CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

2020 NON-COMPETITVE 4% TCAC APPLICATION FOR LOW-INCOME HOUSING TAX CREDITS

FEDERAL CREDIT WITH TAX-EXEMPT BONDS, INCLUDING STATE CREDITS ($500M /Farmworker)

(ATTACHMENT 40 FOR CDLAC-TCAC JOINT APPLICATION)

April 17, 2020 Version

II. APPLICATION - SECTION 1: TCAC APPLICANT STATEMENT AND CERTIFICATION

TCAC APPLICANT: Highland Property Development on behalf of HPD S-E LP (TBF)

PROJECT NAME: Spring-Encino Apartments

PLEASE INCLUDE APPLICATION FEE WITH APPLICATION SUBMISSION

Check Only

The undersigned TCAC Applicant hereby makes application to the California Tax Credit Allocation Committee (“TCAC”) for a reservation of Federal and State Low-Income Housing Tax Credits (“Credits”) in the amount(s) of:

$356,932 annual Federal Credits
_____ total State Credits

for the purpose of providing low-income rental housing as herein described. I understand that Credit amount preliminarily reserved for this project, if any, may be adjusted over time based upon changing project costs and financial feasibility analyses which TCAC is required to perform on at least three occasions.

Election to sell ("certificate') state credits: No By selecting "Yes" or "No" in the box immediately before, I hereby make an election to sell ("certificate") or not sell all or any portion of the state credit, as allowed pursuant to Revenue and Taxation Code Sections 12206(o), 17058(q), and 23610.5(r). I further certify that the applicant is a non-profit entity, and that the state credit price will not be less than eighty (80) cents per dollar of credit.
I acknowledge that if I elect to sell ("certificate") all or any portion of the state credit, I may, only once, revoke an election to sell at any time before CTCAC issues the Form(s) 3521A for the project.

I agree it is my responsibility to provide TCAC with the original complete application as well as such other information as TCAC requests as necessary to evaluate my application. I represent that if a reservation or allocation of Credit is made as a result of this application, I will also furnish promptly such other supporting information and documents as may be requested. I understand that TCAC may verify information provided and analyze materials submitted as well as conduct its own investigation to evaluate the application. I recognize that I have an affirmative duty to inform TCAC when any information in the application or supplemental materials is no longer true and to supply TCAC with the latest and accurate information.

I certify that the numbers describing project cost, development budget, financing amounts, operating subsidies, unit mix and targeting, and all related application documents are the same as those provided in applications submitted to CDLAC, CalHFA, and HCD, as applicable. I certify that any applications, revisions, or updates provided to TCAC, CDLAC, CalHFA, or HCD will be provided to all other of these state agencies providing financing, tax credits, or subsidies to the project.

I acknowledge that if I receive a reservation of Tax Credits, I will be required to submit requisite documentation at the following stages: updated development timetable under regulation section 10326(j)(4), and the time the project is placed-in-service.

I represent I have read Section 42 of the Internal Revenue Code (IRC) pertaining to Federal Tax Credits, and if applying for State Tax Credits, I represent I have also read California Health and Safety Code Sections 50199.4 et seq. and California Revenue and Taxation Code Sections 12206, 17058, and 23610.5 pertaining to the State Tax Credit program. I understand that the Federal and State Tax Credit programs are complex and involve long-term maintenance of housing for qualified low-income households. I acknowledge that TCAC has recommended that I seek advice from my own tax attorney or tax advisor.

I certify that I have read and understand the provisions of Sections 10322(a) through (h) related to application filing deadlines, forms, incomplete applications, and application changes.

I agree to hold TCAC, its members, officers, agents, and employees harmless from any matters arising out of or related to the Credit program.

I agree that TCAC will determine the Credit amount to comply with requirements of IRC Section 42 but that TCAC in no way warrants the feasibility or viability of the project to anyone for any purpose. I acknowledge that TCAC makes no representation regarding the effect of any tax Credit which may be allocated and makes no representation regarding the ability to claim any Credit which may be allocated.

I acknowledge that all materials and requirements are subject to change by enactment of federal or state legislation or promulgation of regulations.

In carrying out the development and operation of the project, I agree to comply with all applicable federal and state laws regarding unlawful discrimination and will abide by all Credit program requirements, rules, and regulations.

I acknowledge that the Low-Income Housing Tax Credit program is not an entitlement program and that my application will be evaluated based on the Credit statutes, regulations, and the Qualified Allocation Plan adopted by TCAC which identify the priorities and other standards which will be employed to evaluate applications.

I acknowledge that an award of federal or state Tax Credits does not guarantee that the project will qualify for Tax Credits. Both federal law and the state law require that various requirements be met on an ongoing basis. I agree that compliance with these requirements is the responsibility of the applicant.

I acknowledge that the information submitted to TCAC in this application or supplemental thereto may be subject to the Public Records Act or other disclosure. I understand that TCAC may make such information public.

I acknowledge that if I obtain an allocation of Federal or State Tax Credits, I will be required to enter into a regulatory contract that will contain, among other things, all the conditions under which the Credits were provided including the selection criteria delineated in this application.

I declare under penalty of perjury that the information contained in the application, exhibits, attachments, and any further or supplemental documentation is true and correct to the best of my knowledge and belief.

I certify and guarantee that each item identified in TCAC's minimum construction standards will be incorporated into the design of the project, unless a waiver has been approved by TCAC. The project will at least maintain the installed energy efficiency and sustainability features' quality when replacing systems and materials. When requesting a threshold basis increase for a prevailing wage requirement, if the project is subject to state prevailing wages, I certify that contractors and subcontractors will comply with California Labor Code Section 1725.5. When requesting a threshold basis increase for development impact fees, the impact fee amounts are accurate as of the application date.

In an application proposing rehabilitation work, I certify that all necessary work identified in the Capital Needs Assessment, including the immediate needs listed in the report, will be performed (unless a waiver is granted) prior to the project's rehabilitation completion.

I understand that any misrepresentation may result in cancellation of Tax Credit reservation, notification of the Internal Revenue Service and the Franchise Tax Board, and any other actions that TCAC is authorized to take pursuant to California Health and Safety Code Section 50199.22, issuance of fines pursuant to California Health and Safety Code Section 50199.10, and negative points per Regulation Section 10325(c)(3) or under general authority of state law.

I certify that I believe that the project can be completed within the development budget and the development timetable set forth (which timetable is in conformance with TCAC rules and regulations) and can be operated in the manner proposed within the operating budget set forth.

I agree that TCAC is not responsible for actions taken by the applicant in reliance on a prospective Tax Credit reservation or allocation.

Dated this 22nd day of Sept, 2020 at

Monrovia, California.

By _____
(Original Signature)

Kristoffer J. Kaufmann
(Typed or printed name)

Managing Member of Sponsor
(Title)

Local Jurisdiction:	City of Brawley
City Manager:	Rosanna Bayon Moore
Title:	City Manager
Mailing Address:	383 Main Street
City:	Brawley
Zip Code:	95988

Phone Number:	(760) 351-3048	Ext.
FAX Number:	(760) 351-3088	
E-mail:	rbmoore@brawley-ca.gov	

* For City Manager, please refer to the following the website below:
http://www.treasurer.ca.gov/ctcac/2018/lra/contact.pdf

II. APPLICATION - SECTION 2: GENERAL AND SUMMARY INFORMATION

A. Application Type

Application type: Preliminary Reservation
Joint Application? CDLAC-TCAC Joint Application (submitting concurren
Prior application was submitted but not selected?
If yes, enter application number: TCAC # CA - -
Has credit previously been awarded? Yes
If re-applying and returning credit, enter the current application number: TCAC # CA - -

Is this project a Re-syndication of a current TCAC project? Yes
If a Resyndication Project, complete the **Resyndication Projects** section below.

