

**CITY AND COUNTY OF SAN FRANCISCO
MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**

GRANT AGREEMENT

between

CITY AND COUNTY OF SAN FRANCISCO

and

BTW HOUSING PARTNERS, L.P.

For

JOHN BURTON ADVOCATES FOR YOUTH HOUSING COMPLEX

800 PRESIDIO

THIS GRANT AGREEMENT (this “**Agreement**”) is made this _____, by and between BTW HOUSING PARTNERS, L.P., a California limited partnership (“**Grantee**”), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**City**”) acting by and through the Mayor’s Office of Housing and Community Development (“**MOHCD**”).

WITNESSETH:

WHEREAS, Grantee submitted the Application Documents (as hereinafter defined) to MOHCD for a grant through MOHCD’s Local Operating Subsidy Program (“**Program**”); and

WHEREAS, City desires to provide such a grant on the terms and conditions set forth herein; and

WHEREAS, the City’s Board of Supervisors authorized execution of this Agreement on _____, _____ pursuant to Resolution No. _____.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Specific Terms. Unless the context otherwise requires, the following capitalized terms (whether singular or plural) shall have the meanings set forth below:

“**ADA**” shall mean the Americans with Disabilities Act (including all rules and regulations thereunder) and all other applicable federal, state and local disability rights legislation, as the same may be amended, modified or supplemented from time to time.

“**Additional Leasing Date**” shall have the meaning given to it in Section 4.1.

“**Agreement Date**” means the date this Agreement is duly executed and delivered by Grantee and MOHCD.

“**Annual Monitoring Report**” shall have the meaning given to it in Section 6.1.

“**Annual Operating Budget**” means the operating budget for the Project approved by City attached hereto as **Exhibit B**, as amended by Grantee and City from time-to-time.

“**Anti-Displacement Housing Preference**” means one member lives in a census tract that has been identified as having the greatest risk of displacement. These census tract are located citywide and include the Western Addition, Bayview, the Mission, the Richmond, Russian Hill and South of Market neighborhoods, as further described in the approved Marketing Plan. The ADHP applies to up to 40% of the units in this project (20 units) but does not apply to the LOSP units.

“**Applicable Laws**” means all applicable present or future federal, state, local and administrative laws, rules, regulations, codes, orders and requirements.

“**Application Documents**” shall mean collectively: (i) the grant application submitted by Grantee for a Program grant, including all exhibits, schedules, appendices and attachments thereto; (ii) all documents, correspondence and other written materials submitted in respect of such grant application; and (iii) all amendments, modifications or supplements to any of the foregoing approved in writing by City.

“**Approved Shortfall**” means the amount that is approved by MOHCD, if any, by which the Assisted Units Operating Costs (as defined in Section 5.6) for any Business Year during the Term exceed the Project Income attributable to the Assisted Units for such Business Year.

“**Assisted Units**” means 25 residential units at the Project.

“**Business Year**” means each period of twelve (12) months used by the Project to define the beginning and end of the year for purposes of accounting and other reporting.

“**CFR**” means the Code of Federal Regulations.

“**Certificate of Preference**” means the form establishing a priority right for tenant selection, as further described in the Operational Rules.

“**Certificate of Preference Holder**” means a person or household that has been issued a Certificate of Preference.

“**Charter**” shall mean the Charter of City.

“**Charter Documents**” shall have the meaning given in Section 6.2.

“**City**” means the City and County of San Francisco.

“**City Loan Documents**” means the MOHCD Loan Agreement and the documents executed in connection therewith.

“**Controller**” shall mean the Controller of City.

“**Director**” means MOHCD’s Director or an authorized representative of the Director.

“**Effective Date**” means the Initial Leasing Date.

“**Event of Default**” shall have the meaning set forth in Section 11.1.

“First Subsidy Payment” shall mean the Subsidy Payment for the initial period starting from the Effective Date.

“Grant Amount” shall have the meaning set forth in Section 5.1.

“Grant Funds” shall mean any and all funds allocated or disbursed to Grantee under this Agreement.

“Gross Rent” means the aggregate annual sum charged to Tenants for rent and utilities, with utility charges limited to an allowance determined by the

“HSH” means the **San Francisco Department of Homelessness and Supportive Housing**.

“HUD” means the United States Department of Housing and Urban Development acting by and through the Secretary of Housing and Urban Development and any authorized agents.

“Indemnified Parties” shall mean City, including MOHCD and all of City’s commissions, departments, agencies and other subdivisions, and City’s elected officials, directors, officers, employees, agents, and representatives, and their respective successors and assigns.

“Initial Leasing Date” shall be the date when the first Assisted Unit is leased and occupied by a Tenant.

“Loan Committee” means the City review committee that selects Program grantees.

“LOSP Clients” means the formerly homeless individuals or households that HSH deems eligible for Program assistance pursuant to the Program criteria set forth on the attached **Exhibit D** (as such criteria may be amended from time to time by MOHCD) as administered by Grantee pursuant to this Agreement, the LOSP Policies and Procedures Manual and the Services Agreement.

“LOSP Policies and Procedures Manual” means the document published jointly by MOHCD and HSH describing the program’s operational policies and procedures, as may be amended from time to time.

“Maintenance Duties” shall have the meaning given to it in Section 4.8(a).

“Median Income” means median income as published annually by MOHCD, derived from the Income Limits determined by HUD for the for the San Francisco area, adjusted solely for household size, but not high housing cost area.

“MOHCD” shall mean the Mayor’s Office of Housing and Community Development of the City and County of San Francisco.

“MOHCD Loan Agreement” means that certain loan agreement, dated as of August 24, 2015, between MOHCD and Grantee with respect to a \$10,440,463 loan as well as a predevelopment loan dated April 25, 2012 in the amount of \$1,788,848.

“Operating Costs” means the following costs: (a) all charges incurred in the operation of the Project for utilities, real estate taxes and assessments and premiums for insurance required under this Agreement, the City Loan Documents or the Senior Loan Documents; (b) salaries, wages and any other compensation due and payable to the employees or agents of Grantee employed in connection with the Project, including all related withholding taxes, insurance premiums, Social Security payments and other payroll taxes or payments; (c) Qualified Minimal Debt Service Payments, if any; (d) the asset management fees, partnership management fees, investor services fee and deferred developer fees described in the Annual Operating Budget or otherwise approved by MOHCD in writing ; (e) all other expenses actually incurred to cover the operation of the Project to the standards required under this

Agreement, including maintenance and repairs, and property management fees (to the extent such fees are permitted to be made under the MOHCD Loan Agreement); (f) required deposits to the Replacement Reserve Account (as defined in the MOHCD Loan Agreement), Operating Reserve Account, and any other reserve account required under this Agreement (excluding the Subsidy Reserve Account), the City Loan Documents or the Senior Loan Documents; and (g) any extraordinary expenses arising from the ownership or operation of the Project approved in advance and in writing by MOHCD. “Operating Costs” shall not include any loan payments to be made under the City Loan Documents, the Senior Loan Documents or any other loan payments other than Qualified Minimal Debt Service Payments, nor any costs Grantee incurs in providing services to a Project tenant other than the services to be provided under such Project tenant’s lease or otherwise approved hereunder.

“**Operating Reserve Account**” means the interest-bearing operating reserve depository account Grantee is required to maintain pursuant to the MOHCD Loan Agreement.

“**Operational Rules**” means MOHCD’s Operational Rules for San Francisco Housing Lotteries and Rental Lease Up Activities dated August 1, 2015, as amended from time to time.

“**Operating Statement**” shall have the meaning set forth in Section 6.1.

“**Opinion**” means an opinion of Grantee’s California legal counsel, satisfactory to MOHCD, that Grantee is a duly formed, validly existing limited partnership in good standing under the laws of the State of California, has the power and authority to enter into this Agreement and will be bound by its terms when executed and delivered, that each of Grantee’s general partners is a duly formed, validly existing nonprofit corporation in good standing under the laws of the State of California, which has established and maintains valid nonprofit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated thereunder or is a duly formed, validly existing limited liability company whose sole member is nonprofit corporation in good standing under the laws of the State of California, which has established and maintains valid nonprofit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated thereunder and each has the power and authority to act as Grantee’s general partner, and that addresses any other matters MOHCD reasonably requests.

“**Program**” means the Local Operating Subsidy Program, through which MOHCD provides operating subsidies to housing projects that provide permanent supportive housing for formerly homeless individuals and households.

“**Program Transition Reserve Account**” shall have meaning given to it in Section 2.5.

“**Project**” means the fifty (50) unit housing project commonly known as John Burton Advocates for Youth Housing Complex, which is located on the Real Property.

“**Project Income**” means all income and receipts in any form received by Grantee from the operation, use or ownership of the Project, calculated on an accrual basis, including rents, fees, deposits (other than tenant security deposits), reimbursements and other charges paid to Grantee by MOHCD in connection with the Project (other than Grant Funds), and any funds held in the Subsidy Reserve Account.

“**Project Operating Account**” means a checking account maintained by Grantee, which shall be held in a bank or savings and loan institution acceptable to MOHCD as a segregated account insured by the Federal Deposit Insurance Corporation or other comparable federal insurance program.

“**Projected Shortfall**” means the amount, if any, by which the Assisted Units Operating Costs (as defined in Section 5.6) for any Business Year during the Term are projected to exceed the Project Income obtained from the Assisted Units for such Business Year.

“**Qualified Minimal Debt Service Payment**” means a minimal debt service payment that Grantee must make under the MOHCD Loan Agreement, the Senior Loan Documents or any additional affordable housing loan for the Project, provided that Grantee first obtains MOHCD’s written consent to such additional loan, including any proposed repayments to be made to such additional loan.

“**Real Property**” shall mean the real property described on the attached **Exhibit C**.

“**Referral**” means HSH documentation of eligibility of LOSP client being referred for permanent supportive housing at the project.

“**Senior Loan Documents**” means the following documents: the loan documents executed by Grantee in connection with the Construction loan from Citibank, N.A. in the amount of \$15,000,000.

“**Services Agreement**” means the Contract for Services dated April 1, 2017, and between Tenant Services Contractor and HSH for the provision of services to LOSP Clients at the Project.

“**Subsidy Payment**” means a payment made by MOHCD to Grantee pursuant to the terms of this Agreement, which shall be made in the manner and in the amount specified in Article 5 below.

“**Subsidy Reserve Account**” means a checking account maintained by Grantee, which shall be held in a bank or savings and loan institution acceptable to MOHCD as a segregated account insured by the Federal Deposit Insurance Corporation or other comparable federal insurance program, and used only for the purposes specified in Section 4.3.

“**Tenant**” shall mean a LOSP Client who leases an Assisted Unit.

“**Tenant-Paid Rent**” means the annual amount charged to Tenants for rent, not including any applicable utility allowance, which must be included when calculating Gross Tenant Rent.

“**Tenant Services Contractor**” shall mean First Place for Youth, a California non-profit public benefit corporation.

“**Term**” shall have the meaning given to in Section 3.

“**Termination Notice Date**” shall have the meaning given to in Section 4.1.

“**Transition Plan**” shall have the meaning given to in Section 2.5.

“**Underlying Restricted Rent**” is the maximum Gross Rent allowed under the MOHCD Loan Agreement or any other more-restrictive covenants under City-approved funding agreements.

“**Vacancy Period**” shall have the meaning given to in Section 4.1.

“**15-Year Cash Flow**” means the cash flow projection described in the attached **Exhibit B**.

1.2 Additional Terms. The terms “as directed,” “as required” or “as permitted” and similar terms shall refer to the direction, requirement, or permission of MOHCD. The terms “sufficient,” “necessary” or “proper” and similar terms shall mean sufficient, necessary or proper in the sole judgment of MOHCD. The terms “approval,” “acceptable” or “satisfactory” or similar terms shall mean approved by, or acceptable to, or satisfactory to MOHCD. The terms “include,” “included” or “including” and similar terms shall be deemed to be followed by the words “without limitation”. The use of the term “subcontractor,” “successor” or “assign” herein refers only to a subcontractor (“subgrantee”), successor or assign expressly permitted under Article 13.

1.3 References to this Agreement. References to this Agreement include: (a) any and all appendices, exhibits, schedules, attachments hereto; (b) any and all statutes, ordinances, regulations or other

documents expressly incorporated by reference herein; and (c) any and all amendments, modifications or supplements hereto made in accordance with Section 17.2. References to articles, sections, subsections or appendices refer to articles, sections or subsections of or appendices to this Agreement, unless otherwise expressly stated. Terms such as “hereunder,” herein or “hereto” refer to this Agreement as a whole.

ARTICLE 2 APPROPRIATION AND CERTIFICATION OF GRANT FUNDS; LIMITATIONS ON CITY’S OBLIGATIONS

2.1 Risk of Non-Appropriation of Grant Funds. This Agreement is subject to the budget and fiscal provisions of the Charter. City shall have no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements or for other MOHCD expenditures. Grantee acknowledges that MOHCD’s obligation to make Subsidy Payments under this Agreement is expressly conditioned on the (a) appropriation of sufficient funds to HSH for Subsidy Payments and transfer of such funds from HSH to MOHCD (or as MOHCD may direct such funds to be transferred directly by HSH to Grantee), which appropriation and transfer is subject to HSH’s annual operating budget, or (b) appropriation of sufficient funds for Subsidy Payments to MOHCD’s annual operating budget. If the funds appropriated for Program subsidy payments in a given year will be insufficient to fund the total Program subsidy payments MOHCD intended to make in such year, MOHCD shall have the right to reduce the amount of Program subsidy payments and to select the qualifying projects subject to such reduced payments.

Notwithstanding the foregoing, however, qualifying projects that are not financed with State Department of Housing and Community Development Multifamily Housing Program Supportive Housing Component funds (“**HCD Funds**”) will be subject to such Program subsidy payment reductions before any such reductions are made to qualifying projects financed with HCD Funds.

If MOHCD determines that Subsidy Payments for any given period must be reduced due to a shortfall in appropriated Program funds (a “**Non-Appropriation Event**”), MOHCD shall notify Grantee that a Non-Appropriation Event has occurred. City’s obligation to make any Subsidy Payments in excess of those for which sufficient funds have been appropriated shall automatically terminate as of such Non-Appropriation Event, except as may be required pursuant to Section 2.5 below. Grantee acknowledges that HSH’s and MOHCD’s annual operating budgets are each subject to the discretion of City’s Mayor and Board of Supervisors and a Non-Appropriation Event may occur during the Term and, accordingly, that Subsidy Payments may subsequently not be made in the amounts projected pursuant to this Agreement. Grantee’s assumption of such risks is part of the consideration for this Agreement. If this Agreement is terminated, Grantee shall not be required to renew leases for residents of the Assisted Units, subject to applicable local, federal and state law.

2.2 Certification of Controller; Guaranteed Maximum Costs. No funds shall be available under this Agreement until prior written authorization certified by the Controller. In addition, as set forth in Section 21.10-1 of the San Francisco Administrative Code:

(a) City’s obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification, the current Controller certification for Grant Funds is only for the First Subsidy Payment, and Controller certification will be a condition precedent for all other Subsidy Payments to the extent that Project Transition Reserve Account funds are not available to fund such Subsidy Payments.

(b) Except as may be provided by City ordinances governing emergency conditions, City and its employees and officers are not authorized to request Grantee to perform services or to provide materials, equipment and supplies that would result in Grantee performing services or providing materials, equipment and supplies that are beyond the scope of the services, materials, equipment and supplies specified in this Agreement unless this Agreement is amended in writing and approved as required by law to authorize the additional services, materials, equipment or supplies. City is not required to pay Grantee for services, materials, equipment or supplies provided by Grantee if they are beyond the scope of the

services, materials, equipment and supplies agreed upon herein and were not approved by a written amendment to this Agreement lawfully executed by City.

(c) City and its employees and officers are not authorized to offer or promise to Grantee additional funding for this Agreement that would exceed the maximum amount of funding provided for herein. Additional funding for this Agreement in excess of the maximum provided herein shall require lawful approval and certification by the Controller. City is not required to honor any offered or promised additional funding that exceeds the maximum provided in this Agreement, which requires lawful approval and certification of the Controller when the lawful approval and certification by the Controller has not been obtained.

(d) The Controller is not authorized to make payments on any agreement for which funds have not been certified as available for such purposes in the budget of HSH or MOHCD or by supplemental appropriation.

2.3 Automatic Termination for Nonappropriation or Nontransfer of Funds. This Agreement shall automatically terminate, without penalty, liability or expense of any kind to City, at the end of the period of the City's Business Year that a Non-Appropriation Event occurs, except as otherwise set forth in Section 2.5.

2.4 SUPERSEDURE OF CONFLICTING PROVISIONS. IN THE EVENT OF ANY CONFLICT BETWEEN ANY OF THE PROVISIONS OF THIS ARTICLE 2 AND ANY OTHER PROVISION OF THIS AGREEMENT, THE APPLICATION DOCUMENTS OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, THE TERMS OF THIS ARTICLE 2 SHALL GOVERN.

2.5 Program Transition Reserve Account. All LOSP subsidy payments, including the Subsidy Payments, are conditioned on the appropriation of sufficient funds therefor and the transfer of such funds to MOHCD's annual budget. MOHCD intends to establish a reserve account, as MOHCD deems appropriate and in its sole discretion, to fund all or a portion of selected LOSP subsidy payments in the event sufficient funds are not so appropriated or transferred (the "**Program Transition Reserve Account**"). If there is a Non-Appropriation Event, City shall use Program Transition Reserve Account funds to disburse such Subsidy Payments to the extent there are sufficient Program Transition Reserve Account funds for such disbursements.

If there is a Non-Appropriation Event, and City fully funds the following year's Subsidy Payment in the amount shown on Exhibit A (whether with Program Transition Reserve Account funds or otherwise), this Agreement shall remain in effect through the last day of the period for which such Subsidy Payment is made. In the event City continues to fully fund subsequent Subsidy Payments, this Agreement shall remain in effect through the last day of the period for which each such subsequent Subsidy Payment is made.

City shall have no obligation to replenish or supplement the Program Transition Reserve Account. City shall have the right to, at MOHCD's discretion, use Program Transition Reserve Account funds to make subsidy payments to LOSP grantees other than Grantee. The Program Transition Reserve Account shall remain the City's property at all times and any interest that accrues thereon shall remain the sole property of City and will be deemed part of the Program Transition Reserve Account. If any funds remain in the Program Transition Reserve Account at the expiration of the Term or earlier termination of this Agreement, such funds shall remain with City and Grantee shall have no rights thereto.

Grantee agrees that it shall not make any distributions or payments of Residual Receipts, as defined in the MOHCD Loan Agreement, until City has approved the distribution or payment of such Residual Receipts.

ARTICLE 3 TERM

The term of this Agreement (the “**Term**”) shall commence on the Effective Date and shall terminate on the fifteenth (15th) anniversary of the Effective Date, unless earlier terminated in accordance with the terms herein.

ARTICLE 4 PERFORMANCE OF GRANT OBLIGATIONS

4.1 Lease of Assisted Units.

(a) Commencing on the Initial Leasing Date, Grantee shall lease all of the Assisted Units to the LOSP Clients it selects from Referrals supplied by the City.

If an Assisted Unit lease terminates at any time, Grantee shall deliver written notice of such termination to City within five (5) business days of such termination (the “**Termination Notice Date**”). City shall accordingly deliver one (1) Referral to Grantee within fifteen (15) business days of receiving such Assisted Unit lease termination notice and Grantee shall lease such vacated Assisted Unit to an LOSP Client it selects from such Referrals within the sixty (60) day period immediately following its receipt of such Referrals (each such additional lease up date shall be referred to as an “**Additional Leasing Date**”). The period of time between a Termination Notice Date and the corresponding Additional Leasing Date shall be referred to as a “**Vacancy Period**”. After the Initial Leasing Date, an Assisted Unit may remain vacant during any Vacancy Period applicable to such Assisted Unit. If Grantee does not approve any of the LOSP Clients to be residents of the Project, or if City fails to timely deliver the required Referrals at any time, until City delivers such Referrals, Grantee can submit a request to City to use a qualified candidate identified by Grantee that satisfies the requirements of **Exhibit D**, and such request shall not be unreasonably denied.

(b) Grantee shall give preference in occupying all Project residential units first to Certificate of Preference Holders in accordance with the Operational Rules and the Preferences Ordinance; provided that such applicants satisfy all other applicable eligibility requirements under the City Loan Documents and the Senior Loan Documents.

(d) Grantee shall have sole discretion in approving the LOSP Clients that will be Tenants, provided that Grantee’s decision not to rent an Assisted Unit to an LOSP Client referred to Grantee by City shall not be unreasonably withheld or conditioned, and provided further that Grantee shall not, except as otherwise required by this Agreement, discriminate against or permit discrimination against any person or group of persons because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability, gender identity, height, weight, source of income or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC) in the leasing of the Assisted Units.

(e) Grantee shall comply with the Tenant Selection Plan Policy set forth in the attached **Exhibit H** when selecting tenants for the Assisted Units.

(f) Grantee shall comply with the Tenant Screening Criteria Policy set forth in the attached **Exhibit I** when screening tenants for the Assisted Units.

(g) Grantee shall rent each Assisted Unit to a Tenant pursuant to a separate lease agreement that complies with this Agreement. Each Tenant lease shall provide for termination of such lease and such Tenant’s consent to immediate eviction if the Tenant has made any material misrepresentation in the initial income certification made by Tenant to City or in any later income certification made by Tenant to Grantee. The lease agreement for each Assisted Unit must also contain the applicable Lease Addendum, which can be found in the **LOSP Policies and Procedures Manual**.

(h) Grantee shall obtain each Tenant's recertification of his/her household income on an annual basis. Such income certifications shall be prepared pursuant to low income housing tax credit guidelines for household income and shall be maintained on file at Grantee's principal office for no less than five (5) years following the date of such certification, and Grantee must file or cause to be filed copies thereof with MOHCD promptly upon MOHCD's request therefor.

(i) Security deposits may be required of Tenants only in accordance with applicable federal regulations, state law and this Agreement. Any security deposits collected must be segregated from all other funds of the Project in an account held in trust for the benefit of the Tenants and other tenants of the Project and disbursed in accordance with California law. The balance in such security deposit account must at all times equal or exceed the aggregate of all security deposits collected plus accrued interest thereon, less any security deposits or interest thereon returned to Tenants or any other tenants of the Project.

4.2 Rent Restrictions.

(a) Gross Rent charged for any Tenant shall be the lower of thirty percent (30%) of a Tenant's gross monthly income, or the maximum rent allowed under the MOHCD Loan Agreement.

(b) With the written approval of DSHH, the Gross Rent charged to a Tenant may be increased as a result of a determination by HSH that such Tenant is no longer eligible under the Program, so long as the Gross Rent charged does not exceed the Underlying Restricted Rent. Notwithstanding the forgoing, Tenants deemed no longer eligible by HSH who remain occupants of the Project shall still be considered a LOSP Client and the Tenant's Unit shall still constitute an Assisted Unit for purposes of compliance with the requirements of this Agreement.

(c) Grantee must provide MOHCD at least annually a report showing actual household income level and Gross Rent for each Tenant.

4.3 Operating Reserve Account; Subsidy Reserve Account. Grantee shall comply with all of its requirements for the Operating Reserve Account under the MOHCD Loan Agreement. In addition, if the Subsidy Payment made to Grantee for a Business Year exceeds the Approved Shortfall for such Business Year, as determined pursuant to the reports delivered under Section 6.1, Grantee shall deposit such excess amount in the Subsidy Reserve Account. Grantee shall not use Subsidy Reserve Account funds, or any interest earned thereon, for any purpose other than as provided in this Agreement. The only funds that shall be held in the Subsidy Reserve Account shall be the moneys deposited therein pursuant to this Section and the interest earned thereon.

If the Approved Shortfall for a Business Year exceeds the Subsidy Payment made to Grantee for such Business Year, Grantee shall first use Subsidy Reserve Account funds, to the extent available, to pay the Assisted Units Operating Costs that comprise such excess shortfall. If the Subsidy Reserve Account plus Subsidy Payment funds are insufficient to pay all of the Assisted Units Operating Costs in any given Business Year, Grantee shall use Operating Reserve Account funds, if any, to pay the remaining Assisted Units Operating Costs, subject to any approval Grantee must obtain from any lender under the Senior Loan Documents or Grantee's tax credit limited partner to so use the Operating Reserve Account funds.

4.4 [Intentionally Omitted]

4.5 Annual Operating Budget. The Annual Operating Budget attached hereto as **Exhibit B** sets forth Grantee's anticipated Operating Costs, Project Income and Projected Shortfall for the Term of the Agreement. Grantee shall pay Operating Costs in conformity with the approved Annual Operating Budget. MOHCD's prior written consent shall not be required before Grantee can spend funds on Operating Costs that differ in amount from the amounts in the Annual Operating Budget.

Grantee can submit requests to change the amount of the Annual Operating Budget and corresponding Subsidy Payment for any year during the term by supplying a written proposal to MOHCD. MOHCD will

provide project-specific guidance about other materials required to required to analyze the requested change including but not limited to a variance analysis that includes a quantitative assessment of the difference between projected annual income and expenses and actual annual income and expenses, and explanations for the cause of any significant variances.

Any travel expenses incurred by Grantee must be reasonable and must comply with the following:

(i) Lodging, meals and incidental expenses shall not exceed the then-current per diem rates set forth by the United States General Services Administration for the County of San Francisco found at: <https://www.gsa.gov/portal/category/104711>.

(ii) Air transportation expenses must use fares for coach-class accommodations, provided that purchases for air travel must occur no less than one week before the travel day.

(iii) If ground transportation is required, the City urges the use of public transit or courtesy shuttles if provided by a lodging. If courtesy transportation is not provided by a lodging, ground transportation expenses for travel to or from regional airports must not exceed Fifty Dollars (\$50.00) each way. Other ground transportation expenses must not exceed then-current San Francisco taxi rates found at: <https://www.sfmta.com/getting-around/taxi/taxi-rates>. Ground transportation shall not include any expenses for luxury transportation services, such as a limousine, or any expenses related to travel to or from Project site meetings by Borrower's employees.

(iv) Miscellaneous travel expenses must not exceed Fifty Dollars (\$50.00) without prior written approval of the City.

(v) Any Disbursement Request for travel expenses must include supporting documentation, including, without limitation, original itemized receipts showing rates and cost, air travel itinerary, proof of payment, and any written justification requested by the City.

For the purpose of this Section, the terms "lodging," "meals" and "incidental expenses" shall have the same meanings defined in 41 CFR Part 300-3; the term "coach-class" shall have the same meaning defined in 41 CFR Part 301-10.121(a); and the term "miscellaneous" means copying services, printing services, communication services, or other services reasonably related to travel for the Project and approved by the City.

4.6 Grantee's Board of Directors. Grantee's manager, if Grantee is a limited liability company, or Grantee's general partner or the sole member of the limited liability company general partner, if Grantee is a limited partnership, shall at all times be governed by a legally constituted and fiscally responsible board of directors. Such board of directors shall meet regularly and maintain appropriate membership, as established in such entity's bylaws and other governing documents and shall adhere to applicable provisions of federal, state and local laws governing nonprofit corporations. Such entity's board of directors shall exercise such oversight responsibility with regard to this Agreement as is necessary to ensure full and prompt performance by Grantee of its obligations under this Agreement.

4.7 [Intentionally Omitted]

4.8 Maintenance and Management of Project.

(a) Grantee shall be responsible for ensuring all Project maintenance, repair and management functions, including the collection of rents, routine and extraordinary repairs and replacement of capital items, and for keeping the Project in a safe and sanitary manner and in good operating condition in accordance with all Applicable Laws, the City Loan Documents and the Senior Loan Documents (collectively, the "**Maintenance Duties**").

(b) Grantee may contract with a management agent for the performance of the Maintenance Duties subject to MOHCD's prior written approval of both the management agent and the management contract, provided, however, that the arrangement will not relieve Grantee of responsibility for performance of those duties. The John Stewart Company has been approved as the management agent for the Project. A management contract must contain a provision allowing Grantee to terminate the contract without penalty upon no more than thirty (30) days' notice.

(c) MOHCD will provide written notice to Grantee if MOHCD determines that the Maintenance Duties are not being performed in accordance with this Agreement. If Grantee is then in contract with a management agent pursuant to subsection (b) above, and such management agent fails to fully cure such failure within thirty (30) days of the date that MOHCD delivers such written notice, Grantee shall exercise such thirty (30) day termination right, terminate the management contract and make immediate arrangements for cure of such failure and for the continuous and continuing performance of the Maintenance Duties. If, at the time of such notice, Grantee is not in contract with a management agent pursuant to subsection (b) above, in addition to MOHCD's rights hereunder, MOHCD shall have the right to require that Grantee, at Grantee's sole cost, contract with a management agent to perform the Maintenance Duties, or to make other arrangements the City deems necessary to ensure full and timely performance of the Maintenance Duties.

(d) Grantee shall operate the Project in compliance with all Applicable Laws.

4.9 Services Agreement; Provision of Services.

(a) Grantee hereby agrees to allow the Tenant Services Contractor (and any subsequent service provider) access to the Project at all reasonable times for the provision of services to the Project's LOSP Clients. In the event Grantee has concerns with the quality or quantity of the services provided by the Tenant Services Contractor, Grantee shall have the right to meet and confer with MOHCD and HSH to discuss a plan for improving the services provided to Grantee, which plan may include the substitution of a different entity to service as the Tenant Services Coordinator. Any substitution of service provider is under the sole discretion of HSH and subject to HSH's monitoring and oversight. MOHCD shall keep Grantee informed of any material issues related to the ability of the Tenant Services Contractor to satisfactorily perform its obligations under the Services Agreement

(b) Grantee shall promptly provide written notice to MOHCD if Grantee obtains knowledge of any default, or event that with notice or the passage of time or both could constitute a default, under the Services Agreement.

(c) In the event that the Services Agreement is terminated for any reason, or that MOHCD and/or HSH determines that the Tenant Services Contractor needs to be replaced, Grantee shall cooperate in good faith with MOHCD and HSH in obtaining a new service provider for the LOSP Clients in the Project. In such an event, the selection of the new service provider for the Project shall require Grantee's prior consent, which shall not be unreasonably delayed or denied. Grantee hereby agrees and acknowledges that nothing in this Agreement gives Grantee any right to consent to the MOHCD and/or HSH determination to terminate the Services Agreement or to replace the Tenant Services Contractor.

ARTICLE 5 USE AND DISBURSEMENT OF GRANT FUNDS

5.1 Maximum Amount of Grant Funds; Disbursement of Subsidy Payments. In no event shall the total amount of Grant Funds disbursed hereunder exceed Seven Million Seven Hundred Eighty Thousand One Hundred Forty Seven Dollars (\$7,780,147) (the "**Grant Amount**"). Subject to Grantee's performance of its obligations under this Agreement and MOHCD's receipt of sufficient funds, as further set forth in Article 2, the Grant Funds shall be disbursed through Subsidy Payments.

Provided that Grantee is in compliance with all of the conditions for receipt of the First Subsidy Payment, City shall deliver the First Subsidy Payment to Grantee within sixty (60) business days

immediately following the Effective Date. For every subsequent year during the Term, provided that Grantee is in compliance with all of the conditions for receipt of a Subsidy Payment, City shall deliver the Subsidy Payment for such year to Grantee within sixty (60) business days immediately following the date when the funds have been made available for MOHCD for disbursement.

5.2 Subsidy Payment Amounts and Adjustments.

(a) The 15-Year Cash Flow is the Parties' current expectations of Operating Costs and Projected Shortfalls during the Term. The Parties anticipate that the amount of the First Subsidy Payment and each subsequent Subsidy Payment shall be as shown on **Exhibit A**. The First Subsidy Payment amount reflects the Projected Shortfall for the period starting on the Effective Date. Notwithstanding the foregoing initial calculations of the 15-Year Cash Flow and the Subsidy Payment amounts, however, each Subsidy Payment (including the First Subsidy Payment) is subject to further adjustment pursuant to this Section and City's annual review and approval of the applicable Annual Operating Budget. The City shall reduce the subsequent Subsidy Payments by the amount of any funds held in the Subsidy Reserve Account.

(b) The total amount of all Subsidy Payments made hereunder shall not exceed the Grant Amount. If the total amount of all Subsidy Payments made hereunder equals the Grant Amount at any time prior to the expiration of the Term, no further Subsidy Payments shall be made hereunder. If any Subsidy Payment would, if made, cause the total amount of all Subsidy Payments made hereunder to exceed the Grant Amount, such Subsidy Payment shall be accordingly reduced so the total amount of Subsidy Payments made hereunder equals the Grant Amount.

