCRIBE) _____

PROJECT NAME: Vista Grande Apartments
ADDRESS: 5411 Santa Margarita Street San Diego CA 92114
STREET CITY STATE ZIP
LEGAL DESCRIPTION: F 2000 Las Alturas 548-204-49 and 11 31.11
LOT NO. BLOCK NO. SUBDIVISION NAME ASSESSORS PARCEL NO. CENSUS TRACT

SITE CONTROL: DEED OPTION OTHER (DESCRIBE) _____
DWELLING UNITS: 0 3 1 45 49 189
0-BEDROOM 1-BEDROOM 2-BEDROOM 3-BEDROOM 4-BEDROOM 5-BEDROOM TOTAL UNITS Bedrooms
HC Assisted Units: 0 2 1 45 48 187
0-BEDROOM 1-BEDROOM 2-BEDROOM 3-BEDROOM 4-BEDROOM 5-BEDROOM TOTAL UNITS Bedrooms

EXISTING USES OF PROPERTY: Multi-Family rental No. of Building: 9

DESCRIPTION OF PROPOSED PROJECT: Acquisition and rehabilitation of 49 unit apartment complex for large families. Extensive rehabilitation and upgrading of individual units and common areas. One building will be remodeled to add an onsite community center (for resident services programs) with a two units

APPLICANT/BORROWER:
NAME: Wakeland Housing & Development Corp. CONTACT PERSON: Sylvia Martinez
ADDRESS: 1230 Columbia St., Suite 950 San Diego CA 92101
STREET CITY STATE ZIP
TELEPHONE: (619) 677-2290 FAX NO. (619) 235-5386 E-mail address: smartinez@walandhdc.com

LEGAL DESCRIPTION OF APPLICANT:
 FOR PROFIT CORPORATION NONPROFIT CORPORATION PARTNERSHIP INDIVIDUAL OWNER
 CHDO OTHER _____
DESCRIBE

TAXPAYER IDENTIFICATION NUMBER: 33-0833640

CURRENT OWNER/SELLER INFORMATION:
NAME: Vista Grande, LP LEGAL DESCRIPTION: Limited Partnership
ADDRESS: 5858 Mount Alifan Drive, # 205 San Diego CA 92039-3086
STREET CITY STATE ZIP
TELEPHONE: (619) 322-2905 FAX NO. _____

ZONING: SESDPD-MF-3000 COMMUNITY PLAN AREA: Encanto Neighborhoods
COUNCIL DISTRICT: 4 SCHOOL DISTRICT: San Diego Unified

SIGNATURE: _____ PRINT NAME: Kenneth L. Sauder TITLE: President DATE: March 30, 2009

**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: Vista Grande
ADDRESS: 5411 Santa Margarita Street San Diego CA 92114
ADDRESS CITY STATE ZIP
OWNERSHIP NAME: Wakeland Vista Grande Apts., L.P., a CA, tax credit limited partnership DATE: June 30, 2009

1. Wakeland Vista Grande, LLC and LP Non-Profit A.H. Developer Managing General Part
NAME TITLE/POSITION NATURE OF INTEREST
1230 Columbia Street, # 950 619-677-2275 0.01
STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
San Diego CA 92101
CITY STATE ZIP

2. Tax Credit Investor Limited Partner-TBD Limited Partner
NAME TITLE/POSITION NATURE OF INTEREST
STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
CITY STATE ZIP

3. Limited Partner-TBD
NAME TITLE/POSITION NATURE OF INTEREST
STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
CITY STATE ZIP

4.
NAME TITLE/POSITION NATURE OF INTEREST
STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
CITY STATE ZIP

5.
NAME TITLE/POSITION NATURE OF INTEREST
STREET/PO BUSINESS TELEPHONE NO. PERCENT INTEREST
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

**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: Vista Grande Apartments
 ADDRESS: 5411 Santa Margarita Street San Diego CA 92114
ADDRESS CITY STATE ZIP
 OWNERSHIP NAME: Wakeland Vista Grande Apts., L.P., a CA, tax credit limited partnership DATE: June 30, 2009

- | | | |
|--|---|--|
| <p>1. <u>Loren Adams</u>
 <small>NAME</small>
 <u>600 B Street, Suite 200</u>
 <small>STREET/PO</small>
 <u>San Diego</u> <u>CA</u> <u>92101</u>
 <small>CITY STATE ZIP</small></p> | <p><u>Intracorp Vice President of Operatio</u>
 <small>TITLE/POSITION</small>
 <u>619-544-6963</u>
 <small>BUSINESS TELEPHONE NO.</small></p> | <p><u>Board Member</u>
 <small>NATURE OF INTEREST</small>
 <small>PERCENT INTEREST</small></p> |
| <p>2. <u>Robert "Buddy" Bohrer</u>
 <small>NAME</small>
 <u>7577 Mission Valley Road</u>
 <small>STREET/PO</small>
 <u>San Diego</u> <u>CA</u> <u>92108</u>
 <small>CITY STATE ZIP</small></p> | <p><u>HG Fenton Company</u>
 <small>TITLE/POSITION</small>
 <u>619-400-0139</u>
 <small>BUSINESS TELEPHONE NO.</small></p> | <p><u>Board Member</u>
 <small>NATURE OF INTEREST</small>
 <small>PERCENT INTEREST</small></p> |
| <p>3. <u>Hank Cunningham</u>
 <small>NAME</small>
 <u>608 Crest Drive</u>
 <small>STREET/PO</small>
 <u>San Diego</u> <u>CA</u> <u>92024</u>
 <small>CITY STATE ZIP</small></p> | <p><u>CEcD</u>
 <small>TITLE/POSITION</small>
 <u>760-331-3408</u>
 <small>BUSINESS TELEPHONE NO.</small></p> | <p><u>Board Member</u>
 <small>NATURE OF INTEREST</small>
 <small>PERCENT INTEREST</small></p> |
| <p>4. <u>Lina Ericsson</u>
 <small>NAME</small>
 <u>600 West Broadway, Suite 2600</u>
 <small>STREET/PO</small>
 <u>San Diego</u> <u>CA</u> <u>92101</u>
 <small>CITY STATE ZIP</small></p> | <p><u>Luce Forward Hamilton & Scripps</u>
 <small>TITLE/POSITION</small>
 <u>619-533-7360</u>
 <small>BUSINESS TELEPHONE NO.</small></p> | <p><u>Officer-Chairperson of f</u>
 <small>NATURE OF INTEREST</small>
 <small>PERCENT INTEREST</small></p> |
| <p>5. <u>Glen Googins</u>
 <small>NAME</small>
 <u>344 F Street, Suite 100</u>
 <small>STREET/PO</small>
 <u>Chula Vista</u> <u>CA</u> <u>91910</u>
 <small>CITY STATE ZIP</small></p> | <p><u>Attorney at Law</u>
 <small>TITLE/POSITION</small>
 <u>619-426-4409</u>
 <small>BUSINESS TELEPHONE NO.</small></p> | <p><u>Board Secretary</u>
 <small>NATURE OF INTEREST</small>
 <small>PERCENT INTEREST</small></p> |
| <p>6. <u>Doug Perkins</u>
 <small>NAME</small>
 <u>5703 Oberlin Dr., Suite 209</u>
 <small>STREET/PO</small>
 <u>San Diego</u> <u>CA</u> <u>92121</u>
 <small>CITY STATE ZIP</small></p> | <p><u>President, Pacific Gateway Group</u>
 <small>TITLE/POSITION</small>
 <u>619-234-3491</u>
 <small>BUSINESS TELEPHONE NO.</small></p> | <p><u>Board Member</u>
 <small>NATURE OF INTEREST</small>
 <small>PERCENT INTEREST</small></p> |
| <p>7. <u>Art Rivera</u>
 <small>NAME</small>
 <u>350 Nutmeg Street</u>
 <small>STREET/PO</small>
 <u>San Diego</u> <u>CA</u> <u>92103</u>
 <small>CITY STATE ZIP</small></p> | <p><u></u>
 <small>TITLE/POSITION</small>
 <u>619-838-0908</u>
 <small>BUSINESS TELEPHONE NO.</small></p> | <p><u>Board Member</u>
 <small>NATURE OF INTEREST</small>
 <small>PERCENT INTEREST</small></p> |
| <p>8. <u>Lee Winslett</u>
 <small>NAME</small>
 <u>401 B Street, Suite 304A</u>
 <small>STREET/PO</small>
 <u>San Diego</u> <u>CA</u> <u>92101</u>
 <small>CITY STATE ZIP</small></p> | <p><u>Vice President of Wells Fargo Bank</u>
 <small>TITLE/POSITION</small>
 <u>619-699-3037</u>
 <small>BUSINESS TELEPHONE NO.</small></p> | <p><u>Officer-Treasurer</u>
 <small>NATURE OF INTEREST</small>
 <small>PERCENT INTEREST</small></p> |

**SAN DIEGO HOUSING COMMISSION
DEVELOPMENT FORM - RENTAL INCOME - RI**

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

DATE: June 30, 2009

PROJECT TYPE ACQUISITION ACQUISITION & REHABILITATION RENTAL
 NEW CONSTRUCTION REHABILITATION OWNERSHIP

PROJECT NAME: Vista Grande Apartments
 ADDRESS: 5411 Santa Margarita Street San Diego CA 92114
 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 Tor L
<input checked="" type="checkbox"/> Apartment	Heat <input type="checkbox"/> G <input type="checkbox"/> T	
<input type="checkbox"/> Duplex, Townhouse	Cooking <input type="checkbox"/> G <input type="checkbox"/> T	
<input type="checkbox"/> House, Mobile Home	Water Heater <input type="checkbox"/> G <input type="checkbox"/> T	
	Water/Sewer <input type="checkbox"/> L	
	Basic Electric <input type="checkbox"/> T	

INCOME BY UNIT TYPE
COLUMN:

A	B	C	D	E	F	G	H	I	J	K	L	M
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	1	2	1.00	830	\$ 850	\$ 557	\$ 27	\$ 530	\$ 850	30 %	\$ 6,360	\$ 13,200
TC	1	3	1.00	1100	900	1,073	33	1,040	900	50	12,480	13,200
TC	4	4	2.00	1225	1200	670	43	627	1,300	30 %	30,096	13,200
TC	1	2	1.00	830	850	835	27	808	850	45 %	9,696	390,000
TC	7	4	2.00	1225	1200	1,003	43	960	1,300	45 %	80,640	13,200
TC	34	4	2.00	1225	1200	1,115	43	1,072	1,300	50 %	437,376	390,000
					\$	\$	\$	\$	\$	%	\$	\$
					\$	\$	\$	\$	\$	##### %	\$	\$
					\$	\$	\$	\$	\$	##### %	\$	\$
					\$	\$	\$	\$	\$	##### %	\$	\$
					\$	\$	\$	\$	\$	##### %	\$	\$
					\$	\$	\$	\$	\$	##### %	\$	\$
MGR	1	2	1.00	830	1067	1,250		1,250		%	15,000	
					\$	\$	\$	\$	\$	##### %	\$	\$

Indicates 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

Comp. to 90% of Market:		
TOTAL RENT (YEAR)	\$ 591,648	\$ 832,800
	\$ 591,648	\$ 749,520

OTHER INCOME	Laundry & Interest Income	\$ 7,056
		\$
		\$
TOTAL ANNUAL INCOME		\$598,704

TOTAL UNIT SQ. FT.	57775 +	TOTAL COMMUNITY FACILITIES SQ. FT.	1700
TOTAL UNITS		49	
TOTAL SQ. FT.		59,475	

**SAN DIEGO HOUSING COMMISSION
DEVELOPMENT FORM - OPERATING EXPENSE - OE**

DATE: June 30, 2009

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

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

PROJECT NAME: Vista Grande Apartments
 ADDRESS: 5411 Santa Margarita Street San Diego CA 92114
STREET CITY STATE ZIP
 TOTAL NUMBER OF UNITS: 49

OPERATING EXPENSE ITEM	ANNUAL COST	COST PER UNIT	COST PER SQ. FT.
Administrative Expenses			
Office Supplies & Equipment	\$ 4,560	\$ 93	\$ 0.08
Telephone	\$ 2,400	\$ 49	\$ 0.04
Training & Travel	\$ 600	\$ 12	\$ 0.01
Payroll Services	\$ 1,200	\$ 24	\$ 0.02
Resident Services	\$ 24,000	\$ 490	\$ 0.40
Other: <u>Personnel/benefits</u>	\$ 74,872	\$ 1,528	\$ 1.26
Subtotal Percent of Total <u>39%</u>	\$ 107,632	\$ 2,197	\$ 1.81
Marketing Expenses			
Advertising	\$ 120	\$ 2	\$ 0.00
Other:	\$	\$	\$
Subtotal Percent of Total <u>0%</u>	\$ 120	\$ 2	\$ 0.00
Professional Fees			
Property Management	\$ 23,520	\$ 480	\$ 0.40
Auditing Services	\$ 7,200	\$ 147	\$ 0.12
Legal Services	\$ 1,200	\$ 24	\$ 0.02
Other:	\$	\$	\$
Subtotal Percent of Total <u>10%</u>	\$ 31,920	\$ 651	\$ 0.54
Utilities			
Gas	\$ 1,874	\$ 38	\$ 0.03
Electric	\$ 4,500	\$ 92	\$
Water/Sewer	\$ 44,100	\$ 900	\$ 0.74
Other:	\$	\$	\$
Subtotal Percent of Total <u>26%</u>	\$ 50,474	\$ 1,030	\$ 0.85
Contract Services			
Exterminating	\$ 1,580	\$ 32	\$ 0.03
Trash Removal	\$ 12,960	\$ 264	\$ 0.22
Security Patrol	\$	\$	\$
Building/Grounds Maintenance	\$ 6,000	\$ 122	\$ 0.10
Janitorial Services	\$	\$	\$
Repair Services	\$ 2,400	\$ 49	\$ 0.04
Elevator & Other Equipment	\$	\$	\$
Garage Operations/Maintenance	\$	\$	\$
Other:	\$	\$	\$
Subtotal Percent of Total <u>9%</u>	\$ 22,940	\$ 468	\$ 0.39
Cleaning & Decorating			
Painting Supplies	\$ 1,765	\$ 36	\$ 0.03
Grounds Supplies	\$ 900	\$ 18	\$ 0.02
Other:	\$	\$	\$
Subtotal Percent of Total <u>1%</u>	\$ 2,665	\$ 54	\$ 0.04
Taxes & Insurance			
Real Property Tax Assessment	\$ 5,927	\$ 121	\$ 0.10
Property Insurance	\$ 17,150	\$ 350	\$ 0.29
Director's & Officer's Insurance	\$ 156	\$ 3	\$ 0.00
Other: <u>Licenses/permits</u>	\$ 600	\$ 12	\$ 0.01
Subtotal Percent of Total <u>7%</u>	\$ 23,833	\$ 486	\$ 0.40
Other			
SDHC Monitoring Fees	\$ 2,695	\$ 55	\$ 0.05
Other: <u>SDHC fees add-on (\$65/restr. Unit)</u>	\$ 425	\$	\$
Other: <u>Manager Apartment</u>	\$ 15,000	\$ 306	\$ 0.25
Other:	\$	\$	\$
Subtotal Percent of Total <u>7%</u>	\$ 18,120	\$ 361	\$ 0.30
Total Annual Operating Costs	\$ 257,704	\$ 5,259	\$ 4.33

**SAN DIEGO HOUSING COMMISSION
DEVELOPMENT FORM - DEVELOPMENT COST - DC**

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

DATE: June 30, 2009

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

PROJECT NAME: Vista Grande Apartments
 ADDRESS: 5411 Santa Margarita Street San Diego CA 92114
 STREET CITY STATE ZIP
 Number of Units 49

DEVELOPMENT COST ITEM	PERCENT	AMOUNT
ACQUISITION / LAND COST		
LAND		\$ 1,455,300
BUILDINGS		\$ 5,159,700
SUBTOTAL		\$ 6,615,000
LEGAL/BROKER'S FEE/TITLE		\$
OTHER		\$
TOTAL ACQUISITION / LAND COST		\$ 6,615,000

DEVELOPMENT COST ITEM	PERCENT	AMOUNT
REHABILITATION / CONSTRUCTION		
SITE WORK		\$ 527,992
DEMOLITION		\$
STRUCTURES		\$ 3,734,212
TOTAL HARD COSTS		\$ 4,262,204
GENERAL REQUIREMENTS	7.0 %	\$ 298,354
CONTRACTOR'S OVERHEAD	2.0 %	\$ 85,244
CONTRACTOR'S PROFIT	7.0 %	\$ 298,354
TOTAL REHABILITATION / CONSTRUCTION		\$ 4,944,156

CONSTRUCTION CONTINGENCY 10% % \$ 494,416

BOND PREMIUM \$

DEVELOPMENT COST ITEM	PERCENT	AMOUNT
CONSTRUCTION LOAN		
CONSTRUCTION INTEREST COST		\$ 391,713
APPLICATION FEE		\$ 88,137
LOAN ORIGINATION FEE		\$ 60,000
OTHER		\$
TOTAL CONSTRUCTION LOAN		\$ 539,850

DEVELOPMENT COST ITEM	PERCENT	AMOUNT
PERMANENT LOAN		
APPLICATION FEE		\$ 10,767
LOAN ORIGINATION FEE		\$ 31,351
OTHER		\$
TOTAL PERMANENT LOAN		\$ 42,118

RELOCATION COST \$ 375,800

DEVELOPMENT COST ITEM	PERCENT	AMOUNT
ARCHITECTURAL FEES		
DESIGN		\$ 115,000
SUPERVISION		\$ 10,000
TOTAL ARCHITECTURAL FEES	0.0 %	\$ 125,000

SURVEYS, SOIL BORINGS, & ENGINEERING \$ 45,000

DEVELOPMENT COST ITEM	PERCENT	AMOUNT
LEGAL, PERMIT, & AUDIT		
SDHC'S LEGAL (not to exceed)		\$ 5,000
BORROWER'S LEGAL		\$ 50,000
LENDERS' LEGAL		\$ 30,000
PERMITS		\$ 90,000
TITLE & RECORDING		\$
INSURANCE		\$ 114,918
AUDIT		\$ 12,000
TAXES DURING CONSTRUCTION		\$ 72,765
OTHER <u>TC legal</u>		\$ 35,000
TOTAL LEGAL, PERMIT, & AUDIT		\$ 409,683

DEVELOPMENT COST ITEM	PERCENT	AMOUNT
OTHER COSTS		
DEVELOPER'S FEE	8.0 %	\$ 1,130,000
CONSULTANT FEE	0.3 %	\$ 50,000
APPRAISAL COSTS		\$
ENVIRONMENTAL STUDY		\$ 20,000
MARKET STUDY		\$ 7,500
MARKETING & RENT-UP		\$ 34,000
SDHC MONITOR SET-UP		\$ 500
SDHC LOAN ORIGINATION FEE		\$ 2,000
REPLACEMENT RESERVES MONTHS		\$
OPERATING RESERVES 3 MONTHS		\$ 129,844
REHABILITATION PROJECTS:		
SDHC TECHNICAL SERVICES FEE (\$5,000)		\$ 2,500
CDLAC/TCAC Fees		\$ 49,668
TCAC Monitoring Fees		\$ 20,090
Furnishings		\$ 30,000
Prevailing Wage Monitor		\$ 16,317
TOTAL OTHER COSTS		\$ 1,492,419