B. Project Information

Project Name: Spring-Encino Apartments
Site Address: 402 S. Eastern Avenue & 1165 B Street
If address is not established, enter detailed description (i.e. NW corner of 26th and Elm)

City: Brawley County: Imperial
Zip Code: 92227 Census Tract: 107 & 104
Assessor's Parcel Number(s): 047-380-006-000 (Spring) & 047-222-050-000 (Encino)
Encino is in a QCT (Spring is not)
Project is located in a DDA: No *Federal Congressional District: 51
Project is located in a Qualified Census Tract: Yes *State Assembly District: 56
Project is a Scattered Site Project: Yes *State Senate District: 40
Project is **Rural** as defined by TCAC Regulation Section 10302(kk) Yes
*Accurate information is essential; the following website is provided for reference:
https://www.govtrack.us/congress/members/map http://findyourrep.legislature.ca.gov/

C. Credit Amount Requested

Federal $356,932
State State Farmworker Credit? No

D. Federal Minimum Set-Aside Election (IRC Section 42(g)(1))

40%/60%

E. Housing Type Selection

Non-Targeted If Special Needs housing, enter number of Special Needs units:
(Note: Housing Type is used to establish operating expense minimums under regulation section 10327(g)(1))

F. Geographic Area (Reg. Section 10315(i))

Please select the project's geographic area:
Inland Empire Region: San Bernardino, Riverside, and Imperial Counties

II. APPLICATION - SECTION 3: APPLICANT INFORMATION

A. Identify TCAC Applicant

Applicant is the current owner and will retain ownership:	N/A
Applicant will be or is a general partner in the to be formed or formed final ownership entity:	Yes
Applicant is the project developer and will be part of the final ownership entity for the project:	Yes
Applicant is the project developer and will not be part of the final ownership entity for the project:	N/A

B. TCAC Applicant Contact Information

Applicant Name:	Highland Property Development on behalf of HPD S-E LP (TBF)				
Street Address:	701 S. Myrtle Avenue				
City:	Monrovia	State:	CA	Zip Code:	91016
Contact Person:	Kristoffer J. Kaufmann				
Phone:	(626) 698-6361	Ext.:		Fax:	(626) 698-6365
Email:	k.kaufmann@highlandcompanies.com				

C. Legal Status of Applicant: Other — Parent Company:

If Other, Specify: Limited Liability Company (will serve as GP)

D. General Partner(s) Information (post-closing GPs):

D(1)

General Partner Name:	Highland Property Development LLC					Administrative GP
Street Address:	701 S. Myrtle Avenue					OWNERSHIP
City:	Monrovia	State:	CA	Zip Code:	91016	INTEREST (%):
Contact Person:	Kristoffer J. Kaufmann					0.5
Phone:	(626) 698-6361	Ext.:		Fax:	(626) 698-6365	
Email:	k.kaufmann@highlandcompanies.com					
Nonprofit/For Profit:	For Profit	Parent Company:				

D(2)

General Partner Name:*	Hearthstone CA Properties II, LLC					Managing GP
Street Address:	4000 MacArthur Boulevard, Suite 105					OWNERSHIP
City:	Newport Beach	State:	CA	Zip Code:	92660	INTEREST (%):
Contact Person:	Socorro Vazquez					0.5
Phone:	(949) 553-9447	Ext.:		Fax:	(949) 553-9448	
Email:	coco@hearthstonehousing.org					
Nonprofit/For Profit:	Nonprofit	Parent Company:	Hearthstone Housing Foundation			

D(3)

General Partner Name:						(select one)
Street Address:						OWNERSHIP
City:		State:		Zip Code:		INTEREST (%):
Contact Person:						
Phone:		Ext.:		Fax:		
Email:						
Nonprofit/For Profit:	(select one)	Parent Company:				

E. General Partner(s) or Principal Owner(s) Type Joint Venture

**If Joint Venture, 2nd GP must be included if applicant is pursuing a property tax exemption Reg. Section 10327(g)(2) - "TBD" not sufficient*

F. Status of Ownership Entity

to be formed — If to be formed, enter date: 1/1/2021

**(Federal I.D. No. must be obtained prior to submitting carryover allocation package)*

G. Contact Person During Application Process

Company Name:	Highland Property Development LLC				
Street Address:	701 S. Myrtle Avenue				
City:	Monrovia	State:	CA	Zip Code:	91016
Contact Person:	Paul Patierno				
Phone:	(626) 698-6361	Ext.:		Fax:	(626) 294-9270
Email:	p.patierno@highlandcompanies.com				
Participatory Role:	General Partner				

(e.g., General Partner, Consultant, etc.)

II. APPLICATION - SECTION 4: DEVELOPMENT TEAM INFORMATION

A. Indicate and List All Development Team Members

Developer:	Highland Property Development	Architect:	Musser Architects: Inc.
Address:	701 S. Myrtle Avenue	Address:	251 East Imperial Highway #480
City, State, Zip	Monrovia, CA 91016	City, State, Zip:	Fullerton, CA 92835
Contact Person:	Kristoffer J. Kaufmann	Contact Person:	Chris McLeod
Phone:	(626) 698-6361 Ext.:	Phone:	(714) 241-8944 Ext.:
Fax:	(626) 294-9270	Fax:	(714) 519-5496
Email:	k.kaufmann@highlandcompanies.c	Email:	cmcleod@musserarchitects.com
Attorney:	Carle,Mackie, Power & Ross LLP	General Contractor:	Highland Property Construction
Address:	100 B Street, Suite 400	Address:	701 S. Myrtle Avenue
City, State, Zip	Santa Rosa, CA 95401	City, State, Zip:	Monrovia, CA 91016
Contact Person:	Jason Vargelis	Contact Person:	Kristoffer J. Kaufmann
Phone:	(707) 526-4200 Ext.:	Phone:	(626) 698-6361 Ext.:
Fax:	(707) 526-4707	Fax:	(626) 294-9270
Email:	jvargelis@cmprlaw.com	Email:	k.kaufmann@highlandcompanies.c
Tax Professional:	Bowman and Company LLP	Energy Consultant:	Partner Energy
Address:	10100 Trinity Parkway, Suite 310	Address:	680 Knox Street
City, State, Zip	Stockton, CA 95219	City, State, Zip:	Los Angeles, CA 91124
Contact Person:	Tobbie Wells	Contact Person:	Kelsey Shaw
Phone:	(209) 473-1040 Ext.:	Phone:	(310) 356-2199 Ext.:
Fax:	(209) 473-9771	Fax:	N/A
Email:	twells@cpabowman.com	Email:	kshaw@penergy.com
CPA:	Bowman and Company LLP	Investor:	Boston Financial Investment Mgmt
Address:	10100 Trinity Parkway, Suite 310	Address:	8721 Sunset Boulevard, PH1
City, State, Zip	Stockton, CA 95219	City, State, Zip:	Los Angeles, CA 90069
Contact Person:	Tobbie Wells	Contact Person:	Roy Faerber
Phone:	(209) 473-1040 Ext.:	Phone:	(310) 860-4550 Ext.:
Fax:	(209) 473-9771	Fax:	(310) 435-2743
Email:	twells@cpabowman.com	Email:	roy.faerber@bfim.com
Consultant:		Market Analyst:	Novogradac & Company
Address:		Address:	6700 Antioch Road, Suite 450
City, State, Zip		City, State, Zip:	Merriam, Kansas City, Missouri
Contact Person:		Contact Person:	Rebecca Arthur
Phone:	Ext.:	Phone:	(913) 677-4600 Ext.:
Fax:		Fax:	(913) 677-4601
Email:		Email:	rebecca.arthur@novoco.com
Appraiser:	Novogradac & Company	CNA Consultant:	Real Property Reporting Services
Address:	6700 Antioch Road, Suite 450	Address:	1132 Lincoln Way #2
City, State, Zip	Merriam, Kansas City, Missouri	City, State, Zip:	Auburn, CA 95603
Contact Person:	Rebecca Arthur	Contact Person:	Tracy Hanson
Phone:	(913) 677-4600 Ext.:	Phone:	(916) 802-8844 Ext.:
Fax:	(913) 677-4601	Fax:	N/A
Email:	rebecca.arthur@novoco.com	Email:	rprsllc@gmail.com

Bond Issuer:	CSCDA	Prop. Mgmt. Co.:	Hyder & Company
Address:	1700 North Broadway, Suite 405	Address:	1649 Capalina Road, Suite 500
City, State, Zip:	Walnut Creek, CA 94596	City, State, Zip:	San Marcos, CA 92069
Contact Person:	Jon Penkower	Contact Person:	Gary DaPrato
Phone:	(925) 476-5887 Ext.:	Phone:	(760) 591-9737 Ext.:
Fax:	(925) 391-3590	Fax:	(760) 591-9784
Email:	jpenkower@cscda.org	Email:	gdaprato@hyderco.com

2nd Prop. Mgmt. Co.:	
Address:	
City, State, Zip:	
Contact Person:	
Phone:	Ext.:
Fax:	
Email:	

II. APPLICATION - SECTION 5: PROJECT INFORMATION

A. Type of Credit Requested

New Construction (may include Adaptive Reuse): N/A
Rehabilitation-Only: N/A
Acquisition & Rehabilitation: Yes

If yes, will demolition of an existing structure be involved? No
If yes, will relocation of existing tenants be involved? N/A
Is this an Adaptive Reuse project? No
If yes, please consult TCAC staff to determine the applicable regulatory requirements (new construction or rehabilitation).