5.3 Use of Grant Funds. Grantee shall use the Grant Funds only for Assisted Units Operating Costs and for no other purpose. Grantee shall expend the Grant Funds in accordance with the Annual Operating Budget.

5.4 Conditions Precedent to Payment of First Subsidy Payment. Grantee shall fully satisfy each of the following conditions prior to delivery of the First Subsidy Payment.

(a) Grantee must have delivered to the City fully executed (and for documents to be recorded, acknowledged) originals of the following documents, in form and substance satisfactory to the City: (i) this Agreement (in triplicate); (ii) the Opinion; and (iii) the Authorizing Resolutions.

(b) Grantee must have delivered its Charter Documents to the City.

(c) Grantee shall be in compliance with all of its obligations under City Loan Documents and the Senior Loan Documents.

(d) Tenant Services Contractor shall be in compliance with all of its obligations under the Services Agreement, and no default, or event that with notice or the passage of time or both could constitute a default, shall exist and remain uncured under the Services Agreement; provided however that disbursement of the First Subsidy Payment shall not be withheld due to an uncured default under the Services Agreement if at the time of expected disbursement, Grantee provides City with sufficient evidence that it is cooperating in good faith with the City and HSH to diligently pursue a cure of said default, which may or may not include Grantee directly providing the required services under the Services Agreement.

(e) No Event of Default, or event that with notice or the passage of time or both could constitute an Event of Default, shall exist and remain uncured as of the date of the Initial Subsidy Payment is to be disbursed hereunder.

5.5 Conditions Precedent to Payment of Subsequent Subsidy Payments. Grantee shall fully satisfy each of the following conditions prior to delivery of any Subsequent Subsidy Payment:

(a) Grantee shall be in compliance with all of its obligations under the City Loan Documents and the Senior Loan Documents.

(b) Tenant Services Contractor shall be in compliance with all of its obligations under the Services Agreement, and no default, or event that with notice or the passage of time or both could constitute a default, shall exist and remain uncured under the Services Agreement; provided however that disbursement of any Subsequent Subsidy Payment shall not be withheld due to an uncured default under the Services Agreement if at the time of expected disbursement, Grantee provides City with sufficient evidence that it is cooperating in good faith with the City and DPH to diligently pursue a cure of said default, which may or may not include Grantee directly providing the required services under the Services Agreement.

(c) No Event of Default, or event that with notice or the passage of time or both could constitute an Event of Default, shall exist and remain uncured as of the date of such Subsidy Payment is to be disbursed hereunder.

5.6 Allocation of Grant Funds and Calculation of Assisted Unit Operating Costs. For the purposes of determining the Subsidy Payment and the Projected Shortfall, City and Grantee have agreed that the parties shall allocate fifty percent (50%) of the total Operating Costs to the Assisted Units (“**Assisted Units Operating Costs**”) and fifty percent (50%) of the total Operating Costs to the non-Assisted Units, with the exception of costs related to desk clerk coverage staffing and associated costs which will be paid 100% by the LOSP units. For most budget line items, LOSP units are assigned a prorated share of the total project operating cost. There are some line items where alternative portions of the line item may be proposed. **Exhibit B** depicts the allocation of Operating Costs between the Assisted and non-Assisted Units, including and budget line items for which alternative portions have been allocated to the Assisted/non-Assisted units.

ARTICLE 6 REPORTING REQUIREMENTS; AUDITS; PENALTIES FOR FALSE CLAIMS

6.1 Regular Reports; Operating Statements. Grantee must file electronically with the City no later than one hundred fifty (150) days after the end of Grantee’s calendar year annual report forms (the “**Annual Monitoring Report**”) that include audited financial statements including any management letters; an income and expense statement for the Project covering the applicable reporting period “Operating Statement”; a statement of balances, deposits and withdrawals from all Accounts; and evidence of required insurance. The Annual Monitoring Report must be in substantially the form attached as **Exhibit G** or as later modified by MOHCD during the Term.

Such Annual Monitoring Report shall include a list of the Assisted Units Operating Costs paid by Grantee during such applicable prior Business Year and Grantee’s certifications that (a) the total Grant Funds received by Grantee as of the end date of the applicable Business Year have been used only to pay Assisted Units Operating Costs, (b) all of Grantee’s representations and warranties in this Agreement remain true and correct in all material respects as if made on the end date of such the applicable Business Year, (c) there is no Event of Default by Grantee as of the end date of the applicable Business Year, and (d) the party signing the Annual Monitoring Report is an officer of Grantee authorized to do so on Grantee’s behalf.

6.2 Organizational Documents. Prior to the Effective Date, Grantee shall provide to City the following documents (collectively, the “**Charter Documents**”): a certified certificate of status and (a) if Grantee is a corporation, its bylaws, and a certified copy of its articles of incorporation; (b) if Grantee is limited partnership, its partnership agreement, a certified copy of its certificate of partnership, and the organizational documents of its general partner; and (c) if Grantee is a limited liability company, its operating agreement, a certified copy of its certificate of limited liability company, and the organizational documents of its manager. All certified documents to be provided pursuant to this Section shall be

certified by the California Secretary of State or, if the entity for which a certified document is to be provided was not organized in the State of California, certified by the Secretary of State of such entity's state of organization, no earlier than two (2) months prior to the Effective Date. The Charter Documents must be delivered to the City in their original form, as amended if applicable.

6.3 Notification of Defaults or Changes in Circumstances. Grantee shall notify City immediately of (a) any Event of Default or event that, with the passage of time, would constitute an Event of Default; and (b) any change of circumstances that would cause any of the representations and warranties contained in Article 8 to be false or misleading at any time during the term of this Agreement.

6.4 Financial Statements. As noted in Section 6.1, Grantee shall also deliver to City, no later than one hundred fifty (150) days following the end of any Business Year, an audited balance sheet and the related statement of income and cash flows for such Business Year, certified by a reputable accounting firm as accurately presenting the financial position of Grantee, including any management letters supplied by the auditors.

6.5 Books and Records. Grantee shall establish and maintain accurate files and records of all aspects of Operating Expenses and Project Income and the matters funded in whole or in part with Grant Funds during the term of this Agreement. Without limiting the scope of the foregoing, Grantee shall establish and maintain accurate financial books and accounting records relating to Operating Costs incurred and paid and Grant Funds received and expended under this Agreement, together with all invoices, documents, payrolls, time records and other data related to the matters covered by this Agreement, whether funded in whole or in part with Grant Funds. Grantee shall maintain all of the files, records, books, invoices, documents, payrolls and other data required to be maintained under this Section in a readily accessible location and condition for a period of not less than five (5) years after final payment under this Agreement or until any final audit has been fully completed, whichever is later. Grantee agrees to maintain and make available to MOHCD, during regular business hours, accurate books and accounting records relating to the Project and the Tenants. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon MOHCD by this Section. All financial reports must be prepared and maintained in accordance with GAAP as in effect at the time of performance.

6.6 Inspection and Audit. Grantee shall make available to MOHCD, its employees and authorized representatives, during regular business hours all of the files, records, books, invoices, documents, payrolls and other data required to be established and maintained by Grantee under Section 6.5. Grantee shall permit MOHCD, its employees and authorized representatives to inspect, audit, examine and make excerpts and transcripts from any of the foregoing. The rights of MOHCD pursuant to this Section shall remain in effect so long as Grantee has the obligation to maintain such files, records, books, invoices, documents, payrolls and other data under this Article 6.

6.7 Submitting False Claims; Monetary Penalties. Grantee acknowledges and agrees that it is a "contractor" under and is subject to San Francisco Administrative Code Section 21.35. Under such Section 21.35, any contractor, subgrantee or consultant who submits a false claim shall be liable to City for three times the amount of damages which City sustains because of the false claim. A contractor, subgrantee or consultant who submits a false claim shall also be liable to City for the costs, including attorney's fees, of a civil action brought to recover any of those penalties or damages, and may be liable to City for a civil penalty of up to Ten Thousand Dollars (\$10,000) for each false claim. A contractor, subgrantee or consultant will be deemed to have submitted a false claim to City if the contractor, subgrantee or consultant: (a) knowingly presents or causes to be presented to an officer or employee of City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by City; (c) conspires to defraud City by getting a false claim allowed or paid by City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to City; or (e) is a beneficiary of an inadvertent submission of a false claim to City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to City within a reasonable time after discovery of the false claim.

6.8 **Project Monitoring Generally.** Grantee understands and agrees that it will be monitored by the City from time to time to assure compliance with all terms and conditions in this Agreement and all Laws. Grantee acknowledges that the City may also conduct periodic on-site inspections of the Project. Grantee must cooperate with the monitoring by the City and ensure full access to the Project and all information related to the Project as reasonably required by the City.

6.9 **Notice Requirement for Changes in Director Positions.** Grantee and its General Partner entities must provide written notice of the replacement of its executive director, director of housing development, director of property management and/or any equivalent position within thirty (30) days after the effective date of such replacement.

ARTICLE 7 TAXES

7.1 **Grantee to Pay All Taxes.** Grantee shall pay to the appropriate governmental authority, as and when due, any and all taxes, fees, assessments or other governmental charges, including possessory interest taxes and California sales and use taxes, levied upon or in connection with this Agreement, the Grant Funds or any of the activities contemplated by this Agreement.

7.2 **Use of City Real Property.** If at any time this Agreement entitles Grantee to the possession, occupancy or use of City real property for private gain, the following provisions shall apply:

(a) Grantee, on behalf of itself and any subgrantees, successors and assigns, recognizes and understands that this Agreement may create a possessory interest subject to property taxation and Grantee, and any subgrantee, successor or assign, may be subject to the payment of such taxes.

(b) Grantee, on behalf of itself and any subgrantees, successors and assigns, further recognizes and understands that any assignment permitted hereunder and any exercise of any option to renew or other extension of this Agreement may constitute a change in ownership for purposes of property taxation and therefore may result in a revaluation of any possessory interest created hereunder. Grantee shall report any assignment or other transfer of any interest in this Agreement or any renewal or extension thereof to the County Assessor within sixty (60) days after such assignment, transfer, renewal or extension.

(c) Grantee shall provide such other information as may be requested by City to enable City to comply with any reporting requirements under applicable law with respect to possessory interests.

7.3 **Earned Income Credit (EIC) Forms.** Administrative Code Section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found.

(a) Grantee shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty (30) days following the date on which this Agreement becomes effective (unless Grantee has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Grantee; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement.

(b) Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by Grantee of the terms of this Agreement. If, within thirty (30) days after Grantee receives written notice of such a breach, Grantee fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Grantee fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law.

(c) Any Subcontract entered into by Grantee shall require the subgrantee to comply, as to the subgrantee's Eligible Employees, with each of the terms of this Section.

(d) Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

ARTICLE 8 REPRESENTATIONS AND WARRANTIES

Grantee represents and warrants each of the following as of the date of this Agreement and at all times throughout the term of this Agreement:

8.1 Organization; Authorization. Grantee is a limited partnership, and Grantee's managing general partner is a nonprofit corporation, duly organized and validly existing and in good standing under the laws of the jurisdiction in which it was formed, and which has established and maintains valid nonprofit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated thereunder. Grantee has duly authorized by all necessary action the execution, delivery and performance of this Agreement. Grantee has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of Grantee, enforceable against Grantee in accordance with the terms hereof.

8.2 Location. Grantee's operations, offices and headquarters are located at the address for notices set forth in Section 15.

8.3 No Misstatements. No document furnished or to be furnished by Grantee to MOHCD in connection with the Application Documents, this Agreement, or any other document relating to any of the foregoing, contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

8.4 Conflict of Interest. Through its execution of this Agreement, Grantee acknowledges that it is familiar with the provision of Section 15.103 of the City's Charter, Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code, and Section 87100 *et seq.* and Section 1090 *et seq.* of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify MOHCD if it becomes aware of any such fact during the term of this Agreement.

ARTICLE 9 INDEMNIFICATION AND GENERAL LIABILITY

9.1 Indemnification. Grantee shall indemnify, protect, defend and hold harmless each of the Indemnified Parties from and against any and all Losses arising from, in connection with or caused by: (a) a material breach of this Agreement by Grantee; (b) a material breach of any representation or warranty of Grantee contained in this Agreement; (c) any personal injury caused, directly or indirectly, by any act or omission of Grantee or its employees, subgrantees or agents; (d) any property damage caused, directly or indirectly by any act or omission of Grantee or its employees, subgrantees or agents; (e) the use, misuse or failure of any equipment or facility used by Grantee, or by any of its employees, subgrantees or agents, regardless of whether such equipment or facility is furnished, rented or loaned to Grantee by an Indemnified Party; (f) any tax, fee, assessment or other charge for which Grantee is responsible under Article 7; or (g) any infringement of patent rights, copyright, trade secret or any other proprietary right or trademark of any person or entity in consequence of the use by any Indemnified Party of any goods or services furnished to such Indemnified Party in connection with this Agreement. Grantee's obligations under the immediately preceding sentence shall apply to any Loss that is caused in whole or in part by the active or passive negligence of any Indemnified Party, but shall exclude any Loss caused solely by the willful misconduct or gross negligence of the Indemnified Party. The foregoing

indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

9.2 Duty to Defend; Notice of Loss. Grantee acknowledges and agrees that its obligation to defend the Indemnified Parties under Section 9.1: (a) is an immediate obligation, independent of its other obligations hereunder; (b) applies to any Loss which actually or potentially falls within the scope of Section 9.1, regardless of whether the allegations asserted in connection with such Loss are or may be groundless, false or fraudulent; and (c) arises at the time the Loss is tendered to Grantee by the Indemnified Party and continues at all times thereafter. The Indemnified Party shall give Grantee prompt notice of any Loss under Section 9.1 and Grantee shall have the right to defend, settle and compromise any such Loss; provided, however, that the Indemnified Party shall have the right to retain its own counsel at the expense of Grantee if representation of such Indemnified Party by the counsel retained by Grantee would be inappropriate due to conflicts of interest between such Indemnified Party and Grantee. An Indemnified Party's failure to notify Grantee promptly of any Loss shall not relieve Grantee of any liability to such Indemnified Party pursuant to Section 9.1, unless such failure materially impairs Grantee's ability to defend such Loss. Grantee shall seek the Indemnified Party's prior written consent to settle or compromise any Loss if Grantee contends that such Indemnified Party shares in liability with respect thereto.

9.3 Incidental and Consequential Damages. Losses covered under this Article 9 shall include any and all incidental and consequential damages resulting in whole or in part from Grantee's acts or omissions. Nothing in this Agreement shall constitute a waiver or limitation of any rights that any Indemnified Party may have under applicable law with respect to such damages.

9.4 LIMITATION ON LIABILITY OF CITY. CITY'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF GRANT FUNDS ACTUALLY DISBURSED HEREUNDER. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THIS AGREEMENT, THE APPLICATION DOCUMENTS OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE GRANT FUNDS OR ANY ACTIVITIES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

ARTICLE 10 INSURANCE

10.1 Types and Amounts of Coverage. Without limiting Grantee's liability pursuant to Article 9, Grantee shall maintain in force, during the full term of this Agreement, insurance in the following amounts and coverages:

(a) Grantee and its general partner entities shall provide Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than One Million Dollars (\$1,000,000) each accident, injury, or illness.

(b) Commercial General Liability Insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations.

(c) Commercial Automobile Liability Insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(d) Professional liability insurance for negligent acts, errors or omission with respect to professional or technical services, if any, required in the performance of this Agreement with limits not less than One Million Dollars (\$1,000,000) each claim.

10.2 Additional Requirements for General and Automobile Coverage. Commercial General Liability and Commercial Automobile Liability insurance policies shall:

(a) Name as additional insured City and its officers, agents and employees. With respect to the Commercial Automobile Insurance the City and its officers, agents and employees shall only be additional insured as to liability arising out of the use, by Grantee's employees, of automobiles, whether owned, leased, hired or borrowed, in connection with the Project.

(b) Provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to limits of liability.

10.3 Additional Requirements for All Policies. Contractor shall provide thirty (30) days' advance written notice to City of cancellation of policy for any reason, nonrenewal or reduction in coverage and specific notice mailed to City's address for notices pursuant to Article 15.

10.4 Required Post-Expiration Coverage. Should any of the insurance required hereunder be provided under a claims-made form, Grantee shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three (3) years beyond the expiration or termination of this Agreement, to the effect that, should occurrences during the term hereof give rise to claims made after expiration or termination of the Agreement, such claims shall be covered by such claims-made policies.

10.5 General Annual Aggregate Limit/Inclusion of Claims Investigation or Legal Defense Costs. Should any of the insurance required hereunder be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

10.6 Evidence of Insurance. Before commencing any operations under this Agreement, Grantee shall furnish to City certificates of insurance, and additional insured policy endorsements, in form and with insurers satisfactory to City, evidencing all coverages set forth above, and shall furnish complete copies of policies promptly upon City's request. Before commencing any operations under this Agreement, Grantee shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement.

10.7 Effect of Approval. Approval of any insurance by City shall not relieve or decrease the liability of Grantee hereunder.

ARTICLE 11 EVENTS OF DEFAULT AND REMEDIES

11.1 Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Agreement:

(a) **False Statement.** Any statement, representation or warranty contained in this Agreement, in the Application Documents, or in any other document submitted to City under this Agreement is found by City to be false or misleading when made.

(b) **Improper Use of Grant Funds; Failure to Perform Other Covenants and Obligations.** Grantee uses Grant Funds for any purpose other than for the payment of Assisted Units Operating Costs (or reimbursement for its advance payment thereof), fails to use the Subsidy Payments it receives to pay Assisted Units Operating Costs (or reimbursement for its advance payment thereof), or otherwise fails to perform or breaches any other agreement or covenant of this Agreement to be performed or observed by Grantee as and when performance or observance is due and such failure or breach continues for a period of ten (10) days after the date on which such performance or observance is due, or if such breach can not be cured in ten (10) days, then City shall not exercise its remedies hereunder as long as Grantee continues to diligently pursue a cure of the breach; provided, however, that: (i) in the case of an improper use of Grant Funds, in no event shall such cure period extend beyond thirty (30) days after the date on which such performance or observance is due, and (ii) in the case of other defaults under this Section 11.1(b), in no event shall such cure period extend beyond ninety (90) days after the date on which such performance or observance is due.

(c) **Default under City Loan Documents or Senior Loan Documents.** Grantee defaults under any City Loan Document or any of the Senior Loan Documents (after expiration of any grace period expressly stated in any such agreement).

(d) **Voluntary Insolvency.** Grantee (i) is generally not paying its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Grantee or of any substantial part of Grantee's property or (v) takes action for the purpose of any of the foregoing.

(e) **Involuntary Insolvency.** Without consent by Grantee, a court or government authority enters an order, and such order is not vacated within 60 days, (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Grantee or with respect to any substantial part of Grantee's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Grantee.

(f) **New Encumbrances.** Any lien is recorded against all or any part of the Real Property or the Project without MOHCD's prior written consent, and the lien is not removed from title or otherwise remedied to MOHCD's satisfaction within thirty (30) days after Grantee's receipt of written notice from MOHCD to cure the default, or, if the default cannot be cured within a thirty (30) day period, Grantee will have sixty (60) days to cure the default, or any longer period of time deemed necessary by MOHCD, provided that Grantee commences to cure the default within the thirty (30) day period and diligently pursues the cure to completion.

(g) **Damage or Destruction.** All or a substantial or material portion of the Project is damaged or destroyed by fire or other casualty or is condemned, seized or appropriated by any non-City governmental agency or subject to any action or other proceeding instituted by any non-City governmental agency for any purpose with the result that the Project cannot be operated for its intended purpose.

(h) **Dissolution.** Grantee or Grantee's general partners are dissolved or liquidated or merged with or into any other entity or ceases to exist in its present form and (where applicable) in good standing and duly qualified under the laws of the jurisdiction of formation and California for any period of more than ten (10) days, or all or substantially all of Grantee's assets are sold or otherwise transferred except as permitted.

(i) **Assignment.** Without MOHCD's prior written consent, Grantee assigns or attempts to assign any rights or interest under this Agreement or encumber its interests hereunder, whether voluntarily or involuntarily, or voluntarily or involuntarily assigns or attempts to sell, lease, assign,

encumber or otherwise transfer all or any portion of the ownership interests in Grantee or of its right, title or interest in the Project or the Real Property, other than: (a) leases, subleases or occupancy agreements to occupants of Units and/or Commercial Space in the Project; or (b) security interests for the benefit of lenders securing loans for the Project as approved by the City on terms and in amounts as approved by City in its reasonable discretion (c) transfers from Borrower to a limited partnership or limited liability company formed for the tax credit syndication of the Project, where Borrower or an affiliated nonprofit public benefit corporation is the sole general partner or manager of that entity; (d) transfers of the general partner's or manager's interest in Borrower to a nonprofit public benefit corporation approved in advance by the City; (e) transfers of any limited partnership or membership interest in Borrower to an investor pursuant to the tax credit syndication of the Project or any subsequent transfer of a limited partnership interest in Borrower by an investor limited partner in Borrower, or any direct or indirect transfer of a limited partnership interest or membership interest in any investor limited partner in Borrower; (f) any transfer permitted under the City Documents; or (g) the grant or exercise of an option agreement between Borrower and Borrower's general partner or manager or any of its affiliates in connection with the tax credit syndication of the Project. Any other transfer, assignment, encumbrance or lease without the City's prior written consent will be voidable and, at the City's election, constitute an Event of Default under this Agreement. The City's consent to any specific assignment, encumbrance, lease or other transfer will not constitute its consent to any subsequent transfer or a waiver of any of the City's rights under this Agreement.

(j) **Account Transfers.** Without MOHCD's prior written consent, to the extent such consent is required pursuant to this Agreement, Grantee transfers, or authorizes the transfer of, funds in any account required or authorized under this Agreement.

(k) **Changed Financing Condition.** Any material adverse change occurs in the financial condition or operations of Grantee, such as a loss of services funding or rental subsidies (excluding the reduction of any Subsidy Payment hereunder) that has a material adverse impact on the Project.

An Event of Default under this Agreement that remains uncured shall be a default under the City Loan Documents.

11.2 Remedies Upon Event of Default. Upon and during the continuance of an Event of Default, City may do any of the following, individually or in combination with any other remedy:

(a) **Termination.** City may terminate this Agreement by giving a written termination notice to Grantee and, on the date specified in such notice, this Agreement shall terminate and all rights and obligations of Grantee hereunder shall be extinguished. In the event of such termination, the City will allow Grantee to use previously disbursed Subsidy Payment funds to pay for only Operating Costs incurred prior to the termination date. The remaining balance of any Subsidy Payment not used to pay for previously incurred Operating Costs must be returned to the City..

(b) **Withholding of Grant Funds.** City may withhold all or any portion of Grant Funds not yet disbursed hereunder. Any Grant Funds withheld pursuant to this Section and subsequently disbursed to Grantee after cure of applicable Events of Default shall be disbursed without interest.

(c) **Offset.** City may offset against all or any portion of undisbursed Grant Funds hereunder or against any payments due to Grantee under the MOHCD Loan Agreement or any other agreement between Grantee and City the amount of any outstanding Loss incurred by any Indemnified Party, including any Loss incurred as a result of the Event of Default.

(d) **Return of Grant Funds.** City may demand the immediate return of any previously disbursed Grant Funds that have been claimed or expended by Grantee in breach of the terms of this Agreement, together with interest thereon from the date of disbursement at the maximum rate permitted under applicable law.

11.3 Remedies Nonexclusive. Each of the remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available under this Agreement, any other City Document and/or Applicable Laws. The remedies contained herein are in addition to all other remedies available to City at law or in equity by statute or otherwise and the exercise of any such remedy shall not preclude or in any way be deemed to waive any other remedy.

ARTICLE 12 DISCLOSURE OF INFORMATION AND DOCUMENTS

12.1 Proprietary or Confidential Information of City. Grantee understands and acknowledges that, in the performance of this Agreement or in contemplation thereof, Grantee may have access to private or confidential information that may be owned or controlled by City and that such information may contain proprietary or confidential information, the disclosure of which to third parties may be damaging to City. Grantee agrees that all information disclosed by City to Grantee shall be held in confidence and used only in the performance of this Agreement. Grantee shall exercise the same standard of care to protect such information as a reasonably prudent nonprofit entity would use to protect its own proprietary or confidential data.

12.2 Sunshine Ordinance. Grantee acknowledges and agrees that this Agreement and the Application Documents are subject to Section 67.24(e) of the San Francisco Administrative Code, which provides that contracts, including this Agreement, grantee's bids, responses to Requests for Proposals (RFPs) and all other records of communications between City and persons or entities seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in such Section 67.24(e) (as it exists on the date hereof) requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. All information provided by Grantee that is covered by such Section 67.24(e) (as it may be amended from time to time) will be made available to the public upon request.

12.3 Financial Projections. Pursuant to San Francisco Administrative Code Section 67.32, Grantee has on or before the date hereof provided to City financial projections, including profit and loss figures, for the Project. The Grantee acknowledges and agrees that the financial projections and audited financial statements required under this Agreement shall be public records subject to disclosure upon request.

ARTICLE 13 ASSIGNMENTS AND SUBCONTRACTING

13.1 No Assignment by Grantee. Grantee shall not, either directly or indirectly, assign, transfer, hypothecate, subcontract or delegate all or any portion of this Agreement or any rights, duties or obligations of Grantee hereunder without the prior written consent of City. This Agreement shall not, nor shall any interest herein, be assignable as to the interest of Grantee involuntarily or by operation of law without the prior written consent of City. A change of ownership or control of Grantee or a sale or transfer of substantially all of the assets of Grantee shall be deemed an assignment for purposes of this Agreement. Notwithstanding any provision of this Agreement to the contrary, this Section 13.1 shall not prevent transfers that are expressly permitted under the City Loan Documents.

13.2 Agreement Made in Violation of this Article. Any agreement made in violation of Section 13.1 shall confer no rights on any person or entity and shall automatically be null and void.

13.3 Subcontracting. Grantee shall not subcontract or assign any portion of this Agreement to any other party without the prior written consent of City; notwithstanding the foregoing, Grantee may subcontract for property management and maintenance without the consent of the City.

13.4 Grantee Retains Responsibility. Grantee shall in all events remain liable for the performance by any assignee or subgrantee of all of the covenants terms and conditions contained in this Agreement.

**ARTICLE 14
INDEPENDENT CONTRACTOR STATUS**

14.1 Nature of Agreement. Grantee shall be deemed at all times to be an independent contractor and is solely responsible for the manner in which Grantee uses the Grant Funds. Grantee shall at all times remain solely liable for the acts and omissions of Grantee, its officers and directors, employees and agents. Nothing in this Agreement shall be construed as creating a partnership, joint venture, employment or agency relationship between City and Grantee.

14.2 Direction. Any terms in this Agreement referring to direction or instruction from MOHCD or City shall be construed as providing for direction as to policy and the result of Grantee's work only, and not as to the means by which such a result is obtained.

14.3 Consequences of Recharacterization.

(a) Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Grantee is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Grantee which can be applied against this liability). City shall subsequently forward such amounts to the relevant taxing authority.

(b) Should a relevant taxing authority determine a liability for past services performed by Grantee for City, upon notification of such fact by City, Grantee shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Grantee under this Agreement (again, offsetting any amounts already paid by Grantee which can be applied as a credit against such liability).

(c) A determination of employment status pursuant to either subsection (a) or (b) of this Section 14.3 shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Grantee shall not be considered an employee of City. Notwithstanding the foregoing, if any court, arbitrator, or administrative authority determine that Grantee is an employee for any other purpose, Grantee agrees to a reduction in City's financial liability hereunder such that the aggregate amount of Grant Funds under this Agreement does not exceed what would have been the amount of such Grant Funds had the court, arbitrator, or administrative authority had not determined that Grantee was an employee.

**ARTICLE 15
NOTICES AND OTHER COMMUNICATIONS**

15.1 Requirements. Unless otherwise specifically provided herein, all notices, consents, directions, approvals, instructions, requests and other communications hereunder shall be in writing, shall be addressed to the person and address set forth below and shall be (a) deposited in the U.S. mail, first class, certified with return receipt requested and with appropriate postage, (b) hand delivered, (c) sent by facsimile (if a facsimile number is provided below), provided that a copy of such notice shall be deposited in the U.S. mail, first class, or (d) deposited with a nationally-recognized overnight delivery service, provided that next business-day delivery is requested:

If to MOHCD or City:

Mayor's Office of Housing and Community Development
One South Van Ness, 5th Floor
San Francisco, CA 94103
Attn: Asset Manager
Telephone No.: 415-701-5500
Facsimile No.: 415-701-5501

If to Grantee: BTW Housing Partners, L.P.
1388 Sutter Street, 11th Floor
San Francisco, CA 94109
Attn: Jack D. Gardner, President

With a copy to: _____

Attention: General Counsel

15.2 Notice to Limited Partner. The City agrees to deliver a copy of any notice of default to Borrower's limited partner at the address set forth below at the same time and in the same manner as notice is delivered to Borrower. The City's failure to deliver notice under this Section will not affect or impair the City's right to enforce its rights at law or in equity arising by reason of an Event of Default.

To: Raymond James Tax Credit Fund XX L.L.C.
c/o Raymond James Tax Credit Funds, Inc.
880 Carillon Parkway
St. Petersburg, Florida 33716
Attention: Steve Kropf, President.

With copies to: Kyle Arndt, Esq.
Bocarsly Emden Cowan Esmail & Arndt LLP
633 W. 5th Street, 64th Floor
Los Angeles, California 90071
Facsimile No.: 213-239-0410”

15.3 Effective Date. All communications sent in accordance with Section 15.1 shall become effective on the date of receipt. Such date of receipt shall be determined by: (a) if mailed, the return receipt, completed by the U.S. postal service; (b) if sent by hand delivery, a receipt executed by a duly authorized agent of the party to whom the notice was sent; (c) if sent by facsimile, the date of telephonic confirmation of receipt by a duly authorized agent of the party to whom the notice was sent or, if such confirmation is not reasonably practicable, the date indicated in the facsimile machine transmission report of the party giving such notice; or (d) if sent by nationally-recognized overnight delivery service, the next business day following deposit therewith, provided that next business-day delivery is requested.

15.4 Change of Address. From time to time any party hereto may designate a new address for purposes of this Article 15 by notice to the other party.

ARTICLE 16 COMPLIANCE

16.1 Reserved.

16.2 Nondiscrimination; Penalties.

(a) **Grantee Shall Not Discriminate.** In the performance of this Agreement, Grantee agrees not to discriminate against any employee, City and County employee working with such grantee or subgrantee, applicant for employment with such grantee or subgrantee, or against any person seeking

accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) **Subcontracts.** Grantee shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subgrantees to comply with such provisions. Grantee's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(c) **Non-Discrimination in Benefits.** Grantee does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco or where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) **Condition to Contract.** As a condition to this Agreement, Grantee shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

(e) **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Grantee shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including the remedies provided in such Chapters. Without limiting the foregoing, Grantee understands that pursuant to Sections 12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of Fifty Dollars (\$50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Grantee and/or deducted from any payments due Grantee.

16.3 MacBride Principles--Northern Ireland. Pursuant to San Francisco Administrative Code Section 12F.5, City urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. City urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Grantee acknowledges and agrees that he or she has read and understood this Section.

16.4 Tropical Hardwood and Virgin Redwood Ban. Pursuant to Section 804(b) of the San Francisco Environment Code, City urges all grantees not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

16.5 Drug-Free Workplace Policy. Grantee acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. Grantee and its employees, agents or assigns shall comply with all terms and provisions of such Act and the rules and regulations promulgated thereunder.

16.6 Resource Conservation; Liquidated Damages. Chapter 5 of the San Francisco Environment Code (Resource Conservation) is incorporated herein by reference. Failure by Grantee to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract. If Grantee

fails to comply in good faith with any of the provisions of Chapter 5, Grantee shall be liable for liquidated damages in an amount equal to Grantee's net profit under this Agreement, or five percent (5%) of the total contract amount, whichever is greater. Grantee acknowledges and agrees that the liquidated damages assessed shall be payable to City upon demand and may be offset against any monies due to Grantee from any contract with City.

16.7 Compliance with ADA. Grantee acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity to the public, whether directly or through a grantee or contractor, must be accessible to the disabled public. Grantee shall not discriminate against any person protected under the ADA in connection with its activities hereunder and shall comply at all times with the provisions of the ADA.

