

PROJECT SUMMARY

Hillcrest Hall
3/19/2026
98 Units

PBVs

Sources and Uses

Development Uses			
Acquisition Costs			
Land Cost or Value	8,500,000	\$86,735/unit	
Other Acquisition Costs	206,600	\$2,108/unit	
Subtotal Acquisition Costs	8,706,600	\$88,843/unit	
Hard Costs			
Off-Site Improvements	250,000	\$2,551/unit	
Site Work	500,000	\$5,102/unit	
Structures	27,763,114	\$283,297/unit	
Prevailing Wages	-	-	
General Requirements	1,710,787	\$17,457/unit	
Contractor Overhead & Profit	2,281,049	\$23,276/unit	
General Liability Insurance	325,050	\$3,317/unit	
Bond Premium	-	-	
Subtotal GC Hard Costs	32,830,000	\$335,000/unit	
Soft Costs			
Architect & Engineering	1,930,000	\$19,694/unit	
Financing Fees and Interest	11,353,488	\$115,852/unit	
Legal Fees	325,000	\$3,316/unit	
Reserves	704,494	\$7,189/unit	
Development Impact and Permit Fees	2,450,000	\$25,000/unit	
Developer Fee	7,872,484	\$80,331/unit	
Remaining Development Soft Costs	3,291,906	\$33,591/unit	
Subtotal Soft Costs	27,927,372	\$284,973/unit	
Contingencies			
Owner Hard Costs Contingency	1,651,830	\$16,855/unit	
Owner Soft Costs Contingency	873,534	\$8,914/unit	
Subtotal Contingencies	2,525,364	\$25,769/unit	
Total Development Costs	71,989,337	\$734,585/unit	
Cash Developer Fee	1,936,331		
Development Sources			
Federal LIHTC Equity	23,893,839	\$243,815/unit	33.2%
State LIHTC Equity	10,680,000	\$108,980/unit	14.8%
Solar Equity	-	-	-
Permanent Loan (Tranche A)	18,200,000	\$185,714/unit	25.3%
Permanent Loan (Tranche B)	942,280	\$9,615/unit	
Deferred Developer Fee	5,936,153	\$60,573/unit	8.2%
San Diego Housing Commission	5,000,000	\$51,020/unit	6.9%
City of San Diego BTH	3,175,000	\$32,398/unit	4.4%
Interest on Cash Back Forward (Tax-Exempt)	1,277,640	\$13,037/unit	1.8%
Interest on Cash Back Forward (Taxable)	2,211,300	\$22,564/unit	3.1%
Residual Receipt Loans Accrued Interest	673,125	\$6,869/unit	0.9%
Miscellaneous #1	-	-	-
Total Development Sources	71,989,337	\$734,585/unit	

Assumptions

Tax Credit Considerations					
Active Scenario - Credit Type					
130% Boost Yes					
Rural Designation No					
Prevailing Wage (State, Federal, Both): No					
Housing Set Aside Large Family					
Equity:					
	Closing	90% Completion	Pay-in	Conversion	8,609
Fed	10.00%	0.00%	0.00%	89.08%	0.92%
State	0.00%	0.00%	0.00%	97.50%	2.50%
Federal Tax Credit Price \$0.780					
State Tax Credit Price \$0.890					
Solar Tax Credit Price \$0.000					
9% Credit Rate 9.00%					
4% Credit Rate 4.00%					
LP Interest 99.99%					
10 Yr Federal Tax Credits 30,636,190					
3 Yr State Credits 12,000,000					
Federal Tax Credits / Unit 312,614					
State Tax Credits / Unit 122,449					
Debt					
Opr. Exp./Unit/Year 7,000					
Services Exp./Unit/Year 250					
Replacement Reserves/Unit/Year 250					
Vacancy Rate 5.00%					
DCR 1.15					
Perm Loan Amort 40					
Interest Rate - Permanent Loan 6.50%					
Interest Rate - Tax-Exempt Construction Loan 6.50%					
Interest Rate - Taxable Construction Loan 6.75%					
Interest Rate - Blended 6.66%					
Interest Reserve Rate - Tax-Exempt Construction Loan 7.25%					
Interest Reserve Rate - Taxable Construction Loan 7.50%					
Tax- Exempt Bonds - Construction/Permanent 18,200,000					
Tax- Exempt Bonds - Construction 0					
Total Tax- Exempt Bonds 18,200,000					
Taxable Construction Loan 31,505,035					
Total Construction Loan 49,705,035					
25% Test 26.77%					
Safehold? Off					
Check 1,000,000					
TE Cash Back Forward? 2.65% On					
Taxable Cash Back Forward? 3.75% 31,500,000 On					
Positive Earnings? 3.51% On					