B. Acquisition and Rehabilitation/Rehabilitation-only Projects

If requesting Acquisition Credit, will the acquisition meet the 10-year placed in service rule as required by IRC Sec. 42(d)(2)(B)(ii)? Yes
If no, will it meet the waiver conditions of IRC Sec. 42(d)(6)? N/A
Acquisition basis is established using: Appraisal
Will the rehabilitation and/or the income and rent restrictions of Sec. 42 cause relocation of existing tenants? No
If yes, applicants must submit an explanation of relocation requirements, a detailed relocation plan including a budget with an identified funding source (see Checklist).

Age of Existing Structures	40	No. of Existing Buildings	9
No. of Occupied Buildings	9	No. of Existing Units	96
No. of Stories	2		

Current Use: The properties are each existing USDA-financed, HUD Sect 8 rental-assisted situated within 3/4 mile of each other.

Resyndication Projects

Current/original TCAC ID: TCAC # CA - 2004 - 810 TCAC # CA - -
First year of credit:
Are Transfer Event provisions applicable? See questionnaire on TCAC website. Yes
Is the project currently under a Capital Needs Agreement with TCAC? No
If so, has the Short Term Work been completed? N/A See Checklist, Tab 8 for documentation requirements.
Is the project subject to hold harmless rent limits? No If yes, see page 18 and Checklist, Tab 8.

C. Purchase Information

Name of Seller:	HPD Spring-Encino L.P.	Signatory of Seller:	Kristoffer Kaufmann
Seller Principal:	Kristoffer Kaufmann	Seller Principal:	Kristoffer Kaufmann
Title:	Manager of GP	Title:	Managing Member of GP
Seller Address:	701 S. Myrtle Avenue, Monrovia, CA		
Date of Purchase Contract or Option:	7/1/2020	Purchased from Affiliate:	Yes
Expiration Date of Option:	12/31/2020	If yes, broker fee amount to affiliate?	N/A
Purchase Price:	$3,711,000	Expected escrow closing date:	04/01/21
Phone: (626) 698-6361	Ext.:	Historical Property/Site:	No
Holding Costs per Month:		Total Projected Holding Costs:	
Real Estate Tax Rate:	1.00%	Purchase price over appraisal	

Amount of SOFT perm financing covering the excess purchase price over appraised value

D. Project, Land, Building and Unit Information

Project Type: One or Two Story Garden

Two or More Story With an Elevator: N/A if yes, enter number of stories:
Two or More Story Without an Elevator: Yes if yes, enter number of stories: 2
One or More Levels of Subterranean Parking: N/A
Other: (specify here)

E. Land **Density:**

_____ x _____ Feet or 5.73 Acres 249,599 Square Feet 16.75

If irregular, specify measurements in feet, acres, and square feet:

F. Building Information

Total Number of Buildings: 9 Residential Buildings: 9

Community Buildings: Commercial/ Retail Space: N/A

If Commercial/ Retail Space, explain: *(include use, size, location, and purpose)*

Are Buildings on a Contiguous Site? No

If not Contiguous, do buildings meet the requirements of IRC Sec. 42(g)(7)? Yes

Do any buildings have 4 or fewer units? No

If yes, are any of the units to be occupied by the owner or a person related to the owner (IRC Sec. 42(i)(3)(c))? N/A

G. Project Unit Number and Square Footage

Total number of units:	96
Total number of non-Tax Credit Units (i.e. market rate units) (excluding managers' units):	
Total number of units (excluding managers' units):	94
Total number of Low Income Units:	94
Ratio of Low Income Units to total units (excluding managers' units):	100.00%
Total square footage of all residential units (excluding managers' units):	67,242
Total square footage of Low Income Units:	67,242
Ratio of low-income residential to total residential square footage (excluding managers' units):	100.00%
Applicable fraction, smaller of unit or square footage ratio (used on "Basis & Credits"):	100.00%
Total interior amenity space square footage (TCAC Regulation Section 10325(g)(1)):	1,000
Total commercial/ retail space square footage:	
Total common area square footage (including managers' units):	1,542
Total parking structure square footage (excludes car-ports and "tuck under" parking):	
***Total square footage of all project structures** (excluding commercial/retail):	69,784

*equals: "total square footage of all residential units" + "total interior amenity space square footage" + "total common area square footage" + "total parking structure square footage")

Total Project Cost per Unit	$121,217
Total Residential Project Cost per Unit	$121,217
Total Eligible Basis per Unit	$107,544

H. Tenant Population Data

Completion of this section is required. **The information requested in this section is for national data collection purposes, and is not intended for threshold and competitive scoring use;** however, the completed table should be consistent with information provided in the application and attachments.

Indicate the number of units anticipated for the following populations:

Homeless/formerly homeless		N/A
Transitional housing		N/A
Persons with physical, mental, development disabilities		N/A
Persons with HIV/AIDS		N/A
Transition age youth		N/A
Farmworker		N/A
Family Reunification		N/A
Other:		N/A
Units with tenants qualifying as two or more of the above (explain):		
For 4% federal applications only:		
Rural area consistent with TCAC methodology		Yes

II. APPLICATION - SECTION 6: REQUIRED APPROVALS & DEVELOPMENT TIMETABLE

A. Required Approvals Necessary to Begin Construction

	Approval Dates		
	Application Submittal	Estimated Approval	Actual Approval
Negative Declaration under CEQA	N/A	N/A	N/A
NEPA	N/A	N/A	N/A
Toxic Report	N/A	N/A	N/A
Soils Report	N/A	N/A	N/A
Coastal Commission Approval	N/A	N/A	N/A
Article 34 of State Constitution	N/A	N/A	N/A
Site Plan	N/A	N/A	N/A
Conditional Use Permit Approved or Required	N/A	N/A	N/A
Variance Approved or Required	N/A	N/A	N/A
Other Discretionary Reviews and Approvals	N/A	N/A	N/A

	Project and Site Information	
Current Land Use Designation	Multi-Family Residential	
Current Zoning and Maximum Density	R-3 Resid Med Density-1 unit/2,500 sq ft (Spr) - 17 units/Acre (Enc	
Proposed Zoning and Maximum Density	No Change from Above	
Occupancy restrictions that run with the land due to CUP's or density bonuses?	No	(if yes, explain here)
Building Height Requirements		
Required Parking Ratio		

B. Development Timetable

		Actual or Scheduled		
		Month	/	Year
SITE	Environmental Review Completed	12	/	2020
	Site Acquired	4	/	2021
LOCAL PERMITS	Conditional Use Permit	N/A	/	
	Variance	N/A	/	
	Site Plan Review	N/A	/	
	Grading Permit	N/A	/	
	Building Permit	4	/	2021
CONSTRUCTION FINANCING	Loan Application	7	/	2020
	Enforceable Commitment	7	/	2020
	Closing and Disbursement	4	/	2021
PERMANENT FINANCING	Loan Application	7	/	2020
	Enforceable Commitment	7	/	2020
	Closing and Disbursement	4	/	2022
OTHER LOANS AND GRANTS	Type and Source: USDA 515 Loan Assumption/Restructure	4	/	2021
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	10% of Costs Incurred	4	/	2021
	Construction Start	4	/	2021
	Construction Completion	10	/	2021
	Placed In Service	4	/	2021
	Occupancy of All Low-Income Units	4	/	2021

