

Citywide Affordable Housing Loan Committee

San Francisco Mayor’s Office of Housing and Community Development
Department of Homelessness and Supportive Housing
Office of Community Investment and Infrastructure
Controller’s Office of Public Finance

Knox SRO

\$6,798,810

Gap Loan Request – Passthrough State Loan Funds

Evaluation of Request for: Knox SRO, 241 6th street
Gap Loan Request – Passthrough for State Healthy
Homes California (HHC) Funding

Loan Committee Date: June 2, 2023

Prepared By: Anne Romero, Senior Project Manager

Asset Manager: Rosanna Chavez

Source of Funds Recommended: \$6,798,810 HHC Article 2

NOFA/PROGRAM/RFP: HHC RFP

Total Previous City Funds Committed: \$2,100,000 former SFRA Loan

Applicant/Sponsor Name: Tenants and Owners Development Corporation
(TODCO)

EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	Knox SRO	Sponsor(s):	TODCO
Project Address (w/ cross St):	241 6 th Street (at Tehama) 94103	Ultimate Borrower Entity:	Knox Partners 2 LP

Project Summary:

Tenants and Owners Development Corporation (TODCO) requests an HCD passthrough loan commitment in the amount of \$6,798,810 in California Department of Housing and Community Development (HCD) San Francisco-awarded Housing for Healthy California (HHC) funds to support their long-delayed rehabilitation of the Knox SRO (Project), a proposed occupied rehabilitation of the 140-unit affordable multifamily housing development located at 241 6th Street. In addition, TODCO requests that the existing \$2,100,000 MOHCD (former SFRA) loan be extended from the maturity date of 8/4/2023 to a 55 year maturity date of 2078 to match the term of the HHC funded loan to facilitate the transaction.

The Knox SRO, owned by Knox Partners Limited Partnership, is a distressed 8 story 140 unit 100% very low income housing development built in 1994 that has experienced high vacancy rates over the past several years. The proposed rehabilitation will address current life-safety measures, accessibility upgrades, heating, ventilation, windows, roof replacement, new back-up generator, unit and bathroom improvements, plumbing system repairs and common area improvements. Alongside the HHC financing request, proposed financing for the rehabilitation includes an HCD Portfolio Reinvestment Program (PRP) loan, extension of a first mortgage HCD loan, extension of the former SFRA loan and existing building reserves. HHC funds will require the Knox SRO to provide 30 permanent supportive housing (PSH) units for the intended HHC population of chronically homeless high health cost users, and provide appropriate services with the support of the Department of Homelessness and Supportive Housing (HSH), adding to the existing 34 PSH units at the site.

TODCO has attempted various times to obtain financing to rehabilitate the 29 year old project over the last eight years. As a MOHCD portfolio project, this proposed rehabilitation is long overdue and will improve the lives of existing tenants, increase the stability and longevity of the building, create critically needed new PSH units, and streamline referrals from HSH and DAHLIA. In order to meet the timing requirements of the HCD HHC and PRP funding awards, construction must start in August 2023 and is projected to be complete by November 2024. Staff recommends approval of the HHC gap loan request and extension of previous SFRA loan.

Project Description:

Construction Type:	Type III	Project Type:	Rehab
Number of Stories:	8	Lot Size (acres and sf):	.18 acres / 8,000 sf
Number of Units:	140	Architect:	Barcelon and Jang
Total Residential Area:	47,950 sf	General Contractor:	NCR Construction, Inc.
Total Commercial Area:	0 sf	Property Manager:	John Stewart Company
Total Building Area:	54,450 sf	Supervisor and District:	Sup. Dorsey, D6
Land Owner:	TODCO		
Total Development Cost (TDC):	\$32,832,073	Total Acquisition Cost:	\$9,872,482
TDC/unit:	\$234,515	TDC less land cost/unit:	\$164,354
Loan Amount Requested:	\$6,798,810 (State HHC)	Request Amount / unit:	\$48,563
HOME Funds?	N	Parking?	N

PRINCIPAL DEVELOPMENT ISSUES

- The State HHC funds must be expended by March 30, 2024 to meet the legislatively mandated award terms of the loan, which requires a construction start in August 2023, and an efficient General Contractor spenddown of construction funds. See Section 5.4.
- The Construction Loan commitment is not yet finalized; TODCO is pursuing a construction loan with the Low Income Investment Fund (LIIF). See Section 5.4.
- The Project has not yet received updated bids from subcontractors, which may exceed the budgeted hard cost construction and escalation contingency in the current budget presented here. If this were to occur, TODCO will cover the additional cost through its at-risk developer fee to meet the gap. See Section 5.6.
- Knox SRO is a distressed property that has faced high vacancies and negative cashflow for years prior to this request. Due to the level of funding the Sponsor has been able to secure, the rehabilitation budget is modest compared to other MOHCD rehabilitations, yet will bring significant quality improvements and extend the life of the building. See Section 3.3.
- The inclusion of HHC units will be an important source of new permanent supportive housing (PSH) for the City, and will require close collaboration with TODCO, the new service provider for the HHC units and HSH to successfully integrate these new households into a supportive community. See Section 7.
- The financing includes a \$1.6 million operating deficit reserve during construction funded out of the HCD PRP Capitalized Operating Subsidy Reserve (COSR) to cover the operating deficits during the rehabilitation and a \$1.5 million capitalized operating deficit reserve starting in 2032 to provide financial stability and have positive cashflow for 20 years, in support of the number of units that serve extremely low income adults without a subsidy. The benefit of the PRP-financed COSR is that LOSP subsidy will not be required until 2027. See Section 6.1.

SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Terms	Status
TODCO	300,000	working capital	Expended since 2013
Total	300,000		

Permanent Sources	Amount	Terms	Status
Housing for a Healthy California (HHC)	6,798,810	55 years 0% deferred	This request
Extension of former SFRA Loan	2,100,000	55 years, 0% deferred	This request
HCD CalDAP	7,772,482	Extend 55 years at AFR 3.5%	Existing loan
HCD PRP Loan and COSR	15,537,588	Loan and Grant	Committed
Building Reserves	623,193		Committed
Total	32,832,073		

Uses	Amount	Per Unit	Per SF
Acquisition	9,872,482	70,518	181
Hard Costs	13,226,650	94,476	243
Soft Costs	3,909,852	27,928	72

Developer Fee	2,165,000	15,464	40
Reserves	3,658,089	26,129	67
Total	32,832,073	234,515	603

1. BACKGROUND

1.1. Project History Leading to This Request. TODCO rose out of *Tenants and Owners in Opposition to Redevelopment* (TOOR), a community organizing effort and organization formed in 1969 to oppose the redevelopment efforts in the late 1960s to create the Moscone Center and surrounding redevelopment initiatives. TOOR and its lawyers obtained a restraining order halting demolition and relocation in the South of Market Area until an agreement had been reached by TOOR and the San Francisco Redevelopment Agency (SFRA). A judge ordered that 1,500 to 1,800 units of housing be built for low income and elderly residents displaced by redevelopment. SFRA provided four sites in the Yerba Buena Center for new housing to replace the demolished residential hotels and provide City Hotel Tax funds to finance their development and long-term rental subsidies. TOOR became TODCO in 1971, and ultimately developed eight multifamily and SRO developments, totaling 965 units for the elderly, persons experiencing homelessness, hotel tenants and persons with disabilities, serving over 1,200 residents. Over the past 10 years, TODCO has successfully rehabilitated 467 of these units, including substantial rehabilitations of Woolf House, Hotel Isabel, Mendelsohn House, and Leland Apartments.

TODCO developed the Knox in 1994 after the Loma Prieta earthquake, a new construction project financed by the former SFRA, an HCD CALDAP loan, tax credit equity and an SFRA SOMA grant to purchase the site. The Knox SRO replaced the demolished Anglo Hotel, and TODCO reports that as a result they had to use ‘rebuilding’ rules to replace the same unit configuration as the previous hotel, and could not add bathrooms. The unit configuration reflects 35 micro studios with bathrooms, and 105 single room occupancy where two rooms share a bath. All units have individual kitchenettes. The Project was transferred to MOHCD as a housing asset in 2012 as a result of dissolution of the SFRA.

The Project has operated with negative cashflow over the last decade, with all rents restricted by TCAC at 40% of Area Median Income and escalating operating costs, including very high utility costs. The latest MOHCD Annual Monitoring Report for Calendar Year 2021 indicates a 13% vacancy rate and negative cashflow of \$80,000. Currently there are 9 vacancies with one new vacancy occurring typically per month. TODCO has filled the operating deficits over time and, during the COVID pandemic, provided limited rental subsidies from commercial income at other properties to tenants paying over 50% of their income in rent who don’t have a rental subsidy, with an average monthly subsidy for

these units of around \$160 / month. Total subsidy amount provided over the last three years is \$85,000, covering a range of 10 – 20 units per month. TODCO will continue this shallow rental subsidy program going forward for rent burdened households.

TODCO has developed a relocation plan with Overland, Pacific & Cutler, LLC which has been approved by HCD, and involves temporarily moving tenants to vacant units in the building as a phased relocation, and as needed, to nearby motels and TODCO-owned projects.

Since 2017, TODCO has attempted various times to obtain financing for a substantial rehabilitation, and extended their loan with HCD in March 2016, with maturity dates of 2026. The former SFRA / MOHCD loan has a maturity date of August 2023. TODCO requests that the former-SFRA / MOHCD loan be extended 55 years until 2078, and their similar request of HCD has been approved, so that this existing financing can remain in the deal.

1.2. Applicable NOFA/RFQ/RFP. When TODCO learned of the State HHC program, TODCO proactively contacted MOHCD and HSH to encourage the City to submit an application to create additional permanent supportive housing units at the site. MOHCD and HSH submitted an application on August 13, 2019, and was awarded \$6,798,810 on March 9, 2020. MOHCD published a Request for Proposals (RFP) on April 28, 2021 listing the opportunity for sponsors to apply for the HHC funds for shovel ready projects to create new PSH units (<https://sfmohcd.org/HHC-PSH-RFP>). Responses were due on May 12, 2021. Three proposals were submitted and the TODCO proposal scored the highest at 92 points, and was selected. The other two proposals did not appear feasible and were submitted from inexperienced applicants, failing to meet required developer / owner experience (scoring 0 and 20 points respectively). See Attachment E: Threshold Eligibility Requirements and Ranking Criteria.

1.3. Borrower/Grantee Profile. (See Attachment B for Borrower Org Chart; See Attachment C for Developer Resume and Attachment D for Asset Management Analysis)

- Borrower. Knox Partners Limited Partnership, a California limited partnership
- Demographics of Board of Directors. TODCO's Chief Executive Officer and members of TODCO, Inc., GP/TODCO-A, Inc. and GO/TODCO/YMC 3 Boards of Directors meet the qualifications, as stated by both the CDLAC and CTCAC, of the definition of Black, Indigenous, People of Color (BIPOC) organizations. The CEO of TODCO, Inc is Anna Yee.
- Relevant Experience. TODCO has developed eight multifamily apartment and SRO buildings, totaling 965 units for the elderly, people experiencing homelessness, hotel tenants and people with disabilities. Currently, TODCO

buildings house over 1,200 people. In the past seven years, TODCO has rehabilitated 456 units at four South of Market properties: Woolf House, Hotel Isabel, Mendelsohn House and Leland Apartments.

- Project Management Capacity. Hector Burgos is TODCO's Director of Housing Development, and is contributing 90% of his time on the rehabilitation of Knox SRO through December 31, 2023, his expected retirement date. Hector has worked at TODCO for over 12 years, and led the rehabilitations of these TODCO properties: Woolf House I & II (182 units), Hotel Isabel (once for the Mod-Rehab-to-RAD conversion and another for rehabilitation - 72 units), Leland (24 units), Mendelsohn House (189 units) and the upcoming Bayanihan House rehab (152 units).

Starting January 1, 2024, TODCO consultant staff Eric Tao will take over project management responsibilities with TODCO staff Jon Jacobo through completion and conversion. Eric Tao has developed 1,400 new construction units in San Francisco from 2007-present, as well as rehabbed two buildings in San Francisco and two other buildings in San Jose and Hayward. Eric is currently working on TODCO's Mendelsohn House and Ceatrice Polite's refinancings and minor rehabilitations. Jon Jacobo is learning affordable housing development at TODCO, participating in the LISC Affordable Housing Development Training program, and is managing the rehab of Coleman House and assisting with the refinancing of Ceatrice Polite.

- Construction Manager. TODCO plans to hire a 3rd party construction manager at least four weeks prior to start of construction, which is a proposed loan condition. Please see Section 8.2, Recommended Loan Conditions.
- Past Performance. MOHCD currently has no contracts with TODCO, yet receives Annual Monitoring Reports on their MOCHD-financed affordable housing, including Knox SRO. HSH has supportive services, rental assistance for Chron-A, and CoC rental assistance contracts with TODCO. HSH has scheduled a program monitoring visit on June 12, 2023 for the three TODCO agreements for Continuum of Care (CoC) rental assistance and support services for their PSH units, including Knox SRO. TODCO is exempt from annual fiscal and compliance monitoring as a housing developer, and their last audit was in 2016-17. Based on the Final Status Monitoring Letter from that audit, HSH confirms that TODCO submitted all necessary documents, was compliant with City standards and the monitoring was closed as of March 7, 2017. The Controller's Office and Fiscal Monitoring Steering Committee have classified TODCO, TNDC, Mercy Housing, and CCDC as exempt from the Citywide Nonprofit Fiscal Monitoring Pool given that they are primarily developers:
"Nonprofit housing developers that operate primarily as a developer and not a service provider (nonprofits that develop housing but have service provision as a primary business model remain in the pool)."