Preliminary Development Programming Summary

City:	Construction Type:
MSA:	No. of Stories:
4 Person 50% AMI:	Parking Type:
Site (acres):	No. of Stalls:
Impact Fees per Unit:	Extraordinary Cond:
County:	Solar:
Resource:	

SAN DIEGO
Highest Resource

20,000
No

Project Unit & AMI Mix

AMI	Studio	1BR	2BR	3BR	4BR	Totals
80%	0	0	0	0	0	0
70%	0	4	11	16	0	31
60%	0	20	10	10	0	40
50%	0	4	3	4	0	11
40%	0	0	0	0	0	0
30%	0	7	4	4	0	15
20%	0	0	0	0	0	0
Mgr.	0	0	0	1	0	1
Totals	0	35	28	35	0	98
UA	67	57	59	61	180	

Project Timing

Tax Credit Allocation	8/1/2025
Construction Begin - Initial Closing	5/1/2026
Construction Complete	5/1/2028
Lease Up Complete	8/1/2028
Conversion/Stabilization	12/1/2028
8609	12/1/2029

Miscellaneous

Max DF	3,398,161
2026 Rent Growth	Off
Assumed Retail Cost	366,623

Cash Flow

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Net Income	2,316,440	2,374,351	2,433,710	2,494,553	2,556,917	2,620,840	2,686,361	2,753,520	2,822,358	2,892,917	2,965,239	3,039,370	3,115,355	3,193,239	3,273,070	3,354,896
Operating Expenses	686,000	710,010	734,860	760,580	787,201	814,753	843,269	872,784	903,331	934,948	967,671	1,001,539	1,036,593	1,072,874	1,110,424	1,149,289
Net Operating Income	1,630,440	1,664,341	1,698,850	1,733,972	1,769,716	1,806,087	1,843,091	1,880,736	1,919,027	1,957,969	1,997,569	2,037,831	2,078,762	2,120,365	2,162,645	2,205,607
Debt Service	1,250,638	1,250,638	1,250,638	1,353,048	1,353,048	1,353,048	1,353,048	1,353,048	1,353,048	1,353,048	1,353,048	1,353,048	1,353,048	1,353,048	1,353,048	1,353,048
Services	24,500	25,358	26,245	27,164	28,114	29,098	30,117	31,171	32,262	33,391	34,560	35,769	37,021	38,317	39,658	41,046
Replacement Reserves	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500
Issuer Fees	25,435	25,435	25,435	25,435	25,435	25,435	25,435	25,435	25,435	25,435	25,435	25,435	25,435	25,435	25,435	25,435
Mandatory Payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Managing GP/LP Fee	10,800	11,178	11,569	11,974	12,393	12,827	13,276	13,741	14,222	14,719	15,234	15,768	16,320	16,891	17,482	18,094
Residual Cash Flow	294,567	327,232	360,462	291,852	326,225	361,178	396,716	432,841	469,560	506,876	544,791	583,311	622,438	662,174	702,522	743,484
DSCR	1.24	1.27	1.30	1.22	1.25	1.28	1.30	1.33	1.36	1.39	1.41	1.44	1.47	1.50	1.53	1.56

