

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Estimated Public Benefits
Qualified Residential Rental Project Pool
December 21, 2005 Allocation

State and local governmental agencies and joint powers authorities can issue tax-exempt housing revenue bonds. These bonds assist developers of multifamily rental housing units to acquire land and construct new units or purchase and rehabilitate existing units. The tax-exempt bonds provide developers with low cost financing in the form of a lower interest rate than a conventional loan. The low interest rate loan is used by the Project Sponsor to develop the project. Project Sponsors produce market rate and affordable rental housing for low and very low-income households by reducing rental rates to these individuals and families.

The California Debt Limit Allocation Committee is responsible for administering California's annual tax-exempt private activity bond program, known as "the annual State ceiling". For calendar year 2005, California's State ceiling is \$2.871 billion. Each year the Committee divides the annual State ceiling among several bond programs, known as "Program Pools", including the Qualified Residential Rental Project Pool (Rental Project Pool). For calendar year 2005, the Committee reserved approximately \$1.669 billion or 58.1% of the State ceiling for the Rental Project Pool. The \$1.669 billion of bond authority will be allocated throughout the calendar year to three sub-pools as follows: General Pool (consists of projects having 50.1% or more of its total units designated as Restricted Rental Units); Mixed Income Pool (consists of projects having 50% or fewer of its total units designated as Restricted Rental Units); and the Rural Project Pool (consists of projects located in a rural area as defined by California Health and Safety Code Section 50199.21 and not including Mixed Income projects).

The Committee awarded a total of \$416,724,970 of the 2005 State Ceiling on December 21, 2005 for multifamily rental housing. The Committee also authorized the use of \$5,800,000 of 2004 carryforward allocation for one project and \$798 of 2003 carryforward for another project. The total allocated on December 21, 2005 for multifamily rental housing projects, including carryforward allocations, was \$422,525,768. This allocation is anticipated to fund 36 multifamily rental housing projects.

The allocations awarded on December 21, 2005 will finance 2,827 total units, of which 2,180 will be Restricted Rental Units. Restricted Rental Units are units within a Project that are restricted to households earning 60% or less of the Applicable Median Family Income. Of the 2,180 Restricted Rental Units, 863 units will be restricted to very low income households with incomes at or below 50% of the area median income and 1,317 units will be restricted to low income households with incomes between 51% and 60% of the area median income. Of the total 2,827 units to be financed with the allocation, 1,574 will be new construction units, 220 will be senior citizen units, 516 will be large family (3-4 bedroom) units and 20 will be special needs units. In addition, this allocation will preserve 376 income and rent restricted units that were at-risk of losing affordability restrictions.

| SUMMARY OF PROJECTS | | | | |
|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| Total # of Projects | # of New Constr. Projs. | # of Acq. & Rehab Projs. | # of Family Projs. | # of Senior Projs. |
| 36 | 23 | 13 | 30 | 6 |
| % of Total: | 64% | 36% | 83% | 17% |

| SUMMARY OF UNITS | | | | | | | | | | | |
|-------------------------|-----------------------|--------------|--------------|-------------------|------------------------|--------------------------|--------------------|-------------------|-------------------------|------------------------|-------------------------|
| Total # of Units | # of Restricted Units | Units @ 50% | Units @ 60% | Market Rate Units | # of New Constr. Units | # of Acq. & Rehab. Units | # of At-Risk Units | # of Family units | # of Large Family Units | # of Sr. Citizen Units | # of Special Need Units |
| 2,827 | 2,180 | 863 | 1,317 | 647 | 1,574 | 1,253 | 376 | 2,607 | 516 | 220 | 20 |
| % of Total: | 77.1% | 33.5% | 46.6% | 22.9% | 55.7% | 44.3% | 13.3% | 92.2% | 18.2% | 7.8% | .7% |

| SUMMARY OF POOL CATEGORIES | | | | | | | | | | | | | | | | | |
|-----------------------------------|---------------------|------------------|-------------------|-------------|--------------|-------------------|-------------------|-------------------------|------------------------|--------------------------|--------------------|---------------|-------------------------|----------------|---------------------------|--------------------|--------------------|
| Pool Type | Total # of Projects | Total # of Units | # of Restr. Units | Units @ 50% | Units @ 60% | Market Rate Units | # of Family Units | # of Large Family Units | # of Sr. Citizen Units | # of Special Needs Units | # of At-Risk Units | # of NC Units | # of Acq. & Rehab Units | # of NC Projs. | # of Acq. & Rehab. Projs. | # of Family Projs. | # of Senior Projs. |
| GENERAL | 22 | 1,715 | 1,703 | 534 | 1,169 | 12 | 1,556 | 266 | 159 | 20 | 376 | 613 | 1,102 | 12 | 10 | 18 | 4 |
| MIXED INCOME | 6 | 856 | 221 | 181 | 40 | 635 | 795 | 98 | 61 | 0 | 0 | 705 | 151 | 4 | 2 | 5 | 1 |
| RURAL | 8 | 256 | 256 | 148 | 108 | 0 | 256 | 152 | 0 | 0 | 0 | 256 | 0 | 7 | 1 | 7 | 1 |
| Totals: | 36 | 2,827 | 2,180 | 863 | 1,317 | 647 | 2,607 | 516 | 220 | 20 | 376 | 1,574 | 1,253 | 23 | 13 | 30 | 6 |