SOFT COSTS CONTINGENCY 5.00 % \$ 84,827

TOTAL DEVELOPMENT COST \$ 15,168,269

**SAN DIEGO HOUSING COMMISSION
DEVELOPMENT FORM - SOURCES AND USES OF FUNDS - SU**

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

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

NUMBER OF UNITS: 49

PROJECT NAME: Vista Grande Apartments

ADDRESS: 5411 Santa Margarita Street San Diego CA 92114

STREET CITY STATE ZIP

SOURCES POSITION	TERMS	COMMITMENT	AMORTIZED	DEFERRED	TAX CREDIT	GRANT	EQUITY
1ST <u>CCRC</u>	<u>35</u> YRS. <u>7.25</u> % RATE	<input type="checkbox"/> Y/N <u>6/1/2009</u> DATE OR EXPECTED	\$ <u>3,135,105</u>				
2ND <u>SDHC</u>	<u>55</u> YRS. <u>3.00</u> % RATE	<input type="checkbox"/> Y/N <u>7/1/2009</u> DATE OR EXPECTED	\$ <u>3,812,000</u>				
(Select one) Residual Receipts or Amortized	<input type="checkbox"/>	Subsidy/Assisted Unit \$ <u>77,797</u> Subsidy/Assisted Bdmm \$ <u>20,170</u>					
3RD <u>Deferred Dev. Fee</u>	<u>12</u> YRS. % RATE	<input checked="" type="checkbox"/> Y/N DATE OR EXPECTED	\$	\$ <u>291,439</u>			
4TH <u>Project Income</u>	% RATE	<input checked="" type="checkbox"/> Y/N DATE OR EXPECTED	\$	\$			
TAX CREDITS <u>Red Capital Group</u>		<input type="checkbox"/> Y/N <u>4/1/52009</u> DATE OR EXPECTED			\$ <u>7,929,725</u>		
EQUITY		<input type="checkbox"/> Y/N DATE OR EXPECTED					\$
TOTAL			\$ <u>15,168,269</u>	\$ <u>6,947,105</u>	\$ <u>291,439</u>	\$ <u>7,929,725</u>	\$

	TOTAL	CLOSING	-----CONSTRUCTION PERIOD-----			COMPLETION 4TH QUARTER	RENT UP QTRS 5 & 6
			1ST QUARTER	2ND QUARTER	3RD QUARTER		
CCRC	\$ 3,135,105	\$ 7,498,227	\$	\$	\$	\$	\$ -4,363,122
SDHC	\$ 3,812,000	\$ 3,812,000	\$	\$	\$	\$	\$
Deferred Dev. Fee	\$ 291,439	\$	\$	\$	\$	\$	\$ 291,439
Project Income	\$ -	\$	\$	\$	\$	\$	\$
Red Capital Group	\$ 7,929,725	\$ 1,585,945	\$	\$	\$	\$	\$ 6,343,780
	\$ -	\$	\$	\$	\$	\$	\$
	\$ 15,168,269	\$ 12,896,172	\$ -	\$ -	\$ -	\$ -	\$ 2,272,097

INFORMATION ON CONSTRUCTION LOAN

CONSTRUCTION LENDER: Wells Fargo Bank

CONSTRUCTION TIME: 9 (MONTHS)

CONSTRUCTION INTEREST: 5.500 %

COMMITTED: YES NO

DATE OF COMMITMENT/EXPECTED: June 1, 2009

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

PLEASE PROVIDE ALL KNOWN INFORMATION - CHECK ALL BOXES THAT APPLY

Date: June 30, 2009

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

PROJECT NAME: Vista Grande Apartments
 ADDRESS: 5411 Santa Margarita Street San Diego CA 92114
STREET CITY STATE ZIP

Replacement Reserve	\$ 14,700	LP Asset Mgmt Fee	\$ 5,000	GP Management Fee	\$ 12,500
Rental Income	\$ 591,648	Project Income Increase	2.50 %	Mortgage Amount	\$ 3,135,105
Other Income	\$ 7,056	Operating Exp. Increase	3.50 %	Mortgage Rate	7.250
Operating Expenses	\$ 257,704	Vacancy Loss	5.00 %	Mortgage Term(Years)	35
LP & GP Annual Increase	3 %	Deferred Dev. Fee	\$ 300,000	Interest on Deff. Dev. Fee	%

SDHC Participation	\$ 3,812,000	Residual Receipts or Amortize	<input type="checkbox"/>	Interest Rate	3.000 %
Percent of Residual to HC	50%		<input type="checkbox"/>	Term (Years)	55

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Gross Project Income	\$ 598,704	\$ 613,672	\$ 629,013	\$ 644,739	\$ 660,857
Vacancy	\$ 29,935	\$ 30,684	\$ 31,451	\$ 32,237	\$ 33,043
Effective Gross Income	\$ 568,769	\$ 582,988	\$ 597,563	\$ 612,502	\$ 627,814
Operating Expense	\$ 257,704	\$ 266,724	\$ 276,059	\$ 285,721	\$ 295,721
Net Operating Income	\$ 311,065	\$ 316,264	\$ 321,504	\$ 326,781	\$ 332,093
Debt Service (1st)	\$ 246,971	\$ 246,971	\$ 246,971	\$ 246,971	\$ 246,971
Coverage (1st)	1.26	1.28	1.30	1.32	1.34
Replacement Reserve	\$ 14,700	\$ 14,700	\$ 14,700	\$ 14,700	\$ 14,700
Cash Flow	\$ 49,394	\$ 54,593	\$ 59,833	\$ 65,110	\$ 70,422
LP Asset Management Fee	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628
GP Management Fee	\$ 12,500	\$ 12,875	\$ 13,261	\$ 13,659	\$ 14,069
Deferred Dev. Fee Pmt.	\$ 31,894	\$ 36,568	\$ 41,267	\$ 45,987	\$ 50,725
SDHC Land Lease Paymer	\$	\$	\$	\$	\$
Residual: HC Perm Loan	\$	\$	\$	\$	\$
Residual to Developer	\$	\$	\$	\$	\$

	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Gross Income	\$ 677,379	\$ 694,313	\$ 711,671	\$ 729,463	\$ 747,699
Vacancy	\$ 33,869	\$ 34,716	\$ 35,584	\$ 36,473	\$ 37,385
Effective Gross Income	\$ 643,510	\$ 659,597	\$ 676,087	\$ 692,990	\$ 710,314
Operating Expense	\$ 306,072	\$ 316,784	\$ 327,871	\$ 339,347	\$ 351,224
Net Operating Income	\$ 337,438	\$ 342,813	\$ 348,216	\$ 353,643	\$ 359,090
Debt Service (1st)	\$ 246,971	\$ 246,971	\$ 246,971	\$ 246,971	\$ 246,971
Coverage (1st)	1.37	1.39	1.41	1.43	1.45
Replacement Reserve	\$ 14,700	\$ 14,700	\$ 14,700	\$ 14,700	\$ 14,700
Cash Flow	\$ 75,767	\$ 81,142	\$ 86,545	\$ 91,971	\$ 97,419
LP Asset Management Fee	\$ 5,796	\$ 5,970	\$ 6,149	\$ 6,334	\$ 6,524
GP Management Fee	\$ 14,491	\$ 14,926	\$ 15,373	\$ 15,835	\$ 16,310
Deferred Dev. Fee	\$ 55,480	\$ 38,080	\$	\$	\$
SDHC Land Lease Paymer	\$	\$ 22,167	\$ 32,025	\$ 32,826	\$ 33,646
Residual: HC Perm Loan	\$	\$	\$ 16,498	\$ 18,489	\$ 20,469
Residual to Developer	\$	\$	\$ 16,498	\$ 18,489	\$ 20,469

	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Gross Income	\$ 766,392	\$ 785,552	\$ 805,190	\$ 825,320	\$ 845,953
Vacancy	\$ 38,320	\$ 39,278	\$ 40,260	\$ 41,266	\$ 42,298
Effective Gross Income	\$ 728,072	\$ 746,274	\$ 764,931	\$ 784,054	\$ 803,655
Operating Expense	\$ 363,517	\$ 376,240	\$ 389,408	\$ 403,038	\$ 417,144
Net Operating Income	\$ 364,555	\$ 370,034	\$ 375,522	\$ 381,016	\$ 386,511
Debt Service (1st)	\$ 246,971	\$ 246,971	\$ 246,971	\$ 246,971	\$ 246,971
Coverage (1st)	1.48	1.50	1.52	1.54	1.57
Replacement Reserve	\$ 14,700	\$ 14,700	\$ 14,700	\$ 14,700	\$ 14,700
Cash Flow	\$ 102,884	\$ 108,363	\$ 113,851	\$ 119,345	\$ 124,840
LP Asset Management Fee	\$ 6,720	\$ 6,921	\$ 7,129	\$ 7,343	\$ 7,563
GP Management Fee	\$ 16,799	\$ 17,303	\$ 17,822	\$ 18,357	\$ 18,907
Deferred Dev. Fee	\$	\$	\$	\$	\$
SDHC Land Lease Paymer	\$ 34,488	\$ 35,350	\$ 36,234	\$ 37,139	\$ 38,068
Residual: HC Perm Loan	\$ 22,439	\$ 24,394	\$ 26,333	\$ 28,253	\$ 30,151
Residual to Developer	\$ 22,439	\$ 24,394	\$ 26,333	\$ 28,253	\$ 30,151

**SAN DIEGO HOUSING COMMISSION
ENVIRONMENTAL REVIEW REQUEST**

Date: June 30 2009

PLEASE PROVIDE ALL KNOWN INFORMATION - CHECK ALL BOXES THAT APPLY

PROPOSED PROJECT NAME: Vista Grande Apartments

PROJECT STREET ADDRESS: 5411 Santa Margarita Street ZIP CODE 92114

ASSESSOR'S PARCEL NO: 548-204-49 and 11 ZONING: SESDPD-MF-3000

COMMUNITY PLANNING AREA: Encanto Neighborhoods

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: Wakeland Housing & Development Corp.

DEVELOPER'S ADDRESS: 1230 Columbia St. , Suite 950 San Diego CA 92101
STREET CITY STATE ZIP

CONTACT PERSON: Sylvia Martinez

PHONE: (619) 677-2290 FAX: (619) 235-5386

EXISTING USE OF SITE (Check all that apply):

Vacant Residential Commercial Industrial Other (specify) _____

If residential, number of units: Studio 1-bedroom 2-bedroom

3 3-bedroom 45 4-bedroom 5-bedroom 49 TOTAL

Number of buildings: 9 Number of stories: 3

Size of site (acres or square ft): 3 Age of structure(s): 22 Years

PROPOSED PROJECT TYPE (check all that apply):

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):

Vista Grande is an existing large family unit complex with 49 units consisting of three story walkup apartments, a duplex, parking and open space. The project will be rehabilitated and a community center will be developed for ongoing resident service activities. Rehabilitation will include: new kitchen cabinets and counters, new tubs and sub floors, new bathroom counters, new windows, additional tot lot, new asphalt, landscaping, energy-efficient upgrades. The rents will be lowered to 30% -50% AMI. Most residents will income-qualify and will not require permanent relocation.