2. SITE (See Attachment E for Site map with amenities)

Site Description	
Zoning:	SoMa NCT – Soma Neighborhood Commercial Transit 85-X
Maximum units allowed by current zoning (N/A if rehab):	N/A
Number of units added or removed (rehab only, if applicable):	N/A
Seismic (if applicable):	N/A
Soil type:	Phase I was completed in 2019 and an updated report was completed May 19, 2023
Environmental Review:	N/A
Adjacent uses (North):	Industrial PDR, automotive shops
Adjacent uses (South):	PDR, automotive shops, small businesses
Adjacent uses (East):	Warehouses
Adjacent uses (West):	Automotive shops, warehouse, multifamily residential
Neighborhood Amenities within 0.5 miles:	The site is in close proximity to neighborhood amenities including M&P Pharmacy, Victoria Manalo Draves Park, Target, SF Public Library, Safeway, Banks and Saint Francis Memorial Hospital
Public Transportation within 0.5 miles:	Powell Street BART and Muni light rail, Muni lines on Market Street, as well as Muni Lines 19, 14, and 27
Article 34:	Article 34 authority was obtained on January 30, 2019
Article 38:	N/A as rehab.
Accessibility:	Per the PNA, the property is subject to UFAS and Chapter 11 B of the CBC. The property was constructed with 14 mobility featured units (7 with shared bath, 7 with private bath) and 7 Hearing and Visual feature units. The rehabilitation will make corrections to improve accessibility features and comply with the requirement that 10% of units provide mobility compliant features and 4% provide hearing and visual features.
Green Building:	N/A as project meets energy standards in CDLAC and TCAC applications
Recycled Water:	N/A
Storm Water Management:	N/A

2.1. Zoning. N/A

2.2. Probable Maximum Loss (PML). A PML Study has not been done. The Property Conditions Assessment (PCA) from July 2022 states that given the age of the building and code under which it was constructed, a seismic risk assessment is not required due to lack of key risk factors.

2.3. Local/Federal Environmental Review. N/A for this request

2.4. Environmental Issues.

- Phase I/II Site Assessment Status and Results. A new Phase I is pending.
- Potential/Known Hazards. The PNA identified microbial growth in the bathrooms, shower surrounds and insufficient ventilation with mildew growth. This will be addressed in the rehabilitation scope of work.

2.5. Adjacent uses and neighborhood amenities. The property is located in a central area of SOMA, accessible to transit, grocery stores, recreational activities and service providers.

2.6. Green Building. The property meets TCAC energy standards.

2.7. Prior Outreach. TODCO has communicated to residents about rehabilitation plans and status of ongoing efforts to finance the work.

2.8. Future Outreach. TODCO will hold resident meetings to update the tenant community on plans to renovate the building, outline the schedule and plans to conduct temporary, phased relocation.

2.9. Proposition I. N/A for this request as occupied rehabilitation

3. DEVELOPMENT PLAN

3.1. Site Control. Currently the property owner is Knox Partners Limited Partnership, with General Partner of GP/TODCO-A, a California nonprofit public benefit corporation and Limited Partner of TODCO Group LLC, with sole member and manager of GP/TODCO-B, Inc.

3.2. Proposed Rehab Scope.

Avg Unit SF by type:	140 single room occupancy units with unit sizes ranging from 145 – 261 SF; 105 units have shared baths and 35 units have in-unit bathrooms All units have kitchenettes
Residential SF:	26,824 SF
Parking Garage SF:	0
Common Area / Administration and Circulation SF:	27,626
Building Total SF:	54,450 SF

3.3. Construction Supervisor/Construction Representative’s evaluation. The Knox is an 8 story, 140 unit SRO property that was constructed in 1994. The unit configuration reflects 35 micro studios with bathrooms, and 105 single room occupancy units where two rooms share a bath. All units have individual

kitchenettes. This design was intended to meet the needs of a traditional SRO resident, while providing the independence of a private kitchenette and in the case of the 105 rooms, a bathroom shared with only one other resident. This model created space efficiency similar to an SRO, increasing the total number of residents served on the site but carries its own unique challenges in operating and maintaining the property. Minor to moderate repairs have been completed through the years and this application reflects a moderate rehabilitation to address current outstanding life-safety, accessibility, heating, ventilation, windows, roof replacement, a new back-up generator, unit and bathroom improvements, and plumbing system repairs. Given the size of the rooms and the vestibule space, it would be very difficult to add more bathrooms without losing units. The proposed repairs will improve the property operations and the comfort and safety of residents. All scope appears to be appropriate given the age and condition of the property. The total Rehabilitation Budget of \$13,226,650 includes estimated costs for scope represented in the permit drawings prepared by Barcelon Jang in 2016 and revised in December 2018, which according to DBI records, are approved and ready to issue. TODCO has since added mold remediation and upgrades to the services space to the scope of work. This cost includes an escalation and hard cost contingency of nearly 11%, which is below the MOHCD underwriting guidelines for a project of this type. However, TODCO's at-risk developer fee in the amount of \$1,665,000 is available to cover higher costs, including escalation or other cost overruns, and TODCO will cover any additional costs through their working capital. This construction cost is approximately \$95,000 per unit/room and as such, falls significantly below other rehabilitation projects which average \$255,350 per bedroom. This disparity represents the relative younger age of this property as well as the limited sources of funds for the project. Consistent oversight and support will be necessary to help ensure that the project remains on budget. Scope that may require further consideration is inclusion of elevator mechanical, given the building height, number of units and population type served.

3.4. Commercial Space. N/A

3.5. Service Space. Supportive service spaces consist of two service offices which will be renovated prior to commencement of rehabilitation. There is also a large community room, lounge and patio that abuts the community room; open space and garden on the roof, community kitchen on one floor, as well as two common TV rooms that tenants can use. These common area spaces will be renovated as part of the rehabilitation.

3.6. Target Population. Currently the Knox serves very low income adults under 40% TCAC AMI (equivalent to 55% MOHCD AMI), serving a variety of target populations with different rental subsidies (see chart below). Supportive housing units that receive tenant referrals from HSH include 18 Continuum of Care (CoC) units, 12 Chron A (former DAH) CoC units for chronic alcoholics, 4 PBV units under the LOSP to PBV program, and the proposed 30 HHC LOSP units would be targeted to persons experiencing chronic homelessness and identified as a high

cost health user. The remainder 74 units are occupied by the general population with a tenant rent between \$648 and \$772. Two of the general population units are currently occupied by VASH tenant-based voucher holders. Some of the general population units receive a small rental subsidy from TODCO, under the criteria that the household has lived at the Knox for one year or more and would be paying more than 50% of their income for rent, to reduce their rent payment to 50% of household income. TODCO has provided \$85,000 over the last three years through this shallow rent subsidy program for rent-burdened households, and intends to keep it in place. The proposed capitalized operating deficit reserve will stabilize the property operations starting in 2032 when it is required.

The goal of the HHC program is to reduce the financial burden on local and state resources due to the over utilization of emergency departments, inpatient care, nursing home stays and use of corrections systems and law enforcement resources. The target population is individuals who are 1) extremely low income, 2) experiencing chronic homelessness or homelessness, and 3) are a high cost health user. As part of the application to HCD, the City provided commitments for LOSP and services funding to the units. With the addition of the 30 HHC units, the building will have a total of 64 PSH units referred by HSH, or nearly half of the units.

Unit Type	Number	Target Population	Subsidy	AMI - TCAC	AMI - MOHCD
SRO	2	Veterans	VASH tenant vouchers	40%	50%
SRO	18	Coc Regular (former S+C)	CoC	40%	50%
SRO	12	CoC Chron A (former DAH)	DAH	40%	50%
SRO	4	Homeless Adults	PBV/HSH	40%	50%
SRO	74	General Population		40%	50%
SRO	30	Homeless High Cost Health User	LOSP	20%	30%
Total:	140				

3.7. Marketing & Occupancy Preferences. All 64 CoC, PBV and LOSP units will accept referrals from HSH. As a condition of this loan, the remainder general population units will be subject to DAHLIA and the Chapter 47 City Preferences. This will involve submission of a Marketing Plan to MOHCD and onboarding onto the DAHLIA system. Please see Section 8.2, Recommended Loan Conditions.

3.8. Relocation. TODCO plans to conduct an onsite phased relocation to temporarily relocate existing tenants into approximately 10 vacant units in the building while their units are being rehabilitated, as well as off-site relocation as needed. Currently there are 9 vacancies and there is an average of one new vacancy / month. It is expected that there will be at least 10 vacant units available at the property at the time of construction start that will be available to house tenants

temporarily while their units are being rehabilitated. After work on the 10 units has been completed, the tenants will be moved back into their respective unit. Each floor has 20 units and will be rehabilitated in two phases. Each phase will take around 20 days to complete. Based on these assumptions, construction is estimated to be complete in 14 months. OPC has been hired as relocation coordinator and the relocation plan has been approved by HCD, deemed to meet the relocation requirements under the State of California Relocation Assistance Law (CRAL). TODCO has submitted their relocation plan for review and approval by MOHCD. A relocation coordinator will plan and supervise moving tenants and their belongings from their unit to the temporary unit and back to their original unit, and will assist each tenant with any issues that arise during the relocation process. The estimated cost of the onsite relocation is \$410,000. The new 30 units for the HHC population will be leased up upon completion of the rehabilitation, estimated to occur in November 2024.

4. DEVELOPMENT TEAM

Development Team			
Consultant Type	Name	SBE/LBE	Outstanding Procurement Issues
Architect	Barcelon and Jang	Y	No
Landscape Architect	N/A	N/A	N/A
JV/other Architect	N/A	N/A	N/A
General Contractor	NCR Construction	Y	No
Owner's Rep/Construction Manager	TBD	N/A	N/A
Financial Consultant	CEI	N/A	No
PNA	Basis Architecture & Consulting	N	No
Property Manager	John Stewart Company	N	No
Services Provider	The Felton Institute for HHC units; for the remainder of units, TODCO Resident Services Activity Program (RSAP), which has existed since 1971	N	No

4.1. Opportunities for BIPOC-Led Organizations. TODCO has a majority of board members and Executive Director who are in the BIPOC community. This Project's General Contractor and Architect are certified LBEs. The capital investment in this housing will benefit residents, including people who have experienced homelessness and who have been disenfranchised in San Francisco.

5. FINANCING PLAN (See Attachment F for Cost Comparison of City Investment in Other Housing Developments; See Attachment G and H for Sources and Uses)

5.1. Prior MOHCD/OCII Funding: The San Francisco Redevelopment Agency (SFRA) transferred its Knox loan in the amount of \$2,685,000 to MOHCD when

SFRA was dissolved in 2012. The required initial principal payment of \$585,000 was paid in 1999 and the remaining balance of the note is due on August 4, 2023. This note is secured by a Deed of Trust which is subordinated to the HCD CalDAP loan. This remaining balance of \$2,100,000 is requested to be extended to 8/4/2078 and to remain in the deal, as part of this request. The interest rate would remain 0% as presented in the PRP loan application which was approved by HCD. Other previous financing from SFRA was repaid and has been reconveyed (\$824,000 loan dated 12/9/1992) and there is an existing grant (\$325,000 dated 1/20/1994 with an expiration of 1/19/2044).

Loan Type/ Program	Loan Date	Original Loan Amount	Current Loan Amount	Maturity Date	Repayment Terms	Outstanding Principal Balance	Accrued Interest to Date
Former SFRA Loan (MOHCD Asset)	8/4/1993	\$2,685,000 (0%, principal payment deferred; 30-year Note, payment due 8/4/2023; 50-year Loan term)	\$2,100,000 (\$585,000 repaid on 7/12/1999)	08/04/2023	Deferred	\$2,100,000	\$0

- 5.2. Disbursement Status. This loan was fully expended in 1993 during the construction of the project, and \$585,000 was repaid on 7/12/1999.
- 5.3. Predevelopment Financing. TODCO has expended approximately \$300,000 in predevelopment expenses, dating back to January 19, 2013, and requests that these expenses be repaid through the initial HHC draw. Staff supports this request.
- 5.4. Proposed Permanent Financing. The Borrower proposes to use the following sources to permanently finance the Project:
 - HHC Loan – \$6,798,810 – HHC funds were awarded to the City by HCD to invest in permanent supportive housing for people experiencing homelessness and who are high health cost users. MOHCD will be the passthrough for the funds which will be loaned at 0% interest and applied to 30 out of the 140 units for the target population restrictions. The award has a California State Legislature-mandated spenddown deadline of March 30, 2024, and per HCD staff, the loan cannot be extended. This deadline can be achieved if the project starts construction in August 2023.
 - MOHCD existing loan - \$2,100,000 – this former SFRA loan is requested to be extended by 55 years until 2078 at 0%. This is a deferred payment loan.
 - HCD CalDAP existing loan – In 2016 the \$7,772,482 existing loan was extended by HCD, and at construction loan closing will be extended with a new term of 55 years at 3%.
 - HCD Portfolio Reinvestment Program (PRP) loan – This new HCD loan program was created to preserve existing HCD-funded affordable housing projects by extending and restructuring affordability agreements and providing new low-interest long term loans for rehabilitations, as well as forgivable loans

to capitalize short term operating subsidies during rehab. The Project is one of the first in the State and only project in San Francisco to receive an award, which appears tailor made for this type of project. The PRP loan is \$13,925,799 @3% for 55 years, residual receipts.

- HCD PRP COSR - \$1,611,789 is structured as a forgivable loan to cover operating deficits during rehabilitation until 2026; this capitalized COSR will delay the need for LOSP subsidy until 2027.
- Existing building reserves - \$623,193 in existing reserves will remain with the Project
- Construction Loan - \$10,820,503 – A construction loan from LIIF is in the final review phase with a signed term sheet for up to \$12 million construction loan; proposed construction loan terms are a fixed rates based on the 1-year U.S. Treasury Yield Curve Rate plus 275 bps, with a floor of 6.79%, fixed at closing. The indicative rate estimated is 6.94% as of the date of the term sheet, and is budgeted at 6.79% fixed plus 50 bps cushion. Obtaining this construction loan is a loan closing condition.