OPERATING BUDGET & INCOME ANALYSIS

Hillcrest Hall

Proj 2026 Rent Growth

5.74%

Off

County **SAN DIEGO**

Rent:	Restriction	%AM	Units	Square Feet/Unit	Total Sq. Ft.	Gross Rents	Utility Allowance	Monthly Net Rent	Annual Rent
1BR/1BA	LIHTC	80%	0	491	0	\$ 2,481	\$ 56.70	\$ 2,424	\$ -
1BR/1BA	LIHTC	70%	4	491	1,964	\$ 2,170	\$ 56.70	\$ 2,113	\$ 101,438
1BR/1BA	LIHTC	60%	20	491	9,820	\$ 1,860	\$ 56.70	\$ 1,803	\$ 432,792
1BR/1BA	LIHTC	50%	4	491	1,964	\$ 1,550	\$ 56.70	\$ 1,493	\$ 71,678
1BR/1BA	LIHTC	40%	0	491	0	\$ 1,240	\$ 56.70	\$ 1,183	\$ -
1BR/1BA	LIHTC	30%	7	491	3,437	\$ 930	\$ 56.70	\$ 873	\$ 73,357
1BR/1BA	LIHTC	20%	0	491	0	\$ 620	\$ 56.70	\$ 563	\$ -
2BR/1BA	LIHTC	80%	0	706	0	\$ 2,978	\$ 58.90	\$ 2,919	\$ -
2BR/1BA	LIHTC	70%	11	706	7,766	\$ 2,605	\$ 58.90	\$ 2,546	\$ 336,085
2BR/1BA	LIHTC	60%	10	706	7,060	\$ 2,233	\$ 58.90	\$ 2,174	\$ 260,892
2BR/1BA	LIHTC	50%	3	706	2,118	\$ 1,861	\$ 58.90	\$ 1,802	\$ 64,876
2BR/1BA	LIHTC	40%	0	706	0	\$ 1,489	\$ 58.90	\$ 1,430	\$ -
2BR/1BA	LIHTC	30%	4	706	2,824	\$ 1,116	\$ 58.90	\$ 1,057	\$ 50,741
2BR/1BA	LIHTC	20%	0	706	0	\$ 744	\$ 58.90	\$ 685	\$ -
3BR/2BA	LIHTC	80%	0	989	0	\$ 3,441	\$ 61.17	\$ 3,380	\$ -
3BR/2BA	LIHTC	70%	16	989	15,824	\$ 3,010	\$ 61.17	\$ 2,949	\$ 566,175
3BR/2BA	LIHTC	60%	10	989	9,890	\$ 2,580	\$ 61.17	\$ 2,519	\$ 302,260
3BR/2BA	LIHTC	50%	4	989	3,956	\$ 2,150	\$ 61.17	\$ 2,089	\$ 100,264
3BR/2BA	LIHTC	40%	0	989	0	\$ 1,720	\$ 61.17	\$ 1,659	\$ -
3BR/2BA	LIHTC	30%	4	989	3,956	\$ 1,290	\$ 61.17	\$ 1,229	\$ 58,984
3BR/2BA	LIHTC	20%	0	989	0	\$ 860	\$ 61.17	\$ 799	\$ -
3BR/2BA	n/a	Manager	1	989	989				
Total Rents			98		71,568				2,419,542
Community Room/Office					3,000				
% Loss to Efficiency				18%	16,369				
Construction Square Feet, excluding commercial					90,937				
RA Overhang									0
Income from Operations					PUPM				
Laundry					\$ 12.00				14,112
Other Income (App. Fees, Late, etc.)					\$ 4.00				4,704
Garage					\$ -	0 Garages			0
Cable & Highspeed Data Income					\$ -				0
Telephone Income					\$ -				0
Sub-Total					\$ 16.00				2,438,358
Less: Vacancies @ 5.0%									121,918
Commercial Income						\$ 2.00/sq ft			0
Less: Vacancies @ 50%							310		0
Total Income									2,316,440
Operating Expenses					PUPA		Notes		
Lease Payment					\$ -				0
Management Fee					\$ -				0
Utilities					\$ -				0
Payroll					\$ -				0
Repair & Maintenance					\$ -				0
Insurance					\$ -				0
Real Estate Taxes					\$ -				0
Other					\$ 7,000				686,000
Total Expenses					\$ 7,000				686,000
Net Operating Income									1,630,440
Reserves \$250/unit									24,500
Services \$250/unit per unit									24,500
SDHC Issuer and Monitoring Fee									25,435
Mandatory Debt Service					0.420%				0
Net Income Available for Debt Service									1,556,005

2025 Rents
\$ 2,481
\$ 2,170
\$ 1,860
\$ 1,550
\$ 1,240
\$ 930
\$ 620
\$ 2,978
\$ 2,605
\$ 2,233
\$ 1,861
\$ 1,489
\$ 1,116
\$ 744
\$ 3,441
\$ 3,010
\$ 2,580
\$ 2,150
\$ 1,720
\$ 1,290
\$ 860

PBVs Awarded?			Off
# of Units	Assumptions HUD FMRs	Annual Overhang	
0	\$ 2,235	\$ -	
0	\$ 2,235	\$ -	
0	\$ 2,235	\$ -	
0	\$ 2,235	\$ -	
0	\$ 2,235	\$ -	
0	\$ 2,235	\$ -	
0	\$ 2,235	\$ -	
0	\$ 2,905	\$ -	
0	\$ 2,905	\$ -	
0	\$ 2,905	\$ -	
0	\$ 2,905	\$ -	
0	\$ 2,905	\$ -	
0	\$ 2,905	\$ -	
0	\$ 4,105	\$ -	
0	\$ 4,105	\$ -	
0	\$ 4,105	\$ -	
0	\$ 4,105	\$ -	
0	\$ 4,105	\$ -	
0	\$ 4,105	\$ -	
0	\$ 4,105	\$ -	
0	\$ -	\$ -	
0			0