16.8 Requiring Minimum Compensation for Employees.

a. Grantee agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at www.sfgov.org/olse/mco. A partial listing of some of Grantee's obligations under the MCO is set forth in this Section. Grantee is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

b. The MCO requires Grantee to pay Grantee's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Grantee is obligated to keep informed of the then-current requirements. Any subcontract entered into by Grantee shall require the subgrantee to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Grantee's obligation to ensure that any subgrantees of any tier under this Agreement comply with the requirements of the MCO. If any subgrantee under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Grantee.

c. Grantee shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

d. Grantee shall maintain employee and payroll records as required by the MCO. If Grantee fails to do so, it shall be presumed that the Grantee paid no more than the minimum wage required under State law.

e. The City is authorized to inspect Grantee's job sites and conduct interviews with employees and conduct audits of Grantee

f. Grantee's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Grantee fails to comply with these requirements. Grantee agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Grantee's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

g. Grantee understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including

liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Grantee fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Grantee fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

h. Grantee represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

i. If Grantee is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Grantee later enters into an agreement or agreements that cause Grantee to exceed that amount in a fiscal year, Grantee shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Grantee and this department to exceed \$25,000 in the fiscal year.

16.9 Limitations on Contributions. Through execution of this Agreement, Grantee acknowledges that it is familiar with Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Grantee acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Grantee further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Grantee's board of directors; Grantee's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Grantee; any subgrantee listed in the bid or contract; and any committee that is sponsored or controlled by Grantee. Additionally, Grantee acknowledges that Grantee must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

16.10 First Source Hiring Program.

a. Incorporation of Administrative Code Provisions by Reference. The provisions of Chapter 83 of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

b. First Source Hiring Agreement. As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the First Source Hiring Administrator ("FSHA"), the Contractor shall enter into a first source hiring agreement ("agreement") with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

(1) Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs maybe certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal, or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

(2) Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.

(3) Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.

(4) Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer's existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.

(5) Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.

(6) Set the term of the requirements.

(7) Set appropriate enforcement and sanctioning standards consistent with this Chapter.

(8) Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.

(9) Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

c. Hiring Decisions. Contractor shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is “qualified” for the position.

d. Exceptions. Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

e. Liquidated Damages. Contractor agrees:

(1) To be liable to the City for liquidated damages as provided in this section;

(2) To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this section;

(3) That the contractor’s commitment to comply with this Chapter is a material element of the City’s consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to \$5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor’s failure to comply with its first source referral contractual obligations.

(4) That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to \$10,000 for each entry level position improperly withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not exceed the financial and other damages that the City suffers as a result of the contractor’s continued failure to comply with its first source referral contractual obligations;

(5) That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this section is based on the following data:

A. The average length of stay on public assistance in San Francisco’s County Adult Assistance Program is approximately 41 months at an average monthly grant of \$348 per month, totaling approximately \$14,379; and

B. In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level position is at least one year; therefore, liquidated damages that total \$5,000 for first violations and \$10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm

caused to the City by the failure of a contractor to comply with its first source referral contractual obligations.

(6) That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and

Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of \$5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

f. Subcontracts. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.

16.11 Prohibition on Political Activity with City Funds. In accordance with S. F. Administrative Code Chapter 12.G, no funds appropriated by the City and County of San Francisco for this Agreement may be expended for organizing, creating, funding, participating in, supporting, or attempting to influence any political campaign for a candidate or for a ballot measure (collectively, “**Political Activity**”). The terms of San Francisco Administrative Code Chapter 12.G are incorporated herein by this reference. Accordingly, an employee working in any position funded under this Agreement shall not engage in any Political Activity during the work hours funded hereunder, nor shall any equipment or resource funded by this Agreement be used for any Political Activity. In the event Grantee, or any staff member in association with Grantee, engages in any Political Activity, then (i) Grantee shall keep and maintain appropriate records to evidence compliance with this Section, and (ii) Grantee shall have the burden to prove that no funding from this Agreement has been used for such Political Activity. Grantee agrees to cooperate with any audit by the City or its designee in order to ensure compliance with this Section. In the event Grantee violates the provisions of this Section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement and any other agreements between Grantee and City, (ii) prohibit Grantee from bidding on or receiving any new City contract for a period of two (2) years, and (iii) obtain reimbursement of all funds previously disbursed to Grantee under this Agreement.

16.12 Preservative-treated Wood Containing Arsenic. Grantee may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term “preservative-treated wood containing arsenic” shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Grantee may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Grantee from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term “saltwater immersion” shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

16.13 Supervision of Minors. Grantee, and any subgrantees, shall comply with California Penal Code section 11105.3 and request from the Department of Justice records of all convictions or any arrest pending adjudication involving the offenses specified in Welfare and Institution Code section 15660(a) of any person who applies for employment or volunteer position with Grantee, or any subgrantee, in which he or she would have supervisory or disciplinary power over a minor under his or her care.

If Grantee, or any subgrantee, is providing services at a City park, playground, recreational center or beach (separately and collectively, “Recreational Site”), Grantee shall not hire, and shall prevent its subgrantees from hiring, any person for employment or volunteer position to provide those services if that

person has been convicted of any offense that was listed in former Penal Code section 11105.3 (h)(1) or 11105.3(h)(3).

If Grantee, or any of its subgrantees, hires an employee or volunteer to provide services to minors at any location other than a Recreational Site, and that employee or volunteer has been convicted of an offense specified in Penal Code section 11105.3(c), then Grantee shall comply, and cause its subgrantees to comply with that section and provide written notice to the parents or guardians of any minor who will be supervised or disciplined by the employee or volunteer not less than ten (10) days prior to the day the employee or volunteer begins his or her duties or tasks. Grantee shall provide, or cause its subgrantees to provide City with a copy of any such notice at the same time that it provides notice to any parent or guardian.

Grantee shall expressly require any of its subgrantees with supervisory or disciplinary power over a minor to comply with this section of the Agreement as a condition of its contract with the subgrantee.

Grantee acknowledges and agrees that failure by Grantee or any of its subgrantees to comply with any provision of this section of the Agreement shall constitute an Event of Default.

16.14 Protection of Private Information. Grantee agrees to comply fully with and be bound by all of the provisions of Chapter 12M of the San Francisco Administrative Code (“Protection of Private Information”), including the remedies provided. The provisions of Chapter 12M are incorporated herein by reference and made a part of this Agreement as though fully set forth. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12M. Consistent with the requirements of Chapter 12M, Grantee agrees to all of the following:

(a) Neither Grantee nor any of its subgrantees shall disclose Private Information obtained from the City in the performance of this Agreement to any other subgrantee, person, or other entity, unless one of the following is true:

- (1) The disclosure is authorized by this Agreement;
- (2) The Grantee received advance written approval from the Contracting Department to disclose the information; or
- (3) The disclosure is expressly required by a judicial order.

(b) Any disclosure or use of Private Information authorized by this Agreement shall be in accordance with any conditions or restrictions stated in this Agreement. Any disclosure or use of Private Information authorized by a Contracting Department shall be in accordance with any conditions or restrictions stated in the approval.

(c) “**Private Information**” shall mean any information that: (1) could be used to identify an individual, including without limitation, name, address, social security number, medical information, financial information, date and location of birth, and names of relatives; or (2) the law forbids any person from disclosing.

(d) Any failure of Grantee to comply with Chapter 12M shall be a material breach of this Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate this Agreement, debar Grantee, or bring a false claim action against Grantee.

16.15 Public Access to Meetings and Records. If the Grantee receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, the Grantee shall comply with and be bound by all the applicable provisions of that Chapter. By executing this Agreement, the Grantee agrees to open its meetings and records to the public in the manner set forth in Sections 12L.4 and 12L.5 of the

Administrative Code. The Grantee further agrees to make good-faith efforts to promote community membership on its Board of Directors in the manner set forth in Section 12L.6 of the Administrative Code. The Grantee acknowledges that its material failure to comply with any of the provisions of this paragraph shall constitute a material breach of this Agreement. The Grantee further acknowledges that such material breach of the Agreement shall be grounds for the City to terminate and/or not renew the Agreement, partially or in its entirety.

16.16 Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and County and its residents, and to prevent the further spread of graffiti.

Grantee shall remove all graffiti from any real property owned or leased by Grantee in the City and County of San Francisco within forty eight (48) hours of the earlier of Grantee's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This Section is not intended to require a Grantee to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 *et seq.*) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. Sections 101 *et seq.*).

Any failure of Grantee to comply with this Section shall constitute an Event of Default of this Agreement.

16.17 Food Service Waste Reduction Requirements. Grantee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Grantee agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Grantee agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Grantee's failure to comply with this provision.

16.18 Slavery Era Disclosure.

(a) Grantee acknowledges that this Agreement shall not be binding upon the City until the Director receives the affidavit required by the San Francisco Administrative Code's Chapter 12Y, "San Francisco Slavery Era Disclosure Ordinance."

(b) In the event the Director finds that Grantee has failed to file an affidavit as required by Section 12Y.4(a) and this Agreement, or has willfully filed a false affidavit, the Grantee shall be liable for liquidated damages in an amount equal to the Grantee's net profit on the Agreement, 10 percent of the total amount of the Agreement, or \$1,000, whichever is greatest as determined by the Director. Grantee acknowledges and agrees that the liquidated damages assessed shall be payable to the City upon demand and may be set off against any monies due to the Grantee from any Agreement with the City.

(c) Grantee shall maintain records necessary for monitoring their compliance with this provision.

16.19 Compliance with Other Laws. Without limiting the scope of any of the preceding sections of this Article 16, Grantee shall keep itself fully informed of City's Charter, codes, ordinances and regulations and all state, and federal laws, rules and regulations affecting the performance of this Agreement and shall at all times comply with such Charter codes, ordinances, and regulations rules and laws.

ARTICLE 17 MISCELLANEOUS

17.1 No Waiver. No waiver by MOHCD or City of any default or breach of this Agreement shall be implied from any failure by MOHCD or City to take action on account of such default if such default persists or is repeated. No express waiver by MOHCD or City shall affect any default other than the default specified in the waiver and shall be operative only for the time and to the extent therein stated. Waivers by City or MOHCD of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by MOHCD or City of any action requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.

17.2 Modification. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement.

17.3 Administrative Remedy for Agreement Interpretation. Should any question arise as to the meaning or intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to the director or president, as the case may be, of MOHCD who shall decide the true meaning and intent of the Agreement. Such decision shall be final and conclusive.

17.4 Governing Law; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California, without regard to its conflict of laws principles. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

17.5 Headings. All article and section headings and captions contained in this Agreement are for reference only and shall not be considered in construing this Agreement.

17.6 Entire Agreement. This Agreement and the Application Documents set forth the entire Agreement between the parties, and supersede all other oral or written provisions. If there is any conflict between the terms of this Agreement and the Application Documents, the terms of this Agreement shall govern. The following appendices are attached to and a part of this Agreement:

- Exhibit A, Projected Project Subsidy Payments
- Exhibit B, Annual Operating Budget for Initial Operating Period and 15-Year Cash Flow
- Exhibit C, Real Property Legal Description
- Exhibit D, LOSP Client Selection Criteria
- Exhibit E, Intentionally Ommitted
- Exhibit F, Lobbying/Debarment Certification Form
- Exhibit G, Annual Monitoring Report

17.7 Certified Resolution of Signatory Authority. Upon request of City, Grantee shall deliver to City a copy of the corporate resolution(s) authorizing the execution, delivery and performance of this Agreement, certified as true, accurate and complete by the secretary or assistant secretary of Grantee.

17.8 Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

17.9 Successors; No Third-Party Beneficiaries. Subject to the terms of Article 13, the terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their successors and assigns. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity (other than the parties hereto and their respective successors and assigns and, in the case of Article 9, the Indemnified Parties) any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

17.10 Survival of Terms. The obligations of Grantee and the terms of the following provisions of this Agreement shall survive and continue following expiration or termination of this Agreement:

Section 6.4 Financial Statements.

Section 6.5 Books and Records.

Section 6.6 Inspection and Audit.

Section 6.7 Submitting False Claims; Monetary Penalties

Section 6.8 Ownership of Results.

Article 7 Taxes

Article 9 Indemnification and General Liability

Section 10.4 Required Post-Expiration Coverage.

Article 12 Disclosure of Information and Documents

Section 13.4 Grantee Retains Responsibility.

Section 14.3 Consequences of Recharacterization.

This Article 17 Miscellaneous

17.11 Further Assurances. From and after the date of this Agreement, Grantee agrees to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement and to carry out the purpose of this Agreement in accordance with this Agreement.

17.12 Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
Edwin M. Lee
Mayor

By: _____
Olson Lee
Director, Mayor’s Office of Housing and
Community Development

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: _____
Deputy City Attorney

GRANTEE:

By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.

I have read and understood Section 16.2, the City’s statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

BTW HOUSING PARTNERS, L.P., a California limited partnership

By: Booker T Washington Community Service Center, a California nonprofit public benefit corporation, its managing general partner

By: _____
Patricia Scott
Executive Director

By: JSCo BTW LLC,
a California limited liability company,
its administrative general partner

By: John Stewart Company,
a California corporation,
its manager

By: _____
Jack D. Gardner
President

Federal Tax ID #: _____

City Vendor Number: _____

Exhibit A – Projected Project Subsidy Payments

LOSP FUNDING SCHEDULE	
Project Address:	John Burton Advocates for Youth Housing Complex
Project Start Date:	7/1/2017

Exhibit A

Calendar Year	Full Year Funding Amount	# Months to Fund	Total Disbursement for Calendar Year	Estimated Disbursement Date
CY-1 2017	\$374,581	6	\$187,290	7/1/2017
CY-2 2018	\$387,327	12	\$387,327	1/1/2018
CY-3 2019	\$401,833	12	\$401,833	1/1/2019
CY-4 2020	\$416,866	12	\$416,866	1/1/2020
CY-5 2021	\$432,444	12	\$432,444	1/1/2021
CY-6 2022	\$448,587	12	\$448,587	1/1/2022
CY-7 2023	\$465,316	12	\$465,316	1/1/2023
CY-8 2024	\$482,650	12	\$482,650	1/1/2024
CY-9 2025	\$500,611	12	\$500,611	1/1/2025
CY-10 2026	\$519,221	12	\$519,221	1/1/2026
CY-11 2027	\$537,254	12	\$537,254	1/1/2027
CY-12 2028	\$557,233	12	\$557,233	1/1/2028
CY-13 2029	\$577,932	12	\$577,932	1/1/2029
CY-14 2030	\$599,377	12	\$599,377	1/1/2030
CY-15 2031	\$621,595	12	\$621,595	1/1/2031
CY-16 2032	\$644,612	12	\$644,612	1/1/2032
Total Contract Amount:			\$7,780,147	

Exhibit B –Annual Operating Budget for Initial Operating Period and 15-Year Cash Flow

Application Date: 11/15/2016
 Total # Units: 50
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2017

Project Name: John Burton Foundation Housing Complex
 Project Address: 800 Presidio Ave.
 Project Sponsor: Booker T. Washington Community Service Center and John Stewart Company

LOSP Units		Non-LOSP Units	
LOSP	non-LOSP	LOSP	non-LOSP
25	25		

LOSP/non-LOSP Allocation	
50%	50%

Correct errors noted in Col N!

INCOME	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Residential - Tenant Rents	75,000	305,952	380,952	Links from 'New Proj - Rent & Unit Mix' Worksheet				
Residential - Tenant Assistance Payments (Non-LOSP)	0	0	0	Links from 'New Proj - Rent & Unit Mix' Worksheet	Residential - Tenant Assistance Payments (Non-LOSP)			
Residential - LOSP Tenant Assistance Payments	374,581		374,581					
Commercial Space	0	0	0	Links from 'Commercial Op. Budget' Worksheet				
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	non-LOSP	Approved By (reqd)
Supportive Services Income	0	0	0		Supportive Services Income			
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet				
Laundry and Vending	5,200	5,200	10,400	Links from 'Utilities & Other Income' Worksheet Not included in previous budget	Projected LOSP Split	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Tenant Charges	0	0	0	Links from 'Utilities & Other Income' Worksheet	Tenant Charges			
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income' Worksheet				
Other Commercial Income	0	0	0	Links from 'Commercial Op. Budget' Worksheet	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0	0		Withdrawal from Capitalized Reserve (deposit to operating account)			
Gross Potential Income	454,781	311,152	765,933					
Vacancy Loss - Residential - Tenant Rents	(3,750)	(15,298)	(19,048)	Vacancy loss is 5% of Tenant Rents.				
Vacancy Loss - Residential - Tenant Assistance Payments	0	0	0	#DIV/0!				
Vacancy Loss - Commercial	0	0	0	Links from 'Commercial Op. Budget' Worksheet				
EFFECTIVE GROSS INCOME	451,031	295,854	746,885	PUPA: 14,938				

OPERATING EXPENSES	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Management								
Management Fee	16,500	16,500	33,000	\$55 PUPM	Management Fee			
Asset Management Fee	3,600	3,600	7,200		Asset Management Fee			
Sub-total Management Expenses	20,100	20,100	40,200	PUPA: 804				
Salaries/Benefits								
Office Salaries	150,125	0	150,125	24 hour desk clerk coverage, \$17/hr. lead, \$15/hr others - Increased \$13,244	Office Salaries	100.00%	0.00%	Approved By (reqd)
Manager's Salary	28,500	28,500	57,000	Decreased \$3,429	Manager's Salary			
Health Insurance and Other Benefits	37,812	12,604	50,416	Decreased \$433 - 75% allocated to LOSP for 90% split of Desk Clerk costs	Health Insurance and Other Benefits	75.00%	25.00%	
Other Salaries/Benefits	0	0	0		Other Salaries/Benefits			
Administrative Rent-Free Unit	9,960	9,960	19,920	1 manager unit - Increased \$3,420 to current 60% AMI TCAC rent. Also included in income	Administrative Rent-Free Unit			
Sub-total Salaries/Benefits	226,397	51,064	277,461	PUPA: 5,549				
Administration								
Advertising and Marketing	600	600	1,200					
Office Expenses	4,750	4,750	9,500					
Office Rent	0	0	0		Projected LOSP Split	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Legal Expense - Property	4,500	4,500	9,000		Legal Expense - Property	50.00%	50.00%	
Audit Expense	4,250	4,250	8,500					
Bookkeeping/Accounting Services	2,550	2,550	5,100	\$8.50 PUPM	Projected LOSP Split	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Bad Debts	0	0	0		Bad Debts			
Miscellaneous	3,000	3,000	6,000	Payroll processing fee, other - Increased \$5,300				
Sub-total Administration Expenses	19,650	19,650	39,300	PUPA: 786				
Utilities								
Electricity	14,125	14,125	28,250	Estimate per similar size property	Projected LOSP Split	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Water	2,250	2,250	4,500	Estimate per similar size property	Electricity	50.00%	50.00%	
Gas	7,350	7,350	14,700	Estimate per similar size property				
Sewer	4,250	4,250	8,500	Estimate per similar size property				
Sub-total Utilities	27,975	27,975	55,950	PUPA: 1,119				
Taxes and Licenses								
Real Estate Taxes	750	750	1,500		Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Payroll Taxes	17,253	6,710	23,963	Increased \$1,986 - 72% allocated to LOSP for 90% split of Desk Clerk costs	Real Estate Taxes			
Miscellaneous Taxes, Licenses and Permits	750	750	1,500		Payroll Taxes	72.00%	28.00%	
Sub-total Taxes and Licenses	18,753	8,210	26,963	PUPA: 539				
Insurance								
Property and Liability Insurance	27,500	27,500	55,000		Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Fidelity Bond Insurance	60	60	120		Property and Liability Insurance	66.00%	34.00%	
Worker's Compensation	11,757	6,057	17,814	Decreased \$5,257 - 66% allocated to LOSP for 90% split of Desk Clerk costs	Worker's Compensation			
Director's & Officers' Liability Insurance	0	0	0					
Sub-total Insurance	39,317	33,617	72,934	PUPA: 1,459				
Maintenance & Repair								
Payroll	27,434	27,434	54,867	One maintenance person - Increased \$67	Projected LOSP Split	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Supplies	10,000	10,000	20,000	Maintenance, Janitorial and Security	Supplies	50.00%	50.00%	
Contracts	13,600	13,600	27,200	Elevator, pest control, landscaping, window cleaning, building equipment HVAC	Contracts			
Garbage and Trash Removal	9,000	9,000	18,000		Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Security Payroll/Contract	0	0	0		Security Payroll/Contract			
HVAC Repairs and Maintenance	0	0	0					
Vehicle and Maintenance Equipment Operation and Repairs	250	250	500					
Miscellaneous Operating and Maintenance Expenses	4,000	4,000	8,000	Fire protection, uniforms laundry, etc.				
Sub-total Maintenance & Repair Expenses	64,284	64,284	128,567	PUPA: 2,571				
Supportive Services	0	0	0		Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Commercial Expenses	0	0	0	Links from 'Commercial Op. Budget' Worksheet	Supportive Services			

TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE 416,476 224,899 641,375 **PUPA: 12,828**

Application Date:	11/15/2016	LOSP Units	Non-LOSP Units
Total # Units:	50	25	25
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	2017	LOSP/non-LOSP Allocation	
		50%	50%

Project Name: John Burton Foundation Housing Complex
Project Address: 800 Presidio Ave.
Project Sponsor: Booker T. Washington Community Service Center and John Stewart Company

Correct errors noted in Col N!

Reserves/Ground Lease Base Rent/Bond Fees

Ground Lease Base Rent	0	0	0	Provide additional comments here, if needed.				
Bond Monitoring Fee	1,250	1,250	2,500	MOH Bond Monitoring Fee	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Replacement Reserve Deposit	15,000	15,000	30,000	MHP required \$600 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					
Required Reserve Deposits, Commercial	0	0	0	Links from 'Commercial Op. Budget' Worksheet				

Sub-total Reserves/Ground Lease Base Rent/Bond Fees	16,250	16,250	32,500	PUPA: 650	Min DSCR:	1.1
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE	432,726	241,149	673,875	PUPA: 13,478	Available for DS in Yr 1:	66,373
NET OPERATING INCOME (INCOME minus OP EXPENSES)	18,305	54,706	73,010	PUPA: 1,460	Mortgage Rate:	5.00%
					Term (Years):	.30
					Supportable 1st Mortgage Pmt:	\$67,025
					Supportable 1st Mortgage Amt:	\$1,030,335
					Proposed 1st Mortgage Amt:	\$3,954,424

DEBT SERVICE ("hard debt"/amortized loans)

Hard Debt - First Lender	0	0	0	Provide additional comments here, if needed.	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	8,305	8,305	16,609	HCD-HYMHP	Hard Debt - First Lender	0.00%	100.00%	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	Provide additional comments here, if needed.	Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			
Hard Debt - Fourth Lender	0	0	0	Provide additional comments here, if needed.	Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			
Commercial Hard Debt Service	0	0	0	Links from 'Commercial Op. Budget' Worksheet	Hard Debt - Fourth Lender			
TOTAL HARD DEBT SERVICE	8,305	8,305	16,609	PUPA: 332				

CASH FLOW (NOI minus DEBT SERVICE)

CASH FLOW (NOI minus DEBT SERVICE)	10,000	46,401	56,401		Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)	100.00%	0.00%
Commercial Only Cash Flow			0				

AVAILABLE CASH FLOW

Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)	0	0	0	
AVAILABLE CASH FLOW	10,000	46,401	56,401	

USES OF CASH FLOW BELOW (This row also shows DSCR.)

USES OF CASH FLOW BELOW (This row also shows DSCR.)				4.40
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USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0	0	0					
Partnership Management Fee (see policy for limits)	7,500	7,500	15,000		Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	2,500	2,500	5,000		Other Payments			
Other Payments	0	0	0		Non-amortizing Loan Pmt - Lender 1 (select lender in comments field)	100.00%	0.00%	
Non-amortizing Loan Pmt - Lender 1 (select lender in comments field)	0	0	0		Non-amortizing Loan Pmt - Lender 2 (select lender in comments field)			
Non-amortizing Loan Pmt - Lender 2 (select lender in comments field)	0	0	0	Provide additional comments here, if needed.	Deferred Developer Fee (Enter amt <= Max Fee from cell H130)	0.00%	100.00%	
Deferred Developer Fee (Enter amt <= Max Fee from cell H130)	0	0	0	Def. Develop. Fee split: 0%	Provide additional comments here, if needed.			

TOTAL PAYMENTS PRECEDING MOHCD **10,000** **10,000** **20,000** **PUPA: 400**

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	0	36,401	36,401	
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Residual Receipts Calculation

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

Soft Debt Lenders with Residual Receipts Obligations

(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans
MOHCD/OCII - Soft Debt Loans	\$12,228,947	75.56%
MOHCD/OCII - Ground Lease Value		0.00%
HCD (soft debt loan) - Lender 3	\$3,954,424	24.44%
Other Soft Debt Lender - Lender 4		0.00%
Other Soft Debt Lender - Lender 5		0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due	27,506	27,506	50% of residual receipts, multiplied by 75.56% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	27,506	27,506	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repymt.

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	8,895
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NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due	8,895	50% of residual receipts, multiplied by 24.44% -- HCD-HYMHP's pro rata share of all soft debt
Lender 4 Residual Receipts Due	0	
Lender 5 Residual Receipts Due	0	
Total Non-MOHCD Residual Receipts Debt Service	8,895	

REMAINDER (Should be zero unless there are distributions below)

Owner Distributions/Incentive Management Fee	0
Other Distributions/Uses	0
Final Balance (should be zero)	0

John Burton Foundation Housing Complex

INCOME	Total # Units:		Year 1 2017			Year 2 2018			Year 3 2019		
	50	50.00%	Comments (related to annual inc assumptions)								
			LOSP Units	Non-LOSP Units	% annual inc LOSP	% annual increase	LOSP	Non-LOSP	Total	LOSP	Non-LOSP
Residential - Tenant Rents			75,000	305,952	380,952	75,750	313,601	389,351	76,508	321,441	397,948
Residential - Tenant Assistance Payments (Non-LOSP)			-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments			374,581	-	374,581	387,327	-	387,327	401,833	-	401,833
Commercial Space			-	-	-	-	-	-	-	-	-
Residential Parking			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income			-	-	-	-	-	-	-	-	-
Supportive Services Income			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations			-	-	-	-	-	-	-	-	-
Laundry and Vending			5,200	5,200	10,400	5,330	5,330	10,660	5,463	5,463	10,927
Tenant Charges			-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income			-	-	-	-	-	-	-	-	-
Other Commercial Income			-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)			-	-	-	-	-	-	-	-	-
Gross Potential Income			454,781	311,152	765,933	468,407	318,931	787,338	483,804	326,904	810,708
Vacancy Loss - Residential - Tenant Rents			(3,750)	(15,296)	(19,048)	(3,788)	(15,680)	(19,468)	(3,825)	(16,072)	(19,897)
Vacancy Loss - Residential - Tenant Assistance Payments			-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial			-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			451,031	295,854	746,885	464,620	303,251	767,871	479,978	310,832	790,810
OPERATING EXPENSES											
Management											
Management Fee			16,500	16,500	33,000	17,078	17,078	34,155	17,675	17,675	35,350
Asset Management Fee			3,600	3,600	7,200	3,726	3,726	7,452	3,856	3,856	7,713
Sub-total Management Expenses			20,100	20,100	40,200	20,804	20,804	41,607	21,532	21,532	43,063
Salaries/Benefits											
Office Salaries			150,125	-	150,125	155,379	-	155,379	160,818	-	160,818
Manager's Salary			28,500	28,500	57,000	29,498	29,498	58,995	30,530	30,530	61,060
Health Insurance and Other Benefits			37,812	12,604	50,416	39,135	13,045	52,181	40,505	13,502	54,007
Other Salaries/Benefits			-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit			9,960	9,960	19,920	10,309	10,309	20,617	10,669	10,669	21,339
Sub-total Salaries/Benefits			226,397	51,064	277,461	234,321	52,851	287,172	242,522	54,701	297,223
Administration											
Advertising and Marketing			600	600	1,200	621	621	1,242	643	643	1,285
Office Expenses			4,750	4,750	9,500	4,916	4,916	9,833	5,088	5,088	10,177
Office Rent			-	-	-	-	-	-	-	-	-
Legal Expense - Property			4,500	4,500	9,000	4,658	4,658	9,315	4,821	4,821	9,641
Audit Expense			4,250	4,250	8,500	4,399	4,399	8,798	4,553	4,553	9,105
Bookkeeping/Accounting Services			2,550	2,550	5,100	2,639	2,639	5,279	2,732	2,732	5,463
Bad Debts			-	-	-	-	-	-	-	-	-
Miscellaneous			3,000	3,000	6,000	3,105	3,105	6,210	3,214	3,214	6,427
Sub-total Administration Expenses			19,650	19,650	39,300	20,338	20,338	40,676	21,050	21,050	42,099
Utilities											
Electricity			14,125	14,125	28,250	14,619	14,619	29,239	15,131	15,131	30,262
Water			2,250	2,250	4,500	2,329	2,329	4,658	2,410	2,410	4,821
Gas			7,350	7,350	14,700	7,607	7,607	15,215	7,874	7,874	15,747
Sewer			4,250	4,250	8,500	4,399	4,399	8,798	4,553	4,553	9,105
Sub-total Utilities			27,975	27,975	55,950	28,954	28,954	57,908	29,968	29,968	59,935
Taxes and Licenses											
Real Estate Taxes			750	750	1,500	776	776	1,553	803	803	1,607
Payroll Taxes			17,253	6,710	23,963	17,857	6,944	24,802	18,482	7,188	25,670
Miscellaneous Taxes, Licenses and Permits			750	750	1,500	776	776	1,553	803	803	1,607
Sub-total Taxes and Licenses			18,753	8,210	26,963	19,410	8,497	27,907	20,089	8,794	28,883
Insurance											
Property and Liability Insurance			27,500	27,500	55,000	28,463	28,463	56,925	29,459	29,459	58,917
Fidelity Bond Insurance			60	60	120	62	62	124	64	64	129
Worker's Compensation			11,757	6,057	17,814	12,169	6,269	18,437	12,595	6,489	19,083
Director's & Officers' Liability Insurance			-	-	-	-	-	-	-	-	-
Sub-total Insurance			39,317	33,617	72,934	40,693	34,793	75,487	42,118	36,011	78,129
Maintenance & Repair											
Payroll			27,434	27,434	54,867	28,394	28,394	56,787	29,387	29,387	58,775
Supplies			10,000	10,000	20,000	10,350	10,350	20,700	10,712	10,712	21,425
Contracts			13,600	13,600	27,200	14,076	14,076	28,152	14,569	14,569	29,137
Garbage and Trash Removal			9,000	9,000	18,000	9,315	9,315	18,630	9,641	9,641	19,282
Security Payroll/Contract			-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance			-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs			250	250	500	259	259	518	268	268	536
Miscellaneous Operating and Maintenance Expenses			4,000	4,000	8,000	4,140	4,140	8,280	4,285	4,285	8,570
Sub-total Maintenance & Repair Expenses			64,284	64,284	128,567	66,533	66,533	133,067	68,862	68,862	137,724
Supportive Services											
Commercial Expenses			-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES			416,476	224,899	641,375	431,053	232,770	663,823	446,140	240,917	687,057
Reserves/Ground Lease Base Rent/Bond Fees											
Reserves/Ground Lease Base Rent/Bond Fees			-	-	-	-	-	-	-	-	-
Ground Lease Base Rent			-	-	-	-	-	-	-	-	-
Bond Monitoring Fee			1,250	1,250	2,500	1,250	1,250	2,500	1,250	1,250	2,500
Replacement Reserve Deposit			15,000	15,000	30,000	15,000	15,000	30,000	15,000	15,000	30,000
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			16,250	16,250	32,500	16,250	16,250	32,500	16,250	16,250	32,500
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES			432,726	241,149	673,875	447,303	249,020	696,323	462,390	257,167	719,557
NET OPERATING INCOME (INCOME minus OP EXPENSES)			18,305	54,706	73,010	17,317	54,230	71,547	57,988	53,665	71,253
DEBT SERVICE (hard debt/amortized loans)											
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			8,305	8,305	16,609	8,305	8,305	16,609	8,305	8,305	16,609
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			8,305	8,305	16,609	8,305	8,305	16,609	8,305	8,305	16,609
CASH FLOW (NOI minus DEBT SERVICE)			10,000	46,401	56,401	9,013	45,925	54,938	49,683	45,360	54,644