ATTACHMENT 1

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

1. Name of CONTRACTOR: Wakeland Housing and Development Corporation
2. Address and Zip Code: 1230 Columbia St. Ste. 950
San Diego, CA 92101
3. Telephone Number: 619.235.2296
4. Name of Principal Contact for CONTRACTOR:
JACK FARRIS
5. Federal Identification Number or Social Security Number of CONTRACTOR:
33-0833640
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)
7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization:
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 <u>Zip Code</u>	Position Title (if any) and percent of interest or description <u>of character and extent of interest</u>
--------------------------------------	---

(Attach extra sheet if necessary)

* Board of Directors list attached.

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.

- The following individuals left the Board in the last 12 months:

Craig Fukuyama
Lawrence Nuffer

- The following individuals joined our Board in the last 12 months:

Robert Bohrer
Hank Cunningham

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.

NO

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 _____

NA

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 attached Board of Directors list

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.

NO

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.

Financial Statements attached

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:

This project will utilize tax exempt bonds, 4% tax credit equity and public subsidy in the form of a soft second loan.

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: \$ _____

NA

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

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

Amount: \$ _____

NA

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

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

NA

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

Washington Mutual
 Catherine Fredinburg
 17877 Von Karman Ave.
 4th Floor - IRB4CL1
 Irvine, CA 92614

Low Income Investment Fund
 Amber Carter
 800 S. Figueroa St., Ste. 760
 Los Angeles, CA 90017

Wells Fargo
 Sally Lang
~~bank~~ MAC # E2231-053
 2030 Main St., Ste. 500
 Irvine, CA 92614

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 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 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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NA

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:

a. Name and addresses of such contractor or builder: NA

- 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: NA

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:

NA

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>
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NA

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

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

NA

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:

NA

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:

NA

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:

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

Insurance Agent:
Cavignac & Associates
450 B St., Ste. 1800
San Diego, CA 92101-8005
Contact: Matt Siakoff
619-744-0549

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:

<u>Government Entity Making Complaint</u>	<u>Date</u>	<u>Resolution</u>
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NA

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:

NO

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>
--------------------------------	--------------------------------	---------------------------	-----------------------------------	-----------------------------	--------------------------------

NA

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.

NA

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.

NA

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>
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See attachment

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

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: Cissy Fisher

Address: 1122 Broadway, Ste. 300 San Diego, CA 92101

Phone: 619-578-7585

Project Name and Description: Beyer Courtyards 60 units of lower income housing

Name: Debbie Fountain

Address: 2965 Roosevelt St. Ste. B Carlsbad CA 92008-2389

Phone: 760-434-2935

Project Name and Description: Vista Las Flores 28 units of affordable housing

Name: Eri Kameyama

Address: 225 Broadway, Ste. 1100

Phone: 619-236-9148

Project Name and Description: Lillian Place 74 units of affordable housing

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.

NA

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

NA

**WAKELAND HOUSING AND DEVELOPMENT
BOARD OF DIRECTORS**

Loren Adams
Board Member
Vice Pres of Operations/Development at
Intracorp
600 B Street, Suite 2000
San Diego, CA 92101
Ph. # (619) 544-6963

Robert "Buddy" Bohrer
Board Member
HG Fenton Company
7577 Mission Valley Road
Suite 200
San Diego, CA 92108
Ph. # (619) 400-0139

Hank Cunningham
Board Member
CEcD
608 Crest Drive
Encinitas, CA 92024
Ph # (760) 331-3408

Lina Ericsson
Officer - Chairperson
Luce Forward Hamilton & Scripps
600 West Broadway, Suite 2600
San Diego, CA 92101
Ph. # (619) 533-7360

Glen Googins
Board Secretary
Attorney at Law
344 F Street, Suite 100
Chula Vista, CA 91910
Ph # (619) 426-4409

Doug Perkins
Board Member
President
Pacific Gateway Group.
5703 Oberlin Dr, Suite 209
San Diego, CA 92121
Ph. # (619) 234-3491

Art Rivera
Board Member
350 Nutmeg Street
San Diego, CA 92103
Ph # (619) 838-0908

Lee Winslett
Officer - Treasurer
Vice President of Wells Fargo Bank
Community Lending Division
401 B Street, Suite 304A
San Diego, CA 92101
Ph. # (619) 699-3037

Attachment

List of 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>	<u>Status</u>	<u>Dollar Amount</u>	
2006	Del Sol Apartments	SDHC	Current	\$4,126,000
2004	Lillian Place	Redev. Agency	Current	\$7,289,000
2004	Beyer Courtyards	SDHC	Current	\$4,200,000
2001	Vista Terrace Hills	SDHC	Current	\$1,290,000
2001	Coronado Terrace	SDHC	Current	\$1,270,000
2000	Canyon Rim	SDHC	Current	\$1,565,000
2000	Stratton	SDHC	Current	\$1,565,000

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).

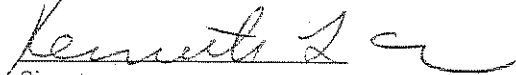
CONTRACTOR represents and warrants to the COMMISSION, the AUTHORITY and the CITY that by providing the information requested herein and waiving any and all privileges available under the Evidence Code of the State of California, State and Federal Law, (to the extent of this disclosure that the information 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 16th day of July, 2008, at San Diego, California.

CONTRACTOR:

By:


Signature

President

Title

CERTIFICATION

The CONTRACTOR, Kenneth L. Sauder, 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: Kenneth L. Sauder

By: _____

Title: President

Title: _____

Dated: July 16, 2008

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

CALIFORNIA JURAT WITH AFFIANT STATEMENT

- See Attached Document (Notary to cross out lines 1-6 below)
 See Statement Below (Lines 1-5 to be completed only by document signer[s], *not* Notary)

1
2
3
4
5
6

Signature of Document Signer No. 1 _____ Signature of Document Signer No. 2 (if any) _____

State of California
County of San Diego

Subscribed and sworn to (or affirmed) before me on this
16th day of July, 2008, by
Date Month Year
(1) Kenneth L. Souder
Name of Signer

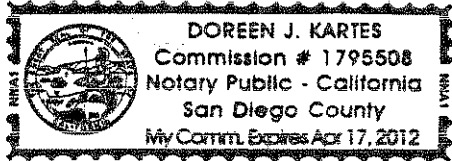
proved to me on the basis of satisfactory evidence
to be the person who appeared before me (.) (.)

(and

(2) _____
Name of Signer

proved to me on the basis of satisfactory evidence
to be the person who appeared before me.)

Signature Doreen J. Kartes
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Further Description of Any Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

RIGHT THUMBPRINT OF SIGNER #1
Top of thumb here

RIGHT THUMBPRINT OF SIGNER #2
Top of thumb here

ATTACHMENT 8

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

1. Name of CONTRACTOR: Wakeland Housing and Development Corporation
2. Address and Zip Code: 1230 Columbia St. Ste. 950
San Diego, CA 92101
3. Telephone Number: 619-235-2296
4. Name of Principal Contact for CONTRACTOR:
Sylvia Martinez
5. Federal Identification Number or Social Security Number of CONTRACTOR:
33-0833640
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)
7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization:
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)

* Board of Directors list attached.

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.

- The following individuals left the Board in the last 12 months:

Craig Fukuyama

Lawrence Nuffer

- The following individuals joined our Board in the last 12 months:

Robert Bohrer

Hank Cunningham

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.

NO

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 _____

NA

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 attached Board of Directors list

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.

NO

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.

Financial statements attached

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:

This project will utilize tax exempt bonds, 4% tax credit equity and public subsidy in the form of a soft second loan.

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: \$ _____

NA

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

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

Amount: \$ _____

NA

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

Description

Market Value Mortgages or Liens

\$

\$

NA

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

Washington Mutual

Catherine Fredinburg
17877 Von Karman Ave.
4th Floor - 12B4CL1
Irvine, CA 92614

Low Income Investment Fund

Amber Carter
800 S. Figueroa St., Ste. 700
Los Angeles, CA 90017

Wells Fargo

Sally Lang
~~Wells Fargo~~ MAC # E2231-053
2030 main St., Ste 500

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 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 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>
------------------	----------------------------	---------------------------	-----------------------	-----------------------

NA

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:

a. Name and addresses of such contractor or builder:

NA

- 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:

NA

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: NA

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>
--	-----------------	---------------	-----------------------------

NA

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

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

NA

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:

NA

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:

NA

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:

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

Insurance Agent:
Cavignac & Associates
450 B St, Ste 1800
San Diego, CA 92101-800
Contact: Matt Siakoff
619.744.0549

- 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:

<u>Government Entity</u>	<u>Date</u>	<u>Resolution</u>
<u>Making Complaint</u>		

NA

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:

NO

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

NA

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.

NA

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.

NA

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>
-------------	--	--	--------------------------------

See attachment

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

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: Cissy Fisher

Address: 1122 Broadway, Ste 300 San Diego, CA 92101

Phone: 619-578-7585

Project Name and Description: Beyer Courtyards 600 units of lower income housing

Name: Debbie Fountain

Address: 2965 Roosevelt St. Ste. B Carlsbad CA 92008-2389

Phone: 760-434-2935

Project Name and Description: Vista Las Flores 28 units of affordable housing

Name: Eri Kamenama

Address: 225 Broadway, Ste. 1100

Phone: 619-236-9148

Project Name and Description: Lillian Place

74 units of affordable housing

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.

NA

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

NA

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 30th day of June, 2009, at San Diego, California.