III. PROJECT FINANCING - SECTION 1: CONSTRUCTION FINANCING

A. Construction Financing

List Below All Projected Sources Required To Complete Construction

	Name of Lender/Source	Term (months)	Interest Rate	Fixed/Variable	Amount of Funds
1)	JP Morgan Chase	18	3.000%	Variable	$6,000,000
2)	USDA - Rural Development	360	1.000%	Fixed	$2,150,000
3)	Net Operating Income	N/A		N/A	$168,000
4)	Boston Financial Investment Mgmt	N/A		N/A	$2,315,500
5)				(select)	
6)				(select)	
7)				(select)	
8)				(select)	
9)				(select)	
10)				(select)	
11)				(select)	
12)				(select)	
				Total Funds For Construction:	$10,633,500

1) Lender/Source: JP Morgan Chase
Street Address: 560 Mission Street, 3rd Floor
City: San Francisco
Contact Name: James Vossoughi
Phone Number: (415) 315-6708 Ext.:
Type of Financing: Construction
Variable Rate Index (if applicable): Libor + 3%
Is the Lender/Source Committed? Yes

2) Lender/Source: USDA - Rural Development
Street Address: 430 G Street, Agency 4169
City: Davis
Contact Name: Stephen Nnodim
Phone Number: (530) 792-5830 Ext.:
Type of Financing: USDA 515 - Acq/Perm
Variable Rate Index (if applicable): N/A
Is the Lender/Source Committed? Yes

3) Lender/Source: Net Operating Income
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed?

4) Lender/Source: Boston Financial Investment Mgmt
Street Address: 8721 Sunset Boulevard, PH1
City: Los Angeles
Contact Name: Roy Faerber
Phone Number: (310) 860-4550 Ext.:
Type of Financing: Tax Credit Equity
Is the Lender/Source Committed? Yes

5) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

6) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

7) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

8) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

9) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

10) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

11) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

12) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

III. PROJECT FINANCING - SECTION 2: PERMANENT FINANCING

A. Permanent Financing

List Below All Projected Sources Required To Complete Construction

Name of Lender/Source	Term (months)	Interest Rate	Residual Receipts / Deferred Pymt.	Annual Debt Service	Amount of Funds
1) Bonneville Mortgage Company	480	3.750%		$241,516	$5,000,000
2) USDA - Rural Development	360	1.000%		$54,660	$2,150,000
3) Highland Property Development LLC			Deferred		$1,178,103
4) Net Operating Income					$168,000
5)					
6)					
7)					
8)					
9)					
10)					
11)					
12)					
				Total Permanent Financing:	$8,496,103
				Total Tax Credit Equity:	$3,140,687
				Total Sources of Project Funds:	$11,636,790

1) Lender/Source: Bonneville Mortgage Company
Street Address: 111 E. Broadway, Suite 1600
City: Salt Lake City
Contact Name: Rob Hall
Phone Number: (801) 323-1000 Ext.:
Type of Financing: Permanent Mortgage
Is the Lender/Source Committed? Yes

2) Lender/Source: USDA - Rural Development
Street Address: 430 G Street, Agency 4169
City: Davis
Contact Name: Stephen Nnodim
Phone Number: (530) 792-5830 Ext.:
Type of Financing: USDA 515 - Acq/Perm
Is the Lender/Source Committed? Yes

3) Lender/Source: Highland Property Development LLC
Street Address: 701 S. Myrtle Avenue
City: Monrovia
Contact Name: Kristoffer J. Kaufmann
Phone Number: (626) 698-6361 Ext.:
Type of Financing: Deferred Developer Fee
Is the Lender/Source Committed? Yes

4) Lender/Source: Net Operating Income
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

5) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

6) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

7) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

8) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

9) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

10) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

11) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

12) Lender/Source:
Street Address:
City:
Contact Name:
Phone Number: Ext.:
Type of Financing:
Is the Lender/Source Committed? No

B. Tax-Exempt Bond Financing

Will project receive tax-exempt bond financing for more than 50% of the aggregate basis of the building(s) (including land) in the project? (IRC Sec. 42(h)(4)): Yes

CDLAC Allocation? Yes

Date application was submitted to CDLAC (Reg. Section 10326(h)): 9/24/2020

Date of CDLAC application approval, actual or anticipated (Reg. Section 10326(j)(1)): 12/9/2020

Estimated date of Bond Issuance (Reg. Section 10326(e)(2)): 12/9/2020

Percentage of aggregate basis financed by the bonds? (Reg. Section 10326(e)(2)): 54.36%

Name of Bond Issuer (Reg. Section 10326(e)(1)): CSCDA

Will project have Credit Enhancement? No

If Yes, identify the entity providing the Credit Enhancement:

Contact Person:

Phone: Ext.:

What type of enhancement is being provided? (select one)

(specify here)

III. PROJECT FINANCING - SECTION 3: INCOME INFORMATION

A. Low Income Units

(a) Bedroom Type(s)	(b) Number of Units	(c) Proposed Monthly Rent (Less Utilities)	(d) Total Monthly Rents (b x c)	(e) Monthly Utility	(f) Monthly Rent Plus Utilities (c + e)	(g) % of Area Median Income	(h) % of Actual AMI
1 Bedroom	5	$610	$3,050	$46	$656	50%	50.0%
2 Bedrooms	14	$707	$9,898	$80	$787	60%	50.0%
1 Bedroom	11	$741	$8,151	$46	$787	50%	60.0%
2 Bedrooms	33	$865	$28,545	$80	$945	60%	60.0%
1 Bedroom	5	$602	$3,010	$54	$656	50%	50.0%
2 Bedrooms	5	$716	$3,580	$71	$787	60%	50.0%
1 Bedroom	11	$733	$8,063	$54	$787	50%	60.0%
2 Bedrooms	10	$874	$8,740	$71	$945	60%	60.0%
Total # Units:	94	**Total:**	$73,037		**Average:**	**56.6%**	

Is this a resyndication project using hold harmless rent limits in the above table? No
These rents cannot exceed the federal set-aside current tax credit rent limits.
See TCAC Regulation Section 10327(g)(8).

B. Manager Units

State law requires an onsite manager's unit for projects with 16 or more residential units.
TCAC Regulation Section 10326(g)(6) requires projects with at least 161 units to provide a second on-site manager's unit, with one additional for each 80 units beyond, up to 4 on-site manager units.
Scattered site projects of 16 or more units must have at least one manager unit at each site consisting of 16 or more residential units.
Projects may employ full-time property management staff and provide an equivalent number of desk or security staff for the hours when the property management staff are not working. See TCAC Regulation Section 10325(f)(7)(J) for details on the requirements for this option.

(a) Bedroom Type(s)	(b) Number of Units	(c) Proposed Monthly Rent (Less Utilities)	(d) Total Monthly Rents (b x c)
2 Bedrooms	2		
Total # Units:	2	**Total:**	

No — Project with desk or security staff in lieu of on-site manager unit(s)
See TCAC Regulation Section 10325(f)(7)(J) for complete requirements.

C. Market Rate Units

(a) Bedroom Type(s)	(b) Number of Units	(c) Proposed Monthly Rent (Less Utilities)	(d) Total Monthly Rents (b x c)
Total # Units:		**Total:**	

Aggregate Monthly Rents For All Units:	$73,037
Aggregate Annual Rents For All Units:	$876,444

D. Rental Subsidy Income/Operating Subsidy
Complete spreadsheet "Subsidy Contract Calculation"

Number of Units Receiving Assistance:	94
Length of Contract (years):	2
Expiration Date of Contract:	4/17/22 & 2/19/22
Total Projected Annual Rental Subsidy:	$68,520

E. Miscellaneous Income

Annual Income from Laundry Facilities:		$16,800
Annual Income from Vending Machines:		
Annual Interest Income:		
Other Annual Income:	(specify here)	
Total Miscellaneous Income:		$16,800
Total Annual Potential Gross Income:		$961,764

F. Monthly Resident Utility Allowance by Unit Size

(utility allowances must be itemized and must agree with the applicable utility allowance schedule)

		SRO / STUDIO	1 BR	2 BR	3 BR	4 BR	( ) BR
Space Heating:							
Water Heating:							
Cooking:							
Lighting:							
Electricity:							
Water:*							
Other:	USDA/HUD Prescribed Avg		$50	$78			
Total:			$50	$78			

***PROJECTS PROPOSING UNITS WITH INDIVIDUAL WATER METERS MUST INCLUDE A WATER ALLOWANCE.**

Name of PHA or California Energy Commission Providing Utility Allowances:

See Regulation Section 10322(h)(21) for type of projects that are allowed to use CUAC.