INCOME	Total # Units: 50	LOSP Units		Non-LOSP Units		Year 1 2017			Year 2 2018			Year 3 2019			
		25	25	25	25	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
		50.00%	50.00%	% annual inc	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Commercial Only Cash Flow															
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)															
AVAILABLE CASH FLOW						10,000	46,401	56,401	9,013	45,926	54,938	9,284	45,360	54,644	
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)															
Other Payments															
Non-amortizing Loan Pmnt - Lender 1															
Non-amortizing Loan Pmnt - Lender 2															
Deferred Developer Fee (Enter amt <= Max Fee from call 1130)															
TOTAL PAYMENTS PRECEDING MOHCD						10,000	10,000	20,000	9,013	9,013	18,025	9,284	9,284	18,568	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)							36,401	36,401		36,913	36,913		36,076	36,076	
Does Project have a MOHCD Residual Receipt Obligation?															
Will Project Defeat Developer Fee?															
1st Residual Receipts Split - Lender/Deferred Developer Fee															
2nd Residual Receipts Split - Lender/Owner															
MOHCD RESIDUAL RECEIPTS DEBT SERVICE															
MOHCD Residual Receipts Amount Due															
Proposed MOHCD Residual Receipts Amount to Loan Repayment															
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease															
AINING 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/Uses															
Final Balance (should be zero)															
REPLACEMENT RESERVE - RUNNING BALANCE															
Replacement Reserve Starting Balance															
Replacement Reserve Deposits															
Replacement Reserve Withdrawals (Ideally tied to CNA)															
Replacement Reserve Interest															
RR Running Balance															
OPERATING RESERVE - RUNNING BALANCE															
Operating Reserve Starting Balance															
Operating Reserve Deposits															
Operating Reserve Withdrawals															
Operating Reserve Interest															
OR Running Balance															
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE															
Other Reserve 1 Starting Balance															
Other Reserve 1 Deposits															
Other Reserve 1 Withdrawals															
Other Reserve 1 Interest															
Other Required Reserve 1 Running Balance															
OTHER RESERVE 2 - RUNNING BALANCE															
Other Reserve 2 Starting Balance															
Other Reserve 2 Deposits															
Other Reserve 2 Withdrawals															
Other Reserve 2 Interest															
Other Required Reserve 2 Running Balance															

John Burton Foundation Housing Complex

INCOME	Total # Units:	LOSP Units		Non-LOSP Units		Year 4 2020			Year 5 2021			Year 6 2022			
		50	25	25	50.00%	50.00%	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total
		% annual inc	% annual inc	% annual inc	% annual inc	% annual inc	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total
						Comments (related to annual inc assumptions)									
Residential - Tenant Rents		1.0%	2.5%			772,73	329,477	406,749	76,045	337,714	415,759	76,626	346,157	424,982	
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a			-	-	-	-	-	-	-	-	-	
Residential -LOSP Tenant Assistance Payments		n/a	n/a			416,866	-	416,866	432,444	-	432,444	448,587	-	448,587	
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%			-	-	-	-	-	-	-	-	-	
Laundry and Vending		2.5%	2.5%			5,600	5,600	11,200	5,740	5,740	11,480	5,883	5,883	11,767	
Tenant Charges		2.5%	2.5%			-	-	-	-	-	-	-	-	-	
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			-	-	-	-	-	-	-	-	-	
Gross Potential Income						499,738	335,077	834,815	516,229	343,454	859,683	533,296	352,040	885,336	
Vacancy Loss - Residential - Tenant Rents		n/a	n/a			(3,864)	(16,474)	(20,337)	(3,902)	(16,886)	(20,788)	(3,941)	(17,308)	(21,249)	
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a			-	-	-	-	-	-	-	-	-	
Vacancy Loss - Commercial		n/a	n/a			-	-	-	-	-	-	-	-	-	
EFFECTIVE GROSS INCOME						495,874	318,603	814,477	512,327	326,568	838,895	529,355	334,732	864,087	
OPERATING EXPENSES															
Management															
Management Fee		3.5%	3.5%			18,294	18,294	36,588	18,934	18,934	37,868	19,597	19,597	39,194	
Asset Management Fee		3.5%	3.5%			3,991	3,991	7,983	4,131	4,131	8,262	4,276	4,276	8,551	
Sub-total Management Expenses						22,285	22,285	44,570	23,065	23,065	46,130	23,872	23,872	47,745	
Salaries/Benefits															
Office Salaries		3.5%	3.5%			166,446	-	166,446	172,272	-	172,272	178,301	-	178,301	
Manager's Salary		3.5%	3.5%			31,598	31,598	63,197	32,704	32,704	65,409	33,849	33,849	67,698	
Health Insurance and Other Benefits		3.5%	3.5%			41,923	13,974	55,897	43,390	14,463	57,854	44,909	14,970	59,878	
Other Salaries/Benefits		3.5%	3.5%			-	-	-	-	-	-	-	-	-	
Administrative Rent-Free Unit		3.5%	3.5%			11,043	11,043	22,086	11,429	11,429	22,859	11,829	11,829	23,659	
Sub-total Salaries/Benefits						251,010	56,616	307,626	259,796	58,597	318,393	268,889	60,648	329,537	
Administration															
Advertising and Marketing		3.5%	3.5%			665	665	1,330	689	689	1,377	713	713	1,425	
Office Expenses		3.5%	3.5%			5,266	5,266	10,533	5,451	5,451	10,901	5,642	5,642	11,283	
Office Rent		3.5%	3.5%			-	-	-	-	-	-	-	-	-	
Legal Expense - Property		3.5%	3.5%			4,989	4,989	9,978	5,164	5,164	10,328	5,345	5,345	10,689	
Audit Expense		3.5%	3.5%			4,712	4,712	9,424	4,877	4,877	9,754	5,048	5,048	10,095	
Bookkeeping/Accounting Services		3.5%	3.5%			2,827	2,827	5,654	2,926	2,926	5,852	3,029	3,029	6,057	
Bad Debts		3.5%	3.5%			-	-	-	-	-	-	-	-	-	
Miscellaneous		3.5%	3.5%			3,326	3,326	6,652	3,443	3,443	6,886	3,563	3,563	7,126	
Sub-total Administration Expenses						21,786	21,786	43,573	22,549	22,549	45,098	23,338	23,338	46,676	
Utilities															
Electricity		3.5%	3.5%			15,661	15,661	31,321	16,209	16,209	32,418	16,776	16,776	33,552	
Water		3.5%	3.5%			2,495	2,495	4,989	2,582	2,582	5,164	2,672	2,672	5,345	
Gas		3.5%	3.5%			8,149	8,149	16,298	8,434	8,434	16,869	8,729	8,729	17,459	
Sewer		3.5%	3.5%			4,712	4,712	9,424	4,877	4,877	9,754	5,048	5,048	10,095	
Sub-total Utilities						31,016	31,016	62,033	32,102	32,102	64,204	33,226	33,226	66,451	
Taxes and Licenses															
Real Estate Taxes		3.5%	3.5%			832	832	1,663	861	861	1,721	891	891	1,782	
Payroll Taxes		3.5%	3.5%			19,129	7,439	26,568	19,799	7,699	27,498	20,492	7,969	28,461	
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%			832	832	1,663	861	861	1,721	891	891	1,782	
Sub-total Taxes and Licenses						20,792	9,102	29,894	21,520	9,421	30,941	22,273	9,750	32,024	
Insurance															
Property and Liability Insurance		3.5%	3.5%			30,490	30,490	60,979	31,557	31,557	63,114	32,661	32,661	65,323	
Fidelity Bond Insurance		3.5%	3.5%			67	67	133	69	69	138	71	71	143	
Worker's Compensation		3.5%	3.5%			13,035	6,715	19,751	13,492	6,950	20,442	13,964	7,194	21,157	
Director's & Officers' Liability Insurance		3.5%	3.5%			-	-	-	-	-	-	-	-	-	
Sub-total Insurance						43,592	37,272	80,863	45,117	38,576	83,693	46,697	39,926	86,623	
Maintenance & Repair															
Payroll		3.5%	3.5%			30,416	30,416	60,832	31,481	31,481	62,962	32,582	32,582	65,165	
Supplies		3.5%	3.5%			11,087	11,087	22,174	11,475	11,475	22,950	11,877	11,877	23,754	
Contracts		3.5%	3.5%			15,079	15,079	30,157	15,606	15,606	31,213	16,153	16,153	32,305	
Garbage and Trash Removal		3.5%	3.5%			9,978	9,978	19,957	10,328	10,328	20,655	10,689	10,689	21,378	
Security Payroll/Contract		3.5%	3.5%			-	-	-	-	-	-	-	-	-	
HVAC Repairs and Maintenance		3.5%	3.5%			-	-	-	-	-	-	-	-	-	
Vehicle and Maintenance Equipment Operation and Repairs		3.5%	3.5%			277	277	554	287	287	574	297	297	594	
Miscellaneous Operating and Maintenance Expenses		3.5%	3.5%			4,435	4,435	8,870	4,590	4,590	9,180	4,751	4,751	9,501	
Sub-total Maintenance & Repair Expenses						71,272	71,272	142,545	73,767	73,767	147,534	76,349	76,349	152,697	
Supportive Services															
Commercial Expenses		3.5%				-	-	-	-	-	-	-	-	-	
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES						461,754	249,349	711,104	477,916	258,077	735,993	494,643	267,109	761,752	
Reserves/Ground Lease Base Rent/Bond Fees															
Reserves/Ground Lease Base Rent/Bond Fees						-	-	-	-	-	-	-	-	-	
Ground Lease Base Rent						-	-	-	-	-	-	-	-	-	
Bond Monitoring Fee						1,250	1,250	2,500	1,250	1,250	2,500	1,250	1,250	2,500	
Replacement Reserve Deposit						15,000	15,000	30,000	15,000	15,000	30,000	15,000	15,000	30,000	
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						16,250	16,250	32,500	16,250	16,250	32,500	16,250	16,250	32,500	
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES						478,004	265,599	743,604	494,166	274,327	768,493	510,893	283,359	794,252	
NET OPERATING INCOME (INCOME minus OP EXPENSES)						17,870	53,003	70,873	18,161	52,241	70,402	18,462	51,373	69,835	
DEBT SERVICE (hard debt/amortized loans)															
Hard Debt - First Lender						-	-	-	-	-	-	-	-	-	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)						8,305	8,305	16,609	8,305	8,305	16,609	8,305	8,305	16,609	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)						-	-	-	-	-	-	-	-	-	
Hard Debt - Fourth Lender						-	-	-	-	-	-	-	-	-	
Commercial Hard Debt Service						-	-	-	-	-	-	-	-	-	
TOTAL HARD DEBT SERVICE						8,305	8,305	16,609	8,305	8,305	16,609	8,305	8,305	16,609	
CASH FLOW (NOI minus DEBT SERVICE)						9,565	44,698	54,264	9,856	43,937	53,793	10,157	43,068	53,226	

INCOME	Total # Units: 50	LOSP Units		Non-LOSP Units		Year 4 2020			Year 5 2021			Year 6 2022		
		25	25	50.00%	50.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
		% annual inc	% annual increase	Comments (related to annual inc assumptions)										
Commercial Only Cash Flow														
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)														
AVAILABLE CASH FLOW						9,565	44,699	54,264	9,856	43,937	53,793	10,158	43,068	53,226
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)														
Other Payments														
Non-amortizing Loan Pmnt - Lender 1														
Non-amortizing Loan Pmnt - Lender 2														
Deferred Developer Fee (Enter amt <= Max Fee from call 1130)														
TOTAL PAYMENTS PRECEDING MOHCD						9,565	9,565	19,131	9,856	9,856	19,713	10,158	10,158	20,315
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						0	35,134	35,134	-	34,080	34,080	0	32,911	32,911
Does Project have a MOHCD Residual Receipt Obligation?		Yes		Year 15 is year indicated below:										
Will Project Defeat Developer Fee?		Yes		2031										
1st Residual Receipts Split - Lender/Deferred Developer Fee		50% / 50%		2nd Residual Receipts Split Begins:	2018									
2nd Residual Receipts Split - Lender/Owner		67% / 33%												
MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
MOHCD Residual Receipts Amount Due			75.56%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.			17,699			17,699			16,579	
Proposed MOHCD Residual Receipts Amount to Loan Repayment							17,699			17,699			16,579	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease														
AINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE							17,434			16,912			16,331	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
HCD Residual Receipts Amount Due			24.44%	Allocation per pro rata share of all soft debt loans, and HCD residual receipt policy.			5,723			5,552			5,361	
Lender 4 Residual Receipts Due			0.00%											
Lender 5 Residual Receipts Due			0.00%											
Total Non-MOHCD Residual Receipts Debt Service							5,723			5,552			5,361	
REMAINDER (Should be zero unless there are distributions below)														
Owner Distributions/Incentive Management Fee							11,711			11,360			10,970	
Other Distributions/Uses														
Final Balance (should be zero)														
REPLACEMENT RESERVE - RUNNING BALANCE														
Replacement Reserve Starting Balance							90,000			120,000			150,000	
Replacement Reserve Deposits							30,000			30,000			30,000	
Replacement Reserve Withdrawals (Ideally tied to CNA)														
Replacement Reserve Interest														
RR Running Balance														
OPERATING RESERVE - RUNNING BALANCE														
Operating Reserve Starting Balance							319,653			319,653			319,653	
Operating Reserve Deposits														
Operating Reserve Withdrawals														
Operating Reserve Interest														
OR Running Balance							319,653			319,653			319,653	
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE														
Other Reserve 1 Starting Balance														
Other Reserve 1 Deposits														
Other Reserve 1 Withdrawals														
Other Reserve 1 Interest														
Other Required Reserve 1 Running Balance														
OTHER RESERVE 2 - RUNNING BALANCE														
Other Reserve 2 Starting Balance														
Other Reserve 2 Deposits														
Other Reserve 2 Withdrawals														
Other Reserve 2 Interest														
Other Required Reserve 2 Running Balance														

John Burton Foundation Housing Complex

INCOME	Total # Units:	LOSP Units		Non-LOSP Units		Year 7 2023			Year 8 2024			Year 9 2025		
		50	25	25	50.00%	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total
		% annual inc	% annual inc	% annual inc	% annual inc	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total
Residential - Tenant Rents		1.0%	2.5%			79,614	354,811	434,425	80,410	363,681	444,091	81,214	372,773	453,987
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a			-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments		n/a	n/a			465,316	-	465,316	482,650	-	482,650	500,611	-	500,611
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%			-	-	-	-	-	-	-	-	-
Laundry and Vending		2.5%	2.5%			6,030	6,030	12,061	6,181	6,181	12,362	6,336	6,336	12,671
Tenant Charges		2.5%	2.5%			-	-	-	-	-	-	-	-	-
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			-	-	-	-	-	-	-	-	-
Gross Potential Income						550,960	360,841	911,801	569,241	369,862	939,103	588,161	379,108	967,269
Vacancy Loss - Residential - Tenant Rents		n/a	n/a			(3,981)	(17,741)	(21,721)	(4,021)	(18,184)	(22,205)	(4,061)	(18,639)	(22,699)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a			-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial		n/a	n/a			-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME						546,979	343,100	890,080	565,220	351,678	916,898	584,100	360,470	944,570
OPERATING EXPENSES														
Management														
Management Fee		3.5%	3.5%			20,283	20,283	40,565	20,993	20,993	41,985	21,727	21,727	43,455
Asset Management Fee		3.5%	3.5%			4,425	4,425	8,851	4,580	4,580	9,160	4,741	4,741	9,481
Sub-total Management Expenses						24,708	24,708	49,416	25,573	25,573	51,146	26,468	26,468	52,936
Salaries/Benefits														
Office Salaries		3.5%	3.5%			184,542	-	184,542	191,001	-	191,001	197,686	-	197,686
Manager's Salary		3.5%	3.5%			35,034	35,034	70,068	36,260	36,260	72,520	37,529	37,529	75,058
Health Insurance and Other Benefits		3.5%	3.5%			46,481	15,494	61,974	48,107	16,036	64,143	49,791	16,597	66,388
Other Salaries/Benefits		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit		3.5%	3.5%			12,243	12,243	24,487	12,672	12,672	25,344	13,115	13,115	26,231
Sub-total Salaries/Benefits						278,300	62,771	341,070	288,040	64,968	353,008	298,122	67,424	365,363
Administration														
Advertising and Marketing		3.5%	3.5%			738	738	1,476	763	763	1,527	790	790	1,580
Office Expenses		3.5%	3.5%			5,839	5,839	11,678	6,043	6,043	12,087	6,255	6,255	12,510
Office Rent		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Legal Expense - Property		3.5%	3.5%			5,532	5,532	11,063	5,725	5,725	11,451	5,926	5,926	11,851
Audit Expense		3.5%	3.5%			5,224	5,224	10,448	5,407	5,407	10,814	5,596	5,596	11,193
Bookkeeping/Accounting Services		3.5%	3.5%			3,135	3,135	6,269	3,244	3,244	6,489	3,358	3,358	6,716
Bad Debts		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Miscellaneous		3.5%	3.5%			3,688	3,688	7,376	3,817	3,817	7,634	3,950	3,950	7,901
Sub-total Administration Expenses						24,155	24,155	48,310	25,000	25,000	50,001	25,875	25,875	51,751
Utilities														
Electricity		3.5%	3.5%			17,363	17,363	34,726	17,971	17,971	35,942	18,600	18,600	37,200
Water		3.5%	3.5%			2,766	2,766	5,532	2,863	2,863	5,725	2,963	2,963	5,926
Gas		3.5%	3.5%			9,035	9,035	18,070	9,351	9,351	18,703	9,679	9,679	19,357
Sewer		3.5%	3.5%			5,224	5,224	10,448	5,407	5,407	10,814	5,596	5,596	11,193
Sub-total Utilities						34,388	34,388	68,777	35,592	35,592	71,184	36,838	36,838	73,675
Taxes and Licenses														
Real Estate Taxes		3.5%	3.5%			922	922	1,844	954	954	1,908	988	988	1,975
Payroll Taxes		3.5%	3.5%			21,209	8,248	29,457	21,951	8,537	30,488	22,719	8,835	31,555
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%			922	922	1,844	954	954	1,908	988	988	1,975
Sub-total Taxes and Licenses						23,053	10,092	33,144	23,860	10,445	34,304	24,695	10,811	35,505
Insurance														
Property and Liability Insurance		3.5%	3.5%			33,805	33,805	67,609	34,988	34,988	69,975	36,212	36,212	72,424
Fidelity Bond Insurance		3.5%	3.5%			74	74	148	76	76	153	79	79	158
Worker's Compensation		3.5%	3.5%			14,453	7,445	21,898	14,959	7,706	22,664	15,482	7,976	23,458
Director's & Officers' Liability Insurance		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Insurance						48,331	41,324	89,655	50,023	42,770	92,792	51,773	44,267	96,040
Maintenance & Repair														
Payroll		3.5%	3.5%			33,723	33,723	67,446	34,903	34,903	69,806	36,125	36,125	72,249
Supplies		3.5%	3.5%			12,293	12,293	24,585	12,723	12,723	25,446	13,168	13,168	26,336
Contracts		3.5%	3.5%			16,718	16,718	33,436	17,303	17,303	34,606	17,909	17,909	35,817
Garbage and Trash Removal		3.5%	3.5%			11,063	11,063	22,127	11,451	11,451	22,901	11,851	11,851	23,703
Security Payroll/Contract		3.5%	3.5%			-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs		3.5%	3.5%			307	307	615	318	318	636	329	329	658
Miscellaneous Operating and Maintenance Expenses		3.5%	3.5%			4,917	4,917	9,834	5,089	5,089	10,178	5,267	5,267	10,534
Sub-total Maintenance & Repair Expenses						79,021	79,021	158,042	81,787	81,787	163,573	84,649	84,649	169,298
Supportive Services														
Commercial Expenses		3.5%				-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES						511,955	276,458	788,414	529,874	286,134	816,008	548,419	296,149	844,568
Reserves/Ground Lease Base Rent/Bond Fees														
Reserves/Ground Lease Base Rent/Bond Fees														
Ground Lease Base Rent						-	-	-	-	-	-	-	-	-
Bond Monitoring Fee						1,250	1,250	2,500	1,250	1,250	2,500	1,250	1,250	2,500
Replacement Reserve Deposit						15,000	15,000	30,000	15,000	15,000	30,000	15,000	15,000	30,000
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						16,250	16,250	32,500	16,250	16,250	32,500	16,250	16,250	32,500
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES						528,205	292,708	820,914	546,124	302,384	848,508	564,669	312,399	877,068
NET OPERATING INCOME (INCOME minus OP EXPENSES)						18,774	50,392	69,166	19,097	49,294	68,390	19,431	48,071	67,502
DEBT SERVICE (hard debt/amortized loans)														
Hard Debt - First Lender						-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)						8,305	8,305	16,609	8,305	8,305	16,609	8,305	8,305	16,609
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)						-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender						-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service														

INCOME	Total # Units:	LOSP Units		Non-LOSP Units		Year 7 2023			Year 8 2024			Year 9 2025			
		25	25	Comments (related to annual inc assumptions)			LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
		% annual inc	% annual increase	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Commercial Only Cash Flow															
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)															
AVAILABLE CASH FLOW						10,469	42,088	52,557	10,792	40,989	51,781	11,126	39,766	50,893	
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)															
Other Payments															
Non-amortizing Loan Pmnt - Lender 1															
Non-amortizing Loan Pmnt - Lender 2															
Deferred Developer Fee (Enter amt <= Max Fee from call 1130)															
TOTAL PAYMENTS PRECEDING MOHCD						10,469	10,469	20,939	10,792	10,792	21,584	11,126	11,126	22,252	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						(0)	31,618	31,618	(0)	30,197	30,197	(0)	28,640	28,640	
Does Project have a MOHCD Residual Receipt Obligation?															
Will Project Defeat Developer Fee?															
1st Residual Receipts Split - Lender/Deferred Developer Fee															
2nd Residual Receipts Split - Lender/Owner															
MOHCD RESIDUAL RECEIPTS DEBT SERVICE															
MOHCD Residual Receipts Amount Due															
Proposed MOHCD Residual Receipts Amount to Loan Repayment															
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease															
AINING 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/Uses															
Final Balance (should be zero)															
REPLACEMENT RESERVE - RUNNING BALANCE															
Replacement Reserve Starting Balance															
Replacement Reserve Deposits															
Replacement Reserve Withdrawals (ideally tied to CNA)															
Replacement Reserve Interest															
RR Running Balance															
OPERATING RESERVE - RUNNING BALANCE															
Operating Reserve Starting Balance															
Operating Reserve Deposits															
Operating Reserve Withdrawals															
Operating Reserve Interest															
OR Running Balance															
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE															
Other Reserve 1 Starting Balance															
Other Reserve 1 Deposits															
Other Reserve 1 Withdrawals															
Other Reserve 1 Interest															
Other Required Reserve 1 Running Balance															
OTHER RESERVE 2 - RUNNING BALANCE															
Other Reserve 2 Starting Balance															
Other Reserve 2 Deposits															
Other Reserve 2 Withdrawals															
Other Reserve 2 Interest															
Other Required Reserve 2 Running Balance															

INCOME	Total # Units: 50	LOSP Units		Non-LOSP Units		Year 10 2026			Year 11 2027			Year 12 2028		
		25	25	25	25	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
		50.00%	50.00%	% annual inc	% annual increase	Comments (related to annual inc assumptions)								
Commercial Only Cash Flow														
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)														
AVAILABLE CASH FLOW						11,472	38,413	49,885	10,579	36,922	47,502	10,950	35,287	46,236
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)														
Other Payments														
Non-amortizing Loan Pmnt - Lender 1														
Non-amortizing Loan Pmnt - Lender 2														
Deferred Developer Fee (Enter amt <= Max Fee from call 1130)														
TOTAL PAYMENTS PRECEDING MOHCD						11,472	11,472	22,943	10,579	10,579	21,159	10,950	10,950	21,900
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						0	26,941	26,941	0	26,343	26,343	0	24,337	24,337
Does Project have a MOHCD Residual Receipt Obligation?			Yes		Year 15 is year indicated below:									
Will Project Defeat Developer Fee?			Yes		2031									
1st Residual Receipts Split - Lender/Deferred Developer Fee			50% / 50%		2nd Residual Receipts Split Begins:									
2nd Residual Receipts Split - Lender/Owner			67% / 33%		2018									
MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
MOHCD Residual Receipts Amount Due				75.56%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.		13,572			13,270			12,260	
Proposed MOHCD Residual Receipts Amount to Loan Repayment							13,572			13,270			12,260	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease														
AINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE							13,369			13,072			12,077	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
HCD Residual Receipts Amount Due				24.44%	Allocation per pro rata share of all soft debt loans, and HCD residual receipt policy.		4,389			4,291			3,964	
Lender 4 Residual Receipts Due				0.00%										
Lender 5 Residual Receipts Due				0.00%										
Total Non-MOHCD Residual Receipts Debt Service							4,389			4,291			3,964	
REMAINDER (Should be zero unless there are distributions below)							8,980			8,781			8,112	
Owner Distributions/Incentive Management Fee							8,980			8,781			8,112	
Other Distributions/Uses														
Final Balance (should be zero)														
REPLACEMENT RESERVE - RUNNING BALANCE														
Replacement Reserve Starting Balance							270,000			300,000			330,000	
Replacement Reserve Deposits							30,000						30,000	
Replacement Reserve Withdrawals (Ideally tied to CNA)														
Replacement Reserve Interest														
RR Running Balance														
OPERATING RESERVE - RUNNING BALANCE														
Operating Reserve Starting Balance							319,653			319,653			319,653	
Operating Reserve Deposits														
Operating Reserve Withdrawals														
Operating Reserve Interest														
OR Running Balance							319,653			319,653			319,653	
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE														
Other Reserve 1 Starting Balance														
Other Reserve 1 Deposits														
Other Reserve 1 Withdrawals														
Other Reserve 1 Interest														
Other Required Reserve 1 Running Balance														
OTHER RESERVE 2 - RUNNING BALANCE														
Other Reserve 2 Starting Balance														
Other Reserve 2 Deposits														
Other Reserve 2 Withdrawals														
Other Reserve 2 Interest														
Other Required Reserve 2 Running Balance														

John Burton Foundation Housing Complex

INCOME	Total # Units:		Year 13 2029			Year 14 2030			Year 15 2031					
	50	%	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total	LOSP	Non-LOSP	Total			
			Units	50.00%		Units	50.00%		Units	50.00%		Units	50.00%	
		% annual inc		% annual increase	Comments (related to annual inc assumptions)	LOSP	LOSP	Total	LOSP	LOSP	Total	LOSP	LOSP	Total
Residential - Tenant Rents		1.0%		2.5%		84,512	411,471	495,983	85,357	421,758	507,115	86,211	432,302	518,513
Residential - Tenant Assistance Payments (Non-LOSP)		n/a		n/a		-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments		n/a		n/a		577,932	-	577,932	599,377	-	599,377	621,595	-	621,595
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%		-	-	-	-	-	-	-	-	-
Laundry and Vending		2.5%		2.5%		6,993	6,993	13,987	7,168	7,168	14,337	7,347	7,347	14,695
Tenant Charges		2.5%		2.5%		-	-	-	-	-	-	-	-	-
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	Link from Reserve Section below, as applicable	-	-	-	-	-	-	-	-	-
Gross Potential Income						669,437	418,465	1,087,902	691,902	428,926	1,120,829	715,153	439,650	1,154,802
Vacancy Loss - Residential - Tenant Rents		n/a		n/a		(4,226)	(20,574)	(24,799)	(4,268)	(21,088)	(25,356)	(4,311)	(21,615)	(25,926)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a		n/a		-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial		n/a		n/a		-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME						665,211	397,891	1,063,103	687,634	407,839	1,095,473	710,842	418,035	1,128,877
OPERATING EXPENSES														
Management														
Management Fee		3.5%		3.5%	1st Year to be set according to HUD schedule.	24,933	24,933	49,866	25,805	25,805	51,611	26,708	26,708	53,417
Asset Management Fee		3.5%		3.5%	per MOHCD policy	5,440	5,440	10,880	5,630	5,630	11,260	5,827	5,827	11,655
Sub-total Management Expenses						30,372	30,372	60,746	31,436	31,436	62,871	32,536	32,536	65,072
Salaries/Benefits														
Office Salaries		3.5%		3.5%		226,849	-	226,849	234,789	-	234,789	243,007	-	243,007
Manager's Salary		3.5%		3.5%		43,065	43,065	86,131	44,573	44,573	89,145	46,133	46,133	92,266
Health Insurance and Other Benefits		3.5%		3.5%		57,137	19,046	76,182	59,136	19,712	78,848	61,206	20,402	81,608
Other Salaries/Benefits		3.5%		3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit		3.5%		3.5%		15,050	15,050	30,100	15,577	15,577	31,154	16,122	16,122	32,244
Sub-total Salaries/Benefits						342,101	77,161	419,263	354,075	79,862	433,937	366,468	82,657	449,125
Administration														
Advertising and Marketing		3.5%		3.5%		907	907	1,813	938	938	1,877	971	971	1,942
Office Expenses		3.5%		3.5%		7,178	7,178	14,355	7,429	7,429	14,858	7,689	7,689	15,378
Office Rent		3.5%		3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property		3.5%		3.5%		6,800	6,800	13,600	7,038	7,038	14,076	7,284	7,284	14,568
Audit Expense		3.5%		3.5%		6,422	6,422	12,844	6,647	6,647	13,294	6,879	6,879	13,759
Bookkeeping/Accounting Services		3.5%		3.5%		3,853	3,853	7,706	3,988	3,988	7,976	4,128	4,128	8,255
Bad Debts		3.5%		3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous		3.5%		3.5%		4,533	4,533	9,066	4,692	4,692	9,384	4,856	4,856	9,712
Sub-total Administration Expenses						29,692	29,692	59,385	30,732	30,732	61,463	31,807	31,807	63,615
Utilities														
Electricity		3.5%		3.5%		21,344	21,344	42,688	22,091	22,091	44,182	22,864	22,864	45,728
Water		3.5%		3.5%		3,400	3,400	6,800	3,519	3,519	7,038	3,642	3,642	7,284
Gas		3.5%		3.5%		11,106	11,106	22,213	11,495	11,495	22,990	11,897	11,897	23,795
Sewer		3.5%		3.5%		6,422	6,422	12,844	6,647	6,647	13,294	6,879	6,879	13,759
Sub-total Utilities						42,272	42,272	84,544	43,752	43,752	87,503	45,283	45,283	90,566
Taxes and Licenses														
Real Estate Taxes		3.5%		3.5%		1,133	1,133	2,267	1,173	1,173	2,346	1,214	1,214	2,428
Payroll Taxes		3.5%		3.5%		26,071	10,139	36,210	26,983	10,494	37,477	27,928	10,861	38,789
Miscellaneous Taxes, Licenses and Permits		3.5%		3.5%		1,133	1,133	2,267	1,173	1,173	2,346	1,214	1,214	2,428
Sub-total Taxes and Licenses						28,338	12,405	40,743	29,329	12,840	42,169	30,356	13,289	43,645
Insurance														
Property and Liability Insurance		3.5%		3.5%		41,554	41,554	83,109	43,009	43,009	86,018	44,514	44,514	89,028
Fidelity Bond Insurance		3.5%		3.5%		91	91	181	94	94	188	97	97	194
Worker's Compensation		3.5%		3.5%		17,766	9,152	26,918	18,389	9,473	27,860	19,031	9,804	28,835
Director's & Officers' Liability Insurance		3.5%		3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance						59,411	50,797	110,208	61,490	52,575	114,066	63,643	54,415	118,058
Maintenance & Repair														
Payroll		3.5%		3.5%		41,454	41,454	82,908	42,905	42,905	85,810	44,406	44,406	88,813
Supplies		3.5%		3.5%		15,111	15,111	30,221	15,640	15,640	31,279	16,187	16,187	32,374
Contracts		3.5%		3.5%		20,551	20,551	41,101	21,270	21,270	42,540	22,014	22,014	44,028
Garbage and Trash Removal		3.5%		3.5%		13,600	13,600	27,199	14,076	14,076	28,151	14,568	14,568	29,137
Security Payroll/Contract		3.5%		3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance		3.5%		3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs		3.5%		3.5%		378	378	756	391	391	782	405	405	809
Miscellaneous Operating and Maintenance Expenses		3.5%		3.5%		6,044	6,044	12,089	6,256	6,256	12,512	6,475	6,475	12,950
Sub-total Maintenance & Repair Expenses						97,137	97,137	194,274	100,537	100,537	201,073	104,055	104,055	208,111
Supportive Services														
Commercial Expenses		3.5%		3.5%		-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES						629,324	339,838	969,162	651,350	351,732	1,003,082	674,148	364,043	1,038,190
Reserves/Ground Lease Base Rent/Bond Fees														
Reserves/Ground Lease Base Rent/Bond Fees						-	-	-	-	-	-	-	-	-
Bond Monitoring Fee						1,250	1,250	2,500	1,250	1,250	2,500	1,250	1,250	2,500
Replacement Reserve Deposit						15,000	15,000	30,000	15,000	15,000	30,000	15,000	15,000	30,000
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						16,250	16,250	32,500	16,250	16,250	32,500	16,250	16,250	32,500
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES						645,574	356,088	1,001,662	667,600	367,982	1,035,582	690,398	380,293	1,070,690
NET OPERATING INCOME (INCOME minus OP EXPENSES)						19,638	41,804	61,441	20,034	39,857	59,891	20,445	37,742	58,187
DEBT SERVICE (hard debt/amortized loans)														
Hard Debt - First Lender					Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					Enter comments re: annual increase, etc.	8,305	8,305	16,609	8,305	8,305	16,609	8,305	8,305	16,609
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender					Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE						8,305	8,305	16,609	8,305	8,305	16,609	8,305	8,305	16,609
CASH FLOW (NOI minus DEBT SERVICE)						11,333	33,499	44,832	11,730	31,552	43,282	12,140	29,437	41,578