CONTRACTOR

By: 
Signature

President/CEO
Title

CERTIFICATION

The CONTRACTOR, Wakeland Housing and Development Corporation, 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: *Kenneth L. [Signature]* By: _____

Title: President/CEO Title: _____

Dated: June 30, 2009 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

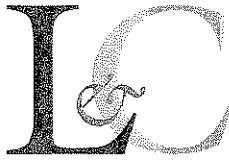
ATTACHMENT 8

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007



WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

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Members

*American Institute of Certified Public Accountants
California Society of Certified Public Accountants*

Independent Auditor's Report

To the Board of Directors
Wakeland Housing and Development Corporation
(A California Not-For-Profit Corporation)
1230 Columbia Street, Suite 950
San Diego, California 92101

We have audited the accompanying consolidated statements of financial position of Wakeland Housing and Development Corporation (A California Not-For-Profit Corporation) and subsidiaries as of June 30, 2008 and 2007, and the related consolidated statements of activities and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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 audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Wakeland Housing and Development Corporation and subsidiaries as of June 30, 2008 and 2007, and the consolidated changes in their net assets and their cash flows for the years then ended 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 consolidated financial statements taken as a whole. The accompanying supplementary schedules as of and for the year ended June 30, 2008 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Leaf & Cole LLP

San Diego, California
September 25, 2008

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2008 AND 2007

ASSETS

	<u>2008</u>	<u>2007</u>
<u>Current Assets:</u> (Notes 1, 2, 3 and 4)		
Cash and cash equivalents	\$ 3,363,356	\$ 2,168,313
Accounts receivable	1,305,892	287,560
Contributions receivable	60,000	78,987
Related party advances	98,179	1,645
Prepaid expenses	<u>49,932</u>	<u>64,666</u>
Total Current Assets	<u>4,877,359</u>	<u>2,601,171</u>
<u>Noncurrent Assets:</u> (Notes 1, 2, 3, 5, 6, 7, 8 and 11)		
Accounts receivable	1,039,739	1,145,285
Contributions receivable	-0-	56,535
Related party advances	576,506	442,475
Accrued interest receivable	10,730	10,288
Funded reserves	2,288,085	2,066,516
Investment in partnerships	441	498
Property and equipment, net	<u>14,920,058</u>	<u>15,574,493</u>
Total Noncurrent Assets	<u>18,835,559</u>	<u>19,296,090</u>
TOTAL ASSETS	<u>\$23,712,918</u>	<u>\$21,897,261</u>

The accompanying notes are an integral part of the financial statements.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2008 AND 2007

LIABILITIES AND NET ASSETS

	<u>2008</u>	<u>2007</u>
<u>Current Liabilities:</u> (Note 1)		
Accounts payable and accrued expenses	\$ 200,008	\$ 283,792
Accrued interest payable	90,764	86,769
Deferred revenue	-0-	102
Security deposits	4,810	4,810
Current portion of notes payable	<u>155,000</u>	<u>150,000</u>
Total Current Liabilities	<u>450,582</u>	<u>525,473</u>
<u>Noncurrent Liabilities:</u> (Notes 6 and 8)		
Accrued interest payable	738,018	651,561
Share of deficiency in partnerships	439,306	392,695
Notes payable, less current portion above	<u>16,344,745</u>	<u>16,149,171</u>
Total Noncurrent Liabilities	<u>17,522,069</u>	<u>17,193,427</u>
Total Liabilities	<u>17,972,651</u>	<u>17,718,900</u>
<u>Commitments and Contingencies</u> (Notes 9, 11, 12, 13, 14 and 15)		
<u>Net Assets</u> (Notes 1 and 10)		
Unrestricted	5,675,267	4,042,839
Temporarily restricted	<u>65,000</u>	<u>135,522</u>
Total Net Assets	<u>5,740,267</u>	<u>4,178,361</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$23,712,918</u>	<u>\$21,897,261</u>

The accompanying notes are an integral part of the financial statements.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	2008			2007		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and Support:						
Rental income	\$2,428,728	\$	\$2,428,728	\$2,432,038	\$	\$2,432,038
Developer fees	1,832,208		1,832,208	910,875		910,875
Asset management	713,493		713,493	559,774		559,774
Resident services	361,172		361,172	252,965		252,965
Contributions	142,776	5,000	147,776	120,000	135,522	255,522
Interest income	126,342		126,342	132,099		132,099
Grants	105,112		105,112	186,421		186,421
Other income	66,708		66,708	100		100
Share of income (loss) from partnerships	(45,864)		(45,864)	108		108
Gain/loss on disposal	-0-		-0-	(2,188)		(2,188)
Net assets released from restrictions	<u>75,522</u>	<u>(75,522)</u>	<u>-0-</u>			<u>-0-</u>
Total Revenue and Support	<u>5,806,197</u>	<u>(70,522)</u>	<u>5,735,675</u>	<u>4,592,192</u>	<u>135,522</u>	<u>4,727,714</u>
Expenses:						
Program Services: (Note 1)						
Asset management	1,987,555		1,987,555	2,370,830		2,370,830
Development	829,529		829,529	465,151		465,151
Resident services	<u>677,680</u>		<u>677,680</u>	<u>356,707</u>		<u>356,707</u>
Total Program Services	<u>3,494,764</u>	<u>-0-</u>	<u>3,494,764</u>	<u>3,192,688</u>	<u>-0-</u>	<u>3,192,688</u>
Supporting Services:						
Management and general	568,020		568,020	497,579		497,579
Fundraising	<u>110,985</u>		<u>110,985</u>	<u>44,842</u>		<u>44,842</u>
Total Supporting Services	<u>679,005</u>	<u>-0-</u>	<u>679,005</u>	<u>542,421</u>	<u>-0-</u>	<u>542,421</u>
Total Program and Supporting Services	<u>4,173,769</u>	<u>-0-</u>	<u>4,173,769</u>	<u>3,735,109</u>	<u>-0-</u>	<u>3,735,109</u>
Change in Net Assets	1,632,428	(70,522)	1,561,906	857,083	135,522	992,605
Net Assets at Beginning of Year	<u>4,042,839</u>	<u>135,522</u>	<u>4,178,361</u>	<u>3,185,756</u>	<u>-0-</u>	<u>3,185,756</u>
NET ASSETS AT END OF YEAR	<u>\$5,675,267</u>	<u>\$ 65,000</u>	<u>\$5,740,267</u>	<u>\$4,042,839</u>	<u>\$135,522</u>	<u>\$4,178,361</u>

The accompanying notes are an integral part of the financial statements.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>Cash Flows From Operating Activities:</u>		
Change in net assets	\$1,561,906	\$ 992,605
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	185,845	192,762
Amortization	7,564	7,564
Share of income (loss) from partnerships	45,864	(108)
Loss on disposal of assets	-0-	2,188
(Increase) Decrease in:		
Accounts receivable	(912,786)	(127,381)
Contributions receivable	75,522	(135,522)
Accrued interest receivable	(442)	2,998
Prepaid expenses	14,734	(36,680)
Increase (Decrease) in:		
Accounts payable and accrued expenses	13,544	136,970
Accrued interest payable	90,452	165,658
Deferred revenue	(102)	(74,079)
Security deposits	-0-	881
Net Cash Provided by Operating Activities	<u>1,082,101</u>	<u>1,127,856</u>
<u>Cash Flows From Investing Activities:</u>		
(Increase) Decrease in related party advances	(230,565)	133,231
Operating reserve deposit	-0-	(1,612)
Funded reserves deposits	(1,519,255)	(1,466,179)
Funded reserves withdrawals	1,297,686	1,404,622
Partnership distributions	804	561
Purchases of property and equipment	(448,300)	(885,785)
Repayment of intercompany receivable	<u>819,562</u>	<u>675,620</u>
Net Cash Used by Investing Activities	<u>(80,068)</u>	<u>(139,542)</u>

(Continued)

The accompanying notes are an integral part of the financial statements.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>Cash Flows From Financing Activities:</u>		
Principal payments on notes payable	\$(1,971,573)	\$ (972,313)
Proceeds from notes payable	2,164,583	954,971
Cash conveyed to Del Sol Apartments, L.P.	<u>-0-</u>	<u>(115,863)</u>
Net Cash Provided (Used) by Financing Activities	<u>193,010</u>	<u>(133,205)</u>
Net Increase in Cash and Cash Equivalents	1,195,043	855,109
Cash and Cash Equivalents at Beginning of Year	<u>2,168,313</u>	<u>1,313,204</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$3,363,356</u>	<u>\$2,168,313</u>
<u>Supplemental Disclosure of Cash Flow Information:</u>		
Cash paid during the year for interest	<u>\$ 607,434</u>	<u>\$ 555,880</u>
<u>Noncash Investing and Financing Activities:</u>		
During the year ended June 30, 2007, the Corporation conveyed its interest in Del Sol Apartments, L.P. as follows:		
Property and equipment, net		\$13,729,746
Operating reserve		162,778
Cash and cash equivalents		115,863
Accounts receivable, net		23,592
Prepaid expenses		19,639
Deferred revenue		(3,226)
Security deposits		(28,435)
Accounts payable		(65,998)
Accrued interest payable		(69,569)
Intercompany payable		(675,620)
Notes payable		(13,500,000)
Discontinued operations		<u>291,230</u>
		<u>\$ -0-</u>

The accompanying notes are an integral part of the financial statements.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 1 - Organization and Nature of Activities and Significant Accounting Policies:

Organization and Nature of Activities

Wakeland Housing and Development Corporation (the "Corporation") is a California Not-For-Profit Corporation. Its mission is to develop quality, affordable housing projects with resident education programs for low-income families by leveraging innovative financing and public-private partnerships.

Town Square Row Homes, LLC was established in September 2000 to acquire, develop, improve and sell the six units that comprise Town Square Row Homes located in National City, California. The Corporation owns 100% of Town Square Row Homes, LLC. At June 30, 2002, all six units had been sold.

Poinsettia Mobile Home Park was originally acquired in June 2003 by Poway Manufactured Home Communities, LLC. The Corporation was the sole member of Poway Manufactured Home Communities, LLC. In November 2003, Poinsettia Mobile Home Park transferred into the Corporation. In May 2004, Poway Manufactured Home Communities, LLC was dissolved. In November 2005, Poinsettia Mobile Home Park was transferred from the Corporation into Poinsettia Parks, LLC. The Corporation is the sole member of Poinsettia Parks, LLC.

Del Sol Apartments, L.P. was established in December 2005 to acquire, rehabilitate, develop, own, maintain, operate, manage, and lease a 93 unit multifamily residential apartment complex located in San Ysidro, California. The Corporation was a 1% limited partner and Wakeland Del Sol, LLC, was a 99% managing general partner. The Corporation is the sole member of Wakeland Del Sol, LLC. In August 2006, the Corporation and Wakeland Del Sol, LLC conveyed 99.99% of their interest to a limited partner and Wakeland Del Sol, LLC retained 0.01% interest as the managing general partner. For the month ended July 31, 2006, the revenue and expenses of Del Sol Apartments, L.P. have been included in the consolidated statement of activities. At June 30, 2007, Del Sol Apartments, L.P. is no longer included in the consolidated statement of financial position.

