

Project Description
Multifamily Securities Program
City and County of San Francisco

Ocean Beach Apartments

Overview

The funds described in the “Financing Structure” section below will be used to finance the acquisition and rehabilitation of Ocean Beach Apartments, a 85-unit affordable multifamily housing project located at 720-740 La Playa, San Francisco, CA 94121 in the City and County of San Francisco (the “Project”). Following rehabilitation, the Project will include approximately 120,165 square feet of gross floor area, comprised of 58,619 square feet of residential area and 61,546 square feet of non-residential area. Non-residential spaces will include common areas (33,969 sf) and commercial tenant space (27,577 sf).

Total project costs, including the cost to acquire the land and rehabilitate existing buildings, will be approximately \$56,756,397, or \$667,722 per dwelling unit.

The residential unit distribution, which will include one 3-bedroom superintendent unit, is:

<u>Unit type</u>	<u>Number of units</u>
Studio	n/a
1-Bedroom	27
2-Bedroom	55
3-Bedroom	3
4-Bedroom	n/a

100% percent of the residential units will serve households earning less than 60% percent of the San Francisco County Area Median Income (AMI).

The property has an existing Housing Assistance Payment contract for 100% of the units. Residents pay 30% of their income towards rent.

Residents

No residents will be displaced as all residents have the right to return after any temporary relocation that might be required.

Site Description and Scope of Work

Address: 720-740 La Playa, San Francisco, CA 94121
Block/Lot: 1596/042

The scope of work for the rehabilitation/Property amenities will include:

- Unit Interiors:
 - Kitchen: New cabinets/countertops, sink, appliances, addition of new amenity microwave-hood
 - Bathroom: New vanity, bathroom accessories, new exhaust fan, new bath accessories, refinish or replace tub & surrounds

- Flooring – new carpet & vinyl plank throughout
- Electrical: new LED lighting package, new outlets/covers
- Plumbing: repair/replacement as necessary
- Paint throughout
- Free in-unit Wi-Fi
- Building Exteriors/MEP/Site Work:
 - Siding repairs and paint
 - Recoat balconies
 - Courtyard/Elevated walkway coating
 - Boiler replacement
 - Drain Pipe Replacement

Development and Management Team

Project Sponsor[s]:	San Francisco Housing Development Corporation and Bayside Communities, LLC
General Contractor:	TBD
Architect of Record:	TBD
Property Manager:	FPI Management

Project Ownership Structure

Borrower Entity:	To be formed
[Managing General Partner/ Managing Member]:	TBD

An investor limited partner 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);
- seller carryback financing from Ocean Beach Apartments, L.P.;
- a conventional first mortgage; and

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 by September 2019, with construction commencing within five days of closing. All construction is scheduled to be completed by September 2020.

Tenants are expected to be temporarily relocated for approximately two weeks during each phase of the rehabilitation.