5.5. Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Hard Cost per unit are within standards	Y	\$95,000 /unit
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	N	Hard Cost Contingency (9.9%) plus Escalation Contingency (.9%) totals 10.8%, under MOHCD UG of 15% hard cost contingency for rehab. TODCO's at-risk developer fee will cover any cost overruns
Architecture and Engineering Fees are within standards	Y	Architecture fees are reasonable at \$587,000
Construction Management Fees are within standards	Y	Construction management fees are reasonable at \$158,000 for predev costs incurred and the construction period of 15 months
Developer Fee is within standards, see also disbursement chart below	Y	Developer fee is proposed at \$2,165,000, the amount approved by HCD for the PRP loans. \$500,000 to be paid out of HHC loan as Admin / Project Management \$1,665,000 as at-risk fee to be paid out at conversion out of PRP funds Total fee of \$2,165,000

Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10%
Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to 6 months per HCD standards
Capitalized Replacement Reserves are a minimum of \$1,000 per unit (Rehab only)	N	\$72,000 or \$515 / unit based on the PNA
Two Capitalized operating deficit reserves are budgeted and are required for positive cashflow: 1. Operating Deficit Reserve during construction which is financed by PRP in amount of \$1,611,789 2. Capitalized Operating Deficit Reserve in amount of \$1,500,000 million which would start to be drawn down in 2032	N	Capitalization of these reserves are the only way to ensure that the project remains financially viable over the 20 year period

5.6. Developer Fee Evaluation: The milestones for the payment of the developer fee to the sponsor are specified below:

Total Developer Fee:	\$2,165,000	Per PRP
Project Management Fee	\$500,000	
Amount of Fee at Risk (the "At Risk Fee"):	\$1,665,000	
Milestones for Disbursement of <u>Project Management Fee</u> of \$500,000		
Construction close	\$250,000	50%
Final HHC draw	\$250,000	50%
At-Risk Fee		
Milestones for Disbursement of that portion of <u>At Risk Developer Fee</u>		
at project conversion to be paid out of PRP Funds	Up to \$1,665,000 after payment of any cost overruns	100%

6. PROJECT OPERATIONS (See Attachment I and J for Operating Budget and Proforma)

6.1. Annual Operating Budget The proposed operating budget is based on current operations and is very reasonable at \$1,391,808, or \$9,427 per unit per annum before reserves. The Knox is a complex project to operate given the different tenant populations, different subsidy types, including the sponsor's own rental subsidy to ensure that tenants don't pay more than 50% of their income in rent. As described in Section 3.6 Target Population, the Project has CoC, Chron A

CoC, PBV, VASH Vouchers, TODCO subsidy, LOSP and general population units are restricted at 40% TCAC AMI by TCAC. The proposed 30 HHC units will be restricted at 20% TCAC AMI. The PRP COSR reserve is needed for the the construction period due to vacancies, and the LOSP subsidy need is projected to start in 2027, upon spend down of the PRP COSR reserve. A capitalized operating deficit reserve of \$1.5 million is required to start in Year 10 of Project operations (2032) for positive cashflow.

6.2. Annual Operating Expenses Evaluation.

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Debt Service Coverage Ratio is minimum 1.1:1 in Year 1 and stays above 1:1 through Year 17	N/A	Not applicable as the Project has no hard debt
Vacancy meets TCAC Standards	N	Vacancy is 7.4% blended rate to reflect 5% on subsidized units and 10% on nonsubsidized units, in conformance with TCAC regs for SRO units
Annual Income Growth is increased at 2.5% per year	Y	Income escalation factor is 2.5% for tenant rents and 1% for LOSP HHC units;
Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are \$9,319 per unit per year based on history of operating the project
Property Management Fee is at allowable HUD Maximum	N	Total Property Management Fee is \$28 pupm, far under the HUD maximum; this amount reflects TODCO's agreement with JSCo
Property Management staffing level is reasonable per comparables	Y	Property staffing is reasonable with 1 FTE property manager, 1 FTE assistant property manager, 24 hour desk clerk coverage, janitorial and maintenance staff
Asset Management and Partnership Management Fees meet standards	Y	Asset Management Fee of \$12,000 per the limited partnership's agreement with TODCO; Partnership management fee is \$15,000 per year
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$514 per unit per year per the project's PNA

6.3. Capital Needs Assessment & Replacement Reserve Analysis. The Property Condition Assessment was prepared by BASIS Architecture & Consulting, dated

May 7, 2021 and identifies critical repair and deferred maintenance items, as well as the replacement reserve needs.

6.4. Income Restrictions for All Sources.

UNIT SIZE		MAXIMUM INCOME LEVEL		
NON-LOTTERY	No. of Units	MOHCD – HHC Loan	TCAC	HCD - CalDAP
SRO – LOSP HHC UNITS	30	30% MOHCD AMI / 20% TCAC AMI	40% AMI TCAC	40% AMI TCAC
SRO - COC	18	60% MOHCD AMI	40% AMI TCAC	40% AMI TCAC
SRO – CoC Chron A	12	60% MOHCD AMI	40% AMI TCAC	40% AMI TCAC
SRO – PBV	4	60% MOHCD AMI	40% AMI TCAC	40% AMI TCAC
Sub-Total	64			
LOTTERY				
SRO – General	72	60% MOHCD AMI	40% AMI TCAC	40% AMI TCAC
TOTAL	140			

6.5. MOHCD Restrictions.

Unit Size	No. of Units	Maximum Income Level
SRO	30	30% MOHCD AMI / 20% TCAC AMI per HHC requirements
SRO	110	60% of MOHCD AMI

7. SUPPORT SERVICES

Services Plan. Currently TODCO’s RSAP (Resident Services and Activity Program) division provides support services to the building with a full-time case manager and part time service coordinator, funded out of the operating budget. TODCO has contributed annual services funding from a grant of its organizational funds in the amount of \$104,000 which covers most of the services expenses of \$115,000 per year; at start of rehabilitation, services will be funded out of the operating budget in amount of \$59,921 with the TODCO grant to support supplemental services.

HSH has a support services agreement with TODCO to provide on-site support services for the PSH households referred through Coordinated Entry to three of TODCO’s buildings (the Knox, Bayanihan House and Hotel Isabel). Through this agreement HSH funds 1.5 FTE of services staff at the Knox including a social worker, social worker supervisor and program coordinator position.

For the proposed HHC units, TODCO has partnered with The Felton Institute, who will provide integrated, comprehensive, culturally competent services to the target population funded through a support services agreement with HSH. Felton will provide case management, peer support activities, linkages to behavioral health care, substance abuse treatment, benefits counseling and advocacy, and housing retention skills, amongst other services. Staffing is projected to include 1 FTE Clinical Case Manager, supervision, after hours staffing, and a peer specialist. Through a HSH-DPH partnership the Permanent Housing Advanced Clinical Services (PHACS) team will provide direct care and referrals for PSH residents and clinical consultation for services staff. The PHACS includes a multidisciplinary team of clinicians, nurses and health workers who provide consultation, coaching and training for services staff, short-term direct care for residents, connection and linkage to longer-term care, and care coordination. The Knox will also be connected to in-home supportive services through the Department of Disability and Aging Services through the IHSS Collaborative Caregiver Support Team, which provides linkages to a building specific care team for IHSS services and streamlines the IHSS application and assessment process for PSH residents to ensure needed services to assist with ADLs are in place as quickly as possible.

Service Budget. HSH provided a services commitment letter for \$217,384 for the HHC application, which includes 1 FTE Case Manager, .5 FTE Peer Support Specialist, .2 Program Manager and .2 Social Worker for Felton’s HHC unit services.

A proposed loan condition is that TODCO will submit an updated Services Plan detailing the building-wide supportive services, as well as all sources of revenue (see Recommended Loan Conditions) by October 1, 2023. Over the next four months, TODCO, Felton and HSH will meet periodically to update the services plan and plan for the HHC referral lease up post construction.

8. STAFF RECOMMENDATIONS

8.1. Proposed Loan/Grant Terms

Financial Description of Proposed Loan	
Loan Amount:	\$6,798,810 HHC
Loan Term:	55 years
Loan Maturity Date:	2077
Loan Repayment Type:	Deferred
Loan Interest Rate:	0%
Date Loan Committee approves prior expenses can be paid:	January 29, 2013

8.2. Recommended Loan Conditions

1. A construction loan commitment is required prior to close and before funds can be expended.
2. As a condition of this loan, the general population units (74) will be subject to DAHLIA and the Chapter 47 City Preferences. Sponsor will provide initial draft marketing plan within 12 months of anticipated rehab completion, outlining the affirmative steps TODCO will take to market the Project to the City's preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans. All 64 CoC, PBV and HHC/LOSP units will accept referrals from HSH.
3. Sponsor will submit updated services plan and budget by October 1, 2023, to be approved by HSH and MOHCD. The plan and budget will refine service cost assumptions and sources as well as delineate the roles of the service providers for the HSH-referred HHC units.
4. Sponsor will provide agency asset management plan by October 1, 2023, including asset management staffing, coordination between asset management and other teams, as well as the agency budget for asset management.
5. Sponsor will hire a construction manager at least four weeks prior to start of construction.
6. Sponsor will provide predevelopment monthly report until closing, and monthly post-closing report to MOHCD to ensure Project stays on track.
7. Any cost overruns will be covered by TODCO's at-risk developer fee and working capital if needed.

9. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

Approval indicates approval with modifications, when so determined by the Committee.

APPROVE. DISAPPROVE. TAKE NO ACTION.

Eric D. Shaw, Director
Mayor's Office of Housing
Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Salvador Menjivar, Director of Housing
Department of Homelessness and Supportive Housing
Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Thor Kaslofsky, Executive Director
Office of Community Investment and Infrastructure
Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Anna Van Degna, Director
Controller's Office of Public Finance
Date: _____

- Attachments:
- A. Project Milestones/Schedule
 - B. Borrower Org Chart
 - C. Developer Resumes
 - D. Asset Management Analysis of Sponsor
 - E. HHC RFQ Threshold Eligibility and Scoring
 - F. Site Map with amenities
 - G. Comparison of City Investment in Other Housing Developments
 - H. Sources and Uses

 - I. 1st Year Operating Budget
 - J. 20-year Operating Pro Forma

Request for gap loan for Knox SRO, 241 6th St.

Ely, Lydia (MYR)

Thu 6/8/2023 10:22 AM

To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

Cc: Romero, Anne (MYR) <anne.romero@sfgov.org>

Hi Vanessa,

I approve the Passthrough loan for the Knox that was presented to the Citywide Affordable Housing Loan Committee on June 2, 2023.

Thank you,
Lydia

Lydia Ely

Deputy Director for Housing

SF Mayor's Office of Housing and Community Development

Office phone: (628) 652-5821

Cell phone: (415) 225-2936

241 6th Street The Knox SRO

Menjivar, Salvador (HOM)

Fri 6/2/2023 1:39 PM

To: Shaw, Eric (MYR) <eric.shaw@sfgov.org>

Cc: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

I support TODCO request of a State funded pass-through loan in the amount of \$6,798,810 in California Department of Housing and Community Development (HCD) San Francisco-awarded Housing for Healthy California (HHC) funds to support their rehabilitation of the Knox SRO -140-unit affordable housing development located at 241 6th Street-. I also support TODCO request that the existing \$2,100,000 MOHCD loan be extended from the maturity date of 8/4/2023 to a 55-year maturity date of 2078 to match the term of the HHC funded loan to facilitate the whole transaction.

Best,

salvador



Salvador Menjivar
Director of Housing
Pronouns: He/Him

San Francisco Department of Homelessness and Supportive Housing
salvador.menjivar1@sfgov.org | 415-308-2843

Learn: dhsh.sfgov.org | hsh.sfgov.org | Follow: [@SF_HSH](https://twitter.com/SF_HSH) | Like: [@SanFranciscoHSH](https://twitter.com/SanFranciscoHSH)

CONFIDENTIALITY NOTICE: This e-mail is intended for the recipient only. If you receive this e-mail in error, notify the sender and destroy the e-mail immediately. Disclosure of the Personal Health Information (PHI) contained herein may subject the discloser to civil or criminal penalties under state and federal privacy laws.

Request for gap loan for Knox SRO, 241 6th St.

Kaslofsky, Thor (CII)

Fri 6/2/2023 12:02 PM

To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

Cc: Colomello, Elizabeth (CII) <elizabeth.colomello@sfgov.org>; Shaw, Eric (MYR) <eric.shaw@sfgov.org>; Ely, Lydia (MYR) <lydia.ely@sfgov.org>

Hi Vanessa,

I approve the above request on behalf of OCII.

Thanks!

Best Regards,

Thor



Thor Kaslofsky

Executive Director

One South Van Ness Avenue, 5th Floor

San Francisco, CA 94103

415.749.2588

thor.kaslofsy@sfgov.org

www.sfcii.org

*Please note that if you are receiving this email outside of your normal working hours there is no urgent need to respond unless there is a specific request to do so.

Knox SRO, 241 6th Street

Trivedi, Vishal (CON)

Fri 6/2/2023 11:48 AM

To:Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

Cc:Shaw, Eric (MYR) <eric.shaw@sfgov.org>

I vote "aye" on this item. Thanks!

Regards,
Vishal Trivedi

Attachment A: Project Milestones and Schedule

No.	Performance Milestone	Estimated or Actual Date	Contractual Deadline
A.	Prop I Noticing (if applicable)	<u>N/A</u>	
1	Acquisition/Predev Financing Commitment	<u>N/A</u>	
2.	Site Acquisition	<u>N/A</u>	
3.	Development Team Selection		
a.	Architect	<u>3/4/13</u>	
b.	General Contractor	<u>5/22/14</u>	
c.	Construction Manager	<u>7/15/23</u>	
d.	Property Manager	<u>1994</u>	
e.	Service Provider	<u>2021</u>	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	<u>Done</u>	
b.	Submittal of Design Development & Cost Estimate	<u>Done</u>	
c.	Submittal of 50% CD Set & Cost Estimate	<u>Done</u>	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	<u>Done</u>	
5.	Environ Review/Land-Use Entitlements		
a.	CEQA Environ Review Submission	<u>1/30/19</u>	
b.	NEPA Environ Review Submission	<u>1/30/19</u>	
c.	CUP/PUD/Variances Submission	<u>N/A</u>	
6.	Permits		
a.	Building / Site Permit Application Submitted	<u>Done</u>	
b.	Building Permit Extension Submission	<u>12/23/22</u>	
c.	Addendum #2 Submitted		
7.	Request for Bids Issued	<u>6/23/23</u>	
8.	Service Plan Submission		
a.	Preliminary	<u>2019</u>	
b.	Update	<u>10/1/2023</u>	
9.	Additional City Financing	<u>N/A</u>	
a.	Predevelopment Financing Application #2	<u>N/A</u>	

b.	Gap Financing Application Loan Committee Review	<u>6/2/23</u>	
10.	Other Financing		
a.	MHP Application	<u>N/A</u>	
b.	Construction Financing RFP	<u>4/9/21</u>	
c.	AHP Application	<u>N/A</u>	
d.	CDLAC Application	<u>N/A</u>	
e.	TCAC Application	<u>N/A</u>	
f.	HUD 202 or 811 Application	<u>N/A</u>	
g.	HHC Financing Application Award	<u>3/6/20</u>	
11.	Closing		
a.	Construction Loan Closing	<u>8/15/23</u>	
b.	Conversion of Construction Loan to Permanent Financing	<u>12/1/24</u>	
12.	Construction		
a.	Notice to Proceed	<u>8/15/23</u>	
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	<u>10/1/24</u>	
13.	Marketing/Rent-up		
a.	Marketing Plan Submission	<u>10/1/23</u>	
b.	Commence Marketing	<u>10/1/24</u>	
c.	95% Occupancy	<u>N/A</u>	
14.	Cost Certification/8609	<u>N/A</u>	
15.	Close Out MOH/OCII Loan(s)	<u>12/1/24</u>	

Attachment B: Borrower Org Chart

Owner of the Knox SRO:

Knox Partners Limited Partnership, a California limited partnership
General Partner: GP/TODCO-A, a California nonprofit public benefit corporation
Limited Partner: TODCO Group LLC
Sole member and manager: GP/TODCO-B., Inc.