G. Annual Residential Operating Expenses

Administrative	Advertising:		$500
	Legal:		
	Accounting/Audit:		$7,000
	Security:		
	Other:	Office, Telephone & Admin	$30,000
	Total Administrative:		$37,500
Management	**Total Management:**		$78,960
Utilities	Fuel:		
	Gas:		$3,000
	Electricity:		$5,000
	Water/Sewer:		$75,000
	Total Utilities:		$83,000
Payroll / Payroll Taxes	On-site Manager:		$74,880
	Maintenance Personnel:		$66,560
	Other:	Payroll Taxes & Empl Benefits	$45,256
	Total Payroll / Payroll Taxes:		$186,696
	Total Insurance:		$35,000

Maintenance

Painting:		$4,000
Repairs:		$10,000
Trash Removal:		$20,000
Exterminating:		$5,000
Grounds:		$10,000
Elevator:		
Other:	Supplies	$8,000
	Total Maintenance:	$57,000

Other Operating Expenses

Other:	Taxes and Licenses	$4,000
Other:	(specify here)	
Other:	(specify here)	
Other:	(specify here)	
Other:	(specify here)	
	Total Other Expenses:	$4,000

Total Expenses

Total Annual Residential Operating Expenses:	$482,156
Total Number of Units in the Project:	96
Total Annual Operating Expenses Per Unit:	$5,022
Total 3-Month Operating Reserve:	$205,300
Total Annual Transit Pass / Internet Expense (site amenity election):	
Total Annual Services Amenities Budget (from project expenses):	$20,000
Total Annual Reserve for Replacement:	$48,000
Total Annual Real Estate Taxes:	$500
Other (USDA Loan Guarantee Fee):	$22,000

H. Commercial Income*

Total Annual Commercial/Non-Residential Revenue:	
Total Annual Commercial/Non-Residential Expenses:	
Total Annual Commercial/Non-Residential Debt Service:	
Total Annual Commercial/Non-Residential Net Income:	

*The Sources and Uses Budget must separately detail apportioned amounts for residential and commercial space. Separate cash flow projections shall be provided for residential and commercial space. Income from the residential portion of a project shall not be used to support any negative cash flow of a commercial portion, and commercial income should not support the residential portion (Sections 10322(h)(15), (23); 10327(g)(7)).

III. PROJECT FINANCING - SECTION 4: LOAN AND GRANT SUBSIDIES

A. Inclusion/Exclusion From Eligible Basis

Funding Sources If lender is not funding source, list source (HOME, CDBG, etc.) NOT lender.		Included in Eligible Basis Yes/No	Amount
Tax-Exempt Financing		Yes	$6,000,000
Taxable Bond Financing		N/A	
HOME Investment Partnership Act (HOME)		N/A	
Community Development Block Grant (CDBG)		N/A	
RHS 514		N/A	
RHS 515		Yes	$2,150,000
RHS 516		N/A	
RHS 538		Yes	$5,000,000
HOPE VI		N/A	
McKinney-Vento Homeless Assistance Program		N/A	
MIP		N/A	
MHSA		N/A	
MHP		N/A	
National Housing Trust Fund (HTF)		N/A	
Qualified Opportunity Zone Investment		N/A	
FHA Risk Sharing loan?	No	N/A	
State:	(specify here)	N/A	
Local:	(specify here)	N/A	
Other:	(specify here)	N/A	
Other:	(specify here)	N/A	

B. Rental Subsidy Anticipated

Indicate By Percent Of Units Affected, Any Rental Subsidy Expected To Be Available To The Project.

Approval Date:	4/18/12 & 2/20/12	Approval Date:	
Source:	HUD	Source:	
If Section 8:	Project-based contract (PBC)	If Section 8:	(select one)
Percentage:	100%	Percentage:	
Units Subsidized:	94	Units Subsidized:	
Amount Per Year:	$68,520	Amount Per Year:	
Total Subsidy:		Total Subsidy:	
Term:	2 years remaining	Term:	

C. Pre-Existing Subsidies (Acq./Rehab. or Rehab-Only projects)

Indicate The Subsidy Amount For Any Of The Following Currently Utilized By The Project.

Sec 221(d)(3) BMIR:		RHS 514:	
HUD Sec 236:		RHS 515:	$2,150,000
If Section 236, IRP?	N/A	RHS 521 (rent subsidy):	
RHS 538:	$5,000,000	State / Local:	
HUD Section 8:	$68,520	Rent Sup / RAP:	
If Section 8:	Project-based contract		
HUD SHP:			
Will the subsidy continue?:	Yes	Other:	(specify here)
If yes enter amount:	$68,520	Other amount:	

III. PROJECT FINANCING - SECTION 5: THRESHOLD BASIS LIMIT

A. Threshold Basis Limit

Unit Size	Unit Basis Limit	No. of Units	(Basis) X (No. of Units)
SRO/STUDIO	$261,141		
1 Bedroom	$301,093	32	$9,634,976
2 Bedrooms	$363,200	64	$23,244,800
3 Bedrooms	$464,896		
4+ Bedrooms	$517,923		
	TOTAL UNITS:	96	
	TOTAL UNADJUSTED THRESHOLD BASIS LIMIT:		**$32,879,776**

		Yes/No	
(a)	**Plus (+) 20% basis adjustment - Prevailing Wages** Adjustment for projects paid in whole or part out of public funds subject to a legal requirement for the payment of state or federal prevailing wages or financed in part by a labor-affiliated organization requiring the employment of construction workers who are paid at least state or federal prevailing wages. List source(s) or labor-affiliated organization(s):	No	
	Plus (+) 5% basis adjustment For projects that certify that (1) they are subject to a project labor agreement within the meaning of Section 2500(b)(1) of the Public Contract Code, or (2) they will use a skilled and trained workforce as defined by Section 25536.7 of the Health and Safety Code to perform all onsite work within an apprenticeable occupation in the building and construction trades.	No	
(b)	**Plus (+) 7% basis adjustment - Parking (New Construction)** For new construction projects required to provide parking beneath residential units (not "tuck under" parking) or through construction of an on-site parking structure of two or more levels.	No	
(c)	**Plus (+) 2% basis adjustment - Daycare** For projects where a day care center is part of the development.	No	
(d)	**Plus (+) 2% basis adjustment - 100% Special Needs** For projects where 100 percent of the Low-Income Units are for Special Needs populations.	No	
(e)	**Plus (+) up to 10% basis adjustment - ITEM (e) Features** For projects applying under Section 10325 or Section 10326 of these regulations that include one or more of the energy efficiency/resource conservation/indoor air quality items	No	
(f)	**Plus (+) the lesser of the associated costs or up to a 15% basis adjustment - Seismic upgrading / Environmental mitigation** For projects requiring seismic upgrading of existing structures, and/or on-site toxic or other environmental mitigation as certified by the project architect or seismic engineer. *If Yes, select type:* N/A	No	

(g)	**Plus (+) Local Development Impact Fees** Local development impact fees required to be paid to local government entities. Certification from local entities assessing fees also required. **WAIVED IMPACT FEES ARE INELIGIBLE.**	No	
(h)	**Plus (+) 10% basis adjustment - Elevator** For projects wherein at least 95% of the project's upper floor units are serviced by an elevator.	No	
(i)	**Plus (+) 10% basis adjustment - High Opportunity Area** For a project that is: (i) in a county that has an unadjusted 9% threshold basis limit for a 2-bedroom unit equal to or less than $400,000; AND (ii) located in a census tract designated on the TCAC/HCD Opportunity Area Map as Highest or High Resource.	No	
(j)	**Plus (+) 1% basis adjustment - 50%AMI to 36%AMI Units** For each 1% of project's Low-Income and Market Rate Units restricted between 36% and 50% of AMI. Rental Units: 94 Total Rental Units @ 50% to 36% of AMI: 32	Yes	$11,179,124
(k)	**Plus (+) 2% basis adjustment - At or below 35%AMI Units.** For each 1% of project's Low-Income and Market Rate Units restricted at or below 35% of AMI. Rental Units: 94 Total Rental Units @ 35% of AMI or Below:	No	
	TOTAL ADJUSTED THRESHOLD BASIS LIMIT:		**$44,058,900**

ITEM (e) Features

REVIEW REGULATION SECTION 10327(c)(5)(B) PRIOR TO COMPLETING THIS SECTION.
THE OPTIONS BELOW ARE PRESENTED WITH ABRIDGED LANGUAGE.