BRs	Market Rent	2025 70% AMI
1BR	2,700	2,113
2BR	3,500	2,546
3BR	4,275	2,949

Per Safehold LOI Amendment (9/16/25)	1,630,440	1,522,156	30 Yr Treasury	4.55%
NOI	1,630,440	1,522,156		
Factor	3.40	3.25	Spread	0.50%
Lease Payment	479,750	468,356	Buffer	-
Purchase Price	9,500,000	9,300,000	Rate	5.05%
Soft Loan	1,000,000	800,000		
Lease Payment	479,750	469,650		

3,815
0

19,259,151
18,200,000

DSC TEST 1.15

Loan Sizing	Tranche A	Tranche B	Tranche C	
Loan Amount	18,200,000	942,280	0	1,630,440
Interest	6.50%	7.50%		1,571,156
Term	17	17		59,284
Amortization	40	40		
Debt Service Coverage	1.15	1.15		
Monthly Payment	106,553	6,201		
Annual Payment	1,278,638	74,410		

LIHTC & Basis Calculation
Hillcrest Hall

DESCRIPTION OF COSTS	ACTUAL OR EST. OF COSTS	Eligible Basis?	30% ELIGIBLE BASIS	
LAND COST/ACQUISITION				
Land Cost or Value	8,500,000	No	XXXXXXXXXX	
Demolition	206,600	No	XXXXXXXXXX	
Legal	-	No	XXXXXXXXXX	
Land Lease Rent Prepayment	-	No	XXXXXXXXXX	
Existing Improvements Cost or Value	-	Yes - Acq.	-	
Off-Site Improvements	-	Yes	-	
Predevelopment Interest/Holding Cost	-	Yes	-	
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)	-	Yes	-	
Excess Purchase Price Over Appraisal	-	No	XXXXXXXXXX	
Other: (Specify)	-	No	XXXXXXXXXX	
Total Land / Acquisition	8,706,600		-	
NEW CONSTRUCTION				
Off-Site Improvements	250,000	Yes	250,000	
Site Work	500,000	Yes	500,000	
Structures	27,763,114	Yes	27,763,114	
General Requirements	1,710,787	Yes	1,710,787	
Contractor Overhead	1,140,525	Yes	1,140,525	
Contractor Profit	1,140,525	Yes	1,140,525	
Prevailing Wages	-	Yes	-	
General Liability Insurance	325,050	Yes	325,050	
Urban Greening	-	Yes	-	
Bond Premium	-	Yes	-	
Other: (Specify)	-	Yes	-	
Other: (Specify)	-	Yes	-	
Other: (Specify)	-	Yes	-	
Other: (Specify)	-	Yes	-	
Total New Construction	32,830,000		32,830,000	
ARCHITECTURAL + SURVEY + ENGINEERING				
Design / Supervision	1,230,000	Yes	1,230,000	
Supervision	-	Yes	-	
Total Survey & Engineering	700,000	Yes	700,000	
Other: (Specify)	-	Yes	-	
Other: (Specify)	-	Yes	-	
Total Architectural	1,930,000		1,930,000	
CONSTRUCTION PERIOD EXPENSES				
Construction Loan Interest	5,464,029	Partial	4,093,858	Yes ---->Capitalize Thru QE?
Origination Fee	372,788	Partial	298,230	
Credit Enhancement/Application Fee	15,000	Yes	15,000	
Other: Soft Loan Construction Interest	-	Partial	-	Yes ---->Capitalize Thru QE?
Cost of Issuance	93,197	Yes	93,197	
Title & Recording	100,000	Yes	100,000	
Taxes	-	Yes	-	
Insurance	328,000	Yes	328,000	
Inspections/SDGE	500,000	Yes	500,000	
Bond Holder Interest (Tax-Exempt)	964,600	Yes	964,600	
Bond Holder Interest (Taxable)	2,362,500	Yes	2,362,500	
Accrued Interest on Residual Receipt Loans	673,125	Partial	554,271	Yes ---->Capitalize Thru QE?
Bond Underwriter/Investment Banking Fee	348,500	Yes	348,500	
Total Construction Period Expense	11,221,738		9,658,156	
PERMANENT FINANCING EXPENSES				
Loan Origination Fee	-	No	XXXXXXXXXX	
Credit Enhancement/Application Fee	-	No	XXXXXXXXXX	
Title & Recording	25,000	No	XXXXXXXXXX	
Taxes	-	No	XXXXXXXXXX	
Insurance	-	No	XXXXXXXXXX	
Legal for Perm Loan	75,000	No	XXXXXXXXXX	
Other: (Specify)	31,750	No	XXXXXXXXXX	
Other: (Specify)	-	No	XXXXXXXXXX	
Total Permanent Financing	131,750		-	
LEGAL FEES				
Legal Paid by Applicant	75,000	Yes	75,000	
Lender Legal	75,000	Yes	75,000	
Other: Investor Legal	50,000	No	XXXXXXXXXX	
Other: Bond Issuer Legal	50,000	No	XXXXXXXXXX	
Other: MGP Legal	25,000	Yes	25,000	
Other: Safehold Due Diligence & Legal	-	No	XXXXXXXXXX	
Other: SDHC/BTH Legal	50,000	No	XXXXXXXXXX	
Total Legal Fees	325,000		175,000	
CAPITALIZED RESERVES				

