

January 31, 2019

**City and County of San Francisco
Multifamily Securities Program
Project Description**

88 Broadway

Overview

The funds described in the “Financing Structure” section below will be used to finance the development of 88 Broadway, a 125 - unit affordable multifamily housing project located at 88 Broadway, San Francisco, CA 94111 in the City and County of San Francisco (the “Project”).

The project is being developed concurrently (but as separate projects) with a senior housing project (735 Davis) and combined, both projects represent a mixed-income, multigenerational development that addresses a broad range of housing needs, provides quality retail located strategically at the highest value locations, includes a community-serving childcare center with programs and supports for children at all income levels, and incorporates a robust services plan that will attend to the needs of its seniors, families, and formerly homeless tenant populations.

Upon completion, the Project will include approximately 148,979 square feet of gross floor area, comprised of 101,128 square feet of residential area and 47,851 square feet of non-residential area. Non-residential spaces will include commercial, childcare, maintenance, service, office and lobby space as well as a community room with kitchen. The non-residential square footage also includes circulation areas such as hallways and stairways.

Total project costs, including the cost to acquire the land and construct new buildings, will be approximately \$97 million or approximately \$777,000 per dwelling unit.

The residential unit distribution, which will include 1 three-bedroom superintendent unit, is:

<u>Unit type</u>	<u>Number of units</u>
Studio	16
1-Bedroom	37
2-Bedroom	49
3-Bedroom	<u>23</u>
Total	125

91 percent of the residential units will serve households earning less than 80 percent of the San Francisco County Area Median Income (AMI), while the balance of units will serve households earning less than 120 percent of AMI.

Residents

No residents will be displaced as the site is currently a vacant lot.

Site Description and Scope of Work

Address: 88 Broadway, San Francisco, CA 94111
Block/Lot: Block 0140, Lot 007

The scope of work for the Property amenities will include:

- 125 new residential units
- Approximately 8,700 SF of commercial space, including approximately 4,000 SF of childcare space open to residents and the public
- Bike parking
- 5,600 SF of open space including outdoor open space on roof terraces
- Open space in form of mid-block passageway

Development and Management Team

Project Sponsors: 88 Broadway Family LP
(Joint Venture between Bridge Housing Corporation and The John Stewart Company)

General Contractor: Cahill Construction

Architect of Record: Leddy Maytum Stacy

Property Manager: The John Stewart Company

Project Ownership Structure

Borrower Entity: 88 Broadway Family LP

Managing General Partner/
Managing Member: 88 Broadway Family Bridge, LLC/ MCB Family Housing, Inc.

An investor limited partner (Bank of America, N.A.) will own a 99.99% interest in the borrower entity.

Financing Structure

The following sources of capital financing are expected to be utilized:

- tax-exempt bonds issued by the City;
- 4% low income housing tax credits (LIHTC);
- Commercial debt to be obtained by developers;
- Deferred Developer Fee;
- a conventional first mortgage; and
- soft debt from the City.

The sale of LIHTC will generate equity financing for the Project. The amount of private activity tax-exempt bonds used during construction will be sized specifically to meet the 50% of aggregate basis test required for the LIHTC.

Schedule

Financing is anticipated to close between March 1, 2019 and June 1, 2019, with construction commencing within 7 days of closing. All construction is scheduled to be completed by November 1, 2020.