Wakeland Del Sol, LLC was established in February 2006 to serve as the managing general partner of Del Sol Apartments, L.P. that acquired, financed, rehabilitated, owns and operates a multifamily apartment complex intended for rental to residents of low income and to engage in any activities reasonably related thereto. The Corporation is the sole member of Wakeland Del Sol, LLC.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 1 - Organization and Nature of Activities and Significant Accounting Policies: (Continued)

Organization and Nature of Activities (Continued)

Wakeland Parkside, LLC was established in March 2006 to serve as the managing general partner of Parkside Terrace, L.P. to acquire, finance, build, own and operate a multifamily apartment complex intended for rental to residents of low income and to engage in any activities reasonably related thereto. The Corporation is the sole member of Wakeland Parkside, LLC.

Wakeland Los Vecinos, LLC was established in January 2007 to serve as the managing general partner of Los Vecinos, L.P. to acquire, finance, build, own and operate a multifamily apartment complex intended for rental to residents of low income and to engage in any activities reasonably related thereto. The Corporation is the sole member of Wakeland Los Vecinos, LLC.

Wakeland Country Club Apartments, LLC was established in November 2007 to serve as the managing general partner of Country Club Apartments, L.P. to acquire, finance, rehabilitate, own and operate a multifamily apartment complex intended for rental to residents of low income and to engage in any activities reasonably related thereto. The Corporation is the sole member of Wakeland Country Club Apartments, LLC.

The following is a brief description of the Corporation's programs:

Development

The Corporation develops affordable housing through acquiring and rehabilitating existing multifamily residential housing. Its mission is to maintain or convert these properties to affordable housing. The Corporation also develops affordable housing by acquiring and entitling land for the construction of new buildings.

Asset Management

The asset management department administers all placed in service real estate in the Corporation's diverse portfolio, which consists of over 5,700 housing units. The department oversees all property tax abatement activities, monitors regulatory mandates, provides property management oversight and develops operating budgets and capital improvement plans.

(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 1 - Organization and Nature of Activities and Significant Accounting Policies: (Continued)

Organization and Nature of Activities (Continued)

Resident Services

The resident services department is responsible for all onsite day-to-day program implementation. The department provides initial set up, ongoing assessment, develops community partners; while facilitating award winning and comprehensive programs for youth, adults and seniors.

Significant Accounting Policies

Consolidated Financial Statements

The financial statements include the accounts of Wakeland Housing and Development Corporation, Town Square Row Homes, LLC, Poinsettia Parks, LLC, Del Sol Apartments, L.P., Wakeland Del Sol, LLC, Wakeland Parkside, LLC, Wakeland Los Vecinos, LLC and Wakeland Country Club Apartments, LLC. All material intercompany transactions have been eliminated in consolidation.

Method of Accounting

The financial statements of the Corporation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The financial statements are presented in accordance with Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-For-Profit Organizations", which requires the Corporation to report 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.

Estimates

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

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 1 - Organization and Nature of Activities and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Contributions

Contributions are recognized when the donor makes a promise to give to the Corporation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Accounts Receivable

Management believes that all accounts receivable were fully collectible, therefore, no allowance for doubtful accounts was recorded as of June 30, 2008 and 2007.

Investments

The Organization follows Statement of Financial Accounting Standards No. 124 "Accounting for Certain Investments Held by Not-For-Profit Organizations" whereby investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position.

Investments in Limited Partnerships

The Corporation owns a general partner interest in limited partnerships accounted for on the equity method. The partner interests range from .005% to 1%.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 1 - Organization and Nature of Activities and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Corporation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Corporation re-classifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment is depreciated on the straight-line method over the assets estimated useful lives as follows:

Improvements	15 - 27.5 years
Building	27.5 years
Computer equipment	5 years
Office equipment	5 - 7 years

Depreciation expense was \$185,845 and \$192,762 for the years ended June 30, 2008 and 2007, respectively.

Amortization

Bond discounts and bond closing costs, included in property and equipment, are recorded at cost and are amortized on the straight-line method. Amortization expense totalled \$7,564 for the years ended June 30, 2008 and 2007.

Compensated Absences

Accumulated unpaid vacation and other employee benefit amounts are accrued when incurred. Accrued vacation totalled \$66,156 and \$52,326 at June 30, 2008 and 2007, respectively and is included in accounts payable and accrued expenses.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 1 - Organization and Nature of Activities and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Allocated Expenses

Expenses have been allocated by function among program and supporting services classifications on the basis of internal records and estimates made by the Corporation's management.

Income Tax Status

The Corporation 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 and contributions to it are tax deductible within the limitations prescribed by the Code. The Corporation is not a private foundation.

Concentration of Credit Risk

The Corporation maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Corporation has not experienced any losses in such accounts. The Corporation believes it is not exposed to any significant credit risk on cash and cash equivalents.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Corporation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Reclassification

The Corporation has reclassified certain prior year information to conform with current year presentations.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 2 - Accounts Receivable:

Accounts receivable consist of the following at June 30:

	<u>2008</u>	<u>2007</u>
<u>Related Parties:</u>		
Del Sol Apartments, L.P.	\$938,500	\$ 57,827
Beyer Boulevard Apartments, L.P.	687,226	724,625
Lillian Place, L.P.	380,010	450,000
Vista Terrace Hills Preservation, L.P.	58,110	58,110
Parkside Terrace, L.P.	53,050	-0-
Fairfield Raintree L.P.	51,129	-0-
Coronado Terrace Preservation, L.P.	35,000	27,510
Fairfield Whisperwood L.P.	25,303	19,564
Westgate Courtyards, L.P.	15,505	10,952
Thornbridge L.P.	15,000	3,330
Sienna Vista, L.P.	13,880	2,978
Fairfield Creekview L.P.	7,062	-0-
Trinity Escondido 1, L.P.	6,435	1,601
The Stratton LP	5,980	5,941
Canyon Rim LP	5,168	8,724
Watercrest L.P.	4,500	2,000
Fairfield Highlander L.P.	4,050	-0-
Walden Glen LP	3,940	7,561
Pacific Vista Las Flores, L.P.	3,731	1,759
Westchester Park, L.P.	3,360	3,397
Las Colinas Associates L.P.	2,250	1,500
MG Creekside Apartments L.P.	2,163	2,413
Country Club Apartments, L.P.	2,000	-0-
Fairfield Bristol, L.P.	1,861	-0-
Rent receivable - Poinsettia Parks, LLC	656	-0-
Subtotal	<u>2,325,869</u>	<u>1,389,792</u>
<u>Other:</u>		
Poway Royal Estates	7,575	5,643
Poway Redevelopment Agency	7,255	16,033
Local Initiatives Support Corporation	4,125	-0-
Other	807	2,377
City of Poway	-0-	19,000
Subtotal	<u>19,762</u>	<u>43,053</u>
Total	<u>\$2,345,631</u>	<u>\$1,432,845</u>

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 2 - Accounts Receivable: (Continued)

	<u>2008</u>	<u>2007</u>
Financial Statement Presentation:		
Current	\$ 1,305,892	\$ 287,560
Noncurrent	<u>1,039,739</u>	<u>1,145,285</u>
	<u>\$2,345,631</u>	<u>\$1,432,845</u>

Note 3 - Contributions Receivable:

Contributions receivable consist of the following at June 30:

	<u>2008</u>	<u>2007</u>
Receivable in less than one year	\$60,000	\$ 80,000
Receivable in one to five years	<u>-0-</u>	<u>60,000</u>
Total	60,000	140,000
Less: Discounts to net present value	<u>-0-</u>	<u>(4,478)</u>
Net Contributions Receivable	<u>\$60,000</u>	<u>\$135,522</u>

Pledges receivable due in one to five years were discounted at 4.18%. Management believes all contributions receivable are collectible, therefore no allowance for doubtful accounts has been established at June 30, 2008 and 2007.

Note 4 - Related Party Advances:

The Corporation has advanced development funds to certain Limited Partnerships in which the Corporation is the Managing General Partner. Related party advances consists of the following at June 30:

	<u>2008</u>	<u>2007</u>
Lillian Place, L.P.	\$576,506	\$442,475
County Club Apartments, L.P.	85,643	-0-
Los Vecinos, L.P.	8,118	-0-
Parkside Terrace, L.P.	3,977	-0-
Beyer Boulevard Apartments, L.P.	<u>441</u>	<u>1,645</u>
	<u>\$674,685</u>	<u>\$444,120</u>

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 4 - Related Party Advances: (Continued)

	<u>2008</u>	<u>2007</u>
<u>Financial Statement Presentation:</u>		
Current	\$ 98,179	\$ 1,645
Noncurrent	<u>576,506</u>	<u>442,475</u>
	<u>\$674,685</u>	<u>\$444,120</u>

Management believes all related party advances are collectible, therefore, no allowance for doubtful accounts has been established at June 30, 2008 and 2007.

Note 5 - Funded Reserves:

In accordance with the provisions of the note payable to the City of Poway, funded reserves are held by a financial institution to be used for reserves, including a debt service fund, a debt service reserve fund, a revenue fund, an operating fund, a surplus fund, a park improvement fund, a service fee fund, an administrative fund and a repairs and replacement reserve fund. Funded reserves consist of the following at June 30:

	<u>2008</u>	<u>2007</u>
Open ended money market mutual funds	\$ 337,230	\$ 248,038
Guaranteed investment contracts	<u>1,950,855</u>	<u>1,818,478</u>
	<u>\$2,288,085</u>	<u>\$2,066,516</u>

The guaranteed investment contracts are recorded at fair value, earn interest at 3.49% and mature January 1, 2017. The accrued interest receivable on the funded reserves was \$10,730 and \$10,288 at June 30, 2008 and 2007, respectively.

