

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

**Project Staff Report  
Tax-Exempt Bond Project  
August 23, 2023**

Maison's Sierra, located at 45635 Sierra Highway in Lancaster, requested and is being recommended for a reservation of \$3,358,967 in annual federal tax credits and \$12,865,979 in total state tax credits to finance the new construction of 194 units of housing serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The project will be developed by Ravello Holdings, Inc. and will be located in Senate District 21 and Assembly District 39.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-23-541

**Project Name** Maison's Sierra  
**Site Address:** 45635 Sierra Highway  
Lancaster, CA 93534  
**County:** Los Angeles  
**Census Tract:** 9008.04

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$3,358,967	\$12,865,979
Recommended:	\$3,358,967	\$12,865,979

\* The applicant made an election not to sell (Certificate) any portion of the state credits.

**Applicant Information**

**Applicant:** Maisons Sierra Phase 1, LP  
**Contact:** Matt Avital  
**Address:** 2007 Cedar Avenue  
Manhattan Beach, CA 90266  
**Phone:** 310-295-1755  
**Email:** matt@ascendacap.com

**General Partner(s) or Principal Owner(s):** Ravello MODs Sierra Phase 1, LLC  
AHA High Desert MGP, LLC  
**General Partner Type:** Joint Venture  
**Parent Company(ies):** Ravello Holdings, Inc.  
Affordable Housing Access, Inc.  
**Developer:** Ravello Holdings, Inc.  
**Bond Issuer:** CalHFA  
**Investor/Consultant:** WNC  
**Management Agent:** Aperto Property Management, Inc.

**Project Information**

**Construction Type:** New Construction  
**Total # Residential Buildings:** 196  
**Total # of Units:** 196  
**No. / % of Low Income Units:** 194 100.00%  
**Federal Set-Aside Elected:** 40%/60% Average Income  
**Federal Subsidy:** Tax-Exempt

**Information**

Housing Type: Non-Targeted  
 Geographic Area: Balance of Los Angeles County  
 CTCAC Project Analyst: Franklin Cui

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	20	10%
50% AMI:	28	14%
60% AMI:	59	30%
70% AMI:	87	45%

**Unit Mix**

40 1-Bedroom Units  
 78 2-Bedroom Units  
 78 3-Bedroom Units  


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 196 Total Units

<b>Unit Type &amp; Number</b>	<b>2022 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
6 1 Bedroom	30%	\$670
3 1 Bedroom	50%	\$1,116
11 1 Bedroom	60%	\$1,340
19 1 Bedroom	70%	\$1,563
7 2 Bedrooms	30%	\$804
12 2 Bedrooms	50%	\$1,340
24 2 Bedrooms	60%	\$1,608
34 2 Bedrooms	70%	\$1,876
7 3 Bedrooms	30%	\$929
13 3 Bedrooms	50%	\$1,548
24 3 Bedrooms	60%	\$1,858
34 3 Bedrooms	70%	\$2,168
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,577,320
Construction Costs	\$42,710,609
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$4,551,336
Soft Cost Contingency	\$1,790,000
Relocation	\$0
Architectural/Engineering	\$1,500,000
Const. Interest, Perm. Financing	\$4,915,944
Legal Fees	\$469,178
Reserves	\$826,974
Other Costs	\$5,568,184
Developer Fee	\$7,500,000
Commercial Costs	\$0
<b>Total</b>	<b>\$72,409,545</b>

## Residential

Construction Cost Per Square Foot:	\$226
Per Unit Cost:	\$369,436
True Cash Per Unit Cost*:	\$343,992

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Merchants Capital	\$35,000,000	Merchants Capital	\$26,950,000
Merchants Capital Recycled Bonds	\$5,900,000	MIP	\$1,600,000
Merchants Capital Bridge	\$10,300,000	Deferred Developer Fee	\$4,987,048
Deferred Costs	\$6,484,545	Tax Credit Equity	\$38,872,497
Tax Credit Equity	\$14,725,000	<b>TOTAL</b>	<b>\$72,409,545</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$64,595,520
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$83,974,176
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,358,967
Total State Credit:	\$12,865,979
Approved Developer Fee (in Project Cost & Eligible Basis):	\$7,500,000
Investor/Consultant:	WNC
Federal Tax Credit Factor:	\$0.87000
State Tax Credit Factor:	\$0.75000

Except as allowed for projects basing cost on assumed third party debt, the "as if vacant" land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

**Significant Information / Additional Conditions:** None.

**Resyndication and Resyndication Transfer Event:** None.

### Standard Conditions

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

CTCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of CTCAC.

The applicant must pay CTCAC a reservation fee calculated in accordance with regulation. Additionally, CTCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within CTCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, CTCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from CTCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by CTCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by CTCAC in its final feasibility analysis.

#### **CDLAC Additional Conditions**

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

If points were awarded by CDLAC for housing type, the project shall comply with the housing type requirements at the time of CTCAC's Placed In Service review. The housing type requirement shall be conditioned in the CTCAC Regulatory Agreement and CTCAC Compliance staff shall verify the project is meeting those housing type requirements, consistent with California Code of Regulations, title 4, section 10322(i).