N/A 1 Project shall have onsite renewable generation estimated to produce 50% or more of annual tenant electricity use. If combined available roof area is insufficient, project shall have onsite renewable generation based on at least 90% of the available solar accessible roof area. A project not availing itself of the 90% roof area exception may also receive an increase under paragraph (2) only if the renewable generation used to calculate each basis increase does not overlap. Threshold Basis Limit increase of 5%.

N/A 2 Project shall have onsite renewable generation estimated to produce 75% or more of annual common area electricity use. If combined available roof area is insufficient, project shall have onsite renewable generation based on at least 90% of the available solar accessible roof area. A project not availing itself of the 90% roof area exception may also receive an increase under paragraph (1) only if the renewable generation used to calculate each basis increase does not overlap. Threshold Basis Limit increase of 2%.

N/A 3 Newly constructed project buildings shall be more energy efficient than 2019 Energy Efficiency Standards (CA Code of Regulations, Title 24, Part 6) by at least 5, EDR points for energy efficiency alone (not counting solar); except that if the local department has determined that building permit applications submitted on or before December 31, 2019 are complete, then newly constructed project buildings shall be 15% or more energy efficiency than the 2016 Energy Efficiency Standards (CA Code of Regulations, Title 24, Part 6). Threshold Basis Limit increase of 4%.

N/A 4 Rehabilitated project buildings shall have an 80% decrease in estimated annual energy use (or improvement in energy efficiency) in the HERS II post rehabilitation. Threshold Basis Limit increase 4%.

N/A 5 Irrigate only with reclaimed water, greywater, or rainwater (excluding water used for community gardens), or irrigate with reclaimed water, greywater, or rainwater in an amount that annually equals or exceeds 20,000 gallons or 300 gallons per unit, whichever is less.
Threshold Basis Limit increase 1%.

N/A 6 Community gardens of at least 60 square feet per unit. Permanent site improvements that provide a viable growing space within the project. Threshold Basis Limit increase 1%.

N/A 7 Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, natural linoleum, natural rubber, or ceramic tile in all kitchens, living rooms, and bathrooms (where no VOC adhesives or backing is also used). Threshold Basis Limit increase 1%.

N/A 8 Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, natural linoleum, natural rubber, or ceramic tile in all interior floor space other than units (where no VOC adhesives or backing is also used). Threshold Basis Limit increase 2%.

N/A 9 For new construction projects only, meet all requirements of the U.S. Environmental Protection Agency Indoor Air Plus Program. Threshold Basis Limit increase 2%.

IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET					*Permanent Sources*														
	TOTAL PROJECT COST	RES. COST	COM'L. COST	TAX CREDIT EQUITY	1)Bonneville Mortgage Company	2)USDA - Rural Development	3)Highland Property Development LLC	4)Net Operating Income	5)	6)	7)	8)	9)	10)	11)	12)	SUBTOTAL	30% PVC for New Const/Rehab	30% PVC for Acquisition
LAND COST/ACQUISITION																			
Land Cost or Value	$714,000	$714,000				$714,000											$714,000		
Demolition																			
Legal																			
Land Lease Rent Prepayment																			
Total Land Cost or Value	$714,000	$714,000				$714,000											$714,000		
Existing Improvements Value	$2,997,000	$2,997,000			$1,561,000	$1,436,000											$2,997,000		$2,997,000
Off-Site Improvements																			
Total Acquisition Cost	$2,997,000	$2,997,000			$1,561,000	$1,436,000											$2,997,000		**$2,997,000**
Total Land Cost / Acquisition Cost	$3,711,000	$3,711,000			$1,561,000	$2,150,000											$3,711,000		
Predevelopment Interest/Holding Cost																			
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)																			
Excess Purchase Price Over Appraisal																			
REHABILITATION																			
Site Work																			
Structures	$4,320,000	$4,320,000		$881,000	$3,439,000												$4,320,000	$4,320,000	
General Requirements	$259,200	$259,200		$259,200													$259,200	$259,200	
Contractor Overhead	$86,400	$86,400		$86,400													$86,400	$86,400	
Contractor Profit	$259,200	$259,200		$259,200													$259,200	$259,200	
Prevailing Wages																			
General Liability Insurance	$69,120	$69,120		$69,120													$69,120	$69,120	
Other: (Specify)																			
Total Rehabilitation Costs	$4,993,920	$4,993,920		$1,554,920	$3,439,000												$4,993,920	**$4,993,920**	
Total Relocation Expenses	$50,000	$50,000		$50,000													$50,000	$50,000	
NEW CONSTRUCTION																			
Site Work																			
Structures																			
General Requirements																			
Contractor Overhead																			
Contractor Profit																			
Prevailing Wages																			
General Liability Insurance																			
Other: (Specify)																			
Total New Construction Costs																			
ARCHITECTURAL FEES																			
Design	$80,000	$80,000		$80,000													$80,000	$80,000	
Supervision	$20,000	$20,000		$20,000													$20,000	$20,000	
Total Architectural Costs	$100,000	$100,000		$100,000													$100,000	**$100,000**	
Total Survey & Engineering	$30,000	$30,000		$30,000													$30,000	$30,000	
CONSTRUCTION INTEREST & FEES																			
Construction Loan Interest	$168,000	$168,000						$168,000									$168,000	$168,000	
Origination Fee	$60,000	$60,000		$60,000													$60,000	$60,000	
Credit Enhancement/Application Fee																			
Bond Premium																			
Cost of Issuance	$18,150	$18,150		$18,150													$18,150		
Title & Recording	$10,000	$10,000		$10,000													$10,000	$10,000	
Taxes																			
Insurance																			
Other: (Lender Inspection)	$5,000	$5,000		$5,000													$5,000	$5,000	
Other: (Specify)																			
Total Construction Interest & Fees	**$261,150**	**$261,150**		**$93,150**				**$168,000**									$261,150	**$243,000**	
PERMANENT FINANCING																			
Loan Origination Fee	$50,000	$50,000		$50,000													$50,000		
Credit Enhancement/Application Fee	$8,500	$8,500		$8,500													$8,500		
Title & Recording	$10,000	$10,000		$10,000													$10,000		
Taxes																			
Insurance																			
Other: Perm Loan Legal	$25,000	$25,000		$25,000													$25,000		
Other: (538 Guar Fee)	$45,000	$45,000		$45,000													$45,000		
Total Permanent Financing Costs	$138,500	$138,500		$138,500													$138,500		
Subtotals Forward	$9,284,570	$9,284,570		$1,966,570	$5,000,000	$2,150,000		$168,000									$9,284,570	$5,416,920	$2,997,000
LEGAL FEES																			
Lender Legal Paid by Applicant	$134,500	$134,500		$134,500													$134,500	$134,500	
Other: Organizational	$7,500	$7,500		$7,500													$7,500		
Total Attorney Costs	$142,000	$142,000		$142,000													$142,000	**$134,500**	

IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET					*Permanent Sources*														
	TOTAL PROJECT COST	RES. COST	COM'L. COST	TAX CREDIT EQUITY	1)Bonneville Mortgage Company	2)USDA - Rural Development	3)Highland Property Development LLC	4)Net Operating Income	5)	6)	7)	8)	9)	10)	11)	12)	SUBTOTAL	30% PVC for New Const/Rehab	30% PVC for Acquisition
RESERVES																			
Rent Reserves																			
Capitalized Rent Reserves																			
Required Capitalized Replacement Reserve																			
3-Month Operating Reserve	$205,300	$205,300		$205,300													$205,300		
Other: (Social Service Reserve)	$150,000	$150,000		$150,000													$150,000		
Total Reserve Costs	$355,300	$355,300		$355,300													$355,300		
CONTINGENCY COSTS																			
Construction Hard Cost Contingency	$432,000	$432,000		$432,000													$432,000	$432,000	
Soft Cost Contingency																			
Total Contingency Costs	$432,000	$432,000		$432,000													$432,000	$432,000	
OTHER PROJECT COSTS																			
TCAC App/Allocation/Monitoring Fees	$79,130	$79,130		$79,130													$79,130		
Environmental Audit	$15,000	$15,000		$15,000													$15,000	$15,000	
Local Development Impact Fees																			
Permit Processing Fees	$7,500	$7,500		$7,500													$7,500	$7,500	
Capital Fees																			
Marketing																			
Furnishings																			
Market Study	$15,000	$15,000		$15,000													$15,000	$15,000	
Accounting/Reimbursables	$17,300	$17,300		$17,300													$17,300	$17,300	
Appraisal Costs	$15,000	$15,000		$15,000													$15,000	$15,000	
Other: (CNA)	$10,000	$10,000		$10,000													$10,000	$10,000	
Other: (Energy)	$12,000	$12,000		$12,000													$12,000	$12,000	
Other: (Miscellaneous)	$24,000	$24,000		$24,000													$24,000	$24,000	
Other: (Specify)																			
Other: (Specify)																			
Total Other Costs	$194,930	$194,930		$194,930													$194,930	**$115,800**	
SUBTOTAL PROJECT COST	$10,408,800	$10,408,800		$3,090,800	$5,000,000	$2,150,000		$168,000									$10,408,800	$6,099,220	$2,997,000
DEVELOPER COSTS																			
Developer Overhead/Profit	$1,227,990	$1,227,990		$49,887			$1,178,103										$1,227,990	$823,395	$404,595
Consultant/Processing Agent																			
Project Administration																			
Broker Fees Paid to a Related Party																			
Construction Oversight by Developer																			
Other: (Specify)																			
Total Developer Costs	$1,227,990	$1,227,990		$49,887			$1,178,103										$1,227,990	**$823,395**	**$404,595**
TOTAL PROJECT COSTS	**$11,636,790**	**$11,636,790**		**$3,140,687**	**$5,000,000**	**$2,150,000**	**$1,178,103**	**$168,000**									$11,636,790	**$6,922,615**	**$3,401,595**
Bridge Loan Expense During Construction:																			
Total Eligible Basis:																		**$6,922,615**	**$3,401,595**
DOUBLE CHECK AGAINST PERMANENT FINANCING TOTALS:				3,140,687	5,000,000	2,150,000	1,178,103	168,000											

Note: Syndication Costs shall NOT be included as a project cost.
Calculate Maximum Developer Fee using the eligible basis subtotals.

Funding sources and costs should be aligned appropriately. For example, public funding sources for land purchase or construction costs should be shown as paying for these costs.
Do not randomly select funding sources for line item costs if they have a dedicated source of payment.

Required: evidence of land value (see Tab 1). Land value must be included in Total Project Cost and Sources and Uses Budget (includes donated or leased land).
Except for non-competitive projects with donated land, TCAC will not accept a budget with a nominal land value. Please refer to the TCAC website for additional information and guidance.

Note: The conditional formatting embedded in this Sources and Uses Budget workbook tests only for mathematical errors, i.e. whether sum total of Sources (Column R) matches Total Project Cost (Column B)
and whether each source listed in the Sources and Uses Budget workbook (Row 105) matches that of Permanent Financing in the Application workbook (Row 108).
The conditional formatting does NOT test for any regulatory threshold or feasibility requirements.
Applicants are advised to conduct their own due diligence and not rely upon the conditional formatting in this workbook.

FOR PLACED IN SERVICE APPLICATION SUBMISSIONS:

SYNDICATION (Investor & General Partner)

Organizational Fee	
Bridge Loan Fees/Exp.	
Legal Fees	
Consultant Fees	
Accountant Fees	
Tax Opinion	
Other	
Total Syndication Costs	

CERTIFICATION BY OWNER:
As owner(s) of the above-referenced low-income housing project, I certify under penalty of perjury, that the project costs contained herein are, to the best of my knowledge, accurate and actual costs associated with the construction, acquisition and/or rehabilitation of this project and that the sources of funds shown are the only funds received by the Partnership for the development of the project. I authorize the California Tax Credit Allocation Committee to utilize this information to calculate the low-income housing tax credit.

Signature of Owner/General Partner — Date

Printed Name of Signatory — Title of Signatory

CERTIFICATION OF CPA/TAX PROFESSIONAL:
As the tax professional for the above-referenced low-income housing project, I certify under penalty of perjury, that the percentage of aggregate basis financed by tax-exempt bonds is:

Signature of Project CPA/Tax Professional — Date

V. BASIS AND CREDITS : 4% FEDERAL AND STATE CREDIT

V. BASIS AND CREDITS : 4% FEDERAL AND STATE CREDIT

A. Determination of Eligible and Qualified Basis

Projects w/ building(s) located in DDA/QCT areas & Non-DDA/Non-QCT areas, bifurcate accordingly.

	30% PVC for New Const/ Rehabilitation DDA/QCT Building(s)	30% PVC for New Const/ Rehabilitation NON-DDA/ NON-QCT Building(s)	30% PVC for Acquisition DDA/QCT Building(s)	30% PVC for Acquisition NON-DDA/ NON-QCT Building(s)
Total Eligible Basis:	$2,307,538	$4,615,077	$1,133,865	$2,267,730
Ineligible Amounts				
Subtract All Grant Proceeds Used to Finance Costs in Eligible Basis:				
Subtract Non-Qualified Non-Recourse Financing:				
Subtract Non-Qualifying Portion of Higher Quality Units:				
Subtract Photovoltaic Credit (as applicable):				
Subtract Historic Credit (residential portion only):				
Subtract (specify other ineligible amounts):				
Subtract (specify other ineligible amounts):				
Total Ineligible Amounts:				
***Total Eligible Basis Amount Voluntarily Excluded:**				
Total Basis Reduction:				
Total Requested Unadjusted Eligible Basis:	$2,307,538	$4,615,077	$1,133,865	$2,267,730
Total Adjusted Threshold Basis Limit:	$44,058,900			
**QCT or DDA Adjustment:	130%	100%	100%	100%
Total Adjusted Eligible Basis:	$2,999,800	$4,615,077	$1,133,865	$2,267,730
Applicable Fraction:	100%	100%	100%	100%
Qualified Basis:	$2,999,800	$4,615,077	$1,133,865	$2,267,730
Total Qualified Basis:	$11,016,472			

*Voluntary exclusions of eligible basis should be made from rehabilitation eligible basis.

**130% boost if the building(s) is/are located in a DDA or QCT, or Reg. Section 10317(d) as applicable.

(Boost is auto calculated from your selection in: II. APPLICATION - SECTION 2: GENERAL AND SUMMARY INFORMATION - B)

B. Determination of Federal Credit

	New Const/ Rehab	Acquisition
Qualified Basis:	$7,614,877	$3,401,595
****Applicable Percentage:**	3.24%	3.24%
Subtotal Annual Federal Credit:	$246,722	$110,212
Total Combined Annual Federal Credit:	$356,934	

***Applicants are required to use these percentages in calculating credit at the application stage.

Federal Credit

C. Determination of Minimum Federal Credit Necessary For Feasibility

Total Project Cost	$11,636,790
Permanent Financing	$8,496,103
Funding Gap	$3,140,687
Federal Tax Credit Factor	$0.87991

Federal tax credit factor must be at least $1.00 for self-syndication projects or at least $0.85 for all other projects.