Attachment C: Developer Resume

Hector P. Burgos, Jr.
Director of Housing Development, TODCO
Development History with TODCO and GP/TODCO-A

Hector Burgos has been employed at TODCO, Inc., and an affiliated entity GP/TODCO-A, Inc., for the past 10 ½ years as a project manager, Housing Development Manager and Director of Housing Development. Hector has worked on the following projects:

1. Woolf House I & II, 182 units, Senior Project:
Refinanced a CHIRP project using 4% LIHTCs, Tax Exempt bond financing with an FHA insured 221 (d) (4) loan, and project-based Section 8 – Mark to Market. Acted as project manager. Involved in all facets of the predevelopment and rehabilitation of the development.
2. Hotel Isabel (SRO), 72 units, mixture of tenants:
Converted the project from a McKinney SRO Mod Rehab project to a RAD project and managed the predevelopment and rehabilitation of the project.
3. Leland (811) 24 units, Special Needs: Obtained a HUD Green Retrofit loan to rehab the building in order reduce energy consumption. Involved in all facets of predevelopment and rehabilitation of this development.
4. Mendelsohn House, 189 units, Senior Project:
Managed the construction process of an FHA 223 (f) insured rehab loan and construction draw process.
5. Bayanihan House (SRO), 152 units, mixture of tenants:
Former LIHTC project wherein we purchased the limited partnership interest from the LP.
6. Mendelsohn House, 189 units, Senior Project: refinancing and major rehabilitation with tax exempt bonds and 4% LIHTCs with an FHA insured loan.
7. Ceatrice Polite Apartments: 91 units, Senior Project: Working to purchase the LP interest from the limited partnership – should occur prior to the end of 2023.
8. Coleman House, 85 units, 202 Senior Project: conversion to RAD project 2022
9. Knox SRO, 140 units, mixture of tenants: Currently working to refinance this former LIHTC project and commence rehabilitation. Hector has been working on this project for 10 years.

TODCO Development Consultant

Eric Tao - Project Executive and Project Management:

Multifamily New Construction – San Francisco experience:

- 2023: TODCO Ceatrice Polite FHA insured loan refinance
- 2023: TODCO Mendelsohn refinance
- 2021 Completion: 950 Market Street, 242 units condos
- 2019 Completion: 2880 3rd Street (Windsor Dogpatch) 246 units Type III apartments
- 2015 Completion: 900 Folsom Street - 281 units apartments
- 2015 Completion: 200 Clementina – 182 units apartments
- 2012 Completion: 1880 Mission Street – 202 units – apartments
- 2007 Completion: 1160 Mission Street – 246 units - condos

Rehabilitation:

- San Francisco: 31-33 Harriet St.; 3-ADUs and structural upgrade
- San Francisco: 1447 Washington Street – Soft Story upgrade and ADU

Outside of San Francisco:

- full remodel interior, new common area, windows, roof and water heating: Brickyard Condo Renovation - 180-units 4-story multifamily – Brickyard San Jose
- 1201 B Street Condo Renovation - 80-units 4-story multifamily – Hayward, CA

Attachment D: Asset Management Evaluation of Project Sponsor

- # of projects and avg. # of units/project currently in sponsor's asset management portfolio: TODCO currently owns and operates 8 buildings, with an average of 119 units per project.
- sponsor's current asset management staffing – job titles, FTEs, org chart and status of each position (filled/vacant): TODCO has one vacant Asset Management Position – Director of Asset Management - with a job listing. JSCo provides some asset management services to TODCO as their property manager.
- description of scope and range of duties of sponsor's asset management team: TODCO will provide the job description of this one position prior to the final gap request.
- description of sponsor's coordination between asset management and other functional teams, including property management, accounting, compliance, facilities management, etc. TODCO will provide this description in the asset management plan to be submitted.
- sponsor's budget for asset management team – shown as cost center for projects in SF: TODCO will provide this budget in the asset management plan.
- # of projects expected to be in sponsor's AM portfolio in 5 years and, if applicable, plans to augment staffing to manage growing portfolio: TODCO intends to keep all 8 of their buildings and develop a Senior Center in SoMa.

Attachment E: Threshold Eligibility Requirements and Ranking Criteria

Category		Points
1. Developer/Owner Experience	<ul style="list-style-type: none"> ➤ Experience completing substantial rehabilitation projects with temporary relocation on time and on budget ➤ Experiencing operating supportive housing for the target population ➤ Experience developing and/or owning affordable housing in the same neighborhood as the proposed project 	23 out of 25
2. Service Provider Experience and Proposed Services Plan	<ul style="list-style-type: none"> ➤ Experience delivering services to target HHC population ➤ Experience linking residents to the City’s safety net of services ➤ Track record working with property management to achieve high rates of housing retention ➤ Services Plan supports positive outcomes for residents around health 	23 out of 25
3. Racial Equity Strategy	<ul style="list-style-type: none"> ➤ Demonstrates experience serving historically excluded communities of color ➤ Thoughtfulness of approach to overcoming historical obstacles to communities of color obtaining high quality affordable housing ➤ Diverse staff and Board of Directors 	12 out of 15
4. Shovel Ready Status	<ul style="list-style-type: none"> ➤ Demonstrates ability to close construction financing by January 2022 and complete rehabilitation by June 2023 to provide 30 new permanent supportive housing units for the HHC target population 	15 out of 15
5. Financial Feasibility	<ul style="list-style-type: none"> ➤ Demonstrates project feasibility and sound financing assumptions ➤ Demonstrates competitiveness for CDLAC allocation ➤ Minimizes use of MOHCD gap financing 	20 out of 20

TOTAL POSSIBLE POINTS:

92 out of possible 100 points

Attachment F: Site Map with amenities



LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Crow)
1	San Francisco Fire Department Station 1	0.1 miles
2	M & P Pharmacy	0.1 miles
3	Bessie Carmichael Elementary School	0.2 miles
4	Victoria Manalo Draves Park	0.2 miles
5	Market St & 6th St - Bus Stop	0.3 miles
6	Police Department-Management Control	0.3 miles
7	Bessie Carmichael Middle School	0.3 miles
8	Target	0.4 miles
9	Powell Street Station (BART)	0.4 miles
10	San Francisco Public Library	0.5 miles
11	Safeway	0.7 miles
12	United States Postal Service	0.8 miles
13	International High School	0.9 miles
14	Bank of the West	0.9 miles
15	Saint Francis Memorial Hospital	0.9 miles

Attachment G: Comparison of City Investment in Other Housing Developments

Attachment H: Sources and Uses

Application Date: # Units: 140
 Project Name: Knox SRO # Bedrooms: 140
 Project Address: 241 8th Street
 Project Sponsor: TODCO, Inc. # Beds: LOSP Project

SOURCES	6,798,810	15,537,588	623,193	7,772,482	2,100,000	-	-	-	Total Sources	32,832,073	Comments
Name of Sources:	HCD-MOHCDC HHC-II Loan	HCD-PRP Loan + COSR	GP Capital	HCD- CALDAP (Assumed)	MOHCDC (Assumed)						

USE/

ACQUISITION											
Acquisition cost or value				7,772,482	2,100,000						9,872,482
Legal / Closing costs / Broker's Fee											0
Holding Costs											0
Transfer Tax											0
TOTAL ACQUISITION	0	0	0	7,772,482	2,100,000	0	0	0	0	0	9,872,482

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab	6,298,810	4,205,895	0								10,504,705	Include FF&E
Commercial Shell Construction											0	
Demolition											50,000	
Environmental Remediation											25,000	
Crusht Improvements/Landscaping											25,000	
Offsite Improvements											0	
Infrastructure Improvements											0	MOPE SE/OCI costs for streets, etc.
Parking											0	
GC Bond Premium/GC Insurance/GC Taxes		455,939									455,939	c
GO Overhead & Profit		550,000									550,000	c
CG General Conditions		351,000									351,000	c
Sub-total Construction Costs	6,298,810	5,637,834	0	0	0	0	0	0	0	0	11,936,644	
Escalation Contingency (remove at BID)											111,502	b
Bid Contingency (remove at BID)											0	
Plan Check Contingency (remove/reduce during Plan Review)											0	
Hard Cost Construction Contingency		1,178,504									1,178,504	c
Sub-total Construction Contingencies	0	1,178,504	0	0	0	0	0	0	0	0	1,178,504	c
TOTAL CONSTRUCTION COSTS	6,298,810	6,816,338	0	0	0	0	0	0	0	0	13,115,148	

SOFT COSTS

Architecture & Design

Architect design fees		550,000									550,000	See MOHCDC A&E Fee Guidelines: http://mohcd.org/documents-reports-and-forms-x
Design Subconsultants to the Architect (incl. Fees)											0	Consultants not covered under architect contract, name consultant type and contract amount
Architect Construction Admin											0	
Reimbursables		12,045									12,045	
Additional Services (Engineering, Testing)		25,000									25,000	
Sub-total Architect Contract	0	587,045	0	0	0	0	0	0	0	0	587,045	c
Other Third Party design consultants (not included under Architect contract)											0	Consultants not covered under architect contract, name consultant type and contract amount
Total Architecture & Design	0	587,045	0	0	0	0	0	0	0	0	587,045	

Engineering & Environmental Studies

Survey		7,955									7,955	
Geotechnical studies											0	
Phase I & II Reports		30,095									30,095	
CEQA / Environmental Review consultants											0	
NEPA / 106 Review											0	
CA/NAPCA (rehab only)		20,488									20,488	
Other environmental consultants											0	Name consultants & contract amounts x AEA
Total Engineering & Environmental Studies	0	58,538	0	0	0	0	0	0	0	0	58,538	

Financing Costs

Construction Financing Costs

Construction Loan Origination Fee		218,205									218,205	
Construction Loan Interest		1,234,403									1,234,403	Consultants not covered under architect contract, name consultant type and contract amount
Title & Recording		70,000									70,000	c
CDLAC & CDIAC fees		1,800									1,800	c
Bond Issuer Fees											0	Consultants not covered under architect contract, name consultant type and contract amount
Other Bond Cost of Insurance											0	
Other Lender Costs (construction interest on soft loans)											0	
Sub-total Const. Financing Costs	0	1,524,408	0	0	0	0	0	0	0	0	1,524,408	c
Permanent Financing Costs											0	
Permanent Loan Origination Fee											0	
HCD Restructuring Fee		12,095									12,095	Consultants not covered under architect contract, name consultant type and contract amount
Title & Recording		15,000									15,000	c
Sub-total Perm. Financing Costs	0	27,095	0	0	0	0	0	0	0	0	27,095	c
Total Financing Costs	0	1,551,503	0	0	0	0	0	0	0	0	1,551,503	

Legal Costs

Borrower Legal fees											0	
Lend Use / CEQA Attorney fees											0	
Tax Credit Counsel											0	
Bond Counsel											0	
Construction Lender Counsel		120,000									120,000	
Permanent Lender Counsel		32,500									32,500	
Legal Syndication											0	
Total Legal Costs	0	152,500	0	0	0	0	0	0	0	0	152,500	

Other Development Costs

Appraisal		23,700									23,700	Consultants not covered under architect contract, name consultant type and contract amount
Market Study		23,360									23,360	
Insurance		70,000									70,000	Consultants not covered under architect contract, name consultant type and contract amount
Property Taxes		10,000									10,000	c
Accounting / Audit		25,000									25,000	c
Operational Costs		0									0	
Entitlement / Permit Fees		105,000									105,000	Consultants not covered under architect contract, name consultant type and contract amount
Marketing / Rent-up		100,000									100,000	
Furnishings		161,000									161,000	\$2,000/unit. See MOHCDC LUV Guidelines on: http://mohcd.org/documents-reports-and-forms
PGE / Utility Fees											0	
TICAC App / Alloc / Monitor Fees											0	
Financial Consultant fees		70,000									70,000	
Construction Management fees / Owner's Rep		158,000									158,000	Consultants not covered under architect contract, name consultant type and contract amount
Security during Construction											0	
Relocation		460,000									460,000	Consultants not covered under architect contract, name consultant type and contract amount
Syndication Consultant											0	Consultants not covered under architect contract, name consultant type and contract amount
Total Other Development Costs	0	1,207,060	0	0	0	0	0	0	0	0	1,207,060	

Soft Cost Contingency

Contingency (Arch, Eng, Fin Legal & Other Dev)		353,208									353,208	Should be either 12% or 5% of total soft costs.
TOTAL SOFT COSTS	0	3,909,852	0	0	0	0	0	0	0	0	3,909,852	

RESERVES

Operating Deficit Reserve During Construction		1,611,789									1,611,789	HCD PRP COSR funded - op deficits during rehab to 2026
Replacement Reserves		72,000									72,000	
Tenant Improvements Reserves											0	
Capitalized Operating Deficits Reserve		876,807	623,193								1,500,000	
Transition Reserves (rehab subsidies)											0	
Capitalized Operating Reserves (Imps, Expenses, DS, Reserves)		474,300									474,300	
TOTAL RESERVES	0	3,034,896	623,193	0	0	0	0	0	0	0	3,658,089	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones		500,000									500,000	
Developer Fee - Cash-out At Risk		1,665,000									1,665,000	
Commercial Developer Fee											0	
Developer Fee - GP Equity (also show as source)											0	
Developer Fee - Deferred (also show as source)											0	
Development Consultant Fees											0	Need MOHCDC approval for this cost, N/A for most projects
Other (Capitalized Replacement Reserves)											0	
TOTAL DEVELOPER COSTS	500,000	1,665,000	0	0	0	0	0	0	0	0	2,165,000	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	6,798,810	15,537,588	623,193	7,772,482	2,100,000	0	0	0	32,832,073
Development Cost/Unit as % of TDC by Source	48.563	110.863	4.421	55.518	15.000	0	0	0	224.115
	20.7%	47.3%	1.9%	23.7%	6.4%	0.0%	0.0%	0.0%	100.0%

Acquisition Cost/Unit by Source

	0	0	0	55,518	15,000	0	0	0	70,518
--	---	---	---	--------	--------	---	---	---	--------

Construction Cost (inc Const Contingency)/Unit by Source

	44,992	49,485	0	0	0	0	0	0	94,477
Construction Cost (inc Const Contingency)/SF	115.88	127.23	0.00	0.00	0.00	0.00	0.00	0.00	242.91

***Possible non-eligible GO Bond/COP Amount:**

City Subsidy/Unit	48,563								
Tax Credit Equity Pricing:	0.920								
Construction Bond Amount:	274,000								
Construction Loan Term (in months):	16 months								
Construction Loan Interest Rate (as %):	TBD								

Attachment I: 1st Year Operating Budget

Application Date:		LOSP Units	Non-LOSP Units
Total # Units:	140	36	110
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	2023	LOSP/non-LOSP Allocation	
		21%	79%

Project Name: Knox SRO
Project Address: 241 6th Street
Project Sponsor: TODCO, Inc.