INCOME	Total # Units:	LOSP Units		Non-LOSP Units		Year 13 2029			Year 14 2030			Year 15 2031		
		25	25	25	25	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
		% annual inc	% annual inc	% annual inc	% annual inc									
Commercial Only Cash Flow														
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)														
AVAILABLE CASH FLOW						11,333	33,499	44,832	11,730	31,552	43,282	12,140	29,437	41,578
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)														
Other Payments														
Non-amortizing Loan Pmnt - Lender 1														
Non-amortizing Loan Pmnt - Lender 2														
Deferred Developer Fee (Enter amt <= Max Fee from call 1130)														
TOTAL PAYMENTS PRECEDING MOHCD						11,333	11,333	22,666	11,730	11,730	23,459	12,140	12,140	24,280
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						0	22,166	22,166	(0)	19,822	19,822	0	17,297	17,297
Does Project have a MOHCD Residual Receipt Obligation?	Yes	Year 15 is year indicated below:												
Will Project Defeat Developer Fee?	Yes	2031												
1st Residual Receipts Split - Lender/Deferred Developer Fee	50% / 50%	2nd Residual Receipts Split Begins: 2018												
2nd Residual Receipts Split - Lender/Owner	67% / 33%													
MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
MOHCD Residual Receipts Amount Due	75.56%					11,167				9,986				8,714
Proposed MOHCD Residual Receipts Amount to Loan Repayment						11,167				9,986				8,714
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease														
AINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
HCD Residual Receipts Amount Due	24.44%					3,611				3,229				2,818
Lender 4 Residual Receipts Due	0.00%													
Lender 5 Residual Receipts Due	0.00%													
Total Non-MOHCD Residual Receipts Debt Service						3,611				3,229				2,818
REMAINDER (Should be zero unless there are distributions below)														
Owner Distributions/Incentive Management Fee						7,389				6,807				5,766
Other Distributions/Uses														
Final Balance (should be zero)														
REPLACEMENT RESERVE - RUNNING BALANCE														
Replacement Reserve Starting Balance						360,000				390,000				420,000
Replacement Reserve Deposits						30,000				30,000				30,000
Replacement Reserve Withdrawals (Ideally tied to CNA)														
Replacement Reserve Interest														
RR Running Balance														
OPERATING RESERVE - RUNNING BALANCE														
Operating Reserve Starting Balance						319,653				319,653				319,653
Operating Reserve Deposits														
Operating Reserve Withdrawals														
Operating Reserve Interest														
OR Running Balance						319,653				319,653				319,653
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE														
Other Reserve 1 Starting Balance														
Other Reserve 1 Deposits														
Other Reserve 1 Withdrawals														
Other Reserve 1 Interest														
Other Required Reserve 1 Running Balance														
OTHER RESERVE 2 - RUNNING BALANCE														
Other Reserve 2 Starting Balance														
Other Reserve 2 Deposits														
Other Reserve 2 Withdrawals														
Other Reserve 2 Interest														
Other Required Reserve 2 Running Balance														

John Burton Foundation Housing Complex

INCOME	Total # Units:		Year 16			Year 17			Year 18		
	50	50.00%	2032			2033			2034		
			LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
	% annual inc	% annual increase	Comments (related to annual inc assumptions)								
Residential - Tenant Rents	1.0%	2.5%	87,073	443,110	530,182	87,943	454,187	542,131	88,823	465,542	554,365
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	644,612	-	644,612	668,457	-	668,457	693,160	-	693,160
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%	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%	7,531	7,531	15,062	7,719	7,719	15,439	7,912	7,912	15,825
Tenant Charges	2.5%	2.5%	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Gross Potential Income			739,216	450,641	1,189,857	764,120	461,907	1,226,027	789,895	473,455	1,263,350
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(4,354)	(22,155)	(26,509)	(4,397)	(22,709)	(27,107)	(4,441)	(23,277)	(27,718)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			734,862	428,485	1,163,348	759,723	439,198	1,198,921	785,454	450,177	1,235,631
OPERATING EXPENSES											
Management											
Management Fee	3.5%	3.5%	27,643	27,643	55,287	28,611	28,611	57,222	29,612	29,612	59,224
Asset Management Fee	3.5%	3.5%	6,031	6,031	12,063	6,242	6,242	12,485	6,461	6,461	12,922
Sub-total Management Expenses			33,675	33,675	67,349	34,853	34,853	69,706	36,073	36,073	72,146
Salaries/Benefits											
Office Salaries	3.5%	3.5%	251,512	-	251,512	260,315	-	260,315	269,426	-	269,426
Manager's Salary	3.5%	3.5%	47,747	47,747	95,495	49,419	49,419	98,837	51,148	51,148	102,297
Health Insurance and Other Benefits	3.5%	3.5%	63,348	21,116	84,464	65,565	21,855	87,421	67,860	22,620	90,480
Other Salaries/Benefits	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%	16,686	16,686	33,373	17,271	17,271	34,541	17,875	17,875	35,750
Sub-total Salaries/Benefits			379,294	85,550	464,844	392,569	88,544	481,114	406,309	97,643	497,952
Administration											
Advertising and Marketing	3.5%	3.5%	1,005	1,005	2,010	1,040	1,040	2,081	1,077	1,077	2,154
Office Expenses	3.5%	3.5%	7,958	7,958	15,916	8,236	8,236	16,473	8,525	8,525	17,049
Office Rent	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%	7,539	7,539	15,078	7,803	7,803	15,606	8,078	8,078	16,152
Audit Expenses	3.5%	3.5%	7,120	7,120	14,240	7,369	7,369	14,739	7,627	7,627	15,255
Bookkeeping/Accounting Services	3.5%	3.5%	4,272	4,272	8,544	4,422	4,422	8,843	4,576	4,576	9,153
Bad Debts	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Miscellaneous	3.5%	3.5%	5,026	5,026	10,052	5,202	5,202	10,404	5,384	5,384	10,768
Sub-total Administration Expenses			32,921	32,921	65,841	34,073	34,073	68,146	35,265	35,265	70,531
Utilities											
Electricity	3.5%	3.5%	23,664	23,664	47,329	24,493	24,493	48,985	25,350	25,350	50,700
Water	3.5%	3.5%	3,770	3,770	7,539	3,901	3,901	7,803	4,038	4,038	8,076
Gas	3.5%	3.5%	12,314	12,314	24,628	12,745	12,745	25,490	13,191	13,191	26,382
Sewer	3.5%	3.5%	7,120	7,120	14,240	7,369	7,369	14,739	7,627	7,627	15,255
Sub-total Utilities			46,868	46,868	93,736	48,508	48,508	97,017	50,206	50,206	100,412
Taxes and Licenses											
Real Estate Taxes	3.5%	3.5%	1,257	1,257	2,513	1,300	1,300	2,601	1,346	1,346	2,692
Payroll Taxes	3.5%	3.5%	28,905	11,241	40,146	29,917	11,634	41,552	30,964	12,042	43,006
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%	1,257	1,257	2,513	1,300	1,300	2,601	1,346	1,346	2,692
Sub-total Taxes and Licenses			31,418	13,754	45,172	32,518	14,235	46,753	33,656	14,734	48,390
Insurance											
Property and Liability Insurance	3.5%	3.5%	46,072	46,072	92,144	47,685	47,685	95,369	49,254	49,254	98,507
Fidelity Bond Insurance	3.5%	3.5%	101	101	201	104	104	208	108	108	215
Worker's Compensation	3.5%	3.5%	19,697	10,147	29,845	20,387	10,502	30,889	21,100	10,870	31,970
Director's & Officers' Liability Insurance	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Sub-total Insurance			65,870	56,320	122,190	68,176	58,291	126,467	70,562	60,331	130,893
Maintenance & Repair											
Payroll	3.5%	3.5%	45,961	45,961	91,921	47,569	47,569	95,139	49,234	49,234	98,468
Supplies	3.5%	3.5%	16,753	16,753	33,507	17,340	17,340	34,680	17,947	17,947	35,894
Contracts	3.5%	3.5%	22,785	22,785	45,569	23,582	23,582	47,164	24,408	24,408	48,815
Garbage and Trash Removal	3.5%	3.5%	15,078	15,078	30,156	15,606	15,606	31,212	16,152	16,152	32,304
Security Payroll/Contract	3.5%	3.5%	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%	419	419	838	433	433	867	449	449	897
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%	6,701	6,701	13,403	6,936	6,936	13,872	7,179	7,179	14,357
Sub-total Maintenance & Repair Expenses			107,697	107,697	215,395	111,467	111,467	222,933	115,368	115,368	230,736
Supportive Services											
Commercial Expenses	3.5%	3.5%	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES			697,743	376,784	1,074,527	722,164	389,972	1,112,135	747,439	403,621	1,151,060
Reserves/Ground Lease Base Rent/Bond Fees											
Reserves/Ground Lease Base Rent/Bond Fees			-	-	-	-	-	-	-	-	-
Bond Monitoring Fee			1,250	1,250	2,500	1,250	1,250	2,500	1,250	1,250	2,500
Replacement Reserve Deposit			15,000	15,000	30,000	15,000	15,000	30,000	15,000	15,000	30,000
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			16,250	16,250	32,500	16,250	16,250	32,500	16,250	16,250	32,500
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES			713,993	393,034	1,107,027	738,414	406,222	1,144,635	763,689	419,871	1,183,560
NET OPERATING INCOME (INCOME minus OP EXPENSES)			20,870	35,451	56,321	21,309	32,976	54,285	21,765	30,307	52,071
DEBT SERVICE (hard debt/amortized loans)											
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			8,305	8,305	16,609	8,305	8,305	16,609	8,305	8,305	16,609
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			8,305	8,305	16,609	8,305	8,305	16,609	8,305	8,305	16,609
CASH FLOW (NOI minus DEBT SERVICE)			12,565	27,147	39,712	13,005	24,671	37,676	13,460	22,002	35,462

Total # Units:	LOSP Units		Non-LOSP Units		Year 16 2032			Year 17 2033			Year 18 2034		
	25	25											
	50.00%	50.00%											
% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)			LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME													
Commercial Only Cash Flow					-			-			-		
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)					-			-			-		
AVAILABLE CASH FLOW					12,565	27,147	39,712	13,005	24,671	37,676	13,460	22,002	35,462
USES OF CASH FLOW BELOW (This row also shows DSCR.)					DSCR:			3.39			3.27		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)					3.5%	per MOHCD policy	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)					3.5%	per MOHCD policy	12,565	12,565	25,130	13,005	13,005	26,010	13,460
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)					per MOHCD policy no annual increase			-	-	-	-	-	-
Other Payments					-	-	-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 1					Enter comments re: annual increase, etc.			-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2					Enter comments re: annual increase, etc.			-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from call 1130)					-	-	-	-	-	-	-	-	
TOTAL PAYMENTS PRECEDING MOHCD					12,565	12,565	25,130	13,005	13,005	26,010	13,460	13,460	26,920
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					0	14,582	14,582	(0)	11,667	11,667	(0)	8,542	8,542
Does Project have a MOHCD Residual Receipt Obligation?					Yes		Year 15 is year indicated below:						
Will Project Defeat Developer Fee?					Yes		2031						
1st Residual Receipts Split - Lender/Deferred Developer Fee					50% / 50%		2nd Residual Receipts Split Begins: 2018						
2nd Residual Receipts Split - Lender/Owner					67% / 33%								
MOHCD RESIDUAL RECEIPTS DEBT SERVICE					Dist. Soft Debt Loans								
MOHCD Residual Receipts Amount Due					75.56%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	7,346		5,877		4,303		
Proposed MOHCD Residual Receipts Amount to Loan Repayment							7,346		5,877		4,303		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease							-		-		-		
AJNING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE							7,236		5,789		4,239		
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE					Dist. Hard Debt Loans								
HCD Residual Receipts Amount Due					24.44%	Allocation per pro rata share of all soft debt loans, and HCD residual receipt policy	2,375		1,900		1,392		
Lender 4 Residual Receipts Due					0.00%		-		-		-		
Lender 5 Residual Receipts Due					0.00%		-		-		-		
Total Non-MOHCD Residual Receipts Debt Service							2,375		1,900		1,392		
REMAINDER (Should be zero unless there are distributions below)							4,861		3,889		2,847		
Owner Distributions/Incentive Management Fee							4,861		3,889		2,847		
Other Distributions/Uses							-		-		-		
Final Balance (should be zero)							-		-		-		
REPLACEMENT RESERVE - RUNNING BALANCE							450,000		480,000		510,000		
Replacement Reserve Starting Balance							30,000		30,000		30,000		
Replacement Reserve Deposits							-		-		-		
Replacement Reserve Withdrawals (ideally tied to CNA)							-		-		-		
Replacement Reserve Interest							-		-		-		
RR Running Balance							-		-		-		
OPERATING RESERVE - RUNNING BALANCE							319,653		319,653		319,653		
Operating Reserve Starting Balance							-		-		-		
Operating Reserve Deposits							-		-		-		
Operating Reserve Withdrawals							-		-		-		
Operating Reserve Interest							-		-		-		
OR Running Balance							319,653		319,653		319,653		
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE							-		-		-		
Other Reserve 1 Starting Balance							-		-		-		
Other Reserve 1 Deposits							-		-		-		
Other Reserve 1 Withdrawals							-		-		-		
Other Reserve 1 Interest							-		-		-		
Other Required Reserve 1 Running Balance							-		-		-		
OTHER RESERVE 2 - RUNNING BALANCE							-		-		-		
Other Reserve 2 Starting Balance							-		-		-		
Other Reserve 2 Deposits							-		-		-		
Other Reserve 2 Withdrawals							-		-		-		
Other Reserve 2 Interest							-		-		-		
Other Required Reserve 2 Running Balance							-		-		-		

John Burton Foundation Housing Complex

INCOME	Total # Units:		LOSP Units		Non-LOSP Units		Year 19 2035			Year 20 2036			
	50	25	50.00%	50.00%	Comments (related to annual inc assumptions)			LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
	% annual inc	% annual inc	% annual inc	% annual inc	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents	1.0%	2.5%			89,711	477,181	566,892	90,608	489,110	579,718			
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a			-	-	-	-	-	-			
Residential -LOSP Tenant Assistance Payments	n/a	n/a			718,750	-	718,750	745,258	-	745,258			
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%			-	-	-	-	-	-			
Laundry and Vending	2.5%	2.5%			8,110	8,110	16,220	8,313	8,313	16,626			
Tenant Charges	2.5%	2.5%			-	-	-	-	-	-			
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			-	-	-	-	-	-			
Gross Potential Income					816,571	485,291	1,301,862	844,180	497,423	1,341,603			
Vacancy Loss - Residential - Tenant Rents	n/a	n/a			(4,486)	(23,859)	(28,345)	(4,530)	(24,456)	(28,986)			
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a			-	-	-	-	-	-			
Vacancy Loss - Commercial	n/a	n/a			-	-	-	-	-	-			
EFFECTIVE GROSS INCOME					812,086	461,432	1,273,517	839,649	472,968	1,312,617			
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%			30,649	30,649	61,297	31,721	31,721	63,443			
Asset Management Fee	3.5%	3.5%			6,687	6,687	13,374	6,921	6,921	13,842			
Sub-total Management Expenses					37,336	37,336	74,671	38,642	38,642	77,285			
Salaries/Benefits													
Office Salaries	3.5%	3.5%			278,856	-	278,856	288,616	-	288,616			
Manager's Salary	3.5%	3.5%			52,938	52,938	105,877	54,791	54,791	109,583			
Health Insurance and Other Benefits	3.5%	3.5%			70,235	23,412	93,647	72,694	24,231	96,925			
Other Salaries/Benefits	3.5%	3.5%			-	-	-	-	-	-			
Administrative Rent-Free Unit	3.5%	3.5%			18,501	18,501	37,001	19,148	19,148	38,296			
Sub-total Salaries/Benefits					420,530	94,851	515,381	435,249	98,171	533,419			
Administration													
Advertising and Marketing	3.5%	3.5%			1,114	1,114	2,229	1,154	1,154	2,307			
Office Expenses	3.5%	3.5%			8,823	8,823	17,646	9,132	9,132	18,264			
Office Rent	3.5%	3.5%			-	-	-	-	-	-			
Legal Expense - Property	3.5%	3.5%			8,359	8,359	16,717	8,651	8,651	17,303			
Audit Expense	3.5%	3.5%			7,894	7,894	15,789	8,171	8,171	16,341			
Bookkeeping/Accounting Services	3.5%	3.5%			4,737	4,737	9,473	4,902	4,902	9,805			
Bad Debts	3.5%	3.5%			-	-	-	-	-	-			
Miscellaneous	3.5%	3.5%			5,572	5,572	11,145	5,768	5,768	11,535			
Sub-total Administration Expenses					36,500	36,500	72,999	37,777	37,777	75,554			
Utilities													
Electricity	3.5%	3.5%			26,237	26,237	52,474	27,155	27,155	54,311			
Water	3.5%	3.5%			4,179	4,179	8,359	4,326	4,326	8,651			
Gas	3.5%	3.5%			13,653	13,653	27,305	14,130	14,130	28,261			
Sewer	3.5%	3.5%			7,894	7,894	15,789	8,171	8,171	16,341			
Sub-total Utilities					51,963	51,963	103,927	53,782	53,782	107,564			
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%			1,393	1,393	2,786	1,442	1,442	2,884			
Payroll Taxes	3.5%	3.5%			32,048	12,463	44,511	33,170	12,899	46,069			
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%			1,393	1,393	2,786	1,442	1,442	2,884			
Sub-total Taxes and Licenses					34,834	15,249	50,083	36,053	15,783	51,836			
Insurance													
Property and Liability Insurance	3.5%	3.5%			51,081	51,081	102,162	52,869	52,869	105,738			
Fidelity Bond Insurance	3.5%	3.5%			111	111	223	115	115	231			
Worker's Compensation	3.5%	3.5%			21,839	11,250	33,089	22,603	11,644	34,247			
Director's & Officers' Liability Insurance	3.5%	3.5%			-	-	-	-	-	-			
Sub-total Insurance					73,031	62,443	135,474	75,587	64,628	140,216			
Maintenance & Repair													
Payroll	3.5%	3.5%			50,957	50,957	101,915	52,741	52,741	105,482			
Supplies	3.5%	3.5%			18,575	18,575	37,150	19,225	19,225	38,450			
Contracts	3.5%	3.5%			25,262	25,262	50,524	26,146	26,146	52,292			
Garbage and Trash Removal	3.5%	3.5%			16,717	16,717	33,435	17,303	17,303	34,605			
Security Payroll/Contract	3.5%	3.5%			-	-	-	-	-	-			
HVAC Repairs and Maintenance	3.5%	3.5%			-	-	-	-	-	-			
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%			464	464	929	481	481	961			
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%			7,430	7,430	14,860	7,690	7,690	15,380			
Sub-total Maintenance & Repair Expenses					119,406	119,406	238,812	123,585	123,585	247,170			
Supportive Services													
Commercial Expenses	3.5%				-	-	-	-	-	-			
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES					773,600	417,747	1,191,347	800,676	432,368	1,233,044			
Reserves/Ground Lease Base Rent/Bond Fees													
Reserves/Ground Lease Base Rent/Bond Fees					-	-	-	-	-	-			
Ground Lease Base Rent					1,250	1,250	2,500	1,250	1,250	2,500			
Bond Monitoring Fee					15,000	15,000	30,000	15,000	15,000	30,000			
Replacement Reserve Deposit					-	-	-	-	-	-			
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					16,250	16,250	32,500	16,250	16,250	32,500			
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES					789,850	433,997	1,223,847	816,926	448,618	1,265,544			
NET OPERATING INCOME (INCOME minus OP EXPENSES)					22,236	27,435	49,670	22,723	24,349	47,073			
DEBT SERVICE (*hard debt*/amortized loans)													
Hard Debt - First Lender					-	-	-	-	-	-			
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					8,305	8,305	16,609	8,305	8,305	16,609			
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					-	-	-	-	-	-			
Hard Debt - Fourth Lender					-	-	-	-	-	-			
Commercial Hard Debt Service					-	-	-	-	-	-			
TOTAL HARD DEBT SERVICE					8,305	8,305	16,609	8,305	8,305	16,609			
CASH FLOW (NOI minus DEBT SERVICE)					13,931	19,130	33,061	14,419	16,045	30,464			

INCOME	Total # Units: 50	LOSP Units		Non-LOSP Units		Year 19 2035			Year 20 2036				
		25	25	25	25	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total		
		50.00%	50.00%	% annual inc	% annual increase	Comments (related to annual inc assumptions)							
Commercial Only Cash Flow													
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)													
AVAILABLE CASH FLOW						13,931	19,130	33,061	14,419	16,045	30,464		
USES OF CASH FLOW BELOW (This row also shows DSCR.)								2.99			2.83		
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)						3.5%	per MOHCD policy	-	-	-	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)						3.5%	per MOHCD policy	13,931	13,931	27,862	14,419	14,419	28,838
Other Payments							per MOHCD policy no annual increase	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1							Enter comments re: annual increase, etc.	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2							Enter comments re: annual increase, etc.	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from call 1130)								-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD						13,931	13,931	27,862	14,419	14,419	28,838		
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						0	5,199	5,199	0	1,626	1,626		
Does Project have a MOHCD Residual Receipt Obligation?			Yes		Year 15 is year indicated below:								
Will Project Defeat Developer Fee?			Yes		2031								
1st Residual Receipts Split - Lender/Deferred Developer Fee			50% / 50%		2nd Residual Receipts Split Begins:								
2nd Residual Receipts Split - Lender/Owner			67% / 33%		2018								
MOHCD RESIDUAL RECEIPTS DEBT SERVICE			Dist. Soft Debt Loans										
MOHCD Residual Receipts Amount Due			75.56%		Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.			2,619			819		
Proposed MOHCD Residual Receipts Amount to Loan Repayment								2,619			819		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease													
AINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE								2,580			807		
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due			24.44%		Allocation per pro rata share of all soft debt loans, and HCD residual receipt policy.			847			265		
Lender 4 Residual Receipts Due			0.00%					-			-		
Lender 5 Residual Receipts Due			0.00%					-			-		
Total Non-MOHCD Residual Receipts Debt Service								847			265		
REMAINDER (Should be zero unless there are distributions below)								1,733			542		
Owner Distributions/Incentive Management Fee								1,733			542		
Other Distributions/Uses								-			-		
Final Balance (should be zero)								-			-		
REPLACEMENT RESERVE - RUNNING BALANCE								540,000			570,000		
Replacement Reserve Starting Balance								30,000			30,000		
Replacement Reserve Deposits								-			-		
Replacement Reserve Withdrawals (Ideally tied to CNA)								-			-		
Replacement Reserve Interest								-			-		
RR Running Balance								-			-		
OPERATING RESERVE - RUNNING BALANCE								319,653			319,653		
Operating Reserve Starting Balance								-			-		
Operating Reserve Deposits								-			-		
Operating Reserve Withdrawals								-			-		
Operating Reserve Interest								-			-		
OR Running Balance								319,653			319,653		
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE								-			-		
Other Reserve 1 Starting Balance								-			-		
Other Reserve 1 Deposits								-			-		
Other Reserve 1 Withdrawals								-			-		
Other Reserve 1 Interest								-			-		
Other Required Reserve 1 Running Balance								-			-		
OTHER RESERVE 2 - RUNNING BALANCE								-			-		
Other Reserve 2 Starting Balance								-			-		
Other Reserve 2 Deposits								-			-		
Other Reserve 2 Withdrawals								-			-		
Other Reserve 2 Interest								-			-		
Other Required Reserve 2 Running Balance								-			-		

Exhibit C – Legal Description of Real Property

PARCEL I:

Condominium Unit R, Lot 56, as shown on the Condominium Plan (the "Plan") recorded August 25, 2015 in the Office of the Recorder of the City and County of San Francisco, State of California as Document No. 2015-K114697, as further described in the 800 Presidio Declaration of Restrictions (referred to herein as "the Plan"), recorded August 26, 2015 in the Office of the Recorder of the City and County of San Francisco, State of California as Document No. 2015-K115010, and as further defined in Condominium Map entitled Parcel Map 7046, (referred to herein as "the Map") which was filed for record on December 3, 2014 in Condominium Map Book 125, at Pages 123 through 124, in the Office of the Recorder of the City and County of San Francisco, State of California.

EXCEPTING AND RESERVING THEREFROM any portion of the common area lying within said Unit.

ALSO EXCEPTING AND RESERVING THEREFROM:

- (a) Easements through said Unit, appurtenant to the common area and all other Units, for support and repair of the common area and all other Units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the Unit by those portions of the common area located within the Unit.

PARCEL II:

An undivided 50% interest in and to the Common Area as shown and defined on the Plan, excepting and Reserving therefrom the following:

- (a) Exclusive easements, other than Parcel III, as shown and reserved for use to Units in the Plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

PARCEL III:

- (a) The exclusive easement to use the Parking Areas designated P-R-1 and P-R-2 on the Plan.
- (b) The exclusive easement to use the Terrace Areas designated T-R on the Plan.

PARCEL IV:

A non-exclusive easement appurtenant to Parcel I above for support, repair and maintenance, and for ingress and egress through the Common Area in accordance with California Civil Code Section 6652.

PARCEL V:

Encroachment easements appurtenant to the Unit in accordance with the provisions of the Plan. Assessor's Lot 56 (formerly Lot 13), Block 1073.

Exhibit D - LOSP Client Selection Criteria

JOHN BURTON ADVOCATES FOR YOUTH HOUSING AT BOOKER T. WASHINGTON 25 Transitional Age Youth Supportive Housing Units RESIDENT SELECTION CRITERIA AND PROCESS MAY 2017

The purpose of this document is to establish the referral process and fair, equitable, and easily understood practices for accepting and rejecting applicants for occupancy in John Burton Advocates for Youth Housing at Booker T. Washington. These criteria are in compliance with requirements of the Federal Low Income Housing Tax Credit Program, the Tax Credit Allocation Committee of the State of California, the California Department of Housing and Community Development and the City of San Francisco's Mayor's Office of Housing and Community Development.

It is not the intent of these practices to deny the housing to any applicant, but rather to ensure that the residential community is a healthy one characterized by vitality, safety and security for all residents and visitors.

REFERRALS

Unit Allocation

- All applicants for the 25 units of TAY housing must be San Francisco (or wards of San Francisco) homeless or at risk of homelessness and between the age 18-24 at the time of application.
- 15 of the 25 units (60%) will be set aside for former foster care youth who are in San Francisco or wards of San Francisco. 5 of these 15 units will be for youth who meet THP Plus eligibility requirements and 10 of these 15 units will be for youth with a history of being in foster care.
- 10 of the 25 units (40%) will be for other San Francisco homeless youth (which could include foster youth).

Initial Rent-up

- During the initial rent-up, agencies that serve former foster youth who are homeless or at risk of homelessness will refer applicants into 15 of the 25 TAY units.
- During the initial rent-up, agencies that serve homeless youth will refer applicants into 10 of the 25 TAY units.
- The breakdown for referral agencies is as follows:
 - Foster Care**
 - 5 for THP Plus Referrals (through Guardian Scholars and HSA)
 - 4 for BTWCSC
 - 6 for First Place for Youth
 - ≡ 15 total former foster care (60%)

Other Homeless Youth

3 for BTWCSC
2 for Young Community Developers
2 for Bayview Senior Services
1 for At the Crossroads
1 for Larkin Street
1 for LYRIC
= 10 other homeless youth which may include former foster youth (40%)

- In the event that a referral agency is unable to identify qualified applicants for a specific unit, the City reserves the right to refer other youth who meet the funders' qualifications.
- During the initial rent-up and when filling subsequent vacancies, all referrals will be processed by the City and County of San Francisco and presented to the Management Agent.
- The Management Agent will determine whether or not the referrals are qualified based on pre-established Marketing and Tenant Selection Criteria.

Coordinated Entry

HSH plans to expand Coordinated Entry to become the single access and assessment process for access to all transitional and permanent supportive housing. A key requirement of Coordinated Entry is prioritization and a move away from "first come first served" methods for managing access to shelter and housing. Once Coordinated Entry is fully implemented, access to all interventions in the homeless crisis response system for youth will be managed using a standard assessment and a prioritization system. Coordinated Entry is currently active for individual adult placements into Shelter Plus Care, other federally funded supportive housing and housing designated for veterans. Coordinated Entry procedures are or will be developed and implemented for homeless families, transitional age youth and all other adult populations. Once the City and County of San Francisco's coordinated entry and placement system (aka the ONE System) is operational, referrals will be made through this centralized system and not via individual agencies. All referrals will be processed by the City and County of San Francisco and presented to the property manager. The 15-unit set-aside for foster care youth will continue under this system.

POLICY ON NON-DISCRIMINATION

With respect to the treatment of applicants, the Management Agent will not discriminate against any individual or family because of race, color, creed, national or ethnic origin or ancestry, religion, sex, sexual preference, gender identity, age, disability, handicap, military status, source of income, marital status or presence of children in a household, HIV status, or any other arbitrary basis. No criteria will be applied or information considered pertaining to attributes of behavior that may be imputed by some to a particular group or category. All criteria shall be applied equitably and all information considered on an applicant shall be related solely to the attributes and behavior of individual members of the household as they may affect residency.

APPLICATION PROCESSING PROCEDURES

TRANSITIONAL AGE YOUTH (TAY) UNITS

Transitional Age Youth (TAY) Units - The referrals for the TAY applicants (for the 25 TAY units) are managed by the City and County of San Francisco's Department of Homelessness and

Supportive Housing (HSH). The youth programs manager oversees the process. As part of the referral process the Department works with local agencies that serve youth who are homeless or at risk of homelessness and act as “access points” for housing. These agencies identify young people who are eligible and appropriate referrals for the housing. Once a youth is identified, the application is completed and sent to HSH. The youth programs manager reviews the application for accuracy and eligibility and sends it to property management for final review. Please note that all referrals come through pre-identified access point agencies. Youth cannot apply directly to the building. Once the City and County of San Francisco’s coordinated entry and placement system (aka the ONE System) is operational, referrals will be made through this centralized system and not via individual agencies. All referrals will be processed by the City and County of San Francisco and presented to the property manager.

In order to locate applicants and properly process applications, applicants are asked to **COMPLETELY AND ACCURATELY** supply the information requested on the application. Additionally, applicants must sign each application thereby attesting to the truthfulness of the information provided. Applications which are not completely filled out **will not be considered**.

ELIGIBILITY CRITERIA

These guidelines are written and adhered to in order to foster objectivity and fairness and not as a means to deny housing to people who need it or desire it.

Any verifiable action to CURE a problem area will be considered (For example: paying off a past due balance to landlords or other creditors).