Operating Reserve	704,494	No	XXXXXXXXXX
Replacement Reserve	-	No	XXXXXXXXXX
Transition Reserve	-	No	XXXXXXXXXX
Lease-Up Reserve	-	No	XXXXXXXXXX
Other: Soft Loan Debt Service Reserve	-	No	XXXXXXXXXX
Other: (Specify)	-	No	XXXXXXXXXX
Other: (Specify)	-	No	XXXXXXXXXX
Total Reserves	704,494		-
CONTINGENCY COSTS			
Construction Hard Cost Contingency	1,651,830	Yes	1,651,830
Soft Cost Contingency	873,534	Yes	873,534
Other: (Specify)	-	Yes	-
Other: (Specify)	-	Yes	-
Other: (Specify)	-	Yes	-
Total Contingency	2,525,364		2,525,364
OTHER			
TCAC App/Allocation/Monitoring Fees	100,536	No	XXXXXXXXXX
Environmental Audit	50,000	Yes	50,000
Local Development Impact Fees	1,960,000	Yes	1,960,000
Permit Processing Fees	490,000	Yes	490,000
Capital Fees	-	Yes	-
Marketing	150,000	No	XXXXXXXXXX
Furnishings	150,000	Yes	150,000
Market Study	15,000	Yes	15,000
Accounting/Reimbursable	50,000	Yes	50,000
Appraisal Costs	20,000	Yes	20,000
Construction Management	-	Yes	-
Prevailing Wage Monitoring	-	Yes	-
Other: Relocation Cost	57,530	Yes	57,530
Other: Environmental Remediation	-	No	XXXXXXXXXX
Other: CDLAC Fee	6,370	Yes	6,370
Other: Miscellaneous Third-Party Costs	692,470	Yes	692,470
Other: Predevelopment Loan Interest	2,000,000	Yes	800,000
Other: (Specify)	-	Yes	-
Total Other Costs	5,741,906		4,291,370
DEVELOPER COSTS			
Developer Fee Limit - Per Application (4%)	3,398,161		3,398,161
Developer Fee Calculation	7,872,484		7,872,484
Developer Overhead/Profit	7,872,484	Yes	7,872,484
Consultant/Processing Agent	-	Yes	-
Project Administration	-	Yes	-
Broker Fees Paid to a Related Party	-	Yes	-
Construction Oversight by Developer	-	Yes	-
Other: (Specify)	-	Yes	-
Total Developer Costs	7,872,484		7,872,484
TOTAL RESIDENTIAL COSTS	71,989,337		59,282,374
TOTAL COMMERCIAL COSTS	-		-
TOTAL PROJECT AND BASIS COSTS	71,989,337		59,282,374
Adjustment for Excess Basis / Commercial&Retail			366,623
Additional Amount Excluded From Basis - Solar Equity			
Requested Undadjusted Eligible Basis			58,915,751
130% DIFFICULT DEVELOPMENT FACTOR?	<input type="checkbox"/> Yes		76,590,476
Credit Reduction			-
Total Adjusted Qualified Basis			76,590,476
TX CREDITS @ % LI Eligible@ Tx Credit Rt			4.00%
TX CREDITS @ % LI Eligible			3,063,619
TX CREDITS OVER TEN YEARS			30,636,190
TX CREDIT EQ'Y@\$/Credit@% Investment	\$0.7800	99.99%	23,893,839
Additional Amount Voluntarily Excluded From Basis- State Only			19,282,374
Requested Undadjusted Eligible Basis- State Only			40,000,000
State Tax Credits - 13% of Eligible Basis & Over 4 Yrs	30.00%		12,000,000
State Tax Credits Equity	\$ 0.8900	100.00%	10,680,000
Solar Credits - 22% of Eligible Basis	22.00%		1,140,525
Solar Equity	\$ -	100.00%	-
Solar Rebates			-

40.0%

On CDLAC TB Benefit
161,000