#N/A

INCOME	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Residential - Tenant Rents	90,000	773,964	863,964	Links from Existing Pro - Rent Info Worksheet		
Residential - Tenant Assistance Payments (Non-LOSP)	0	543,108	543,108	Links from Existing Pro - Rent Info Worksheet	Residential - Tenant Assistance Payments (N	2.00%
Residential - LOSP Tenant Assistance Payments	0	0	0			
Commercial Space	0	0	0	from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%		
Residential Parking	0	0	0	Links from Utilities & Other Income Worksheet		
Miscellaneous Rent Income	0	0	0	Links from Utilities & Other Income Worksheet	Alternative LOSP Split	LOSP
Supportive Services Income	0	0	0		Supportive Services Income	
Interest Income - Project Operations	1,164	4,385	5,544	Links from Utilities & Other Income Worksheet		
Laundry and Vending	2,110	7,937	10,045	Links from Utilities & Other Income Worksheet	Projected LOSP Split	LOSP
Tenant Charges	811	8,921	9,732	Links from Utilities & Other Income Worksheet	Tenant Charges	21.00%
Miscellaneous Residential Income	0	0	0	Links from Utilities & Other Income Worksheet		
Other Commercial Income	0	0	0	from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%	Alternative LOSP Split	LOSP
Withdrawal from Capitalized Reserve (deposit to operating account)	277,805	84,533	362,338		Withdrawal from Capitalized Reserve (depos	76.67%
Gross Potential Income	371,890	1,422,843	1,794,732			
Vacancy Loss - Residential - Tenant Rents	(64,430)	(204,769)	(269,199)	Vacancy loss is 30% of Tenant Rents		
Vacancy Loss - Residential - Tenant Assistance Payments	0	(27,155)	(27,155)	Vacancy loss is 5% of Tenant Assistance Payments		
Vacancy Loss - Commercial	0	0	0	from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%		
EFFECTIVE GROSS INCOME	317,460	1,190,928	1,508,388	PUPA: 10,774		

Blended vacancy rate of 5% for su

OPERATING EXPENSES	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Management						
Management Fee	9,878	37,162	47,040	1st Year to be set according to HUD schedule.	Management Fee	LOSP
Asset Management Fee	2,520	9,460	12,000	Per Partnership Agreement	Asset Management Fee	
Sub-total Management Expenses	12,398	46,642	59,040	PUPA: 422		

Salaries/Benefits	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Office Salaries	53,605	201,657	255,262	desk clerks 24/7 \$203,891; Assistant Manager \$51,571	Office Salaries	
Manager's Salary	13,923	52,377	66,300		Manager's Salary	
Health Insurance and Other Benefits	13,125	98,169	111,294		Health Insurance and Other Benefits	
Other Salaries/Benefits	7,860	29,718	37,618	TODCO IT Computer Salaries	Other Salaries/Benefits	
Administrative Rent-Free Unit	0	0	0		Administrative Rent-Free Unit	
Sub-total Salaries/Benefits	93,553	351,941	445,495	PUPA: 3,162		

Administration	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Advertising and Marketing	3,659	13,767	17,426			
Office Expenses	536	2,016	2,552			
Office Rent	0	0	0		Projected LOSP Split	LOSP
Legal Expense - Property	12,777	20,846	33,623		Legal Expense - Property	21.00%
Audit Expense	2,810	10,570	13,380			
Bookkeeping/Accounting Services	0	0	0		Projected LOSP Split	LOSP
Rent Data	3,990	6,524	10,523		Rent Data	21.00%
Miscellaneous	15,633	58,811	74,444	Computer Equipment, Seminars/Training Internet Services Cable TV, Telephones, Fire and		
Sub-total Administration Expenses	39,414	112,534	151,948	PUPA: 1,085		

Utilities	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Electricity	8,966	14,628	23,594		Projected LOSP Split	LOSP
Water	19,055	71,881	90,736		Electricity	21.00%
Gas	1,307	4,918	6,225			
Sewer	12,934	47,340	60,274			
Sub-total Utilities	41,912	138,568	180,480	PUPA: 1,289		

Taxes and Licenses	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Real Estate Taxes	1,033	3,884	4,917		Real Estate Taxes	
Payroll Taxes	10,244	36,535	46,779		Payroll Taxes	
Miscellaneous Taxes, Licenses and Permits	1,213	4,963	6,176			
Sub-total Taxes and Licenses	12,489	46,983	59,472	PUPA: 425		

Insurance	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Property and Liability Insurance	8,275	31,129	39,404			
Fidelity Bond Insurance	58	220	278		Alternative LOSP Split	LOSP
Worker's Compensation	5,247	19,741	24,988		Worker's Compensation	
Director's & Officers' Liability Insurance	0	0	0			
Sub-total Insurance	13,581	51,089	64,670	PUPA: 462		

Maintenance & Repair	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Payroll	31,492	118,468	149,960	Maintenance \$60,539; Janitors \$89,421	Payroll	
Supplies	3,987	6,441	10,388		Supplies	21.00%
Contracts	9,663	35,353	45,016	Pest Service Contract Fire Alarm Monitoring Contract Plumbing Contract Hydrojet the sewer	Contracts	
Garbage and Trash Removal	11,391	42,851	54,242		Alternative LOSP Split	LOSP
Security Payroll/Contract	1,337	5,030	6,367		Security Payroll/Contract	
HVAC Repairs and Maintenance	7,963	443	8,407			
Vehicle and Maintenance Equipment Operation and Repairs	0	0	0			
Miscellaneous Operating and Maintenance Expenses	6,235	23,457	29,692	Window/Cleaning Fire Alarm Maintenance Fire Protection Electrical Window repairs Uniforms		
Sub-total Maintenance & Repair Expenses	64,510	234,272	298,782	PUPA: 2,134		

Supportive Services	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Commercial Expenses	0	59,921	59,921	from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%	Supportive Services	0.00%
TOTAL OPERATING EXPENSES	277,858	1,041,950	1,319,808	PUPA: 9,427		

Reserves/Ground Lease Base Rent/Bond Fees	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Ground Lease Base Rent	0	0	0	Provide additional comments here, if needed		
Bond Monitoring Fee	0	0	0		Alternative LOSP Split	LOSP
Replacement Reserve Deposit	15,120	56,860	72,000	\$514 PUPA	Replacement Reserve Deposit	
Operating Reserve Deposit	0	0	0		Operating Reserve Deposit	
Other Required Reserve 1 Deposit	0	0	0		Other Required Reserve 1 Deposit	
Other Required Reserve 2 Deposit	0	0	0			
Revised Reserve Dispositio, Commercial	0	0	0	from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	15,120	56,860	72,000	PUPA: 514		

TOTAL OPERATING EXPENSES (w/ Reserves/Gl. Base Rent/ Bond Fees)	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
	292,978	1,098,830	1,391,808	PUPA: 9,941		
NET OPERATING INCOME (INCOME minus OP EXPENSES)	24,481	92,098	116,580	PUPA: 833		

DEBT SERVICE/MUST PAY PAYMENTS (hard debt/amortized loans)	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
HARD DEBT - First Lender	0	0	0	Provide additional comments here, if needed	HARD DEBT - First Lender	0.00%
HCD Monitoring Fee for CALDAP Loan	3,951	14,861	18,812	Provide additional comments here, if needed	HCD Monitoring Fee for CALDAP Loan	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	12,262	46,206	58,468	Provide additional comments here, if needed	Hard Debt - Third Lender (Other HCD Program, or other 3rd	
Hard Debt - Fourth Lender	0	0	0	Provide additional comments here, if needed	Hard Debt - Fourth Lender	
Commercial Hard Debt Service	0	0	0	from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%		
TOTAL HARD DEBT SERVICE	16,233	61,067	77,300	PUPA: 552		

CASH FLOW (NOI minus DEBT SERVICE)	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Commercial Only Cash Flow	8,248	31,031	39,280			
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)	0	0	0		Allocation of Commercial Surplus to LOSP/non-LOSP (resid	
AVAILABLE CASH FLOW	8,248	31,031	39,280	1.51		

USES OF CASH FLOW BELOW (This row also shows DSCR.)	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
USES THAT PRECEED MOHCD DEBT SERVICE IN WATERFALL						
"Below-the-line" Asset Mgt fee (income from new projects, see policy)	0	0	0			
Partnership Management Fee (see policy for limits)	3,150	11,850	15,000			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	0	0	0		Alternative LOSP Split	LOSP
Other Payments	0	0	0		Other Payments	
Non-amortizing Loan Prmt - Lender 1 (select lender in comments field)	0	0	0	Provide additional comments here, if needed	Non-amortizing Loan Prmt - Lender 1 (select lender in comm	
Non-amortizing Loan Prmt - Lender 2 (select lender in comments field)	0	0	0	Provide additional comments here, if needed	Non-amortizing Loan Prmt - Lender 2 (select lender in comm	
Deferred Developer Fee (Enter amt or Max Fee from cell F130)	0	0	0	Def. Develop. Fee split: 0%	Deferred Developer Fee (Enter amt or Max F	0.00%

TOTAL PAYMENTS PRECEDING MOHCD	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	5,088	19,181	24,280	PUPA: 107		

Residual Receipts Calculation	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Does Project have a MOHCD Residual Receipt Obligation?	Yes	Yes	Yes	Project has MOHCD ground lease?	No	
Will Project Defr. Developer Fee?	Yes	Yes	Yes	Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:	0	
Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:	50%	50%	50%	Max Deferred Developer Fee Amt. (Use for dsls entry above. Do not link):	0	
% of Residual Receipts available for distribution to soft debt lenders in	50%	50%	50%	Sum of DD of LOSP and non-LOSP	0	
				Ratio of Sum of DD and calculated 50%:	#DIV/0!	

Soft Debt Lenders with Residual Receipts Obligations	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
MCHCD/OCIL - Soft Debt Loans				(Select lender name/program from drop down)		
MCHCD/OCIL - Ground Lease Value or Land Acq Cost				All MCHCD/OCIL Loans payable from res. recs	\$11,484,271	#N/A
HCD (soft debt) - Lender 3				Ground Lease Value		0.00%
Other Soft Debt Lender - Lender 4				HCD-CALDAP	#N/A	#N/A
Other Soft Debt Lender - Lender 5						0.00%

MCHCD RESIDUAL RECEIPTS DEBT SERVICE	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
MCHCD Residual Receipts Amount Due	#N/A	#N/A	#N/A			
Proposed MCHCD Residual Receipts Amount to Loan Repayment	#N/A	#N/A	#N/A	Enter/overwrite amount of residual receipts proposed for loan repayment		
Proposed MCHCD Residual Receipts Amount to Residual Ground Lease	0	0	0	If applicable, MCHCD residual receipts amt due LESS amt proposed for loan repmt		

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE						
HCD Residual Receipts Amount Due						
Lender 4 Residual Receipts Due						
Lender 5 Residual Receipts Due						
Total Non-MOHCD Residual Receipts Debt Service						

REMAINDER (Should be zero unless there are distributions below)	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP
Owner Distributions/Incentive Management Fee						
Other Distributions/Incentive						
Final Balance (should be zero)						

Application Date:
Total # Units: 140
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2023

INCOME		
Residential - Tenant Rents	non-LOSP	Approved By (reqt)
Residential - Tenant Assistance Payments (Non-LOSP)	100.00%	
Residential - LOSP Tenant Assistance Payments		
Commercial Space		
Residential Parking		
Miscellaneous Rent Income	non-LOSP	Approved By (reqt)
Supportive Services Income		
Interest Income - Project Operations		
Laundry and Vending	non-LOSP	(only acceptable if LOSP-specific expenses are being
Tenant Charges	75.00%	
Miscellaneous Residential Income		
Other Commercial Income	non-LOSP	Approved By (reqt)
Withdrawal from Capitalized Reserve (deposit to operating account)	23.33%	
Gross Potential Income		
Vacancy Loss - Residential - Tenant Rents	deducted and 10% for unsubsidized SRO Units	
Vacancy Loss - Residential - Tenant Assistance Payments		
Vacancy Loss - Commercial		

EFFECTIVE GROSS INCOME

OPERATING EXPENSES		
Management		
Management Fee	non-LOSP	Approved By (reqt)
Asset Management Fee		
Sub-total Management Expenses		

Salaries/Benefits		
Office Salaries	non-LOSP	Approved By (reqt)
Manager's Salary		
Health Insurance and Other Benefits		
Other Salaries/Benefits		
Administrative Rent-Free Unit		
Sub-total Salaries/Benefits		

Administration		
Advertising and Marketing		
Office Expenses		
Office Rent	non-LOSP	(only acceptable if LOSP-specific expenses are being
Legal Expense - Property	75.00%	
Audit Expense		
Bookkeeping/Accounting Services	non-LOSP	(only acceptable if LOSP-specific expenses are being
Real Estate	75.00%	
Miscellaneous		
Sub-total Administration Expenses		

Utilities		
Electricity	non-LOSP	(only acceptable if LOSP-specific expenses are being
Water	75.00%	
Gas		
Sewer		
Sub-total Utilities		

Taxes and Licenses		
Real Estate Taxes	non-LOSP	Approved By (reqt)
Payroll Taxes		
Miscellaneous Taxes, Licenses and Permits		
Sub-total Taxes and Licenses		