Introduction:

The criteria and guidelines will help to ensure the overall health of the replacement housing in the following ways:

- By ensuring that residents have sufficient resources in order to pay their rent thereby minimizing costly evictions for nonpayment.
- By ensuring that residents are interested in a safe and peaceful environment and are able and willing to contribute to the safety and harmony of the community.
- By ensuring that residents have a history of being respectful of property thereby ensuring that the complex is one in which all can take pride.
- Booker T. Washington is a non-smoking building, persons will not be allowed to smoke in the building or in their unit.

In determining whether an applicant is eligible for occupancy, the following criteria will apply:

- The applicants must meet the definition of a household which is one, two, or more persons sharing residency whose income and resources are available to meet the household’s needs.
- *Income*: The applicants must not exceed the maximum *income* (as defined by the most restrictive of Tax Credit or HUD Metro Fair Market Rent Area (HMFA) that contains San

Francisco limits as published by MOHCD) and meet the minimum income set forth in Table A.

TABLE A

Studio	Minimum Annual Income	Maximum Annual Income
1 person	\$4,344	\$21,555
Two Bedroom		
2 people	\$4,344	\$43,200
3 people	\$4,344	\$48,500
4 people	\$4,344	\$53,850
5 people	\$4,344	\$48,150

These limits will be adjusted as published by HUD yearly to reflect changes in the Area Median Income. Applicant households whose annual income exceeds the limits published at the time of move in, will not be eligible for occupancy. Gross annual income as defined by HUD includes the gross amount (before deductions for taxes, insurance, etc.) of income, including income from assets, anticipated being received by all household members 18 years of age and over during the twelve months following the date of certification or recertification.

The applicant and all household members over the age of 18 must supply sufficient information to enable the housing provider to request and receive written third-party verification from all income sources including, but not limited to: a) Employment; b) Public Assistance programs; c) Savings and Checking accounts; d) Pensions; e) Disability income; f) All assets including residences, property, stocks, bonds, annuities, retirement accounts, etc.

➤ Full Time Student Status: Units comprised of full-time students do not qualify to reside in tax credit properties. However, there are exceptions as outlined by the IRS under IRC §42(i)(3)(D) that include:

- Receiving assistance under Title IV of the Social Security Act (AFDC, TANF);
- Enrolled in a job training program receiving assistance under the Work Force Investment Act (WIA), (formerly the Job Training Partnership Act) or under another similar federal, state, or local laws;
- Single parents with minor children, all of whom are full-time students and such parents and children are not dependents of another individual (children in household can be claimed as dependents on either parent's tax return).
- All members of household are married and have filed a joint tax return or are entitled to file a joint tax return

- *Rental History*: Current landlord references will be obtained to inquire if there are documented lease violations and for cause evictions along with an unlawful detainer search. All previous landlords during the previous two years will also be contacted. Any documented behavior which would constitute a material violation of the standard lease to be used at the replacement housing may be considered grounds for ineligibility. A poor rental history is defined as:
 - A judgment against an applicant obtained by the current or previous landlord in the past two years. “No-fault” judgements (Ellis Act, owner Move In, et.) will not be counted against the applicant.
 - A documented unmet obligation (such as rent payment) owed to a previous landlord within the past two years.
 - Negative landlord reference within the past two years that consists of documented lease violations and/or evictions for cause.
 - Absence of rental history will not be grounds for denial.

- *Credit*: The applicant must have a responsible credit history. A credit check will be obtained for all household members age 18 or older for the past two years. A poor credit history without mitigating circumstances (such as excessive medical bills due to illness, injury or disability) and/or no ability or willingness to cure the deficiencies may be grounds to deem an applicant ineligible for housing. A poor credit history is defined as:
 - Total amount of collections (including governmental tax liens) in excess of \$5,000 within past two years.
 - A bankruptcy filed within the last two years). An exception for medical and/or student loan expenses will be permitted or other mitigating circumstances.
 - An exception for extraordinary medical and/or student loan expenses or other mitigating circumstances may be permitted.

- *Criminal Background Check*: In compliance with Article 49 of the San Francisco Police Code, the background check will not be reviewed until all other qualifications have been met. A check will be made of criminal conviction records for the past seven years for all adult Applicants of the household. Reports will be obtained from local and/or state records and may also include local Police records. If the Applicant has resided in a state other than California and has a past felony conviction, a report will be required from that state or federal organization. Generally, public records of this sort are only available for the past seven (7) years. Felony convictions and/or unresolved arrests will be grounds for rejection if such offenses involve physical violence to persons or property, domestic violence, sexual abuse, sales of narcotics, illegal weapons possession, any form of assault, breaking and entering, burglary or drug related criminal offenses. A documented lease violation where any member of a household is currently engaged in illegal use of drugs or for which the owner has reasonable cause to believe that a member’s illegal use or pattern of use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents (i.e., thefts).

Under the Fair Chance Ordinance, applicants will be provided the criminal background record and provided an opportunity to respond and to provide evidence of mitigating factors.

- Failure to present all members of the applicants' household at the scheduled interview(s).
- Falsification of any information provided on an application.

APPEALS PROCEDURES

If an applicant household is deemed ineligible for occupancy, they will be notified in writing of the determination, and the notification will include the reasons for the determination. All applicants who are determined to be ineligible will also be notified of their right to appeal the determination in writing. Applicants will have 10 BUSINESS DAYS for income and credit denials and 14 BUSINESS DAYS for criminal denials to appeal. During this phase mitigating circumstances will be considered. If the applicant(s) does not exercise their appeal right in writing and within the required period, the applicant(s) will be ineligible for housing and their application removed from the processing list as well as from the waiting list.

Applicants who appeal the initial decision of ineligibility will meet with an Owners Representative who had no involvement in making the original decision of ineligibility. The applicant may bring to the meeting any documentation, evidence, or additional information. The Management Agent will also confer with staff and review the applicant's file in its entirety. The Management Agent will make a decision based on the merits of all information reviewed. A written decision will be placed in the applicants file.

Persons with a disability have the right to request reasonable accommodations to participate in the hearing process. During any appeal a comparable unit will be held until a final determination is made.

RESIDENT ACCEPTANCE

Applicants will be offered available units based upon the time of the qualification and readiness to move. They will be offered the first appropriately sized unit for their household. All offers of units will be made in writing.

The Community has accessible units designed for persons with physical disabilities and units designed for persons with visual and/or hearing impairments. Qualified household's requiring these special unit design features will be given occupancy preference.

REASONABLE ACCOMMODATIONS

The Management Agent is committed to ensuring that its policies and procedures are in compliance with the provisions of all Federal and State laws designed to prohibit discrimination in housing on the basis of all protected classifications including race, color, national origin, religion, creed, sex, familial status, age, handicap/disability, gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, genetic information or other arbitrary characteristics. In addition, The Management Agent adheres to applicable laws and regulations regarding accessibility for the disabled.

The Management Agent will grant all reasonable requests for accommodations or modifications from disabled applicants and disabled residents as required by applicable laws. Generally speaking, an “accommodation” is a change, exception, or adjustment to a rule, policy, practice, or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common spaces.” Modifications generally are defined as structural changes “to an existing premises occupied or to be occupied by a person with a disability if such modifications may be necessary to afford such person full enjoyment of the premises.”

Whether the request is reasonable will be evaluated on a case-by-case basis consistent with applicable laws. If the Management Agent determines a request is not reasonable, the Management Agent will engage in an interactive process with the applicant to discuss, among other things, possible alternative accommodations or modifications that would effectively meet the disability-related needs without a fundamental alteration to operations and without imposing an undue financial and administrative burden.

An applicant or resident (or another person acting on behalf of the individual needing an accommodation) may request a reasonable accommodation or modification at any time--from the point of expressing interest in housing through the duration of tenancy. The Management Agent may request written verification that:

- the person making the request is disabled as defined by applicable law (if the disability is not obvious);
- describes the needed accommodation or modification; and
- shows the relationship between the person’s disability and the need for the requested accommodation (if the relationship or nexus is not obvious).

The Management Agent will make every effort to accommodate requests in a discreet and expedient manner. An initial response to requests for accommodations or modifications will be provided within 10 days of submission; however, a longer time may be required depending on the circumstances such as if bids are required for specific modifications or we are unable to obtain verifications if required.

All accommodation requests and modification requests require approval by a staff person above the Property Manager. No request can be denied without review and approval by the Management Agent’s Regional 504 Coordinator.

Exhibit E – Intentionally Omitted

Exhibit F -- Lobbying/Debarment Certification Form

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This lobbying certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure.

3. Neither the undersigned nor its principals is listed by the General Services Administration as debarred, suspended, ineligible or voluntarily excluded from receiving the Funds on the Agreement Date. The undersigned will review the list to ensure that any contractor or subcontractor who bids for a contract in excess of \$100,000 is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities and will obtain the certification of each contractor or subcontractor whose bid is accepted that such contractor or subcontractor is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities.

BTW HOUSING PARTNERS, L.P., a California limited partnership:

By: Booker T Washington Community Service Center, a California nonprofit public benefit corporation, its managing general partner

By: _____
Patricia Scott
Executive Director

By: JSCo BTW LLC,
a California limited liability company,
its administrative general partner

By: John Stewart Company,
a California corporation,
its manager

By: _____
Jack D. Gardner
President

EXHIBIT G – ANNUAL MONITORING REPORT

Mayor's Office of Housing and Community Development
City and County of San Francisco



Edwin M. Lee
Mayor

Olson Lee
Director

March 16, 2017

Notice of Availability of 2016 Annual Monitoring Report Form
(including new audit requirements and wait list submittal)

Announcement of Serious Incident Protocol

MOHCD is pleased to announce the availability of the Annual Monitoring Report (AMR) forms for Reporting Year 2016 (RY2016). The forms can be downloaded from the [Asset Management page](#) of the MOHCD web site. A training on how to complete the AMR will be held at MOHCD on April 13th from 9 a.m. to 12 noon. See below for more information.

New Audit Requirement and Deadline: To provide sufficient time for project sponsors to complete AMRs in accordance with the City's "New Audit Requirements for MOHCD-Funded Projects," the report is now due 5 months after the end of a project's business year. (Previously, it was due 4 months after.) For projects whose business year ended December 31, 2016, the report will be due on May 31, 2017 for the period January 1, 2016, through December 31, 2016. For projects not owned by a single-asset entity and whose financial activity is accounted for and audited with the parent corporation's finances, sponsors may request up to a one-month extension of the deadline to allow for additional time to complete consolidated audited financial statements in accordance with the new audit requirements.

New Waiting List Submittal Requirement: To aid the City in its efforts to ensure that the allocation of MOHCD-financed affordable housing resources is conducted in a consistent, fair, appropriate and inclusive manner, MOHCD is now requiring all sponsors to submit the current version of a project's waiting list with the Annual Monitoring Report.

Submissions for RY2016 and any outstanding reports from prior reporting years will be accepted only in the RY2016 format.

Completion and Submission Instructions

The Annual Monitoring Report consists of the following 3 parts:

I. AMR_RY2016 – project name.xlsx – This is a Microsoft Excel spreadsheet that is comprised of the following worksheets:

Instructions	3C. Demographic Summary (new)
1A. Property & Residents (revised)	4. Narrative
1B. Transitional Programs	5. Project Financing
1C. Eviction Data	6. Services Funding (enhanced)
2. Fiscal Activity (revised)	7. Supplementary Audit Information Required by MOHCD (new)
3A. Occupancy & Rent Info (revised)	Completeness Tracker
3B. Demographic Information (new)	

Provide all applicable information that is requested in worksheets 1-7. Use the Instructions to

help you complete each form and the Completeness Tracker to help you to determine when each worksheet is complete.

Use Question #1 on the Narrative worksheet to explain any data that you provide that may be unclear or better understood with additional information. In addition, certain questions in this report prompt you to supply an explanation for your answers on the Narrative worksheet. *Failure to supply the required explanation will render your submission incomplete.*

Submit this report as an Excel file only; do not convert it to pdf or another file type. Changing the format of AMR_RY2016.xlsx without MOHCD's prior approval is not allowed. Do not overwrite any validations for any of the cells, alter any formulas or add or delete any rows or columns. If you need to revise the form in order to successfully complete the report, submit a request to moh.amr@sfgov.org.

II. Owner Compliance Certification Form and Documentation of Insurance – The certification form is a Microsoft Word document that must be completed, signed and dated by the Executive Director (or other authorized officer) of the entity that owns the project. Scan the form along with documentation of insurance and email it to MOHCD as a single document. For each project, you must provide certificates of liability insurance and property insurance that are *current as of the date of submittal of the AMR*.

III. Audited Financial Statements – Provide financial statements for the project for Reporting Year 2016. They must be prepared by a certified public accountant in accordance with generally accepted accounting principles, applicable regulations and laws and with the City's "New Audit Requirements for MOHCD-Funded Projects" a copy of which is attached and posted on [MOHCD's Asset Management web page](#). If the project is owned by a single asset entity, provide separate financial statements just for the project, otherwise provide audited statements for the parent corporation. Also include copies of any Management Letters and special notes from the auditor that pertain to the property and the financial statements.

IV. Waiting List – Submit a copy of the project's waiting list that is current as of the date of submittal. The waiting list must include the following information for each person or household who has applied to live at the project and is still waiting to be considered for an available unit: name of head-of-household, contact information, date of application, number of people in the household, stated household income and desired unit size. This requirement is not applicable to transitional housing projects, residential treatment programs, shelters, group homes or permanent supportive housing for homeless people that is leased through a closed referral system.

Completed AMRs must be submitted electronically, via one email message per project to moh.amr@sfgov.org, or if desired, for multiple projects, via flash drive or compact disc sent to Mike McLoone at MOHCD. If the documents that comprise the report are too large to attach to a single email, compress the files into a zip file and attach it to the email.

Updates to the Reporting Form

The RY2016 AMR form has been revised from the form for RY2015, as follows:

- Data for Race/Ethnicity – Must now be provided for each tenant household rather than in summary form for the project. Also, race and ethnicity have been split into two, separate demographic categories. For additional information on these changes, see the email notice from MOHCD dated 9/29/16 regarding new requirements for collection of ethnicity and race data.
- Worksheet 1A – Most of the demographic questions have been moved to the new worksheet, "3B. Demographic Information," and the order of the remaining items has been changed to improve the flow of information.
- Worksheet 2 – A new line item titled "Capital Maintenance Repairs/Improvements" has been

added to the expense section to account for capital costs that were paid out of the operating account and may be reimbursed by the Replacement Reserve. The “Reserve Account Details” section has been revised to improve functionality. The section for cash flow “waterfall” (distribution of Surplus Cash) has been simplified and now requires the user to enter the distribution priority as well as the amount of any Residual Receipts loan payment that is due to MOHCD, which previously was auto-calculated.

- Worksheet 3A – Has been shortened by moving the data related to female-headed households, elderly households, number of children and disability to worksheet 3B.
- Worksheet 3B – New worksheet where ethnicity, race and other demographic information must be entered for each tenant household.
- Worksheet 3C – New worksheet where summaries of demographic information for a project are auto-generated, based on data entered on worksheet 3A and 3B.
- Worksheet 6 – Has been enhanced so that supportive services that are selected on Worksheet 1A are auto-filled into Worksheet 6
- Worksheet 4 – New section added where reporters must provide the details of miscellaneous administrative and maintenance expenditures that exceed \$10,000
- Worksheet 7 – This new worksheet has been added in connection with the City’s “New Audit Requirements for MOHCD-Funded Projects.” Most fields on this sheet are auto-filled with data that is entered on Worksheet 2. Printouts of this sheet may be used to produce the “Supplementary Information Required by MOHCD” that must now be included in the project’s audited financial statements. If the auditor elects to use this sheet for this purpose, some data entry on the sheet is required in the yellow-highlighted cells.

AMR Training – April 13, 9am-12noon

To facilitate completion of the AMR by project sponsors, MOHCD will conduct a training on April 13 from 9 a.m. to 12 noon in our office at 1 South Van Ness Avenue, 5th Floor, Room 5080. We strongly encourage the primary staff person responsible for completion of the report to attend. Space is limited. Please RSVP to Ricky Lam at ricky.lam@sfgov.org or 415-701-5542.

Serious Incident Protocol

To ensure that MOHCD is kept informed of serious incidents that occur at projects financed by this office, we have established the following protocol for reporting serious, negative events such as accidents, criminal activity or equipment failure. The report should be filed only after emergency procedures have been followed and the situation has been stabilized.

The Mayor’s Office of Housing and Community Development requests that owners of projects financed by this office notify us immediately if a serious incident occurs at their properties and meets one or more of the following parameters:

- Involves serious injury or death
- Is a serious, violent crime that involves a major police action (e.g. shooting)
- Causes the building or a significant number of units to be off-line
- Requires a resident to move out of a unit one month or longer
- Damage to the building is significant enough to require the use of reserves

The owner should notify the MOHCD asset manager assigned to the project and provide the following information:

- The date of the incident
- A description of the incident

- A description of what has been and is being done in response
- The name, phone and email of the staff that should be contacted if there are questions
- Confirmation that 1) the property insurance is current and 2) the insurance company has been contacted; a brief summary of their response, if available
- Statement of whether or not the organization plans to use the project's reserves to pay for corrective action

Available Units and Waiting List Openings

Before advertising the availability of units for lease in a project or the opening of the waiting list, owners and property managers must notify MOHCD of this action by completing a Marketing Plan Template and submitting it to the assigned staff person on MOHCD's asset management and compliance monitoring team. The template is available on the [Asset Management page](#) of our web site, under "Marketing Requirements for MOHCD-Financed Multifamily Rental Projects." Once the marketing plan is approved, MOHCD will post information about the available units or opening of the wait list on this [page of our web site](#). General information for people seeking affordable housing in San Francisco can also be found on our web site at [this location](#).

**Owner Compliance Certification and Insurance & Tax Certification Form
2016 Annual Monitoring Report
San Francisco Mayor’s Office of Housing and Community Development**

***** This form must be completed by Project Owner or authorized agent. *****

Complete this form, sign and date it, scan it along with current liability and property insurance certificates into a single PDF file, then email the file along with AMR_RY2016 – project name.xlsx, audited financial statements, and current waiting list to moh.amr@sfgov.org.

Project Name: _____

Project Street Address: _____

Reporting Period – Start Date: _____ End Date: _____

Owner Compliance Certification

The undersigned owner, having received housing development funds pursuant to a housing development program funding agreement/s entered into with the City and County of San Francisco (“CCSF”) for the purpose of purchasing, constructing and/or improving low-income housing, does hereby certify as follows:

Initial all statements below, and supply data to make the statement complete where needed (look for underlined blanks; e.g.: ____). For any statements that are not true, you must supply a detailed explanation on the Annual Monitoring Report Narrative Worksheet. The failure to provide a conforming response to all statements below will render incomplete the entire Annual Monitoring Report (“AMR”) submission for this project, which may result in a default condition under the funding agreement/s, and also subject the owner to scoring penalties in future efforts to obtain funding from MOHCD for this project and any other project.

	True	False	
1			The CCSF Mayor’s Office of Housing and Community Development (“MOHCD”) has been alerted by the owner prior to any actions taken by the owner that affect the value of the property associated with this project, including but not limited to the establishment of any liens or encumbrances on the property; and, where required, the owner has obtained written authorization from MOHCD prior to taking any such actions.
2			The undersigned is not in default of the terms of any Agreements with CCSF for this project, nor has it been in default on any other loans, contracts or obligations on this property during the reporting period.
3			The undersigned has not been the subject of any actions relating to any other loans, contracts or obligations on this property which might have a material adverse financial impact on the property.
4			The owner has not lost or failed to renew funding for supportive services for the project during the reporting period and has made available (or caused to be made available through another party) all supportive services that are required by existing, applicable funding and regulatory agreements.
5			The owner has not lost or failed to renew funding for operating subsidy/ies for the project during the reporting period.
6			The owner has paid all taxes due for the reporting period and prior reporting periods.
7			The undersigned has marketed the units in the manner set forth in the marketing and resident selection provisions of the funding agreement/s entered into with CCSF.

**Owner Compliance Certification and Insurance & Tax Certification Form
2016 Annual Monitoring Report
San Francisco Mayor's Office of Housing and Community Development**

	True	False	
8			The project has met affordability and other leasing provisions set forth in the funding agreement/s entered into with CCSF during the entire reporting period. As of the end date of the reporting period, _____ units (<i>supply exact number</i>) were occupied or held vacant and available for rental by low-income tenants meeting the income qualifications pursuant to the funding agreement/s entered into with CCSF.
9			The undersigned has obtained a tenant income certification and/or third party documentation to support that certification from each tenant household occupying a unit restricted to occupancy by income-qualified tenants. All income certifications are maintained onsite with respect to each qualified tenant who resides in a unit or resided therein during the immediately preceding business year.
10			The total charges for rent and a utility allowance to each income-qualified tenant in a restricted unit do not exceed the maximum rent specified in the funding agreement/s entered into with CCSF as adjusted by the most recent HUD income and rent figures, which have been taken from the figures that are supplied by MOHCD on its website.
11			All withdrawals from the replacement and operating reserve accounts have been made in accordance with the MOHCD funding agreement/s, unless approved in writing by MOHCD.
12			Security deposits required of tenants of the project are in accordance with applicable laws and the funding agreement/s entered into with CCSF.
13			The undersigned has obtained and will maintain insurance policies in accordance with requirements of the funding agreement/s entered into with CCSF as may be reasonably updated from time to time, and has supplied with this AMR certificates of insurance that are current through the end of the reporting period.
14			The undersigned has maintained the units and common areas in a decent, safe and sanitary manner in accordance with all local health, building, and housing codes and in accordance with the HUD Housing Quality Standards.
15			The data submitted in Section 1A – Property & Residents of the Annual Monitoring Report regarding any violation/s of any health, building, or housing codes is complete and accurate; all required copies of violations/citations that were not resolved by the end of the reporting periods are also included with this AMR submission.
16			The undersigned has made best efforts to: (a) keep the units in good repair and available for occupancy; and (b) keep the Project fully rented and occupied.
17			All questions in the Annual Monitoring Report submitted for this reporting period have been answered fully and truthfully; answers have been supplied for all of questions requiring detailed responses on the Annual Monitoring Narrative Worksheet and any related documents have been submitted as attachments.
18			The project has received additional equity proceeds in the amount of \$_____ (<i>supply amount</i>) from low-income housing tax credit investors during the reporting period.
19			Accurate information has been provided in Worksheet 2 - Fiscal Activity about any Federal Program Income earned by this project during the reporting period.
20			Any amounts charged as Asset Management Fees are reflected accurately under Income & Expenses in Worksheet 2 - Fiscal Activity of the Annual Monitoring Report, and all such amounts have been used exclusively toward asset management of this project. Asset Management Fees taken beyond pre-approved levels have been documented as required in response to question 7 in Section 4 - Narrative.

**Owner Compliance Certification and Insurance & Tax Certification Form
2016 Annual Monitoring Report
San Francisco Mayor's Office of Housing and Community Development**

	True	False	
21			The calculation of cash flow in Worksheet 2 - Fiscal Activity accurately reflects all expenses incurred and income earned, and the proposed distribution of any Residual Receipts would be in accordance with all relevant agreements and policies.
22			The Waiting List that has been submitted with the 2016 Annual Monitoring Report is an accurate and correct record as of the last day of the reporting period of the households who have applied to live at the Project, including the name of the head-of-household (or a suitable alternative), date of application, number of people in the household, stated household income and desired unit size.

Property and Liability Insurance

Enter the information requested below, and attach a current copy (each) of the Property and Liability Insurance Certificates. SCAN the documents and send them as an attachment along with the complete AMR to MOHCD via e-mail to: moh.amr@sfgov.org.

Property Insurance		
	Property Street Address:	
	Policy Number:	
	Policy Effective Date:	
	Policy Expiration Date:	
Liability Insurance		
	Property Street Address:	
	Policy Number:	
	Policy Effective Date:	
	Policy Expiration Date:	

Tax Certification

Enter the information requested below. You do **NOT** need to submit copies of the invoice or checks used to pay the tax.

Property Tax		
	Tax Year:	
	Amount of Tax Paid:	
	Date Paid:	
	Amount outstanding from taxes due for Reporting Period:	
	Amount outstanding from taxes due prior to Reporting Period:	

***** This form must be completed by Project Owner or authorized agent. *****

The undersigned, acting under authority of the ownership of this project, executes this Certification, subject to the pains and penalties of perjury, and certifies that the foregoing is true and correct in all respects.

Name: _____ Title: _____

Signature: _____ Date: _____

Annual Monitoring Report - Instructions - Reporting Year 2016 - Mayor's Office of Housing & Community Development

The instructions and definitions below are organized by the worksheets contained within this Annual Monitoring Report. Please review the instructions below and within each worksheet thoroughly as instructions may have changed.

Updated 02/16/2017

1A. Property & Residents

Please follow the instructions provided on the worksheet.

1B. Transitional Programs Only

Please follow the instructions provided on the worksheet.

1C. Eviction Data

Please follow the instructions provided on the worksheet.

2. Fiscal Activity

Income and Expenses

The purpose of the Income and Expenses form is to track actual income and expenses over the reporting period. In addition to the instructions below, please follow instructions provided on the worksheet.

INSTRUCTIONS:

Column B - "Description of Income Accounts" and "Description of Expense Accounts". A complete description of the Income Accounts and Expense Accounts are provided below. Refer to the descriptions when completing the Fiscal Activity Worksheet. The Chart of Accounts uses account categories prescribed by generally accepted accounting principles and closely follows accounts prescribed by HUD, the State of California's Housing and Community Development Department, and the City's Quarterly Program Income Worksheet.

Column D - "**Account Number**". Each number represents an account in the Chart of Accounts, see below for more info.

Column F - "**Residential**". This column is for the essential recurring income and expenses related to the operation of a rental housing property, group home, project serving special needs populations or a transitional housing program.

Column H - "**Non-Residential**". This column is used to report income and expenses related to commercial space or other non-residential space in a project.

Income

Rental Income

5120 Housing Units Gross Potential Tenant Rents. This account records gross rent payable by the tenant for all residential units. Offsetting debits to this account are Account 6331, Administrative Rent Free Unit.

5121 Rental Assistance Payments. This account records rental assistance payments received or earned by the project through the LOSP, HUD Section 8 program (project-based or tenant-based assistance), HUD Section 202/811 programs, Shelter Plus Care program, HOPWA program, Rent Supplement, HOME Tenant-Based Assistance and VASH.

5140 Commercial Unit Rents. This account records gross rental income from stores, offices, rented basement space, furniture and equipment or other commercial facilities provided by the property.

Vacancy Loss

5220 Rent Income - Residential Units Vacancy Loss. ENTER AS NEGATIVE NUMBER. This account records total loss of residential rental income due to vacant residential units.

5240 Rent Income - Commercial Units Vacancy Loss. ENTER AS NEGATIVE NUMBER. This account records total loss of commercial rental income due to vacant commercial units.

Other Income

5170 Garage and Parking Spaces. This account records the gross rental income from all garage and parking spaces.

5190 Miscellaneous Rent Income. This account records gross rental income expectancy not otherwise described above.

5300 Supportive Services Income. Accounts in this series are used primarily by group home projects or other projects restricted to a special needs population (e.g., group home for mentally disabled or senior apartments). These accounts record revenues received or payable (other than rents) for services provided to tenants (e.g., meal services, housekeeping, etc.). Supportive service-related expenses are charged to accounts in the 6900 series. Enter the total of all revenues received or payable, and identify the source(s) of the income in cell D39.

5400 Interest Income - Project Operations. This account records interest income received or accrued on the Project Operating Account/s; DO NOT RECORD interest earned on the Replacement Reserve or Operating Reserve here.

5910 Laundry and Vending. This account records project revenues received from laundry and vending machines owned or leased by the project.

5920 Tenant Charges. This account records charges collected from tenants for damages to apartment units and for fees paid by tenants for cleaning of an apartment unit (other than regular housekeeping services), any security deposits forfeited by tenants moving out of the project and charges assessed to tenants for rent checks returned for insufficient funds and for late payment of rents.

5990 Other Revenue. This account records project revenue not otherwise described in the above revenue accounts.

Expenses

Management

6320 Management Fee. This account records the cost of management agent services contracted by the project. This account does not include charges for bookkeeping or accounting services paid directly by the project to either the management agent or another third party.

Salaries/Benefits

6310 Office Salaries. This account records salaries paid to office employees whether the employees work on site or not. Front-line responsibilities include for example, taking applications, verifying income and processing maintenance requests. The account does not include salaries paid to occupancy, maintenance and regional supervisors who carry out the agent's responsibility for overseeing or supervising project operations and personnel: These salaries are paid from the management fee. This account also does not include the project's share of payroll taxes (Account 6711) or other employee benefits paid by the project.

6330 Manager's Salary. This account records the salary paid to property managers. It does not include the project's share of payroll taxes or other employee benefits or compensation provided to residents managers in lieu of residents managers' salary payments.

6723 Employee Benefits: Health Insurance & Disability Insurance. This account records the cost of employee benefits paid and charged to the project for health insurance and disability insurance.

XXXX Employee Benefits: Retirement & Other Salary/Benefit Expenses. This account records the cost of employee benefits paid and charged to the project for retirement and any other employee salary/benefits.

6331 Administrative Rent Free Unit. This account records the contract rent of any rent free unit provided to a resident manager which would otherwise be considered revenue producing.

Administration

6210 Advertising and Marketing. This account records the cost of advertising the rental property.

6311 Office Expenses. This account records office expense items such as supplies, postage, stationery, telephone and copying.

6312 Office Rent. This account records the rental value of an apartment, otherwise considered potentially rent-producing, but used as the project office or as a model apartment. The account is normally debited by journal entry.

6340 Legal Expense - Property. This account records legal fees or services incurred on behalf of the project (as distinguished from the borrower/grantee entity). For example, agents charge legal fees for eviction procedures to this account.

6350 Audit Expense. This account records the auditing expenses incurred by the project that are directly related to requirements for audited financial statements and reports. This account does not include the auditor's charge for preparing the borrower/grantee's Federal, State and local tax returns. This account does not include the cost of routine maintenance or review of the project's books and records.

6351 Bookkeeping Fees/Accounting Services. This account records the cost of bookkeeping fees or automated accounting services not included in the management fee but paid to either the agent or a third party.

6370 Bad Debts. This account records by journal entry the amount of tenant accounts receivable that the agent estimates uncollectible at the end of the accounting period.

6390 Miscellaneous Administrative Expenses. This account records administrative expenses not otherwise classified in the 6300 Series. If the project had miscellaneous administrative expenses greater than \$10,000, a detailed itemization of these expenses must be provided in the Narrative worksheet.

Utilities

6450 Electricity

6451 Water

6452 Gas

6453 Sewer

Taxes and Licenses

6710 Real Estate Taxes. This account records payments made for real estate taxes of the project.

6711 Payroll Taxes (Project's Share). This account records the project's share of FICA and State and Federal Unemployment taxes.

6790 Miscellaneous Taxes, Licenses and Permits. This account records any taxes, licenses, permit fees or costs of insurance assessed to the property and not otherwise categorized in the 6700 Series.

Insurance

6720 Property and Liability Insurance. This account records the cost of project property and commercial general/auto liability insurance.

6721 Fidelity Bond Insurance. This account records the cost of insuring project employees who handle cash.

6722 Workers' Compensation. This account records the cost of workers' compensation insurance for project employees.

6724 Directors and Officers Liabilities Insurance. This account records the cost of insurance to cover financial protection for the directors and officers of the ownership entity in the event they are sued in conjunction with the performance of their duties as they relate to the property.

Maintenance and Repairs

6510 Payroll. This account records the salaries of project employees whose perform services including but not limited to janitorial/cleaning, exterminating, grounds, repairs, elevator maintenance and decorating. This account does not include the property's share of payroll taxes (FICA and Unemployment) or other employee benefits paid by the property.

6515 Supplies. This account records all cost of supplies charged to the property for janitorial cleaning, exterminating, grounds, repairs and decorating.

6520 Contracts. This account records the cost of contracts the owner or agent executes with third parties on behalf of the property for janitorial/cleaning, exterminating, grounds, repairs, elevator maintenance and decorating.

6525 Garbage and Trash Removal. This account records the cost of removing garbage and rubbish from the project. The account does not include salaries paid to janitors who collect the trash.

6530 Security Payroll/Contract. This account records the project's payroll costs attributable to the protection of the project or the costs of a protection contract that the owner or agent executes on behalf of the project.

6546 HVAC Repairs and Maintenance. This account records the cost of repairing and maintaining heating or air conditioning equipment owned by the project. Agents should capitalize repairs of significant amounts which extend the useful life of the equipment.