Total Credits Necessary for Feasibility	$3,569,319
Annual Federal Credit Necessary for Feasibility	$356,932
Maximum Annual Federal Credits	$356,932
Equity Raised From Federal Credit	$3,140,687
Remaining Funding Gap	

$500M State Credit

D. Determination of State Credit

	NC/Rehab	Acquisition
State Credit Basis		
New construction or rehabilitation basis only; No acquisition basis except for At-Risk projects eligible for State Credit		
Factor Amount	30%	30%
Maximum Total State Credit		$0

E. Determination of Minimum State Credit Necessary for Feasibility

State Tax Credit Factor	

State tax credit factor must be at least $0.80 for "certified" state credits; at least $0.79 for self-syndication projects; or at least $0.70 for all other projects.

State Credit Necessary for Feasibility	
Maximum State Credit	
Equity Raised from State Credit	
Remaining Funding Gap	

Ranking - $500M State Credit Applications

F. Ranking System for $500M State Credit Applications

State Tax Credit per Tax Credit Unit	
Tax Credit Unit per State Tax Credit	**#DIV/0!**

15 YEAR PROJECT CASH FLOW PROJECTIONS - Refer to TCAC Regulation Sections 10322(h)(22), 10325(f)(5), 10326(g)(4), 10327(f) and (g).

REVENUE	MULTIPLIER	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Gross Rent	1.025	$876,444	$898,355	$920,814	$943,834	$967,430	$991,616	$1,016,406	$1,041,816	$1,067,862	$1,094,558	$1,121,922	$1,149,970	$1,178,720	$1,208,188	$1,238,392
Less Vacancy	5.00%	-43,822	-44,918	-46,041	-47,192	-48,372	-49,581	-50,820	-52,091	-53,393	-54,728	-56,096	-57,499	-58,936	-60,409	-61,920
Rental Subsidy	1.025	68,520	70,233	71,989	73,789	75,633	77,524	79,462	81,449	83,485	85,572	87,711	89,904	92,152	94,456	96,817
Less Vacancy	5.00%	-3,426	-3,512	-3,599	-3,689	-3,782	-3,876	-3,973	-4,072	-4,174	-4,279	-4,386	-4,495	-4,608	-4,723	-4,841
Miscellaneous Income	1.025	16,800	17,220	17,651	18,092	18,544	19,008	19,483	19,970	20,469	20,981	21,505	22,043	22,594	23,159	23,738
Less Vacancy	5.00%	-840	-861	-883	-905	-927	-950	-974	-998	-1,023	-1,049	-1,075	-1,102	-1,130	-1,158	-1,187
Total Revenue		**$913,676**	**$936,518**	**$959,931**	**$983,929**	**$1,008,527**	**$1,033,740**	**$1,059,584**	**$1,086,073**	**$1,113,225**	**$1,141,056**	**$1,169,582**	**$1,198,822**	**$1,228,792**	**$1,259,512**	**$1,291,000**
EXPENSES																
Operating Expenses:	1.035															
Administrative		$37,500	$38,813	$40,171	$41,577	$43,032	$44,538	$46,097	$47,710	$49,380	$51,109	$52,897	$54,749	$56,665	$58,648	$60,701
Management		78,960	81,724	84,584	87,544	90,608	93,780	97,062	100,459	103,975	107,614	111,381	115,279	119,314	123,490	127,812
Utilities		83,000	85,905	88,912	92,024	95,244	98,578	102,028	105,599	109,295	113,120	117,080	121,177	125,419	129,808	134,352
Payroll & Payroll Taxes		186,696	193,230	199,993	206,993	214,238	221,736	229,497	237,529	245,843	254,447	263,353	272,571	282,110	291,984	302,204
Insurance		35,000	36,225	37,493	38,805	40,163	41,569	43,024	44,530	46,088	47,701	49,371	51,099	52,887	54,738	56,654
Maintenance		57,000	58,995	61,060	63,197	65,409	67,698	70,068	72,520	75,058	77,685	80,404	83,218	86,131	89,145	92,266
Other Operating Expenses (specify):		4,000	4,140	4,285	4,435	4,590	4,751	4,917	5,089	5,267	5,452	5,642	5,840	6,044	6,256	6,475
Total Operating Expenses		**$482,156**	**$499,031**	**$516,498**	**$534,575**	**$553,285**	**$572,650**	**$592,693**	**$613,437**	**$634,907**	**$657,129**	**$680,129**	**$703,933**	**$728,571**	**$754,071**	**$780,463**
Transit Pass/Tenant Internet Expen	1.035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Amenities	1.035	20,000	20,700	21,425	22,174	22,950	23,754	24,585	25,446	26,336	27,258	28,212	29,199	30,221	31,279	32,374
Replacement Reserve		48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
Real Estate Taxes	1.020	500	510	520	531	541	552	563	574	586	598	609	622	634	647	660
0	1.035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (USDA Loan Guarantee Fee)	1.035	22,000	22,770	23,567	24,392	25,246	26,129	27,044	27,990	28,970	29,984	31,033	32,119	33,244	34,407	35,611
Total Expenses		**$572,656**	**$591,011**	**$610,009**	**$629,672**	**$650,022**	**$671,085**	**$692,885**	**$715,447**	**$738,799**	**$762,968**	**$787,983**	**$813,874**	**$840,670**	**$868,404**	**$897,108**
Cash Flow Prior to Debt Service		**$341,020**	**$345,506**	**$349,921**	**$354,257**	**$358,505**	**$362,655**	**$366,699**	**$370,626**	**$374,426**	**$378,088**	**$381,599**	**$384,948**	**$388,123**	**$391,108**	**$393,892**
MUST PAY DEBT SERVICE																
Bonneville Mortgage Company		241,516	241,516	241,516	241,516	241,516	241,516	241,516	241,516	241,516	241,516	241,516	241,516	241,516	241,516	241,516
USDA - Rural Development		54,660	54,660	54,660	54,660	54,660	54,660	54,660	54,660	54,660	54,660	54,660	54,660	54,660	54,660	54,660
			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service		**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**	**$296,176**
Cash Flow After Debt Service		**$44,844**	**$49,330**	**$53,745**	**$58,081**	**$62,329**	**$66,479**	**$70,523**	**$74,450**	**$78,250**	**$81,912**	**$85,423**	**$88,772**	**$91,947**	**$94,932**	**$97,716**
Percent of Gross Revenue		4.66%	5.00%	5.32%	5.61%	5.87%	6.11%	6.32%	6.51%	6.68%	6.82%	6.94%	7.03%	7.11%	7.16%	7.19%
25% Debt Service Test		15.14%	16.66%	18.15%	19.61%	21.04%	22.45%	23.81%	25.14%	26.42%	27.66%	28.84%	29.97%	31.04%	32.05%	32.99%
Debt Coverage Ratio		1.151	1.167	1.181	1.196	1.210	1.224	1.238	1.251	1.264	1.277	1.288	1.300	1.310	1.321	1.330
OTHER FEES**																
GP Partnership Management Fee		$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500
LP Asset Management Fee		7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Incentive Management Fee																
Total Other Fees		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Remaining Cash Flow		$29,844	$34,330	$38,745	$43,081	$47,329	$51,479	$55,523	$59,450	$63,250	$66,912	$70,423	$73,772	$76,947	$79,932	$82,716
Deferred Developer Fee**		$29,844	$34,330	$38,745	$43,081	$47,329	$51,479	$55,523	$59,450	$63,250	$66,912	$70,423	$73,772	$76,947	$79,932	$82,716
Residual or Soft Debt Payments**																
GP					$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
LP					$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

*9% and 4% + state credit applications should include the cost of tenant internet service if requested in the Points System site amenity section.

Other Fees and all payments made from cash flow after must pay debt should be completed according to the terms of the partnership agreement (or equivalent ownership entity terms). Please re-order line items consistent with any "order of priority" terms. **These items are to be completed when submitting an updated application for the Carryover, Readiness, Final Reservation, and Placed-in-Service deadlines.