Insurance		
Property and Liability Insurance		
Fidelity Bond Insurance	non-LOSP	Approved By (reqt)
Worker's Compensation		
Director's & Officers' Liability Insurance		
Sub-total Insurance		

Maintenance & Repair		
Payroll	non-LOSP	Approved By (reqt)
Supplies	75.00%	(LOSP-specific expenses must be
Contracts		
Garbage and Trash Removal	non-LOSP	Approved By (reqt)
Security Payroll/Contract		
HVAC Repairs and Maintenance		
Vehicle and Maintenance Equipment Operation and Repairs		
Miscellaneous Operating and Maintenance Expenses		
Sub-total Maintenance & Repair Expenses		

Supportive Services	100.00%	Approved By (reqt)
Commercial Expenses		

TOTAL OPERATING EXPENSES

Reserves/Ground Lease Base Rent/Bond Fees		
Ground Lease Base Rent		
Bond Monitoring Fee	non-LOSP	Approved By (reqt)
Replacement Reserve Deposit		
Operating Reserve Deposit		
Other Required Reserve 1 Deposit		
Other Required Reserve 2 Deposit		
Revised Reserve Deposits, Commercial		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees		

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)

NET OPERATING INCOME (INCOME minus OP EXPENSES)

DEBT SERVICE/MUST PAY PAYMENTS (*hard debt/ amortized loans)		
Hard Debt - First Lender	non-LOSP	Approved By (reqt)
HCD Monitoring Fee for CALDAP Loan	100.00%	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		
Hard Debt - Fourth Lender		
Commercial Hard Debt Service		
TOTAL HARD DEBT SERVICE		

CASH FLOW (NOI minus DEBT SERVICE)

Commercial Only Cash Flow		
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)		
AVAILABLE CASH FLOW		
USES OF CASH FLOW BELOW (This row also shows DSCR.)		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL		
"Below-the-line" Asset Mgt Fee (uncommon in new projects, see policy)		
Partnership Management Fee (see policy for limits)		
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	non-LOSP	Approved By (reqt)
Other Payments		
Non-amortizing Loan Pmt - Lender 1 (select lender in comments field)		
Non-amortizing Loan Pmt - Lender 2 (select lender in comments field)		
Deferred Developer Fee (Enter amt or Max Fee from cell T130)	100.00%	

TOTAL PAYMENTS PRECEDING MOHCD

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

Residual Receipts Calculation
 Does Project have a MOHCD Residual Receipt Obligation?
 Will Project Defr. Developer Fee?
 Max. Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:
 % of Residual Receipts available for distribution to soft debt lenders in

Soft Debt Lenders with Residual Receipts Obligations	
MOHCD/OCIL - Soft Debt Loans	
MOHCD/OCIL - Ground Lease Value or Land Acq Cost	
HCD (soft debt loan) - Lender 3	
Other Soft Debt Lender - Lender 4	
Other Soft Debt Lender - Lender 5	

MOHCD RESIDUAL RECEIPTS DEBT SERVICE	
MOHCD Residual Receipts Amount Due	
Processes MOHCD Residual Receipts Amount to Loan Repayment	
Processes MOHCD Residual Receipts Amount to Residual Ground Lease	

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE	
HCD Residual Receipts Amount Due	
Lender 4 Residual Receipts Due	
Lender 5 Residual Receipts Due	
Total Non-MOHCD Residual Receipts Debt Service	

REMAINDER (Should be zero unless there are distributions below)
 Owner Distributions/Incentive Management Fee
 Other Distributions/Use
 Final Balance (should be zero)

Attachment J: 20 Year Cashflow

Knox SRO

	Total # Units:		Year 1 2023			Year 2 2024			Year 3 2025		
	LOSP Units	Non-LOSP Units	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	30	110									
Residential - Tenant Rents	1.0%	2.0%	30,000	773,964	803,964	30,000	793,313	823,313	31,000	813,146	844,146
Residential - LOEP Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	241,109	241,109	-	241,109	241,109	-	241,109	241,109
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-
Residential Parking	2.5%	2.5%	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%	1,164	4,380	5,544	1,193	4,489	5,683	1,223	4,607	5,825
Laundry and Vending	2.5%	2.5%	2,140	7,937	10,046	2,162	8,135	10,298	2,217	8,338	10,555
Tenant Changes	2.5%	2.5%	811	8,921	9,732	2,095	7,880	9,975	2,147	8,077	10,225
Miscellaneous Residential Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	277,805	84,533	362,338	291,941	208,216	500,157	252,498	-	252,498
Other Income											
Gross Potential Income			371,890	1,422,843	1,794,732	388,292	1,576,004	1,964,296	349,894	1,399,213	1,749,107
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(54,430)	(204,759)	(259,189)	(55,705)	(209,559)	(265,264)	(6,821)	(60,417)	(67,238)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	(27,150)	(27,150)	-	(106,191)	(106,191)	-	(28,252)	(28,252)
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			317,460	1,190,928	1,508,388	332,586	1,200,255	1,532,841	343,073	1,310,544	1,653,616
OPERATING EXPENSES											
Management											
Management Fee	3.5%	3.5%	9,878	37,782	47,660	10,274	39,482	49,756	10,882	39,808	50,390
Asset Management Fee	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Sub-total Management Expenses			12,398	46,442	50,040	12,832	48,274	51,106	15,281	49,964	63,245
Salaries/Benefits											
Office Salaries	3.5%	3.5%	53,605	201,657	255,262	55,481	208,715	264,196	57,423	216,020	273,443
Management Salary	3.5%	3.5%	13,923	52,377	66,300	14,410	54,210	68,621	14,815	56,108	70,923
Health Insurance and Other Benefits	3.5%	3.5%	18,126	68,189	86,315	18,781	70,575	89,356	19,417	73,045	92,463
Other Salaries/Benefits	3.5%	3.5%	7,900	29,718	37,618	8,176	30,758	38,935	8,462	31,835	40,297
Administrative Rent-Free Unit	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits			93,554	351,941	445,495	96,628	364,259	461,087	100,217	377,008	477,225
Administration											
Advertising and Marketing	3.5%	3.5%	3,659	13,767	17,426	3,788	14,248	18,036	3,820	14,747	18,667
Office Expenses	3.5%	3.5%	536	2,016	2,552	585	2,087	2,641	574	2,160	2,734
Office Rent	3.0%	3.0%	12,777	20,846	33,623	17,333	17,299	34,632	17,333	18,338	35,671
Legal Expense - Property	3.5%	3.5%	2,810	10,570	13,380	2,908	10,940	13,848	3,010	11,323	14,333
Audit Expense	3.5%	3.5%	3,999	6,524	10,523	9,901	10,891	10,248	1,025	11,273	11,273
Bookkeeping/Accounting Services	3.5%	3.5%	15,633	58,811	74,444	16,180	60,889	77,500	16,247	63,000	79,746
Bad Debts	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Miscellaneous	3.5%	3.5%	39,414	112,534	151,946	50,665	106,433	157,098	51,832	110,591	162,423
Sub-total Administration Expenses			39,414	112,534	151,946	50,665	106,433	157,098	51,832	110,591	162,423
Utilities											
Electricity	5.0%	5.0%	8,965	14,628	23,594	9,414	15,359	24,774	9,885	16,127	26,012
Water	5.0%	5.0%	19,055	71,681	90,736	20,007	75,266	95,273	21,008	79,029	100,036
Gas	5.0%	5.0%	3,307	4,919	6,226	3,373	5,164	6,537	3,441	5,423	6,864
Sewer	5.0%	5.0%	12,984	47,349	59,924	13,213	49,707	62,920	13,874	52,192	66,066
Sub-total Utilities			41,912	138,568	180,480	44,008	145,496	189,504	46,208	152,771	198,979
Taxes and Licenses											
Real Estate Taxes	3.5%	3.5%	1,023	3,884	4,917	1,089	4,020	5,089	1,106	4,161	5,267
Payroll Taxes	3.5%	3.5%	10,244	38,535	48,779	10,602	39,884	50,486	10,973	41,280	52,253
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%	1,213	4,563	5,776	1,255	4,723	5,978	1,299	4,688	6,187
Sub-total Taxes and Licenses			12,489	46,983	59,472	12,926	48,627	61,554	13,379	50,329	63,708
Insurance											
Property and Liability Insurance	3.5%	3.5%	8,275	31,129	39,404	8,564	32,219	40,783	8,864	33,346	42,211
Fidelity Bond Insurance	3.5%	3.5%	58	220	278	60	227	288	63	235	298
Worker's Compensation	3.5%	3.5%	5,247	19,741	24,988	5,431	20,431	25,663	5,621	21,147	26,768
Director's & Officers' Liability Insurance	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Sub-total Insurance			13,581	51,089	64,670	14,056	52,877	66,933	14,548	54,728	69,276
Maintenance & Repair											
Payroll	3.5%	3.5%	31,492	118,468	149,960	32,294	122,615	155,209	33,726	126,906	160,641
Supplies	3.5%	3.5%	3,947	6,441	8,388	4,085	6,966	9,172	4,228	6,900	11,228
Contracts	3.5%	3.5%	9,663	38,383	48,046	10,002	37,625	47,627	10,342	38,842	49,293
Garbage and Trash Removal	3.5%	3.5%	11,391	42,851	54,242	11,789	44,351	56,140	12,202	45,903	58,105
Security Payroll/Contract	3.5%	3.5%	1,337	5,039	6,377	1,384	5,206	6,588	1,432	5,388	6,820
HVAC Repairs and Maintenance	3.5%	3.5%	445	1,672	2,117	460	1,731	2,191	476	1,792	2,288
Vehicles and Maintenance Equipment Operation and Repairs	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%	6,235	23,457	29,692	6,454	24,276	30,731	6,679	25,127	31,807
Sub-total Maintenance & Repair Expenses			64,510	234,772	298,793	66,768	242,472	309,239	69,104	290,958	370,943
Supportive Services	3.5%	3.5%	-	-	59,921	-	62,018	62,018	-	64,189	64,189
Commercial Expenses											
TOTAL OPERATING EXPENSES			277,858	1,041,950	1,319,808	298,083	1,070,457	1,368,540	308,570	1,110,539	1,418,109
Reserves/Ground Lease Base Rent/Bond Fees											
Ground Lease Base Rent			-	-	-	-	-	-	-	-	-
Bond Monitoring Fee			-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit			15,120	56,880	72,000	15,120	56,880	72,000	15,120	56,880	72,000
Operating Reserve Deposit			-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit			-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit			-	-	-	-	-	-	-	-	-
Required Reserve Deposits/Commercial			-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			15,120	56,880	72,000	15,120	56,880	72,000	15,120	56,880	72,000
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)			292,978	1,098,830	1,391,808	313,203	1,127,337	1,440,540	323,690	1,167,419	1,490,109
NET OPERATING INCOME (INCOME MINUS OP EXPENSES)			24,681	92,098	116,580	19,883	72,917	92,300	19,883	143,125	162,508
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)											
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-
HCD Monitoring Fee for CALDAP Loan			3,951	14,861	18,812	3,951	14,861	18,812	3,951	14,861	18,812
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			12,282	46,206	58,488	12,282	46,206	58,488	12,282	46,206	58,488
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			16,233	61,067	77,300	16,233	61,067	77,300	16,233	61,067	77,300
CASH FLOW (NOI minus DEBT SERVICE)			8,248	31,031	39,280	3,150	11,850	15,000	3,150	82,058	85,208
Commercial Only Cash Flow			-	-	-	-	-	-	-	-	-
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)			-	-	-	-	-	-	-	-	-
AVAILABLE CASH FLOW			8,248	31,031	39,280	3,150	11,850	15,000	3,150	82,058	85,208
USES OF CASH FLOW BELOW (This row also shows DSCR)											
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL											
Waterfall "in-line" Asset Mtg Fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	3,150	11,850	15,000	3,150	11,850	15,000	3,150	11,850	15,000
Investor Service Fee (aka "LP Asset Mtg Fee") (see policy for limits)			-	-	-						

	Total # Units:		Comments (related to annual inc assumptions)	Year 1 2023			Year 2 2024			Year 3 2025		
	LOSP Units	Non-LOSP Units		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	140	110										
Other Reserve 2 Deposits	21.00%	79.00%										
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance					1,500,000			1,500,000			1,500,000	

	Total # Units:	LOSP Units		Non-LOSP Units		Year 4 2026			Year 5 2027			Year 6 2028		
		140	30	110	79.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)										
Other Reserve 2 Deposits								-			-			-
Other Reserve 2 Withdrawals														
Other Reserve 2 Interest														
Other Required Reserve 2 Running Balance								1,500,000			1,500,000			1,500,000