6570 Vehicle and Maintenance Equipment Operation and Repairs. This account records the cost of operating and repairing project motor vehicles and maintenance equipment. Motor vehicle insurance is not included in this account but is charged to account 6720.

6590 Miscellaneous Operating and Maintenance Expenses. This account records the cost of maintenance and repairs not otherwise classified in the 6400 and 6500 account Series. If the project had miscellaneous operating and maintenance expenses greater than \$10,000, a detailed itemization of these expenses must be provided in the Narrative worksheet.

Supportive Services

6900 Supportive Service Expenses. Accounts in this series are used primarily by group home projects and other projects restricted to a special needs population. The accounts record expenses directly related to special services provided to the tenants (e.g., food, housekeeping, case managers, social activity coordinator, etc.).

Reserve Account Activity

1320 Replacement Reserve Required Annual Deposits. This account records the required amount of deposits made to a segregated Replacement Reserve bank account from the project's Operating Account during the reporting period. See below for more guidance about data entry required for replacement reserve eligible expenditures.

1365 Operating Reserve Deposits. This account records amount of deposits made to a segregated Operating Reserve bank account from the project's Operating Account during the report period.

XXXX Operating Reserve Account Withdrawals. Enter the total amount of withdrawals made from the Operating Reserve, which will be deposited into the project's Operating Account during the reporting period.

1330 Other Reserve Accounts - Deposits. This account records amount of deposits made to segregated reserve bank accounts not identified above during the report period. Deposits are assumed to have been funded by the project's operating account and will decrease the surplus cash amount in row 136. You should provide the name of the account in cell D132.

XXXX Other Reserve Accounts - Withdrawals. This line is used to record the amount of withdrawals made from other segregated reserve bank accounts during the reporting period. Withdrawals entered are assumed to have been deposited into the project's operating account and will increase the surplus cash amount in row 136. You should provide the name of the account in cell D133.

3A. Occupancy & Rent Info

Accurate and complete household and tenancy data must be submitted on the Occupancy & Rent Info worksheet as evidence that the project complies with the income eligibility and rent affordability restrictions of MOHCD's funding agreements. Enter the data described below into the chart in Section 3a - Occupancy & Rent Info for the tenant population that occupied the project as of the end of the reporting period. *For vacant units and manager's units, you must supply data in columns D, E, P, R and T. All other columns should be left blank.*

COLUMN	DESCRIPTION
C.	Row Number. Do not enter data in this column.
D.	Unit No. Enter the unit number (or bed number for transitional or group housing) for each unit/bed in the property.
E.	Unit Type. Use the drop down menu to select the unit type (also shown below): Bed = (measurement for Group homes or transitional housing) "SRO" = Single Room Occupancy unit "Studio" = Studio unit "1BR" = 1 Bedroom unit "2BR" = 2 Bedroom unit "3BR" = 3 Bedroom unit "4BR" = 4 Bedroom unit "5+BR" = 5 or more Bedroom unit
F.	Date of Initial Occupancy. Enter the date when the tenant occupied their <i>first unit in the project</i> . For tenants who have transferred to another unit in the project, this date will be different than the date when they moved into their current unit.
G.	Household Annual Income at Initial Occupancy. Enter the tenant's annual household income from the initial income certification that was done before they moved into their <i>first unit in the project</i> . For tenants who have transferred to another unit in the project, this amount will be different than the amount from the certification that was done when they moved into their current unit.
H.	Household Size at Initial Occupancy. Enter the number of people that was in the tenant's household when they occupied their first unit in the project. For tenants who have transferred to another unit in the project, this number may be different than it was when they moved into their current unit.
I.	Date of Most Recent Income Recertification. Enter date of most recent income recertification. Leave blank for vacant units.
J.	Household Annual Income as of Most Recent Recertification within reporting period. Enter annual income of the household from the most recent recertification. OK to leave blank ONLY if ALL funders do not require annual income recertifications.
K.	Household Size as of Most Recent Recertification within reporting period. Enter the number of occupants in the unit from the most recent recertification within the reporting period.
L.	Minimum Occupancy for Unit Type. The data here is automatically entered from items 25-31 on Worksheet #1A.
M.	Maximum Occupancy for Unit Type. The data here is automatically entered from items 25-31 on Worksheet #1A.
N.	Overhoused or Overcrowded? The data here is automatically generated based on entries in column K and on items 26-32 on Worksheet #1A.
O.	Overhoused or Overcrowded - Narrative A household is "Overhoused" if there are fewer people residing in the unit than the minimum occupancy. "Overcrowded" means that there are more people residing in the unit than the maximum occupancy. If the data in column N indicates that the household is overhoused or overcrowded, please describe any extenuating circumstances that justify the overhoused/overcrowded status and summarize efforts that you have made to transfer the tenant to a unit that is appropriate for the size of the household, if applicable.
P.	Rental Assistance. From the drop-down menu, select one code only to indicate the type of assistance, if any, being provided to the tenant (low-income units only). Select "None" if no rental assistance comes with the unit or none is provided to the tenant. "Section 8 - Project Based" = The unit comes with Section 8 subsidy that will remain with the unit after the tenant moves out. "Section 8 - Tenant Voucher" = Tenant is receiving assistance through the Section 8 Certificate or Voucher programs.

“**PRAC - 202**” = The unit receives a subsidy through a Project Rental Assistance Contract from HUD's 202 program.

“**PRAC - 811**” = The unit receives a subsidy through a Project Rental Assistance Contract from HUD's 811 program.

“**S+C**” = Tenant is receiving tenant-based assistance, or the unit has project-based assistance, from the Shelter Plus Care program.

“**HOPWA**” = Tenant is receiving tenant-based assistance, or the unit comes with project-based rental assistance, from the Housing Opportunities for People With AIDS program.

“**VASH**” = Tenant is receiving tenant-based assistance, or the unit comes with project-based rental assistance, from the Veterans Administration Supportive Housing program.

“**LOSP**” = The unit receives a subsidy through the City's Local Operating Subsidy Program.

“**DAH (DPH)**” = The unit receives a subsidy through the City's Direct Access to Housing Program of DPH.

“**HSA Master Lease**” = The unit receives a subsidy through the City's Master Lease Program of the Human Services Agency.

“**HOME TBA**” = Tenant receives assistance from a HOME-funded rental assistance program.

“**Rent Supplement**” = Tenant receives a supplemental rent payment from an outside agency.

“**Other**” = Tenant is receiving, or unit comes with, rental assistance through another Federal, State or local program.

Q. **Amount of Rental Assistance.** Enter the dollar amount of rental assistance that is paid on behalf of the household/tenant.

R. **Amount of Maximum Gross Rent Allowed for Unit.** Enter the maximum rent for the unit that is allowed by the most restrictive funder of the project.

S. **Amount of Tenant Paid Rent for Unit.** Enter only the amount of rent that the tenant pays. Do not include any rental assistance paid on behalf of the tenant by another party.

T. **Utility Allowance.** If the tenant pays for utilities, enter the Utility Allowance allowed for the unit. Enter zero (0) if the Utilities are paid by the project.

U. **Date of Most Recent Rent Increase within the Reporting Period.** ONLY FOR UNITS THAT DO NOT HAVE RENTAL ASSISTANCE OR SUBSIDY. Enter date of most recent rent increase for unit.

V. **Amount of Most Recent Rent Increase within the Reporting Period.** ONLY FOR UNITS THAT DO NOT HAVE RENTAL ASSISTANCE OR SUBSIDY. Enter amount of most recent rent increase for unit.

W. **Percentage of Most Recent Rent Increase.** THIS IS A SELF-CALCULATING CELL - ENTER NO DATA HERE.

3B. Demographic

The two ethnic categories are defined below:

- **Hispanic or Latino.** A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term “Spanish origin” can be used in addition to “Hispanic” or “Latino.”
- **Not Hispanic or Latino.** A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

The 10 racial categories are defined below:

- **American Indian or Alaska Native.** A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
- **Asian.** A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- **Black or African American.** A person having origins in any of the black racial groups of Africa.
- **Native Hawaiian or Other Pacific Islander.** A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
- **White.** A person having origins in any of the original peoples of Europe, the Middle East or North Africa.
- **American Indian or Alaska Native and Black or African American.** A person having these multiple race heritages as defined above.
- **American Indian or Alaska Native and White.** A person having these multiple race heritages as defined above.
- **Asian and White.** A person having these multiple race heritages as defined above.
- **Black or African American and White.** A person having these multiple race heritages as defined above.
- **Other/Multi-Racial.** For reporting individual responses for a person that is not included in any of the categories listed above.

Female-headed Household. For each residential unit, enter "Yes" if the head of household is a woman that is either alone or with one or more children. Enter "No" if the head of the household is not a woman.

Elderly Household. For each residential unit, enter "Yes" if the head of household is a person that is at least 62 years of age. Enter "No" if the head of the household is younger than 62.

Number of Children Under Age 18 in Household. Enter the number of occupants in the unit that were under age 18 as of the end date of the reporting period.

Disability (Physical/Visual/Hearing/None). If the unit is occupied by a tenant with any of the listed disabilities, select the disability from the drop-down menu. Select "None" if the unit is not occupied by a physically, visually, or hearing disabled tenant.

3C. Summary of Reported Household Demographics

No data entry required. Output based on information reported from Worksheets 3A and 3B.

4. Narrative

Please follow the instructions provided on the worksheet.

5. Project Financing

Supply the info requested about all current financing of the project. Lenders should be listed in lien order, i.e., with the most-senior lender in the first lien position, the most-junior lender in last lien position.

6. Services Funding

For each service that is provided based on your answers to questions 51-61 on Worksheet 1A, you must supply additional info about each service provider on Worksheet 6. Services Funding.

7. Supplementary Audit Information - Required by MOHCD

Use this template to satisfy the audit requirement for MOHCD-funded projects. Project Owners/auditors may enter data directly into this worksheet and then print it to create the required Supplemental Schedules in the Audited Financial Statement. Alternatively, the audit requirement may be satisfied by using a form generated by the Sponsor's accounting system, as long as the form includes all the elements contained within MOHCD's template.

Completeness Tracker

Use this worksheet to track your work and to verify that you have completed all required data entry.

Links to Relevant Policies

Double click on the following web links to access the policy documents posted at SFGOV for your reference. The web address of the pages on the web are included for manual navigation as well.

[MOHCD Forms Page at SFMOHCD.ORG](http://sfmohcd.org/documents-reports-and-forms)

<http://sfmohcd.org/documents-reports-and-forms>

[Program Income Overview](http://sfmohcd.org/sites/default/files/FileCenter/Documents/5141-MOH_ProgIncomeOverview.pdf)

http://sfmohcd.org/sites/default/files/FileCenter/Documents/5141-MOH_ProgIncomeOverview.pdf

[MOHCD Residual Receipt Policy](http://sfmohcd.org/sites/default/files/Documents/CURRENTResidualRecPolicy%202016.pdf)

<http://sfmohcd.org/sites/default/files/Documents/CURRENTResidualRecPolicy%202016.pdf>

[MOHCD Insurance Requirements Policy](http://sfmohcd.org/sites/default/files/FileCenter/Documents/5140-INSURANCE%20EXHIBIT%20K_2014-05-21.pdf)

http://sfmohcd.org/sites/default/files/FileCenter/Documents/5140-INSURANCE%20EXHIBIT%20K_2014-05-21.pdf

[MOHCD Operating Fees Policy](http://sfmohcd.org/sites/default/files/Documents/CURRENT%20OperatingFeesPolicy%202016.pdf)

<http://sfmohcd.org/sites/default/files/Documents/CURRENT%20OperatingFeesPolicy%202016.pdf>

**Annual Monitoring Report - Property & Residents - Reporting Year 2016 -
Mayor's Office of Housing & Community Development**

#	<i>IDENTIFYING INFO</i>
1	Reporting Period Start Date (m/d/yyyy)
2	Reporting Period End Date (m/d/yyyy)
3	Property Name (select from drop down)
4	Property Full Street Address (e.g. "123 Main Street")
	<i>CONTACT INFO</i>
5	Sponsor Executive Director Name
6	Sponsor Executive Director Phone Number
7	Sponsor Executive Director E-mail
8	Property Management Company
9	Property Manager Name
10	Property Manager Phone Number
11	Property Manager E-mail
12	Property Supervisor Name
13	Property Supervisor Phone Number
14	Property Supervisor E-mail
15	Property Owner Name
16	Property Owner Contact Person
17	Property Owner Contact Phone Number
18	Property Owner Contact E-mail
19	Property Asset Manager Name
20	Property Asset Manager Phone Number
21	Property Asset Manager E-mail
22	AMR Preparer's Name
23	AMR Preparer's Phone Number
24	AMR Preparer's E-mail

PROPERTY/MARKETING INFO					
25		Is the project any of the following: Transitional Housing, Residential Treatment Program, Shelter or Transitional Group Home? (select "yes" or "no" from the drop-down menu to the left.) If you answer "yes", skip questions 26 through 39 below, and continue with question 40. Also, you must complete worksheet "1B.TransitionalProg."			
What is the Unit Mix for the Property? Please include any manager's units in this tally.					
	Unit Types	Number Of Units	Occupancy Standard: Minimum HH Size for this Unit Type*	Occupancy Standard: Maximum HH Size for this Unit Type*	*Occupancy Standards should be described in project's Approved Tenant Selection and Marketing Plan. If not defined there, supply the standards used organization-wide.
26	Single Room Occupancy (SRO) Units		1		
27	Studio Units		1		
28	One-Bedroom (1BR) Units		1		
29	Two-Bedroom (2BR) Units				
30	Three-Bedroom (3BR) Units				
31	Four-Bedroom (4BR) Units				
32	Five- or More (5+BR) Bedroom Units				
33	TOTAL # Units---->	0			
34		Vacancies - How many vacancies occurred at the project during the reporting period? (Be sure that the number you report here is not less than the number of vacant units that are included on worksheet 3.)			
35		0	Evictions - How many evictions occurred during the reporting year? (This data in this field is automatically calculated from the data that is entered on worksheet 1C. You must complete worksheet 1C, unless the project is transitional housing, a residential treatment program, a shelter or a transitional group home.)		
36			Vacant Unit Rent-Up Time - (in DAYS) State the average vacant unit rent-up time. This is the period from the time a household moves out to when the unit is rented again. If this period exceeds 30 days, you must answer Question # 4 on the Narrative worksheet. (Click on # 4 at left to jump to Narrative worksheet.)		
37		Waiting List - How many applicants are currently on the waiting list?			
38		When was the waiting list last updated? (m/yyyy)			
39			Affirmative Marketing - Did you conduct any marketing of the project during the reporting period? If you conducted marketing during the reporting period, you must answer Question #5 on the Narrative worksheet. (Click on #5 at left to jump to Narrative worksheet.)		

40		What is the date of the last Capital Needs Assessment? (m/d/yyyy)
41		What is the projected date of the next Capital Needs Assessment? (m/d/yyyy)
42	# 2	How many Health, Building or Housing Code Violations were issued against the property in the reporting year? (If there were no violations enter "0"). If the property was cited for code violations in the reporting year or has open, unresolved violations from prior years as indicated below, you must answer Question #2 on the Narrative worksheet. (Click on #2 at left to jump to Narrative worksheet.)
43		How many Health, Building or Housing Code Violations were open from <i>prior</i> years?
44		How many Health, Building or Housing Code Violations were cleared in the reporting year?
45	# 3	Are there urgent Major Property Repairs needed on the property in the next two years? (Yes/No) If there are needed major repairs you must answer Question #3 on the Narrative worksheet. (Click on #3 at left to jump to Narrative worksheet.)
46	# 3	If the property has Immediate Capital Needs and lacks adequate funds in the Replacement Reserve (or elsewhere) to cover the costs, please supply the amount of funds needed to make up the difference, and supply additional explanation in question #3 of the Narrative report. (Click on # 3 at left to jump to Narrative worksheet.)
47		As of the last day of the reporting period, how many units were fully Accessible to Physically Impaired Tenants?
48		As of the last day of the reporting period, how many units were Adaptable for Physically Impaired Tenants?
49		As of the last day of the reporting period, how many units were fully Accessible to Visually Impaired Tenants?
50		As of the last day of the reporting period, how many units were fully Accessible to Hearing Impaired Tenants?

Resident Services: AN ANSWER IS REQUIRED FOR questions 51-61. Indicate below any services that were available to the residents free of charge, on site or at another designated location within 1/4 mile of the project. You must also provide additional information about each of the marked services below on Worksheet "6.Services"

51	no	Go To WS6	After School Program/s (y/n)
52	no	Go To WS6	Licensed Day Care Service (<i>participant fees are allowable for day care ONLY</i>) (y/n)
53	no	Go To WS6	Youth Program/s (y/n)
54	no	Go To WS6	Educational Classes (e.g. basic skills, computer training, ESL) (y/n)
55	no	Go To WS6	Health and Wellness Services/Programs (y/n)
56	no	Go To WS6	Employment Services (y/n)
57	no	Go To WS6	Case Management, Information and Referrals (y/n)
58	no	Go To WS6	Benefits Assistance and Advocacy; Money Management; Financial Literacy and Counseling (y/n)
59		Go To WS6	Support Groups, Social Events, Organized Tenant Activities (y/n)
60		Go To WS6	Other Service #1 - Please specify in column G.
61		Go To WS6	Other Service #2 - Please specify in column G.

POPULATION SERVED

Target / Actual Populations: As of the last day of the reporting period, what are the Actual and Target Populations (expressed as Number of Households) for the Project?

Under Target Population, enter the number of units at the project that, as a requirement of a specific funding source (e.g. 202, HOPWA, McKinney), are targeted to and set aside for the target populations shown in the table. Under Actual Population, enter the number of households at the project that, as of the end of the reporting period, contained at least one person who is a member of the populations shown in the table.

		Target Population		Actual Population	
62		0	Families	0	Families
63		0	Persons with HIV/AIDS	0	Persons with HIV/AIDS
64		0	Housing for Homeless	0	Housing for Homeless
65		0	Mentally or Physically Disabled	0	Mentally or Physically Disabled
66		0	Senior Housing	0	Senior Housing
67		0	Substance Abuse	0	Substance Abuse
68		0	Domestic Violence Survivor	0	Domestic Violence Survivor
69		0	Veterans	0	Veterans
70		0	Formerly Incarcerated	0	Formerly Incarcerated
71		0	Transition-Aged Youth ("TAY")	0	Transition-Aged Youth ("TAY")

Remember, SAVE YOUR WORK!

Annual Monitoring Report - Transitional Programs - Reporting Year 2016 - Mayor's Office of Housing & Community Development

Project Address:

Project Capacity: What is the target capacity of this project? (All blanks in this section must be filled with a number of "0" or greater in order for the worksheet to be complete.)

	A. Num Singles Not in Families	B. Num Families	C1. Num Adults in Families	C2. Num Children in Families	D. Num of Beds
1					
2	0		Total Households (Singles and Families) That Can Be Served		

Persons Served During Operating Year (All blanks in this section must be filled with a number of "0" or greater in order for the worksheet to be complete.)

	A. Num Singles Not in Families	B. Num Families	C1. Num Adults in Families	C2. Num Children in Families	
3					Num on the first day of operating year
4					Num entering the program during the operating year
5	0		Total Households (Singles and Families) Served		
6					Num who left the program during the operating year
7	0	0	0	0	Num in the program on the last day of the operating year
8	0		Total Households in program on the last day of the operating year		
9					<--Capacity Utilization Rate (by Household as of last Day of Operating Year)

If the Capacity Utilization Rate is **LESS than 75%** you must respond to the following:

10		1. Explain the reason(s) why the capacity utilization rate is as low as it is; and
11		2. Describe plan/s to raise the capacity utilization rate to at least 75%, with specific timeline.

Length of Stay: For the 0 households that LEFT the program during the operating year, how many were in the project for the following lengths of time? (Total in cell H28 should match total of cells H14 + I14. All blanks in this section must be filled with a number of "0" or greater in order for the worksheet to be complete.)

12	Less than 1 month
13	1 to 2 months
14	3 - 6 months
15	7 months - 12 months
16	13 months - 24 months
17	25 months - 3 years
18	0
	TOTAL # HH's that left the program

Destination: For the 0 households reported to have LEFT the program during the operating year, how many left for the following destinations? (Total in cell H53 should match total of cells H14 + I14. All blanks in this section must be filled with a number of "0" or greater in order for the worksheet to be complete.)

19	Rental - House or Apartment (no subsidy)	PERMANENT
20	Public Housing	
21	Section 8 Voucher	
22	Subsidized Rental - house or apartment	
23	Homeownership	
24	Moved in with family or friends	
25	0	Permanent Housing Subtotal
26	Transitional Housing for homeless persons	TRANSITIONAL
27	Moved in with family or friends <i>TEMPORARILY</i>	
28	0	Transitional Housing Subtotal
29	Psychiatric hospital	INSTITUTIONAL
30	Inpatient alcohol or other drug treatment facility	
31	Jail/Prison	
32	Medical Facility	
33	0	Institutional Subtotal
34	Emergency Shelter	OTHER
35	Places not meant for human habitation (e.g. street)	
36	Unknown	
37	Other	
38	0	Other Subtotal
39	0	TOTAL # HH's that left the program

Annual Monitoring Report - Eviction Data - Reporting Year 2016 - Mayor's Office of Housing & Community Development

Project Address:

This section of the AMR must be completed for all projects, except for transitional housing or residential treatment services.

Number of households who lived in the project during the reporting period:

1		Number of households who lived in the project AT ANY TIME during the reporting period. Be sure to include all households that moved in during the reporting period.
---	--	--

Number of households in the project who received Notices of Eviction during the reporting period for each of the following reasons:

(If more than one reason applies to a household, report only the primary reason.) *You MUST answer every question (i.e., enter zero if applicable).*

2		Breach of Lease Agreement
3		Capital Improvement
4		Condo Conversion
5		Demolition
6		Denial of Access to Unit
7		Development Agreement
8		Ellis Act Withdrawal
9		Failure to Sign Lease Renewal
10		Good Samaritan Tenancy Ends
11		Habitual Late Payment of Rent
12		Illegal Use of Unit
13		Lead Remediation
14		Non-payment of Rent
15		Nuisance
16		Other
17		Owner Move In
18		Roommate Living in Same Unit
19		Substantial Rehabilitation
20		Unapproved Subtenant
21	0	Total number of households who received Notices of Eviction

Number of unlawful detainer actions filed in court by the owner against tenants in the project during the reporting period for each of the following reasons:

(If more than one reason applies to a household, report only the primary reason.) *You MUST answer every question (i.e., enter zero if applicable).*

22		Breach of Lease Agreement
23		Capital Improvement
24		Condo Conversion
25		Demolition
26		Denial of Access to Unit
27		Development Agreement
28		Ellis Act Withdrawal
29		Failure to Sign Lease Renewal
30		Good Samaritan Tenancy Ends
31		Habitual Late Payment of Rent
32		Illegal Use of Unit
33		Lead Remediation
34		Non-payment of Rent
35		Nuisance
36		Other
37		Owner Move In
38		Roommate Living in Same Unit
39		Substantial Rehabilitation
40		Unapproved Subtenant
41	0	Total number of unlawful detainer actions filed

Number of households evicted from the project during the reporting period for the each of the following reasons:

(If more than one reason applies to a household, report only the primary reason.) *You MUST answer every question (i.e., enter zero if applicable).*

42		Breach of Lease Agreement
43		Capital Improvement
44		Condo Conversion
45		Demolition
46		Denial of Access to Unit
47		Development Agreement
48		Ellis Act Withdrawal
49		Failure to Sign Lease Renewal
50		Good Samaritan Tenancy Ends
51		Habitual Late Payment of Rent
52		Illegal Use of Unit
53		Lead Remediation
54		Non-payment of Rent
55		Nuisance
56		Other
57		Owner Move In
58		Roommate Living in Same Unit
59		Substantial Rehabilitation
60		Unapproved Subtenant
61	0	Total number of households evicted (total also used to answer question #35 on Worksheet 1A)

	B	D	F	H	J
15	Annual Monitoring Report - Fiscal Activity - Reporting Year 2016 - Mayor's Office of Housing & Community Development				
16	INCOME & EXPENSES				
17	12 Month Report Period	Start Date:	1/0/1900	End Date:	1/0/1900
18	Number of Units-->	0			
19		Account			
20	Description of Income Accounts	Number	Residential	Non-Residential	Total
21	Rental Income				
22	Housing Units - Gross Potential Tenant Rents	5120			
23	Rental Assistance Payments (identify ALL sources in row below if applicable, including LOSP funding)	5121			
24	Source/s---->				
25	Commercial Unit Rents	5140			
26	sub-total Gross Rental Income:		\$0.00	\$0.00	\$0.00
27	Vacancy Loss - enter amounts as negative numbers!				
28				vacancy rate	
29	Housing Units	5220		Must click & explain if Residential Vac Rate is > 15%	
30	Commercial	5240			0.00%
31	sub-total Vacancies:		\$0.00	\$0.00	\$0.00
32	NET RENTAL INCOME:				
33			\$0.00	\$0.00	\$0.00
34	Other Income				
35	Garage and Parking Spaces	5170			
36	Miscellaneous Rent Income	5190			
37	Supportive Services Income - Do not enter supportive services income if it is tracked in a separate budget and not appropriate per MOHCD loan terms to be included in Residual Receipts calculation.	5300			
38	Supportive Services Income Source/s- identify program source(s) if applicable -->				
39	Interest Income - Project Operations (From Operating Account Only)	5400			
40	Laundry and Vending	5910			
41	Tenant Charges	5920			
42	Other Revenue	5990			
43	sub-total Other Income Received:		\$0.00	\$0.00	\$0.00
44	TOTAL INCOME RECEIVED:				
45			\$0.00	\$0.00	\$0.00
46	INCOME & EXPENSES				
47	Description of Expense Accounts	Account Number	Residential	Non-Residential	Total
48	Management				
49	Management Fee	6320			
50	"Above the Line" Asset Management Fee (amount allowable may be limited, see Asset Mgt. Fee Policy)				
51	sub-total Management Expense:		\$0.00	\$0.00	\$0.00
52	Salaries/Benefits				
53	Office Salaries	6310			
54	Manager's Salary	6330			
55	Employee Benefits: Health Insurance & Disability Insurance	6723			
56	Employee Benefits: Retirement & Other Salary/Benefit Expenses				
57	Administrative Rent Free Unit	6331			
58	sub-total Salary/Benefit Expense:		\$0.00	\$0.00	\$0.00
59	Administration				
60	Advertising and Marketing	6210			
61	Office Expenses	6311			
62	Office Rent	6312			
63	Legal Expense - Property	6340			
64	Audit Expense	6350			
65	Bookkeeping/Accounting Services	6351			
66	Bad Debts	6370			
67	Miscellaneous Administrative Expenses (must click & explain if >\$10k)	6390			
68	sub-total Administrative Expense:		\$0.00	\$0.00	\$0.00
69	Utilities				
70	Electricity	6450			
71	Water	6451			
72	Gas	6452			
73	Sewer	6453			
74	sub-total Utilities Expense:		\$0.00	\$0.00	\$0.00
75	Taxes and Licenses				
76	Real Estate Taxes	6710			
77	Payroll taxes	6711			
78	Miscellaneous Taxes, Licenses, and Permits	6719			
79	sub-total Taxes and License Expense:		\$0.00	\$0.00	\$0.00
80	Insurance				
81	Property and Liability Insurance	6720			
82	Fidelity Bond Insurance	6721			
83	Workers' Compensation	6722			
84	Directors & Officers Liabilities Insurance	6724			
85	sub-total Insurance Expense:		\$0.00	\$0.00	\$0.00
86	Maintenance and Repairs				
87	IMPORTANT NOTE RE: TREATMENT OF CAPITAL AND NON-CAPITAL MAINTENANCE REPAIR EXPENSES ELIGIBLE FOR PAYMENT BY REPLACEMENT RESERVE: If possible, exclude those from this section. If you do include those expenses here, be sure to record the amounts in rows 103 (non-capital) and 210:215 below (capital).				
88	Payroll	6510			
89	Supplies	6515			
90	Contracts	6520			
91	Garbage and Trash Removal	6525			
92	Security Payroll/Contract	6530			
93	HVAC Repairs and Maintenance	6546			
94	Vehicle and Maintenance Equipment Operation and Repairs	6570			
95	Miscellaneous Operating and Maintenance Expenses (must click & explain if >\$10k)	6590			
96	sub-total Maintenance Repair Expense:		\$0.00	\$0.00	\$0.00
97	Supportive Services: do not enter supportive services expenses if tracked in separate budget and not eligible to be counted against project income for residual receipts calculation.	6900			
98	SUB-TOTAL OPERATING EXPENSES:				
99			\$0.00	\$0.00	\$0.00
100	Capital Maintenance Repairs/Improvements eligible for payment by Replacement Reserve. If capital costs were entered in amounts for Maintenance & Repairs section above and are eligible for payment by the Replacement Reserve, please enter details in Replacement Reserve-Eligible Expenditures below, beginning from row 207. Amounts provided in F210:215 will be linked to cell F102 and netted out from operating expenses.		\$0.00		
101	Non-Capital Maintenance Repair Expenses eligible for payment by Replacement Reserve. Only enter amounts here if they were included in amounts entered for Maintenance & Repairs section above and will be reimbursed by Replacement Reserve. Amount will be netted out from operating expenses. Enter as positive number.				
102	TOTAL OPERATING EXPENSES:		\$0.00	\$0.00	\$0.00
103	Acct Num Residential Non-Residential Total				
104	1. TOTAL INCOME RECEIVED:		\$0.00	\$0.00	\$0.00
105	2. TOTAL OPERATING EXPENSES:		\$0.00	\$0.00	\$0.00
106	3. NET OPERATING INCOME:		\$0.00	\$0.00	\$0.00