Note 6 - Investment in Limited Partnerships:

The Corporation owns a general partner interest in limited partnerships accounted for on the equity method. The following are the balances in the Corporation's partnership capital accounts as of June 30:

	<u>2008</u>	<u>2007</u>
Investment in Partnerships:		
Westgate Courtyards, L.P. (0.005%)	\$441	\$441
Beyer Boulevard Apartments, L.P. (.01%)	<u>-0-</u>	<u>57</u>
	<u>\$441</u>	<u>\$498</u>

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 6 - Investment in Limited Partnerships: (Continued)

	<u>2008</u>	<u>2007</u>
Share of Deficiency in Partnerships:		
Del Sol Apartments, L.P. (0.01%)	\$288,440	\$288,347
FF Hills LP (0.02%)	76,447	76,143
Thornbridge L.P. (0.1%)	25,304	-0-
Pacific Vista Las Flores, L.P. (0.05%)	9,152	9,088
Sienna Vista, L.P. (0.10%)	8,321	4,111
Watercrest L.P. (0.1%)	7,414	-0-
Las Colinas Associates L.P. (0.1%)	6,117	-0-
Trinity Escondido 1, L.P. (1.00%)	3,655	3,616
Westchester Park, L.P. (0.10%)	2,929	2,705
MG Creekside Apartments L.P. (0.10%)	2,149	2,020
Canyon Rim LP (0.02%)	1,994	1,833
Walden Glen LP (0.02%)	1,296	1,168
The Stratton LP (0.02%)	1,193	1,050
Fairfield Creekview L.P. (0.02%)	948	594
Fairfield Belmont L.P. (0.02%)	591	-0-
Fairfield Wyndover L.P. (0.02%)	524	343
Fairfield Trestles L.P. (0.02%)	462	317
Fairfield Raintree L.P. (0.02%)	436	269
Fairfield Sagewood L.P. (0.02%)	412	-0-
Vista Terrace Hills Preservation, L.P. (0.01%)	411	411
Fairfield Bristol, L.P. (0.02%)	392	172
Fairfield Highlander L.P. (0.02%)	331	227
Coronado Terrace Preservation, L.P. (0.01%)	190	190
Fairfield Whisperwood L.P. (0.02%)	140	88
Lillian Place, L.P. (0.005%)	50	3
Beyer Boulevard Apartments, L.P. (0.01%)	8	-0-
Fairfield Turnleaf L.P. (0.02%)	-0-	-0-
Parkside Terrace, L.P. (0.01%)	-0-	-0-
Los Vecinos, L.P. (0.01%)	-0-	-0-
Country Club Apartments, L.P. (0.01%)	-0-	-0-
	<u>\$439,306</u>	<u>\$392,695</u>

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 6 - Investment in Limited Partnerships: (Continued)

The Corporation provided development, management, and resident services to these partnerships for which it earned the following amounts for the years ended June 30:

	2008			2007		
	Developer Fees	Asset Management Fees	Resident Services	Developer Fees	Asset Management Fees	Resident Services
<u>Related Parties:</u>						
Beyer Boulevard Apartments, L.P.	\$	\$ 12,545	\$ 25,091	\$	\$ 11,180	\$24,360
Canyon Rim LP		61,928	29,966		56,882	29,446
Coronado Terrace Preservation, L.P.		97,761	27,313		82,074	25,993
Country Club Apartments, L.P.	300,000	9,255				
Del Sol Apartments, L.P.	855,125	64,814	14,274	263,375	57,763	
Fairfield Creekview L.P.		68,187	16,500	22,500		5,250
Fairfield Belmont L.P.			3,600	50,000		
Fairfield Bristol L.P.		1,861	6,750	25,000		
Fairfield Highlander L.P.	14,583		7,800			
FF Hills LP			4,275			
Fairfield Raintree L.P.	62,500	11,629	4,500	31,250		
Fairfield Sagewood L.P.			3,000	68,750		
Fairfield Trestles L.P.			3,600			
Fairfield Whisperwood L.P.		16,071	7,800		14,657	3,900
Fairfield Wyndover L.P.			3,600			
Las Colinas Associates L.P.		9,000	7,200		4,500	
Lillian Place, L.P.		10,984	15,228	450,000		7,500
Los Vecinos, L.P.	300,000					
MG Creekside Apartments L.P.		28,203	16,211		27,205	17,421
Pacific Vista Las Flores, L.P.		9,218	6,000		7,035	6,000
Parkside Terrace, L.P.	300,000					
Sienna Vista, L.P.		24,164	5,940		21,408	5,820
The Stratton LP		36,312	19,344		35,630	18,690
Thornbridge L.P.		12,000	3,000		6,000	
Trinity Escondido I, L.P.		4,834			1,250	9,069
Vista Terrace Hills Preservation, L.P.		127,696	27,285		113,101	24,663
Walden Glen LP		22,700	14,379		24,337	17,979
Watercrest L.P.		12,000	3,000		6,000	
Westgate Courtyards, L.P.		21,891	17,550		20,070	16,586
Westchester Park, L.P.		22,089	16,197		19,662	15,627
Subtotal	1,832,208	685,142	309,403	910,875	508,754	228,304
<u>Other:</u>						
Poway Royal Estates		28,351	51,769		51,020	24,661
	\$1,832,208	\$713,493	\$361,172	\$910,875	\$559,774	\$252,965

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 7 - Property and Equipment:

Property and equipment consist of the following at June 30:

	<u>2008</u>	<u>2007</u>
Land	\$11,305,847	\$11,305,847
Improvements	3,261,430	3,208,778
Building	757,033	670,033
Construction-in-progress	192,153	889,926
Computer equipment	116,062	94,912
Office equipment	<u>118,727</u>	<u>50,346</u>
	15,751,252	16,219,842
Less: Accumulated depreciation	<u>(831,194)</u>	<u>(645,349)</u>
Property and Equipment, Net	<u>\$14,920,058</u>	<u>\$15,574,493</u>

The Corporation 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 flows expected to be generated by the rental property 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 amounts of real estate exceeds the fair value of such property. There were no impairment losses recognized in 2008 and 2007.

Note 8 - Notes Payable:

A secured note payable is held by the Poway Redevelopment Agency, a public body, corporate and politic, in the amount of \$5,112,231 and accrues interest at rates between 1.5% - 7% per annum. Interest rates are based on the schedule included in the loan documents. Payments on the note begin on June 10, 2009 provided that the required payment shall not exceed net cash flow from Poinsettia Mobile Home Parks during the previous year. All unpaid principal and interest is due and payable on June 10, 2038. This note is secured by a Deed of Trust on Poinsettia Mobile Home Park. Accrued interest payable totalled \$738,018 and \$651,561 at June 30, 2008 and 2007, respectively.

	<u>2008</u>	<u>2007</u>
	\$5,112,231	\$5,112,231

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 8 - Notes Payable: (Continued)

	<u>2008</u>	<u>2007</u>
<p>A secured note payable is held by the City of Poway, a California municipal corporation duly organized and existing under the laws of the State of California, in the original amount of \$10,615,000 and accrues interest at rates between 1.8% - 5.5% per annum. Interest rates are based on the schedule included in the loan documents. Payments on the note began on May 1, 2004 and to ensure payments, the Corporation agrees to pay to the Trustee commencing on July 15, 2003, all net operating revenues received on or prior to the 13th of the month and not otherwise remitted in the prior month. All unpaid principal and interest is due and payable on May 1, 2038. This note is secured by a Deed of Trust on Poinsettia Mobile Home Park. Accrued interest payable totalled \$85,944 and \$86,769 at June 30, 2008 and 2007, respectively.</p>	\$9,925,000	\$10,075,000
<p>An unsecured loan payable is held by a financial institution, in the amount of \$250,000. The loan accrues interest at an initial fixed rate equal to 2.0% per annum for the first ten years from the date of the initial disbursement and interest is payable quarterly. The outstanding principal balance of the loan and accrued, but unpaid interest, is due and payable ten years from the date of initial disbursement, October 22, 2012. Accrued interest payable totalled \$-0- at June 30, 2008 and 2007, respectively.</p>	250,000	250,000
<p>An unsecured loan payable is held by a financial institution in the amount of \$250,000. The loan accrues interest at a fixed rate equal to 2.0% per annum from the date of the initial disbursement and interest is payable quarterly. The outstanding principal balance of the loan and accrued, but unpaid interest, is due and payable three years from the date of initial disbursement, November 25, 2009. Accrued interest payable totalled \$1,250 and \$-0- at June 30, 2008 and 2007, respectively.</p>	250,000	250,000
<p>An unsecured loan payable is held by a financial institution, in the amount of \$350,000. The loan accrues interest at a fixed rate equal to 2.0% per annum from the date of the initial disbursement and interest is payable quarterly. The outstanding balance of the loan and accrued, but unpaid interest is due and payable in September 2012. Accrued interest payable totalled \$3,570 and \$-0- at June 30, 2008 and 2007, respectively.</p>	350,000	-0-

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 8 - Notes Payable: (Continued)

	<u>2008</u>	<u>2007</u>
An unsecured note payable is held by the U.S. Bancorp Community Development Corporation, in the amount of \$500,000, with interest payable quarterly at a rate of 4% per annum. All unpaid principal and interest is due and payable on November 1, 2017. Accrued interest payable totalled \$-0- at June 30, 2008.	\$500,000	\$ -0-
An unsecured loan payable was held by the City of Chula Vista in the original amount of \$200,000. The loan was noninterest bearing and was to be used specifically for costs related to predevelopment multifamily apartment units in the City of Chula Vista. The loan was repaid during the year ended June 30, 2008.	-0-	50,001
An unsecured note payable was held by Low Income Investment Fund, a California Nonprofit Public Benefit Corporation, with interest at a rate of 7.75% per annum. Interest and principal were due on October 1, 2008. Accrued interest payable totalled \$-0- at June 30, 2008 and 2007, respectively.	-0-	296,099
An unsecured note payable is held by Washington Mutual Bank, in the original amount of \$500,000, with interest and principal payable quarterly at a rate of 3% per annum. All unpaid principal and interest is due and payable on July 1, 2010. The note requires that the Corporation shall at all times maintain at least \$500,000 in unrestricted, immediately available cash. Accrued interest payable totalled \$-0- at June 30, 2008 and 2007, respectively.	<u>339,110</u>	<u>500,000</u>
Notes Payable	16,726,341	16,533,331
Less: Bond discount	<u>(226,596)</u>	<u>(234,160)</u>
Total Notes Payable	16,499,745	16,299,171
Less: Current Portion	<u>(155,000)</u>	<u>(150,000)</u>
Notes Payable, Net	<u>\$16,344,745</u>	<u>\$16,149,171</u>

Future principal payments on the notes payable are as follows at June 30, 2008:

Years Ended	
<u>June 30,</u>	
2009	\$ 155,000
2010	410,000
2011	504,110
2012	175,000
2013	780,000
Thereafter	<u>14,702,231</u>
	<u>\$16,726,341</u>

**WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

Note 9 - Line-of-Credit:

During the year ended June 30, 2008, the Organization renewed an unsecured business line-of-credit agreement with a financial institution under which the Organization may borrow up to \$100,000. Advances under this agreement bear interest at Wall Street Journal prime rate plus 1.25% (6.25% at June 30, 2008) and mature June 28, 2009. There were no balances outstanding under this line-of-credit at June 30, 2008 or 2007.