Knox SRO

	Total # Units	LOSP Units	Non-LOSP Units	Year 7 2023			Year 8 2030			Year 9 2031							
				30	110	79.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total		
INCOME																	
Residential - Tenant Rents	n/a	n/a	n/a	1.0%	2.0%	85,537	897,561	993,098	96,492	820,000	1,016,492	87,457	943,000	1,040,457			
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	n/a	2.0%	2.0%	-	611,626	611,626	-	623,890	623,890	-	655,025				
Residential - LOSP Tenant Assistance Payments	n/a	n/a	n/a	n/a	n/a	296,748	-	296,748	308,943	-	308,943	321,630	321,630				
Commercial Space	n/a	2.5%	2.5%	n/a	n/a	-	-	-	-	-	-	-	-				
Residential Parking	2.5%	2.5%	2.5%	n/a	n/a	-	-	-	-	-	-	-	-				
Miscellaneous Rent Income	2.5%	2.5%	2.5%	n/a	n/a	-	-	-	-	-	-	-	-				
Supportive Services Income	2.5%	2.5%	2.5%	n/a	n/a	-	-	-	-	-	-	-	-				
Interest Income - Project Operations	2.5%	2.5%	2.5%	n/a	n/a	1,350	5,079	6,429	1,384	5,206	6,590	1,419	5,336				
Laundry and Vending	2.5%	2.5%	2.5%	n/a	n/a	2,447	9,204	11,651	2,608	9,434	11,842	2,671	9,670				
Tenant Changes	2.5%	2.5%	2.5%	n/a	n/a	2,370	8,916	11,286	2,429	9,139	11,568	2,490	9,367				
Miscellaneous Residential Income	2.5%	2.5%	2.5%	n/a	n/a	-	-	-	-	-	-	-	-				
Other Commercial Income	n/a	2.5%	2.5%	n/a	n/a	-	-	-	-	-	-	-	-				
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-	-	-	-				
Other Income																	
Gross Potential Income						398,452	1,532,388	1,930,840	411,757	1,567,640	1,979,396	425,566	1,622,427				
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	n/a			(7,098)	(66,688)	(73,787)	(7,168)	(68,356)	(75,525)	(7,241)	(70,065)				
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	n/a			-	(30,581)	(30,581)	-	(31,193)	(31,193)	-	(32,753)				
Vacancy Loss - Commercial	n/a	n/a	n/a			-	-	-	-	-	-	-	-				
EFFECTIVE GROSS INCOME						391,353	1,435,118	1,826,471	404,587	1,468,091	1,872,678	418,325	1,519,610				
OPERATING EXPENSES																	
Management																	
Management Fee	3.5%	3.5%	3.5%	1st Year to be set according to HUD schedule		12,143	45,687	57,834	12,668	47,280	59,948	13,028	48,935				
Asset Management Fee	3.5%	3.5%	3.5%	per MOHCD policy		-	-	-	-	-	-	-	-				
Sub-total Management Expenses						12,143	45,687	57,834	12,668	47,280	59,948	13,028	48,935				
Salaries/Benefits																	
Office Salaries	3.5%	3.5%	3.5%	1st Year to be set according to HUD schedule		65,894	247,888	313,782	69,201	256,564	324,765	70,588	265,544				
Manager's Salary	3.5%	3.5%	3.5%	per MOHCD policy		17,115	64,385	81,500	17,724	66,038	84,352	18,234	68,971				
Health Insurance and Other Benefits	3.5%	3.5%	3.5%	n/a		22,282	83,822	106,103	23,062	86,755	109,817	23,869	89,752				
Other Salaries/Benefits	3.5%	3.5%	3.5%	portion for marketing person		9,711	36,531	46,242	10,051	37,610	47,861	10,403	39,133				
Administrative Rent-Free Unit	3.5%	3.5%	3.5%	n/a		-	-	-	-	-	-	-	-				
Sub-total Salaries/Benefits						115,002	432,625	547,627	119,027	447,767	566,794	123,193	463,439				
Administration																	
Advertising and Marketing	3.5%	3.5%	3.5%	n/a		4,488	16,923	21,421	4,656	17,515	22,471	4,819	18,128				
Office Expenses	3.5%	3.5%	3.5%	n/a		699	2,478	3,137	662	2,365	3,247	706	2,655				
Office Rent	3.5%	3.5%	3.5%	n/a		-	-	-	-	-	-	-	-				
Legal Expense - Property	3.0%	3.0%	3.0%	n/a		19,508	20,640	40,148	20,093	21,259	41,352	20,886	21,897				
Audit Expense	3.5%	3.5%	3.5%	n/a		3,454	12,993	16,447	3,575	13,448	17,023	3,700	13,919				
Bookkeeping/Accounting Services	3.5%	3.5%	3.5%	n/a		-	-	-	-	-	-	-	-				
Bad Debts	3.5%	3.5%	3.5%	n/a		11,760	1,175	12,935	12,171	1,175	13,388	12,997	1,260				
Miscellaneous	3.5%	3.5%	3.5%	n/a		19,217	72,293	91,511	19,890	74,824	94,714	20,586	77,443				
Sub-total Administration Expenses						59,066	126,503	185,599	61,066	130,628	191,894	63,103	135,301				
Utilities																	
Electricity	5.0%	5.0%	5.0%	n/a		12,015	19,603	31,618	12,616	20,583	33,199	13,247	21,612				
Water	5.0%	5.0%	5.0%	n/a		25,535	96,060	121,595	26,812	100,693	127,675	28,152	105,906				
Gas	5.0%	5.0%	5.0%	n/a		1,762	6,597	8,343	1,840	6,921	9,763	1,922	7,267				
Sewer	5.0%	5.0%	5.0%	n/a		18,884	63,440	89,324	17,707	60,612	86,319	18,592	69,843				
Sub-total Utilities						56,166	185,694	241,860	58,074	194,979	253,953	61,923	204,728				
Taxes and Licenses																	
Real Estate Taxes	3.5%	3.5%	3.5%	n/a		1,269	4,775	6,044	1,314	4,942	6,256	1,360	5,115				
Payroll Taxes	3.5%	3.5%	3.5%	n/a		12,592	47,370	59,962	13,033	49,028	62,061	13,499	50,744				
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%	3.5%	n/a		1,491	5,609	7,100	1,543	5,605	7,349	1,597	6,009				
Sub-total Taxes and Licenses						15,352	57,754	73,106	15,890	59,775	75,665	16,446	61,867				
Insurance																	
Property and Liability Insurance	3.5%	3.5%	3.5%	n/a		10,172	38,266	48,438	10,529	39,605	50,133	10,896	40,991				
Fidelity Bond Insurance	3.5%	3.5%	3.5%	n/a		72	270	342	74	279	354	77	289				
Worker's Compensation	3.5%	3.5%	3.5%	n/a		6,450	24,266	30,717	6,676	25,115	31,792	6,910	25,994				
Director's & Officers' Liability Insurance	3.5%	3.5%	3.5%	n/a		-	-	-	-	-	-	-	-				
Sub-total Insurance						16,694	62,802	79,496	17,278	65,000	82,278	17,883	67,275				
Maintenance & Repair																	
Payroll	3.5%	3.5%	3.5%	n/a		38,711	145,628	184,339	40,065	150,720	190,791	41,469	156,000				
Supplies	3.5%	3.5%	3.5%	n/a		4,882	7,918	12,770	5,022	8,195	13,216	5,197	8,492				
Contracts	3.5%	3.5%	3.5%	n/a		11,879	44,687	56,565	12,294	46,251	58,545	12,725	47,869				
Garbage and Trash Removal	3.5%	3.5%	3.5%	n/a		14,002	52,675	66,677	14,492	54,619	69,011	15,000	56,427				
Security Payroll/Contract	3.5%	3.5%	3.5%	n/a		1,644	6,163	7,807	1,701	6,339	8,101	1,751	6,623				
HVAC Repairs and Maintenance	3.5%	3.5%	3.5%	n/a		546	2,056	2,602	566	2,128	2,693	585	2,202				
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%	3.5%	n/a		-	-	-	-	-	-	-	-				
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%	3.5%	n/a		7,665	28,634	36,499	7,931	29,643	37,777	8,211	30,882				
Sub-total Maintenance & Repair Expenses						79,229	287,980	367,279	82,874	298,600	386,134	84,947	305,439				
Supportive Services	3.5%	3.5%	3.5%	n/a		-	-	-	-	-	-	-	-				
Commercial Expenses																	
TOTAL OPERATING EXPENSES						356,850	1,284,351	1,641,202	370,084	1,331,987	1,702,071	383,822	1,381,424				
Reserves/Ground Lease Base Rent/Bond Fees																	
Ground Lease Base Rent						-	-	-	-	-	-	-	-				
Bond Monitoring Fee						-	-	-	-	-	-	-	-				
Replacement Reserve Deposit						15,120	56,880	72,000	15,120	56,880	72,000	15,120	56,880				
Operating Reserve Deposit						-	-	-	-	-	-	-	-				
Other Required Reserve 1 Deposit						-	-	-	-	-	-	-	-				
Other Required Reserve 2 Deposit						-	-	-	-	-	-	-	-				
Required Reserve Deposits, Commercial						-	-	-	-	-	-	-	-				
Sub-total Reserves/Ground Lease Base Rent/Bond Fees						15,120	56,880	72,000	15,120	56,880	72,000	15,120	56,880				
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)						371,970	1,341,231	1,713,202	385,204	1,388,867	1,774,071	398,942	1,438,304				
NET OPERATING INCOME (INCOME minus OP EXPENSES)						19,383	93,887	113,270	19,383	79,224	98,607	19,383	81,305				
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																	
Hard Debt - First Lender						-	-	-	-	-	-	-	-				
HCD Monitoring Fee for CALPAD Loan						3,951	14,881	18,812	3,951	14,881	18,812	3,951	14,881				
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)						12,282	46,206	58,488	12,282	46,206	58,488	12,282	46,206				
Hard Debt - Fourth Lender						-	-	-	-	-	-	-	-				
Commercial Hard Debt Service						-	-	-	-	-	-	-	-				
TOTAL HARD DEBT SERVICE						16,233	61,067	77,300	16,233	61,067	77,300	16,233	61,067				
CASH FLOW (NOI minus DEBT SERVICE)						3,150	32,820	35,970	3,150	18,157	21,307	3,150	20,238				
Commercial Only Cash Flow						-	-	-	-	-	-	-	-				
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)						-	-	-	-	-	-	-	-				
AVAILABLE CASH FLOW						3,150	32,820	35,970	3,150	18,157	21,307	3,150	20,238				
USES OF CASH FLOW BELOW (This row also shows DSCR.)																	
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																	

	Total # Units:		Comments (related to annual inc assumptions)	Year 7 2029			Year 8 2030			Year 9 2031		
	LOSP Units	Non-LOSP Units		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	140	110										
Other Reserve 2 Deposits	30	110										
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance					1,500,000			1,500,000			1,500,000	

	Total # Units:		Comments (related to annual inc assumptions)	Year 10 2032			Year 11 2033			Year 12 2034		
	LOSP Units	Non-LOSP Units		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	140	110										
	21.00%	79.00%										
Other Reserve 2 Deposits					-			-			-	
Other Reserve 2 Withdrawals					15,000			45,873			43,886	
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance					1,485,000			1,439,427			1,395,541	

	Total # Units:	LOSP Units		Non-LOSP Units		Year 13 2035			Year 14 2036			Year 15 2037		
		140	30	110	79.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME			% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)									
Other Reserve 2 Deposits								-			-			-
Other Reserve 2 Withdrawals								63,884			64,897			87,150
Other Reserve 2 Interest														
Other Required Reserve 2 Running Balance								1,331,657			1,266,760			1,175,580