	B	D	F	H	J
15	Annual Monitoring Report - Fiscal Activity - Reporting Year 2016 - Mayor's Office of Housing & Community Development				
110					
111	4. Ground Lease Base Rent & Debt Service (Principal and Interest)	Name of Lessor or Lender / Describe Other Amt Paid	Residential	Non-Residential	Total
112	Ground Lease - Base Rent (provide Lessor name to the right)				
113	Bond Monitoring Fee				
114	Lender1 - Principal Paid (provide lender name to the right)				
115	Interest Paid				
116	Other Amount (describe to the right)				
117	Lender2 - Principal Paid (provide lender name to the right)				
118	Interest Paid				
119	Other Amount (describe to the right)				
120	Lender3 - Principal Paid (provide lender name to the right)				
121	Interest Paid				
122	Other Amount (describe to the right)				
123	Lender4 - Principal Paid (provide lender name to the right)				
124	Interest Paid				
125	Other Amount (describe to the right)				
126	Total Ground Lease Base Rent + Debt Service Payments		\$0.00	\$0.00	\$0.00
127					
128	5. Reserve Account Activity Impacting Operating Account				
129	Replacement Reserve Required Annual Deposit (Source is Operating Account.) Enter as positive number.	1320			\$0.00
130	Operating Reserve Deposits (Source is Operating Account.) Enter as positive number.	1365			\$0.00
131	Operating Reserve Account Withdrawals (For deposits to Operating Account.) Enter as positive number.				\$0.00
132	Other Required Reserve Account Deposits (Source is Operating Account. Enter as positive number. Identify reserve account in next col) (1330)				\$0.00
133	Other Required Reserve Account Withdrawals (For deposit to Operating account. Enter as positive number. Identify account in next col ---->				\$0.00
134	Net Reserve Activity:		\$0.00	\$0.00	\$0.00
135					
136	Surplus Cash, Detail (NOI minus Debt Service and Reserve Activity)		\$0.00	\$0.00	\$0.00
137					
138	If amount for Surplus Cash above is negative: - you must provide a detailed explanation to question #8 on the Narrative worksheet - you must NOT supply data for any of the fields for Uses of Surplus Cash below		Go to ws4 Narrative question #8		
139	Surplus Cash, Total				\$0.00
140	<i>Distribution of Surplus Cash/Residual Receipts - (Response Required.) In the space below, please provide a detailed narrative summary of allowable distributions of Surplus Cash that accurately reflects the requirements under all MOHCD agreements as well as the requirements of other funders and any other agreements that govern. Please include the calculation methodology, applicable annual increases, etc. For proposed distribution amounts entered in column J, rows 143-164, select the distribution priority for each of the uses of cash flow/surplus cash in column H. If distribution of surplus cash is not allowed under MOHCD agreements or other funder agreements, enter N/A in the box below.</i>				
141					
142	USES OF SURPLUS CASH THAT ARE AUTHORIZED TO BE PAID PRIOR TO CALCULATION OF RESIDUAL RECEIPTS PAYMENTS (IF APPLICABLE)		Distribution Priority (select below)		
143	6. Operating Reserve Replenishments (Deposits made out of surplus cash to satisfy minimum balance requirements).				
144	7. "Below-the-line" Asset Mgt fee (prior written authorization from City/SFRA may be required, see Asset Mgt. Fee Policy).				
145	8a. Partnership Management fee due from this reporting period. If any (tax credit projects only; not allowed if project is beyond 15-year compliance period).				
146	8b. Partnership Management fee accrued but unpaid from PRIOR reporting periods, if any (tax credit projects only; per City policy, not allowed if project is beyond 15-year compliance period).				
147	9a. Investor Services Fee (aka LP Asset Management Fee) due from this reporting period. If any (tax credit projects only; per City policy, not allowed if project is beyond 15-year compliance period).				
148	9b. Investor Services Fee (aka LP Asset Management Fee) accrued but unpaid from PRIOR reporting periods, if any (tax credit projects only; per City policy, not allowed if project is beyond 15-year compliance period).				
149	10. Deferred Developer fee, if any				
150	11. Other payments: use question #1 on the Narrative (worksheet #4) to provide details about any fees or other payments, including ground lease residual rent payments for a non-MOHCD/OCII ground lease. Failure to provide details will result in disallowance of this expense. You may only include payments that were approved by MOHCD at time of funding that are also explicitly authorized by a Partnership Agreement or similar project document.		Go to ws4 Narrative question #1		
151	12ai. Debt Pmt to other lender1: Principal Paid (note lender name to right)	bcd			
152	12aii. Debt Pmt to other lender1: Interest Paid				
153	12bi. Debt Pmt to other lender2: Principal Paid (note lender name to right)	efg			
154	12bii. Debt Pmt to other lender2: Interest Paid				
155	Total Payments preceding Residual Receipts Calculation:				\$0.00
156					
157	13. RESIDUAL RECEIPTS				\$0.00
158				Distribution Priority (select below)	
159	13a. MOHCD Residual Receipts Due for Loan Repayment				
160	13b. MOHCD Residual Receipts Due for Ground Lease Residual Rent Payment				
161	13c. Subtotal Residual Receipts Payments to MOHCD				\$0.00
162	13d. Residual Receipts Debt Pmt to other lender3 (note lender name to right)				
163	13e. Residual Receipts Debt Pmt to other lender4 (note lender name to right)				
164	13 f. Residual Receipts Debt Pmt to other lender5 (note lender name to right)				
165	Total Residual Receipts Payments:				\$0.00
166					
167	DO NOT SUBMIT YOUR PROPOSED RESIDUAL RECEIPT PAYMENT TO MOHCD WITH THIS AMR. MOHCD WILL REVIEW YOUR PROPOSED PAYMENT AND GENERATE AN INVOICE IF THE CALCULATION CAN BE VERIFIED AS APPROPRIATE; IF THE CALCULATION CANNOT BE VERIFIED, MOHCD WILL CONTACT YOU.				
168	Remaining Balance				\$0.00
169					
170	Proposed Owner Distributions (provide description in column D and enter amount in column J. If an amount is entered, a description is required.)				
171	Proposed Other Distributions/Uses (provide description in column D and enter amount in column J. If an amount is entered, a description is required. If you had a Calendar Year LOSP surplus, please acknowledge that and note exact amount.)				
172					
173	Final Balance: should be ZERO except when Surplus Cash (cell F136) is negative				\$0.00

	B	D	F	H	J
15	Annual Monitoring Report - Fiscal Activity - Reporting Year 2016 - Mayor's Office of Housing & Community Development				
174	RESERVE ACCOUNT DETAILS				
175	OPERATING RESERVE (Do not leave blanks for any questions asking for a number, enter zero instead.)				
176	Minimum Required Balance:				
178	Beginning Balance:				
179	Actual Annual Deposit (don't edit - taken from page 1 account number 1365):		\$0.00		
180	Interest Earned:				
181	Annual Withdrawal Amount (enter as negative number):				
182	Ending Balance (don't edit cell -- calculated):		\$0.00		
183	Required Annual Deposit:				
184	Total Operating Expenses plus debt service (don't edit cell -- calculated):		\$0.00		
185	If the calculated percentage shown to the right (Op Reserve Account Ending Balance divided by Total Op Expenses) is less than 23.5%, you must describe how the project will remedy the shortfall in the adjacent cell.				
186	If the calculated percentage shown to the right is greater than 26.5%, you must explain why the Op Reserve balance exceeds MOHCD's requirement in the adjacent cell.		0.000%		
187	REPLACEMENT RESERVE (Do not leave blanks for any questions asking for a number, enter zero instead.)				
188	Minimum Required Balance:				
189	Beginning Balance:				
190	Actual Annual Deposit:				
191	Interest Earned:				
192	Annual Withdrawal Amount (enter as negative number):				
193	Ending Balance (don't edit cell -- calculated):		\$0.00		
194	Required Annual Deposit (do not edit - taken from page 1 account number 1320):		\$0.00		
195	Describe how the amount of annual deposit and the minimum required balance is determined.				
196					
197	CHANGES TO REAL ESTATE ASSETS				
198	Enter Beginning and Ending Balances in each of the categories listed below. Changes in asset categories will auto calculate.				
199		Balance, 1/00/1900	Changes	Balance, 1/00/1900	
200	Building & Improvements		\$0.00		
201	Offsite Improvements		\$0.00		
202	Site Improvements		\$0.00		
203	Land Improvements		\$0.00		
204	Furniture, Fixtures & Equipment		\$0.00		
205	Other		\$0.00		
206	Replacement Reserve-Eligible Expenditures: Provide details below about the Capital and non-Capital Expenditures that are Replacement Reserve-eligible.				
207	Capital Repairs and Improvements: Enter capital repairs and improvement costs associated with the reporting year. For each category in rows 200-205 above that shows a positive change, an entry is required in each corresponding category in rows 210-215. If the operating account is used initially to fund the repair, and is later reimbursed by the replacement reserve during the reporting year, show the repair cost under "Replacement Reserve". If the operating account is used to fund the repair and was not reimbursed by the replacement reserve during the reporting year, show the repair cost under "Operating Account." Use the section below to supply a description of the capital repairs and improvements made.				
208	Capital Repairs and Improvements Funded By:				
209	Capital Repairs and Improvements - Categories	Replacement Reserve	Operating Account	Other Source	Total Amount
210	Building & Improvements				\$0.00
211	Offsite Improvements				\$0.00
212	Site Improvements				\$0.00
213	Land Improvements				\$0.00
214	Furniture, Fixtures & Equipment				\$0.00
215	Other				\$0.00
216	Total	\$0.00	\$0.00	\$0.00	\$0.00
217	Description of Capital Repairs and Improvements				
218					
219	Non-Capital Replacement Reserve Eligible Expenditures (i.e., labor costs): Enter the amounts used to fund non-capital replacement reserve eligible expenditures. Use section below to supply explanations.				
220	Source				Amount
221	Paid out of Operating Budget, to be reimbursed by RR (shows the amount entered in row 101 above)				\$0.00
222	Paid Directly from Replacement Reserve				
223	Other Source				
224	Explanation of Non-Capital Replacement Reserve Eligible Expenditures	Total			\$0.00
225					
226	TOTAL REPLACEMENT RESERVE ELIGIBLE EXPENDITURES: the Replacement Reserve Withdrawal for the reporting period should not exceed the Total RR-eligible Expenditures. You must provide more details above or an explanation below if the RR withdrawal amount exceeds the Total RR-Eligible Expenditures.	RR Withdrawal Amount-->	\$0.00	Total RR-Eligible Expenditures-->	\$0.00
227	Notes About RR Withdrawal Amount in excess of Total RR-eligible Expenditures:				
228					
229					

	B	D	F	H	J
15	Annual Monitoring Report - Fiscal Activity - Reporting Year 2016 - Mayor's Office of Housing & Community Development				
230	FEDERAL PROGRAM INCOME REPORT				
231	This section must be completed if the project received any CDBG funding, even if the amount of CDBG program income during the reporting period was zero.				
232	For more information, use the following link or copy this web address for manual navigation:				
233	http://www.sf-moh.org/Modules/ShowDocument.aspx?documentid=5141				
234	Overview of Federal (HOME and CDBG) Program Income				
235					
236	CDBG PROGRAM INCOME				
	Proposed amounts to be used to fund eligible CDBG activities as described in the Federal CDBG Program Regulations at 24 CFR 570.201-206 and consistent with the City's 2015-2019 Consolidated Plan, 2016-17 Action Plans as follows:		AMOUNT	DESCRIPTION	
237	Amount to be used for CDBG eligible activity#1 (provide amount in cell to the right, and activity description and regulation citation in column furthest to the right):				
238	Amount to be used for CDBG eligible activity#2 (provide amount in cell to the right, and activity description and regulation citation in column furthest to the right):				
239	Amount to be used for CDBG eligible activity#3 (provide amount in cell to the right, and activity description and regulation citation in column furthest to the right):				
240	Amount to be deposited for use on future eligible CDBG activities that will be undertaken by June 30, 2015 (provide amount in cell to the right, and activity description and regulation citation in column furthest to the right):				
241	Other (provide amount in cell to the right, plus activity description and regulation citation in column furthest to the right):				
242	Total CDBG Program Income Calculation (see instructions for guidance on how to calculate)				
243					
244	<i>To ensure the eligible use of CDBG Program Income, the recipient of federal CDBG funding hereby requests approval by the Mayor's Office of Housing and Community Development for the use of CDBG program income received during the 2016 reporting period as depicted above.</i>				

**Annual Monitoring Report - Summary of Reported Household Demographics - Reporting Year 2016 -
Mayor's Office of Housing & Community Development**

Project Address:	Last Day of Reporting Period	1/0/1900	# Units:	0
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Household Size

	# Reported Households	% of Total
One Person Household	0	
Two Person Household	0	
Three Person Household	0	
Four Person Household	0	
Five Person Household	0	
Six Person Household	0	
Seven or more Person Household	0	
TOTAL Households*	0	
TOTAL Residents	0	

*Excludes 0 unit(s) reported as manager's or vacant unit(s).

Other Household Demographics

	# Reported
Female Headed Households	0
Elderly Households	0
Households with Children Under 18	0
Number of Children Under 18	0
Households with Tenant with Physical Disability	0
Households with Tenant with Visual Disability	0
Households with Tenant with Hearing Disability	0
Households with Tenant with No Disability	0

Head of Household Race/Ethnicity

	# Reported Head of HH	% of Total
Hispanic/Latino	0	
Not Hispanic/Latino		
American Indian/Alaskan Native	0	
Asian	0	
Black/African American	0	
Native Hawaiian/Other Pacific Islander	0	
White	0	
American Indian/Alaskan Native and Black/African American	0	
American Indian/Alaskan Native and White	0	
Asian and White	0	
Black/African American and White	0	
Other/Multiracial	0	
Not Reported	0	
Total Head of Households	0	

Target and Actual Population Served

<i>Target Population</i>		<i>Actual Population</i>	
0	<i>Families</i>	0	<i>Families</i>
0	<i>Persons with HIV/AIDS</i>	0	<i>Persons with HIV/AIDS</i>
0	<i>Housing for Homeless</i>	0	<i>Housing for Homeless</i>
0	<i>Mentally or Physically Disabled</i>	0	<i>Mentally or Physically Disabled</i>
0	<i>Senior Housing</i>	0	<i>Senior Housing</i>
0	<i>Substance Abuse</i>	0	<i>Substance Abuse</i>
0	<i>Domestic Violence Survivor</i>	0	<i>Domestic Violence Survivor</i>
0	<i>Veterans</i>	0	<i>Veterans</i>
0	<i>Formerly Incarcerated</i>	0	<i>Formerly Incarcerated</i>
0	<i>Transition-Aged Youth ("TAY")</i>	0	<i>Transition-Aged Youth ("TAY")</i>

**Annual Monitoring Report - Narrative - Reporting Year 2016 -
Mayor's Office of Housing & Community Development**

Project Street Address:

Reporting Period - Start Date: 1/0/1900

Reporting Period - End Date: 1/0/1900

MOHCD created the questions below to allow project owners to supply additional information about a small number of measurements that may indicate that a project is having difficulties. By providing this information, project owners will help provide context for the conclusions that can be made about the measurements. MOHCD will use the measurements and the information below to prioritize the projects that need closer scrutiny and support. Please supply as much information as is readily available.

1. Explanations & Comments

Use this space to record notes about any peculiarities in the data entry process. For example, if you entered a formula instead of a single number for a field, make a note here re: for which question on which worksheet that was done, and describe the formula & underlying numbers. Also use this field to describe in detail any amounts entered for "Other payments" on the worksheet "2.Fiscal," item 11.

2. Code Violations

Provide the following for any violations or citations of Health or Building or Housing Codes that were issued during the reporting period, or were issued in a prior reporting period but remained open during any time of the current reporting period:

Violation or Citation #	Date Issued	Issued By	Description	Cleared? (y/n)

(add additional rows as needed)

**** ONLY FOR ALL VIOLATIONS THAT WERE NOT RESOLVED by the end of the reporting period: You must also attach a SCANNED copy of each Violation/Citation to your AMR submittal. ****

Violation or Citation #	Date Cleared	Issued By	Description of Remedy

(add additional rows as needed)

**** ONLY FOR ALL VIOLATIONS THAT WERE NOT RESOLVED by the end of the reporting period: You must also attach a SCANNED copy of each Violation/Citation to your AMR submittal. ****

3. Major Repairs

Describe any major repair or replacement needs that have been identified as being required within the next 2 years, and any related plans to pay for whatever is needed.

4. Vacant Unit Rent-Up Time

0

If the project had an average VACANT UNIT RENT-UP TIME greater than 30 days for question 36 on the worksheet "1A.Prop&Residents," you must supply the following:

- a. A description of the work done to analyze the cause/s of the high turnaround time, and what the identified causes are; and
- b. A description of the work done to identify means of reducing the turnaround time, and all viable remedies that have been identified; and
- c. A description of the plan to implement any remedies, including specific timelines for the implementation work.

5. Affirmative Marketing

0

Did you conduct any marketing of the project during the reporting period? If yes, please describe the marketing that was conducted, including

- a. when the marketing was conducted and how it was intended to reach populations least likely to apply for the project;
- b. any advertising, direct mailings, emailings and web postings that were done; and
- c. how many households were on the waiting list prior to the marketing and how many were on it after the marketing was completed.

6. Vacancy Rate ----->

If the project had a VACANCY RATE greater than 15%, as may be shown above from the Income Expense section of the worksheet "2.Fiscal," you must supply the following:

- a. A description of the work done to analyze the cause/s of the vacancy rate, and what the identified causes are; and
- b. A description of the work done to identify means of reducing the vacancy rate, and all viable remedies that have been identified; and
- c. A description of the plan to implement any remedies, including specific timelines for the implementation work.

7. Miscellaneous Expenses: Administrative/Operating & Maintenance

If the project had miscellaneous administrative or miscellaneous operating & maintenance expenses greater than \$10,000 respectively, you must provide a detailed itemization of these individual expenses below. Total expenses must equal the total amount reported on the worksheet "2.Fiscal."

Misc. Admin Expenses

Expense Description	Amount	HUD	
		Acct #	Notes
Total:	0.00		
Diff. from Fiscal Activity WS:			

Misc. Operating & Maintenance Expenses

Expense Description	Amount	HUD	
		Acct #	Notes
Total:	0.00		
Diff. from Fiscal Activity WS:			

8. Negative Cash Flow

If the project had NEGATIVE CASH FLOW, as may be shown above from the Income Expense section of worksheet "2.Fiscal," you must supply the following:

- a. A description of the work done to analyze the cause/s of the shortfall, and what the identified causes are; and
- b. A description of the work done to identify remedies for the shortfall, and all viable remedies that have been identified; and
- c. A description of the plan to implement any remedies, including specific timelines for the implementation work.
- d. If the project has a Project-Based Section 8 Housing Assistance Payments (HAP) contract, please also supply the date of the last increase to the HAP contract, the date when the project will submit the next HAP contract rent increase, and any related comments about whether the project has been diligent in seeking annual increases to the HAP contract.

Project Street Address:

**Schedule of Operating Revenues
For the Year Ended December 31, 1900**

	<u>Total</u>
Rental Income	
5120 Gross Potential Tenant Rents	\$0
5121 Rental Assistance Payments (inc. LOSP)	0
5140 Commercial Unit Rents	0
Total Rent Revenue:	<u>\$0</u>
Vacancies	
5220 Apartments	\$0
5240 Stores & Commercial	0
Total Vacancies:	<u>\$0</u>
Net Rental Income: (Rent Revenue Less Vacancies)	<u>\$0</u>
Other Revenue	
5170 Rent Revenue - Garage & Parking	\$0
5190 Misc. Rent Revenue	0
5300 Supportive Services Income	0
5400 Interest Revenue - Project Operations (From Operating Acct Only)	0
5400 Interest Revenue - Project Operations (From All Other Accts)	0
5910 Laundry & Vending Revenue	0
5920 Tenant Charges	0
5990 Misc. Revenue	0
Total Other Revenue:	<u>\$0</u>
Total Operating Revenue:	<u>\$0</u>

Project Street Address:

**Schedule of Operating Expenses
For the Year Ended December 31, 1900**

Management	Total
6320 Management Fee	\$0
"Above the Line" Asset Management Fee	0
Total Management Expenses:	<u>\$0</u>
Salaries/Benefits	
6310 Office Salaries	\$0
6330 Manager's Salary	0
6723 Employee Benefits: Health Insurance & Disability Insurance	0
Employee Benefits: Retirement & Other Salary/Benefit Expenses	0
6331 Administrative Rent Free Unit	0
Total Salary/Benefit Expenses:	<u>\$0</u>
Administration	
6210 Advertising and Marketing	\$0
6311 Office Expenses	0
6312 Office Rent	0
6340 Legal Expense - Property	0
6350 Audit Expense	0
6351 Bookkeeping/Accounting Services	0
6370 Bad Debts	0
6390 Miscellaneous Administrative Expenses	0
Total Administrative Expenses:	<u>\$0</u>
Utilities	
6450 Electricity	\$0
6451 Water	0
6452 Gas	0
6453 Sewer	0
Total Utilities Expenses:	<u>\$0</u>
Taxes and Licenses	
6710 Real Estate Taxes	\$0
6711 Payroll taxes	0
6790 Miscellaneous Taxes, Licenses, and Permits	0
Total Taxes and Licenses Expenses:	<u>\$0</u>
Insurance	
6720 Property and Liability Insurance	\$0
6721 Fidelity Bond Insurance	0
6722 Workers' Compensation	0
6724 Directors & Officers Liabilities Insurance	0
Total Insurance Expenses:	<u>\$0</u>

Project Street Address:

**Schedule of Operating Expenses
For the Year Ended December 31, 1900**

Maintenance and Repairs	Total
6510 Payroll	\$0
6515 Supplies	0
6520 Contracts	0
6525 Garbage and Trash Removal	0
6530 Security Payroll/Contract	0
6546 HVAC Repairs and Maintenance	0
6570 Vehicle and Maintenance Equipment Operation and Repairs	0
6590 Miscellaneous Operating and Maintenance Expenses	0
Total Maintenance and Repairs Expenses:	<u>\$0</u>
6900 Supportive Services	\$0
Capital and Non-Capital Expenditures to be Reimbursed from Replacement Reserve	\$0
Total Operating Expenses:	<u>\$0</u>

Financial Expenses

Enter amounts in yellow highlighted cells. Leave no cells blank. Enter "0" if applicable.

6820 Interest on Mortgage (or Bonds) Payable	
6825 Interest on Other Mortgages	
6830 Interest on Notes Payable (Long Term)	
6840 Interest on Notes Payable (Short Term)	
6850 Mortgage Insurance Premium/Service Charge	
6890 Miscellaneous Financial Expenses	
Total Financial Expenses:	<u>\$0</u>
6000 Total Cost of Operations before Depreciation:	<u>\$0</u>
5060 Operating Profit (Loss):	<u>\$0</u>

Depreciation & Amortization Expenses

Enter amounts in yellow highlighted cells. Leave no cells blank. Enter "0" if applicable.

6600 Depreciation Expense	
6610 Amortization Expense	
Operating Profit (Loss) after Depreciation & Amortization:	<u>\$0</u>

Net Entity Expenses

the right.

7190		
7190		
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7190		
Total Net Entity Expenses:	<u>\$0</u>	

3250 **Change in Total Net Assets from Operations (Net Loss)** **\$0**
Amount computed in cell E139 should match audited financial statement.

Project Street Address:

**Summary of Replacement Reserve and Operating Reserve Activity
For the Year Ended December 31, 1900**

	Replacement Reserve	Operating Reserve
Balance, December 31, 1899	\$0	\$0
Actual Annual Deposit	0	0
Interest Earned	0	0
Withdrawals	0	0
Balance, December 31, 1900	<u>\$0</u>	<u>\$0</u>

**Annual Monitoring Report - Completeness Tracker - Reporting Year 2016 -
Mayor's Office of Housing & Community Development**

This checklist is a tool to help you track progress toward completion. NOTE: Do not submit the AMR until all items are "COMPLETED."

Reporting Start Date:
Reporting End Date:

1/0/00
1/0/00

Project Address:

Submission Instructions:

Once all worksheets below are "COMPLETED", email the AMR, completed Owner Compliance Certification, along with the attachments required under the Insurance and Tax Certification per page 3 of the Owner Certification, waitlist, and audited financial statements to: moh.amr@sfgov.org.

Worksheet 1A. Property & Residents	INCOMPLETE	
	Questions 1 thru 4	incomplete
	Questions 5 thru 24	incomplete
	Questions 25 thru 39	incomplete
	Questions 40 thru 50	incomplete
	Questions 51 thru 61	incomplete
Worksheet 1B. Transitional Programs	To Be Determined	
	Questions 1 thru 11	To Be Determined
	Questions 12 thru 18	To Be Determined
	Questions 19 thru 39	To Be Determined
Worksheet 1C. Eviction Data	To Be Determined	
	Question 1	To Be Determined
	Questions 2 thru 21	To Be Determined
	Questions 22 thru 41	To Be Determined
	Questions 42 thru 61	To Be Determined
Worksheet 2. Fiscal Activity	INCOMPLETE	
	Rental Income - Housing Unit GPTR	incomplete
	Vacancy Loss - Housing Units	incomplete
	Operating Expenses	incomplete
	Surplus Cash/Residual Receipts (Rows 140 - 171)	incomplete
	Operating Reserve (Rows 177 - 186)	incomplete
	Replacement Reserve (Rows 188 - 196)	incomplete
	Changes to Real Estate Assets (Rows 198 - 205)	incomplete
	Replacement Reserve Eligible Expenditures (Rows 209 - 228)	incomplete
	Program Income (Rows 230 - 243)	OK
Worksheet 3A. Occupancy & Rent Info	INCOMPLETE	
	Does number of units entered on Worksheet 3 match total units entered on Worksheet 1A or the total households that can be served in Worksheet 1B?	To Be Determined
	For each row with a Unit Number, was data entered in cells for Subsidy Type and Utility Allowance?	To Be Determined
	Narrative Provided for All rows indicating Overhoused or Overcrowded?	To Be Determined
Worksheet 3B. Demographic Information	To Be Determined	
	Is Ethnicity and Race selected for each household?	To Be Determined
Worksheet 4. Narrative	To Be Determined	
	2	To Be Determined
	3	To Be Determined
	4	To Be Determined
	5	To Be Determined
	6	To Be Determined
	7	To Be Determined
	8	To Be Determined
Worksheet 5. Project Financing	INCOMPLETE	
Worksheet 6. Services Funding	To Be Determined	
Worksheet 7. Supplementary Information Required by MOHCD	Worksheet incomplete. If using AMR to generate Schedules required for Audited Financial Statement, please complete the required data entry.	

EXHIBIT H
Tenant Selection Plan Policy - LOSP

This policy is in addition to the obligations to comply with applicable federal, state and local civil rights laws, including laws pertaining to reasonable accommodation and limited English proficiency (LEP),¹ **and the applicable provision of the Violence Against Women Act, Pub. Law 109-62 (January 5, 2006), as amended.**

Application Process

- **Application Materials.** The housing provider's written and/or electronic application materials should:
 - outline the screening criteria that the housing provider will use;
 - be in compliance with San Francisco Police Code Article 49 or the Fair Chance Ordinance,
 - outline how an applicant may request a modification of the admission process and/or a change in admission policies or practices as a reasonable accommodation;
 - be written in language that is clear and readily understandable,
- **First Interview.** In accordance with the housing provider policies, an initial interview is required to assess each applicant's minimum eligibility requirements for housing units.
- **Second Interview.** Before issuing a denial, the housing provider should consider offering a second interview to resolve issues and inconsistencies, gather additional information, and assist as much as possible with a determination to admit the applicant.
- **Confidentiality.** All information provided will be kept confidential and be used only by the housing provider, the referring agency and the funding agency for the purpose of assisting and evaluating the applicant in the admission process. All applicant information shall be retained for 12 months after the final applicant interview.
- **Delays in the Process.** If delays have occurred or are likely to occur in the application and screening process or the process exceeds the housing provider's normal timeline for application and screening, the housing provider must immediately inform the referring agency and the funding agency, of the status of the application, the reason for the delay and the anticipated time it will take to complete the application process.
- **Problems with the Referring Agency.** If at any point the housing provider has difficulty reaching or getting a response from the applicant and referring agency, the housing provider must immediately contact the referring agency, if possible, and the funding agency, HSH.

¹See for e.g., Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), 42 U.S.C. §§ 3601, et seq.; 24 C.F.R. Part 100; Title VI of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000d-2000d-7; Executive Order 13,166, Improving Access to Services for Persons with Limited English Proficiency (August 11, 2000); Department of Housing and Urban Development Limited English Proficiency Guidance, 72 Fed. Reg. 2732 (Jan. 22, 2007); Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794; 24 C.F.R. Parts 8 and 9; Title II of the Americans with Disabilities Act of 1990, as amended; California Fair Employment and Housing Act, Gov't Code §§ **12,955-12,956.2**; **Unruh Civil Rights Act, Civil Code § 51**; **California Disabled Persons Act, Civil Code § 51.4**; Dymally-Alatorre Bilingual Services Act, Gov't Code §**7290-7299.8**; **San Francisco Language Access Ordinance, No. 202-09 (April 14, 2009)**

- **Limited English Proficiency Policy.** Throughout the application process, the housing provider must comply with City policy for language access requirements for applicants with limited English proficiency.

Reasonable Accommodation and Modification Policy

Reasonable Accommodation: The application process should provide information about how an applicant may make a reasonable accommodation request. At any stage in the admission process, an applicant may request a reasonable accommodation, if the applicant has a disability and as a result of the disability needs a modification of the provider's rules, policies or practices, including a change in the way that the housing provider communicates with or provides information to the applicant that would give the applicant an equal chance to be selected by the housing provider to live in the unit.

Reasonable Modification: Applicant may request a reasonable modification if he or she has a disability and as a result of the disability needs:

- a physical change to the room or housing unit that would give the applicant an equal chance to live at the development and use the housing facilities or take part in programs on site;
- a physical change in some other part of the housing site that would give the applicant an equal chance to live at the development and use the housing facilities or take part in programs on site.

Response to Request: The housing provider shall respond to a request for reasonable accommodation or modification within ten (10) business days. The response may be to grant, deny, or modify the request, or seek additional information in writing or by a meeting with the applicant. The housing provider will work with the applicant and referring agency to determine if there are ways to accommodate the applicant.

The housing provider shall grant the request if the provider determines that:

- the applicant has a disability;
- reasonable accommodation or modification is necessary because of the disability; and
- the request is reasonable (i.e., does not impose an undue financial or administrative burden or fundamentally alter the nature of the housing program.)

If the reasonable accommodation request is denied, the rejection must explain the reasons in writing. If the denial of the reasonable accommodation request results in the applicant being denied admission to the unit, the provisions of the section on Notice of Denial and Appeal Process apply.

Notice of Denial and Appeal Process

- The housing provider shall:
 - Hold a comparable unit for the household during the entire appeal process.

- promptly send a written and electronic notice (to the addresses provided) to each applicant denied admission with a written and/or electronic copy to the referring agency and the funding agency. The notice should:
 - list all the reasons for the rejection, including the particular conviction or convictions that led to the decision in cases where past criminal offenses were a reason for rejection;
 - explain how the applicant can request an in person appeal to contest the decision;
 - state that an applicant with a disability is entitled to request a reasonable accommodation to participate in the appeal;
 - inform the applicant that he or she is entitled to bring an advocate or attorney to the in person appeal;
 - provide referral information for local legal services and housing rights organizations;
 - describe the evidence that the applicant can present at the appeal;
 - give applicants denied admission a date within which to file the appeal, which shall be at least ten (10) business days from the date of the notice;
 - unless an extension is agreed to by the applicant and the housing provider, hold the appeal within ten (10) business days of the request for the appeal;
 - confine the subject of the appeal to the reason for denial listed in the notice;
 - give the applicant a chance to present documents and/or witnesses showing that he or she will be a suitable tenant;
 - have an impartial supervisor or manager from the housing provider, but who is not the person who made the initial decision or a subordinate of the person who made the initial decision, conduct the appeal;
 - within 5 business days of the in person appeal, provide the applicant with a written decision that states the reason for the decision and the evidence relied upon. A copy of the written decision must be sent (electronically or otherwise) to the referring agency and the funding agency.
- If the rejection is based on a criminal background check obtained from a tenant screening agency, the Fair Chance Ordinance imposes additional notice requirements.

EXHIBIT I
Tenant Screening Criteria Policy – LOSP

The City expects that housing providers will use maximum feasible efforts to ensure that those individuals and families who are referred are accepted for occupancy in a timely fashion. To that end, the City has adopted the following screening criteria for applicants with a criminal record. If a problem arises in the application and screening process that may cause unreasonable delay in screening outcome, the housing provider should immediately notify the referring agency and HSH to assist with an expeditious resolution.

The screening criteria and considerations outlined below encourage providers to “screen in” rather than “screen out” applicants. These requirements are also designed to satisfy the requirements of San Francisco Police Code Article 49, Sections 4901-4920 or the Fair Chance Ordinance. This policy describes a minimum level of leniency; providers are encouraged to adopt less restrictive policies and processes whenever appropriate. For example, providers may opt not to review or consider applicant criminal records at all.

Screening Criteria

- Housing providers shall not automatically bar applicants who have a criminal record² in recognition of the fact that past offenses do not necessarily predict future behavior, and many applicants with a criminal record are unlikely to re-offend.
- Housing providers shall not consider:
 - arrests that did not result in convictions, except for an open arrest warrant;
 - convictions that have been expunged or dismissed under Cal. Penal Code § 1203.4 or 1203.4a;³
 - juvenile adjudications.
- Housing providers shall consider:
 - the individual circumstances of each applicant; and
 - the relationship between the offense, and
 - (1) the safety and security of other tenants, staff and/or the property; and
 - (2) mitigating circumstances such as those listed below.
 - only those offenses that occurred in the prior 3 years, except in exceptional situations, which must be documented and justified, such as where the housing provider staff is aware that the applicant engaged in violent criminal activity against staff, residents or community members and/or that the applicant intentionally submitted an application with materially false information regarding criminal activity. As necessary, HSH will assess the justification for a longer look-back period and determine whether an exception is warranted. In these exceptional situations, the housing provider may consider offenses that occurred in the prior 5 years.
 - mitigating factors, including, but not limited to:

² The policy recognizes that some housing may be subject to mandatory laws that require the exclusion of an applicant based upon certain types of criminal activity.

³ The purpose of the statute is allow a petitioner to request a dismissal of the criminal accusations, a change in plea or setting aside of a verdict and to seek to have certain criminal records sealed or expunged and a release “from all penalties and disabilities resulting from the offense.”

- (1) the seriousness of the offense;
- (2) the age and/or circumstances of the applicant at the time of the offense;
- (3) evidence of rehabilitation, such as employment, participation in a job training program, continuing education, participation in a drug or alcohol treatment program, or letters of support from a parole or probation officer, employer, teacher, social worker, medical professional, or community leader;
- (4) if the offense is related to acts of domestic violence committed against the applicant;
- (5) if the offense was related to a person's disability.