

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
 Project Staff Report  
 Qualified Private Activity Tax-Exempt Bond Project  
 December 10, 2025**

The project, 5655 Lexington, located at 5655 Lexington Avenue in Los Angeles on a 0.34 acre site, requested and is being recommended for a reservation of \$1,131,562 in annual federal tax credits and \$6,201,000 of tax-exempt bond cap to finance the new construction of 67 units of housing, consisting of 66 restricted rental units and 1 unrestricted manager's unit. The project will have 67 two-bedroom units, serving tenants with rents affordable to households earning 30%-80% of area median income (AMI). The construction is expected to begin in March 2026 and be completed in April 2028. The project will be developed by HVN Development, LLC and will be located in Senate District 26 and Assembly District 51.

**Project Number** CA-25-734

**Project Name** 5655 Lexington  
 Site Address: 5655 Lexington Avenue  
 Los Angeles, CA 90038  
 County: Los Angeles  
 Census Tract: 1909.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,131,562	\$0
Recommended:	\$1,131,562	\$0

**Tax-Exempt Bond Allocation**  
 Recommended: \$6,201,000

**CTCAC Applicant Information**  
 CTCAC Applicant/CDLAC Sponsor: 5655-5657 Lexington, LP  
 Contact: Tommy Beadel  
 Address: 300 Spectrum Drive, Suite 1100  
 Irvine, CA 92618  
 Phone: 949-970-0833  
 Email: tommy@hvndevelopment.com

**Bond Financing Information**  
 CDLAC Applicant/Bond Issuer: CA Municipal Finance Authority  
 Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
 Private Placement Purchaser: Citibank, N.A.

**Development Team**  
 General Partners / Principal Owners: HVN 5655-5657 Lexington, LLC  
 IH 5655-5657 Lexington Los Angeles, LLC  
 General Partner Type: Joint Venture  
 Parent Companies: HVN Development, LLC  
 Affordable Housing Alliance II, Inc. dba Integrity Housing  
 Developer: HVN Development, LLC  
 Investor/Consultant: Raymond James Affordable Housing Investments  
 Management Agent: Aperto Property Management, Inc.

**Project Information**

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	67
No. / % of Low Income Units:	66 100.00%
Average Targeted Affordability:	60.00%
Federal Set-Aside Elected:	40%/60% Average Income
Federal Subsidy:	Tax-Exempt

**Information**

Housing Type:	Non-Targeted
Geographic Area:	City of Los Angeles
CDLAC Project Analyst:	Brandon Medina
CTCAC Project Analyst:	Jacob Couch

**55-Year Use / Affordability**

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	7	11%
50% AMI:	7	11%
60% AMI:	38	58%
80% AMI*:	14	21%

\*CTCAC restricted only

**Unit Mix**

67	2-Bedroom Units
67	Total Units

<u>Unit Type &amp; Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
7 2 Bedrooms	30%	\$1,022
7 2 Bedrooms	50%	\$1,703
38 2 Bedrooms	60%	\$1,716
14 2 Bedrooms	80%	\$1,716
1 2 Bedrooms	Manager's Unit	\$1,800

**Project Cost Summary at Application**

Land and Acquisition	\$588,736
Construction Costs	\$13,366,224
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,361,822
Soft Cost Contingency	\$274,228
Relocation	\$0
Architectural/Engineering	\$775,788
Const. Interest, Perm. Financing	\$3,086,535
Legal Fees	\$245,000
Reserves	\$359,646
Other Costs	\$1,191,583
Developer Fee	\$2,838,366
Commercial Costs	\$0
<b>Total</b>	<b>\$24,087,928</b>

## Residential

Construction Cost Per Square Foot:	\$267
Per Unit Cost:	\$359,521
Estimated Hard Per Unit Cost:	\$173,534
True Cash Per Unit Cost*:	\$314,407
Bond Allocation Per Unit:	\$92,552
Bond Allocation Per Restricted Rental Unit:	\$119,250

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank: Tax-Exempt	\$6,201,000	Citibank: Tax-Exempt	\$5,565,000
Citibank: Recycled Tax-Exempt	\$2,150,000	SafeHold Inc.	\$3,325,000
Citibank: Taxable	\$4,549,000	Waived Fees	\$200,000
SafeHold Inc.	\$3,325,000	General Partner Loan	\$3,350,000
Deferred Costs	\$359,646	Deferred Developer Fee	\$2,822,627
General Partner Loan	\$3,350,000	Tax Credit Equity	\$8,825,301
Deferred Developer Fee	\$2,829,487	<b>TOTAL</b>	<b>\$24,087,928</b>
Tax Credit Equity	\$1,323,795		

\*Less Donated Land, Seller Carryback Loans, Waived Fees, and Deferred Developer Fee

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$21,760,809
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$28,289,052
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,131,562
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,838,366
Federal Tax Credit Factor:	\$0.77992

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.

### CTCAC Significant Information / Additional Conditions

This Project's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$6,300. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$5,767 on agreement of the permanent lender and equity investor.

**CDLAC Analyst Comments:** None.

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

### Standard Conditions

The applicant shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 25% 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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	0
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 304.452%