Note 10 - Restrictions on Net Assets:

Temporarily restricted net assets consist of the following at June 30:

	<u>2008</u>	<u>2007</u>
Capacity Building	<u>\$65,000</u>	<u>\$135,522</u>

Net assets in the amount of \$75,522 and \$-0- for the years ended June 30, 2008 and 2007, respectively were released from donor restrictions by incurring expenses and events satisfying the purpose or time restrictions specified by donors.

Note 11 - Pledged Revenues:

The City of Poway issued 2003 Housing Revenue Bonds in the amount of \$10,615,000 less a bond discount of \$264,416. The proceeds of the sale of the Bonds were used to fund a loan to Poway Manufactured Home Communities, LLC (Poway MHC), which was used to finance the acquisition of certain real property constituting the Poinsettia Mobile Home Park and any structures, site improvements, facilities, and fixtures. The proceeds were also used to finance certain facilities, replacements and improvements beneficial to the project, fund a debt service reserve fund and a repair and replacement fund, and pay certain costs of issuance. At June 30, 2008 and 2007, the funded reserves were \$2,288,085 and \$2,066,516, respectively, and accrued interest receivable was \$10,730 and \$10,288, respectively.

In accordance with the Loan Agreement with the City of Poway, U.S. Bank National Association, as Trustee, and Poway MHC, Poway MHC (currently Poinsettia Parks, LLC)(See Note 1) has agreed to pay to the Trustee not later than the 15th day of each month, commencing July 15, 2003, all net operating revenues received on or prior to the 13th day of the month and not otherwise remitted in the prior month. Any net operating revenues received by Poway MHC after the 13th day of the current month shall be transferred to the Trustee on the 15th day of the immediately following month. Poway MHC agrees to pay, in repayment of their loan, all net operating revenues until the principal of, premium if any, and interest on the Bonds are paid or provision for payment is made in accordance with the Indenture of Trust.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 12 - Lease Commitments:

The Corporation was to lease office space under a lease agreement through May 31, 2009 at 625 Broadway. The Corporation entered into a lease termination agreement of the offices at 625 Broadway to terminate occupancy on September 30, 2008. At that time the Corporation was subject to a lease termination fee of \$39,388. The Corporation signed a new lease agreement for the rental office space at 1230 Columbia Street through December 31, 2012. Occupancy expense included in the statement of activities totalled \$137,627 and \$79,008 for the years ended June 30, 2008 and 2007, respectively.

Future minimum lease payments are as follows at June 30, 2008:

Years Ended <u>June 30.</u>	
2009	\$136,299
2010	140,443
2011	144,586
2012	148,730
2013	153,318
Thereafter	<u>38,625</u>
	<u>\$762,001</u>

Note 13 - Employee Benefit Plan:

The Corporation has established a 401(K) plan covering employees employed as of September 2003 and all new employees who have completed 90 days of service and have attained age 18. Employees may defer a percentage of their annual compensation, not to exceed the annual amount allowed by law. The Corporation made an employer non-elective contribution of 2% of employee compensation and a matching contribution of up to 4% of employee compensation. The Corporation contributed \$51,209 and \$45,569 for the years ending June 30, 2008 and 2007, respectively.

Note 14 - Litigation:

The Corporation is, from time to time, involved in lawsuits arising in the ordinary course of its business that, in the opinion of management, will not have a material effect on the Corporation's results of operations.

Note 15 - Guarantees:

The Corporation is subject to certain guarantees in connection with their general partner interest in limited partnerships. The Corporation has operating deficit guarantees in the amount of \$1,986,295 and \$1,107,467 as of June 30, 2008 and 2007, respectively, however, no advances have been required. In addition, the Corporation has completion and repayment guarantees pursuant to specific agreements.

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
JUNE 30, 2008

ASSETS

	<u>Wakeland Housing and Development Corporation</u>	<u>Poinsettia Parks, LLC</u>	<u>Other Consolidated Limited Liability Companies</u>	<u>Eliminations</u>	<u>Consolidated</u>
<u>Current Assets:</u>					
Cash and cash equivalents	\$2,758,184	\$ 571,620	\$ 33,552	\$	\$ 3,363,356
Accounts receivable	1,182,708	656	138,373	(15,845)	1,305,892
Contributions receivable	60,000				60,000
Related party advances	98,179				98,179
Prepaid expenses	46,913	3,019			49,932
Intercompany receivable	<u>86,281</u>	<u>8,417</u>	<u>18,421</u>	<u>(113,119)</u>	<u>-0-</u>
Total Current Assets	<u>4,232,265</u>	<u>583,712</u>	<u>190,346</u>	<u>(128,964)</u>	<u>4,877,359</u>
<u>Noncurrent Assets:</u>					
Accounts receivable	1,039,739				1,039,739
Related party advances	576,506				576,506
Accrued interest receivable		10,730			10,730
Funded reserves		2,288,085			2,288,085
Investment in partnerships	441				441
Property and equipment, net	<u>253,270</u>	<u>14,666,788</u>	<u> </u>	<u> </u>	<u>14,920,058</u>
Total Noncurrent Assets	<u>1,869,956</u>	<u>16,965,603</u>	<u>-0-</u>	<u>-0-</u>	<u>18,835,559</u>
TOTAL ASSETS	<u>\$6,102,221</u>	<u>\$17,549,315</u>	<u>\$190,346</u>	<u>\$(128,964)</u>	<u>\$23,712,918</u>

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2008

LIABILITIES AND NET ASSETS

	<u>Wakeland Housing and Development Corporation</u>	<u>Poinsettia Parks, LLC</u>	<u>Other Consolidated Limited Liability Companies</u>	<u>Eliminations</u>	<u>Consolidated</u>
<u>Current Liabilities:</u>					
Accounts payable accrued expenses	\$ 122,562	\$ 77,446	\$	\$	\$ 200,008
Accrued interest payable	4,820	85,944			90,764
Intercompany payable	26,838	39,878	62,248	(128,964)	-0-
Security deposits		4,810			4,810
Current portion of notes payable	<u>154,220</u>	<u>155,000</u>	<u>62,248</u>	<u>(128,964)</u>	<u>155,000</u>
Total Current Liabilities		<u>363,078</u>	<u>62,248</u>	<u>(128,964)</u>	<u>450,582</u>
<u>Noncurrent Liabilities:</u>					
Accrued interest payable		738,018			738,018
Share of deficiency in partnerships	150,866		288,440		439,306
Notes payable, less current portion above	<u>1,689,110</u>	<u>14,655,635</u>	<u>288,440</u>	<u>-0-</u>	<u>16,344,745</u>
Total Noncurrent Liabilities	<u>1,839,976</u>	<u>15,393,653</u>	<u>288,440</u>	<u>-0-</u>	<u>17,522,069</u>
Total Liabilities	<u>1,994,196</u>	<u>15,756,731</u>	<u>350,688</u>	<u>(128,964)</u>	<u>17,972,651</u>
<u>Commitments and Contingencies</u>					
<u>Net Assets:</u>					
Unrestricted	4,043,025	1,792,584	(160,342)		5,675,267
Temporarily restricted	<u>65,000</u>	<u>1,792,584</u>	<u>(160,342)</u>	<u>-0-</u>	<u>65,000</u>
Total Net Assets	<u>4,108,025</u>	<u>1,792,584</u>	<u>(160,342)</u>	<u>-0-</u>	<u>5,740,267</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$6,102,221</u>	<u>\$17,549,315</u>	<u>\$190,346</u>	<u>\$(128,964)</u>	<u>\$23,712,918</u>

WAKELAND HOUSING AND DEVELOPMENT CORPORATION
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Wakeland Housing and Development Corporation</u>	<u>Poinsettia Parks, LLC</u>	<u>Other Consolidated Limited Liability Companies</u>	<u>Eliminations</u>	<u>Consolidated</u>
<u>Revenue and Support:</u>					
Rental income	\$	\$2,428,728	\$	\$	\$2,428,728
Developer fees	1,832,208				1,832,208
Asset management	943,520		66,814	(296,841)	713,493
Resident services	385,363			(24,191)	361,172
Contributions	147,776				147,776
Interest income	40,328	85,922	92		126,342
Grants	105,112				105,112
Other income		66,708			66,708
Share of loss in partnerships	<u>(45,771)</u>		<u>(93)</u>		<u>(45,864)</u>
Total Revenue and Support	<u>3,408,536</u>	<u>2,581,358</u>	<u>66,813</u>	<u>(321,032)</u>	<u>5,735,675</u>
<u>Expenses:</u>					
Program Services:					
Asset management	257,361	2,003,071		(272,877)	1,987,555
Development	829,529				829,529
Resident services	<u>677,680</u>				<u>677,680</u>
Total Program Services	<u>1,764,570</u>	<u>2,003,071</u>	<u>-0-</u>	<u>(272,877)</u>	<u>3,494,764</u>
Supporting Services:					
Management and general	375,447	234,673	6,055	(48,155)	568,020
Fundraising	<u>110,985</u>				<u>110,985</u>
Total Supporting Services	<u>486,432</u>	<u>234,673</u>	<u>6,055</u>	<u>(48,155)</u>	<u>679,005</u>
Total Program and Supporting Expenses	<u>2,251,002</u>	<u>2,237,744</u>	<u>6,055</u>	<u>(321,032)</u>	<u>4,173,769</u>
Changes in Net Assets	1,157,534	343,614	60,758	-0-	1,561,906
Net Assets at Beginning of Year	<u>2,950,491</u>	<u>1,448,970</u>	<u>(221,100)</u>		<u>4,178,361</u>
NET ASSETS AT END OF YEAR	<u>\$4,108,025</u>	<u>\$1,792,584</u>	<u>\$(160,342)</u>	<u>\$ -0-</u>	<u>\$5,740,267</u>