Knox SRO

	Total # Units:		2016			2017			2018			
	LOSP	Non-LOSP	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
	30	110	30	110	140	30	110	140	30	110	140	
	% annual inc	% annual increase	Comments (related to annual inc assumptions)									
INCOME												
Residential - Tenant Rents	1.0%	2.0%	104,487	1,120,931	1,225,418	105,532	1,148,854	1,254,386	106,587	1,177,678	1,284,265	
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.0%	-	774,981	774,981	-	774,981	774,981	-	774,981	774,981	
Residential - LOSP Tenant Assistance Payments	n/a	n/a	426,533	-	-	426,533	-	-	443,928	-	443,928	
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	
Residential Parking	2.5%	2.5%	-	-	-	-	-	-	-	-	-	
Miscellaneous Rent Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	
Supportive Services Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	
Interest Income - Project Operations	2.5%	2.5%	1,686	6,343	8,029	1,728	6,502	8,230	1,772	6,664	8,436	
Laundry and Vending	2.5%	2.5%	3,056	11,495	14,551	3,132	11,782	14,914	3,210	12,077	15,287	
Tenant Charges	2.5%	2.5%	2,960	11,135	14,095	3,024	11,413	14,447	3,110	11,699	14,808	
Miscellaneous Residential Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	
Other Commercial Income	n/a	2.5%	-	-	-	-	-	-	-	-	-	
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	-	110,901	110,901	-	136,131	136,131	-	162,942	162,942	
Other Income												
Gross Potential Income			538,722	2,035,386	2,574,108	557,354	2,104,855	2,662,209	576,700	2,176,934	2,753,634	
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(7,763)	(83,285)	(91,049)	(7,847)	(85,367)	(93,214)	(7,919)	(87,507)	(95,421)	
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	(38,729)	(38,729)	-	(39,504)	(39,504)	-	(40,294)	(40,294)	
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	
EFFECTIVE GROSS INCOME			530,959	1,913,371	2,444,330	549,513	1,979,984	2,529,497	568,781	2,049,138	2,617,919	
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	18,550	62,259	78,808	17,129	64,438	81,567	17,729	66,693	84,422	
Asset Management Fee	3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Sub-total Management Expenses			18,550	62,259	78,808	17,129	64,438	81,567	17,729	66,693	84,422	
Salaries/Benefits												
Office Salaries	3.5%	3.5%	89,807	337,846	427,653	92,950	345,670	442,621	96,204	361,909	458,112	
Manager's Salary	3.5%	3.5%	23,226	87,760	111,026	24,142	90,811	114,953	24,887	94,000	119,883	
Health Insurance and Other Benefits	3.5%	3.5%	30,368	114,240	144,608	31,430	118,239	149,669	32,531	122,777	154,907	
Other Salaries/Benefits	3.5%	3.5%	13,295	49,788	63,023	13,698	51,531	65,229	14,178	53,335	67,512	
Administrative Rent-Free Unit	3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Sub-total Salaries/Benefits			156,736	589,624	746,360	162,221	610,281	772,482	167,899	631,620	799,519	
Administration												
Advertising and Marketing	3.5%	3.5%	6,131	23,064	29,195	6,345	23,871	30,216	6,568	24,706	31,274	
Office Expenses	3.5%	3.5%	898	3,378	4,275	929	3,496	4,426	962	3,618	4,580	
Office Rent	3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Legal Expense - Property	3.0%	3.0%	25,452	26,932	82,384	26,215	53,955	27,002	28,572	55,574		
Audit Expense	3.5%	3.5%	4,707	17,709	22,416	4,872	18,229	23,201	5,043	18,970	24,013	
Bookkeeping/Accounting Services	3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Bad Debts	3.5%	3.5%	16,509	1,041	17,600	17,168	1,078	18,241	17,770	1,115	18,885	
Miscellaneous	3.5%	3.5%	28,191	86,529	124,720	27,108	101,977	129,085	28,057	105,546	133,603	
Sub-total Administration Expenses			79,968	170,651	250,619	82,639	176,490	259,129	85,401	182,528	267,929	
Utilities												
Electricity	5.0%	5.0%	18,640	30,411	49,050	19,272	31,917	51,503	20,590	33,528	54,078	
Water	5.0%	5.0%	39,613	149,021	188,634	41,594	156,472	198,065	43,673	164,295	207,969	
Gas	5.0%	5.0%	2,718	10,225	12,943	2,854	10,737	13,591	2,989	10,273	14,270	
Sewer	5.0%	5.0%	20,911	98,416	124,578	22,491	103,537	130,807	24,843	109,594	137,347	
Sub-total Utilities			81,132	288,073	375,205	91,469	307,606	393,965	96,063	317,600	413,663	
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%	1,730	6,508	8,238	1,790	6,736	8,536	1,853	6,971	8,824	
Payroll Taxes	3.5%	3.5%	17,162	64,560	81,722	17,762	66,620	84,582	18,384	69,159	87,542	
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%	2,032	7,645	9,677	2,103	7,912	10,016	2,177	8,189	10,366	
Sub-total Taxes and Licenses			20,924	78,713	99,636	21,656	81,468	103,124	22,414	84,319	106,733	
Insurance												
Property and Liability Insurance	3.5%	3.5%	13,863	52,152	66,015	14,348	53,978	68,326	14,851	56,867	70,717	
Fidelity Bond Insurance	3.5%	3.5%	98	368	466	101	381	482	105	394	499	
Worker's Compensation	3.5%	3.5%	8,791	33,072	41,864	9,099	34,230	43,329	9,418	35,428	44,845	
Director's & Officers' Liability Insurance	3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Sub-total Insurance			22,752	85,592	108,345	23,549	88,588	112,137	24,373	91,689	116,062	
Maintenance & Repair												
Payroll	3.5%	3.5%	52,789	198,476	251,226	54,606	205,423	260,029	56,517	212,612	269,130	
Supplies	3.5%	3.5%	6,708	10,985	17,404	6,943	11,069	18,013	7,196	11,457	18,643	
Contracts	3.5%	3.5%	16,189	60,903	77,083	16,756	63,035	79,791	17,343	65,241	82,564	
Garbage and Trash Removal	3.5%	3.5%	19,084	71,791	90,874	19,752	74,303	94,055	20,443	76,904	97,347	
Security Payroll/Contract	3.5%	3.5%	2,240	8,427	10,667	2,314	8,722	11,040	2,400	9,027	11,422	
HVAC Repairs and Maintenance	3.5%	3.5%	745	2,802	3,547	771	2,800	3,671	798	3,001	3,799	
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%	10,445	39,295	49,744	10,817	40,614	51,495	11,190	42,027	53,288	
Sub-total Maintenance & Repair Expenses			108,172	392,392	501,864	111,956	406,136	516,084	115,877	420,340	536,217	
Supportive Services	3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Commercial Expenses												
TOTAL OPERATING EXPENSES			496,456	1,783,574	2,280,030	515,010	1,850,187	2,365,197	534,278	1,919,341	2,453,619	
Reserves/Ground Lease Base Rent/Bond Fees												
Ground Lease Base Rent			-	-	-	-	-	-	-	-	-	
Bond Monitoring Fee			-	-	-	-	-	-	-	-	-	
Replacement Reserve Deposit			15,120	56,880	72,000	15,120	56,880	72,000	15,120	56,880	72,000	
Operating Reserve Deposit			-	-	-	-	-	-	-	-	-	
Other Required Reserve 1 Deposit			-	-	-	-	-	-	-	-	-	
Other Required Reserve 2 Deposit			-	-	-	-	-	-	-	-	-	
Required Reserve Deposits/Commercial			15,120	56,880	72,000	15,120	56,880	72,000	15,120	56,880	72,000	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			15,120	56,880	72,000	15,120	56,880	72,000	15,120	56,880	72,000	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)			511,576	1,840,454	2,352,030	530,130	1,907,067	2,437,197	549,398	1,976,221	2,525,619	
NET OPERATING INCOME (INCOME MINUS OP EXPENSES)			19,383	72,917	92,300	19,383	72,917	92,300	19,383	72,917	92,300	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)												
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-	
HCD Monitoring Fee for CALDAP			3,951	14,881	18,812	3,951	14,881	18,812	3,951	14,881	18,812	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			12,282	46,206	58,488	12,282	46,206	58,488	12,282	46,206	58,488	
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	
TOTAL HARD DEBT SERVICE			16,233	61,067	77,300	16,233	61,067	77,300	16,233	61,067	77,300	
CASH FLOW (NOI minus DEBT SERVICE)			3,150	11,850	15,000	3,150	11,850	15,000	3,150	11,850	15,000	
Commercial Only Cash Flow			-	-	-	-	-	-	-	-	-	
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)			-	-	-	-	-	-	-	-	-	
AVAILABLE CASH FLOW			3,150	11,850	15,000	3,150	11,850	15,000	3,150	11,850	15,000	
USES OF CASH FLOW BELOW (This row also shows DSCR)												
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL												
Waterfall "in" Asset Mtg Fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%	3,150	11,850	15,000	3,150	11,850	15,000	3,150	11,850	15,000	
Investor Service Fee (aka "LP Asset Mtg Fee") (see policy for limits)			-	-	-	-	-	-	-	-	-	
Other Payments			-	-	-	-	-	-	-	-	-	
Non-amortizing Loan Pmt - Lender 1	3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Non-amortizing Loan Pmt - Lender 2	3.5%	3.5%	-	-	-	-						

	Total # Units:		Comments (related to annual inc assumptions)	Year 16 2038			Year 17 2039			Year 18 2040		
	LOSP Units	Non-LOSP Units		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	140	110										
	21.00%	79.00%										
Other Reserve 2 Deposits												
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance						1,068,679			932,548		769,607	

Knox SRO

	Total # Units:		Year 19 2041			Year 20 2042		
	LOSP Units	Non-LOSP Units	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
	30	110						
	21.00%	79.00%						
INCOME	% annual inc	% annual increase	Comments (related to annual inc assumptions)					
Residential - Tenant Rents	1.0%	2.0%	107,655	1,207,120	1,314,775	108,730	1,237,288	1,346,027
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	821,949	-	-	821,949
Residential - LOSP Tenant Assistance Payments	n/a	n/a	480,838	871,992	480,838	500,408	500,408	500,408
Commercial Space	n/a	2.5%	-	-	-	-	-	-
Residential Parking	2.5%	2.5%	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%	1,816	6,831	8,647	1,861	7,002	8,863
Laundry and Vending	2.5%	2.5%	3,290	12,378	15,669	3,373	12,688	16,061
Tenant Charges	2.5%	2.5%	3,168	11,991	15,179	3,262	12,291	15,558
Miscellaneous Residential Income	2.5%	2.5%	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	-	191,413	191,413	-	221,624	221,624
Other Income								2,921,398
Gross Potential Income			596,785	2,291,725	2,848,510	617,639	2,329,334	2,946,973
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(7,890)	(89,689)	(97,688)	(8,079)	(91,631)	(100,010)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	(41,100)	(41,100)	-	(41,922)	(41,922)
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			588,786	2,120,936	2,709,723	609,560	2,195,482	2,805,041
OPERATING EXPENSES								
Management								
Management Fee	3.5%	3.5%	18,349	69,072	87,376	18,991	71,443	90,334
Asset Management Fee	3.5%	3.5%	-	-	-	-	-	-
Sub-total Management Expenses			18,349	69,072	87,376	18,991	71,443	90,334
Salaries/Benefits								
Office Salaries	3.5%	3.5%	99,571	374,576	474,146	103,058	387,686	490,742
Manager's Salary	3.5%	3.5%	23,852	97,280	123,152	26,767	100,686	127,462
Health Insurance and Other Benefits	3.5%	3.5%	33,669	126,660	160,329	34,840	131,093	165,941
Other Salaries/Benefits	3.5%	3.5%	14,874	55,201	69,875	16,167	57,133	72,321
Administrative Rent-Free Unit	3.5%	3.5%	-	-	-	-	-	-
Sub-total Salaries/Benefits			173,775	653,727	827,502	179,859	676,607	856,465
Administration								
Advertising and Marketing	3.5%	3.5%	6,797	25,571	32,369	7,035	26,466	33,502
Office Expenses	3.5%	3.5%	998	3,745	4,740	1,020	3,876	4,906
Office Rent	3.5%	3.5%	-	-	-	-	-	-
Legal Expense - Property	3.0%	3.0%	27,812	29,429	57,241	28,648	30,312	58,958
Audit Expense	3.5%	3.5%	5,219	19,634	24,853	5,402	20,321	25,723
Bookkeeping/Accounting Services	3.5%	3.5%	-	-	-	-	-	-
Bad Debts	3.5%	3.5%	18,392	1,154	19,546	19,038	1,194	20,230
Miscellaneous	3.5%	3.5%	29,039	109,240	138,275	30,055	113,064	143,119
Sub-total Administration Expenses			88,255	188,774	277,028	91,204	195,234	286,438
Utilities								
Electricity	5.0%	5.0%	21,578	35,204	56,782	22,657	36,964	59,621
Water	5.0%	5.0%	45,857	172,510	218,367	48,150	181,135	229,285
Gas	5.0%	5.0%	39,283	113,929	144,214	37,799	119,626	151,426
Sewer	5.0%	5.0%	-	-	-	-	-	-
Sub-total Utilities			106,666	333,480	434,347	105,910	350,154	456,064
Taxes and Licenses								
Real Estate Taxes	3.5%	3.5%	1,918	7,215	8,133	1,985	7,460	8,453
Payroll Taxes	3.5%	3.5%	19,027	71,579	90,606	19,693	74,084	93,778
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%	2,253	8,476	10,729	2,332	8,772	11,104
Sub-total Taxes and Licenses			23,198	87,270	110,469	24,010	89,322	114,335
Insurance								
Property and Liability Insurance	3.5%	3.5%	15,370	57,822	73,193	15,809	59,846	75,754
Fidelity Bond Insurance	3.5%	3.5%	108	498	516	112	422	534
Worker's Compensation	3.5%	3.5%	9,747	36,668	46,415	10,088	37,951	48,039
Director's & Officers' Liability Insurance	3.5%	3.5%	-	-	-	-	-	-
Sub-total Insurance			25,226	94,899	120,124	26,109	98,219	124,328
Maintenance & Repair								
Payroll	3.5%	3.5%	58,495	220,054	278,549	60,543	227,790	288,296
Supplies	3.5%	3.5%	7,438	27,438	34,876	7,688	27,373	34,811
Contracts	3.5%	3.5%	17,950	67,525	85,474	18,574	69,888	88,465
Garbage and Trash Removal	3.5%	3.5%	21,158	79,896	100,754	21,869	82,391	104,280
Security Payroll/Contract	3.5%	3.5%	2,484	9,343	11,827	2,671	9,670	12,241
HVAC Repairs and Maintenance	3.5%	3.5%	826	3,107	3,932	865	3,215	4,070
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%	11,582	43,574	55,153	11,997	45,095	57,083
Sub-total Maintenance & Repair Expenses			119,832	435,055	554,084	124,130	459,279	574,499
Supportive Services	3.5%	3.5%	-	111,303	111,303	-	115,198	115,198
Commercial Expenses								
TOTAL OPERATING EXPENSES			554,283	1,991,139	2,545,423	575,057	2,065,685	2,640,741
Reserves/Ground Lease Base Rent/Bond Fees								
Ground Lease Base Rent			-	-	-	-	-	-
Bond Monitoring Fee			-	-	-	-	-	-
Replacement Reserve Deposit			15,120	56,880	72,000	15,120	56,880	72,000
Operating Reserve Deposit			-	-	-	-	-	-
Other Required Reserve 1 Deposit			-	-	-	-	-	-
Other Required Reserve 2 Deposit			-	-	-	-	-	-
Required Reserve Deposits, Commercial			-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			15,120	56,880	72,000	15,120	56,880	72,000
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)			569,403	2,048,019	2,617,423	590,177	2,122,565	2,712,741
NET OPERATING INCOME (INCOME minus OP EXPENSES)			19,383	72,917	92,300	19,383	72,917	92,300
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)								
Hard Debt - First Lender			-	-	-	-	-	-
HCD Monitoring Fee for CALPAD Loan			3,951	14,801	18,112	3,951	14,801	18,112
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			12,282	46,208	58,488	12,282	46,208	58,488
Hard Debt - Fourth Lender			-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			16,233	61,007	77,300	16,233	61,007	77,300
CASH FLOW (NOI minus DEBT SERVICE)			3,150	11,850	15,000	3,150	11,850	15,000
Commercial Only Cash Flow			-	-	-	-	-	-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)			-	-	-	-	-	-
AVAILABLE CASH FLOW			3,150	11,850	15,000	3,150	11,850	15,000
USES OF CASH FLOW BELOW (This row also shows DSCR.)								
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL								
Waterfall "in-line" Asset Mgt Fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	3,150	11,850	15,000	3,150	11,850	15,000
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			-	-	-	-	-	-
Other Payments			-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 1			-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 2			-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD			3,150	11,850	15,000	3,150	11,850	15,000
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)								
Does Project have a MOHCD Residual Recipient Obligation?	Yes	Year 15 is year indicated below: 2037						
Will Project Defer Developer Fee?	Yes	2nd Residual Receipts Split Begins: 2024						
1st Residual Receipts Split - Lender/Deferred Developer Fee	50% / 50%							
2nd Residual Receipts Split - Lender/Owner	67% / 33%							
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.)	Dist. Soft							
Active Deferred Developer Fee Earned	Debt Loans							
MOHCD RESIDUAL RECEIPTS DEBT SERVICE								
MOHCD Residual Receipts Amount Due	#N/A	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Loan Repayment			-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			-	-	-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE								
HCD Residual Receipts Amount Due	#N/A	#N/A	-	-	-	-	-	-
Lender 4 Residual Receipts Due	0.00%		-	-	-	-	-	-
Lender 5 Residual Receipts Due	0.00%		-	-	-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service								
REMAINDER (should be zero unless there are distributions below)								
Owner Distributions/Incentive Management Fee			-	-	-	-	-	-
Other Distributions/Uses			-	-	-	-	-	-
Final Balance (should be zero)								
REPLACEMENT RESERVE - RUNNING BALANCE								
Replacement Reserve Starting Balance			-	-	-	1,368,000	-	1,440,000
Replacement Reserve Deposits			-	-	-	72,000	-	72,000
Replacement Reserve Withdrawals (ideally tied to CNA)			-	-	-	-	-	-
Replacement Reserve Interest			-	-	-	-	-	-
RR Running Balance						1,440,000		1,512,000
OPERATING RESERVE - RUNNING BALANCE								
Operating Reserve Starting Balance			-	-	-	470,331	-	470,331
Operating Reserve Deposits			-	-	-	-	-	-
Operating Reserve Withdrawals			-	-	-	-	-	-
Operating Reserve Interest			-	-	-	-	-	-
OR Running Balance						470,331		470,33

