AMENDED AND RESTATED
LOAN AGREEMENT
(CITY AND COUNTY OF SAN FRANCISCO
PASS LOAN PROGRAM AND SMALL SITES PROGRAM)

By and Between

THE CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation, represented by the Mayor,
acting by and through the Mayor's Office of Housing and Community Development,

and

SFCLT TNFF HOLDINGS LLC,
a California limited liability company

for

SFCLT Scattered Sites
2840-2848 Folsom Street
4042-4048 Fulton Street
568-570 Natoma Street
308 Turk Street

2016 G.O. Bond (Series 2020C): $4,933,000.00
PASS - Market Rate Loan: $3,004,197.00
PASS - Below Market Rate Loan: $1,657,488.00
PASS - Deferred Loan: $271,315.00

SSP Loan: $13,767,481.00
2019 G.O. Bond: $4,641,283.00
ERAF: $60,100.00
Housing Trust Fund: $1,882,060.00
2015 G.O. Bond for Affordable Housing: $2,125,000.00
Housing Trust Fund: $2,496,642.00
Affordable Housing Fund: $687,396.00
SoMa Community Stabilization Fund: $1,435,000.00
Affordable Housing Fund: $440,000.00

Dated as of May 25, 2023

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EXHIBITS

A Schedules of Income and Rent Restrictions
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B-3 20-Year Cash Flow Proforma
C Form of Tenant Income Certification
D First Source Hiring Requirements and Numerical Goals
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O PASS Debt Service Coverage Certification

AMENDED AND RESTATED LOAN AGREEMENT
(City and County of San Francisco
PASS Loan Program and Small Sites Program)
(SFCLT Scattered Sites)

THIS AMENDED AND RESTATED LOAN AGREEMENT ("Agreement") is entered into as of May 25, 2023, by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation (the "City"), represented by the Mayor, acting by and through the Mayor's Office of Housing and Community Development ("MOHCD"), and **SFCLT TNFF HOLDINGS LLC,** a California limited liability company ("Borrower").

RECITALS

A. On July 18, 2014, the Citywide Affordable Housing Loan Committee authorized the Small Sites Acquisition and Rehabilitation Loan Program ("Small Sites Program") for the purpose of preserving and stabilizing San Francisco's existing rental housing stock of buildings that are up to 40 units and occupied by low- to moderate-income tenants who are vulnerable to displacement due to market-driven increases in evictions. On September 9, 2022, the Citywide Affordable Housing Loan Committee approved updated Guidelines for the Small Sites Program. Through this approval, MOHCD is authorized to provide loans to individual entities for acquisition and rehabilitation of specific existing residential buildings.

B. On November 3, 1992, the voters of the City and County of San Francisco approved Proposition A, which provided for the issuance of up to $350 million in general obligation bonds to establish and fund a Seismic Safety Loan Program. On November 8, 2016, the voters of the City and County of San Francisco approved Proposition C expanding the permitted use of the bonds to finance the costs to acquire, improve, rehabilitate and convert at-risk multi-unit residential buildings to permanent affordable housing. Under Chapter 66 of the San Francisco Administrative Code and the Preservation and Seismic Safety ("PASS") Program Regulations adopted by MOHCD, the City is authorized to provide a portion of proceeds of the bonds (the "2016 GO Bond (Series 2020C)", or the "PASS Bonds") under this Agreement to Borrower for the preservation of affordable housing. The proceeds of the PASS Bonds and the fees are collectively referred to as the "PASS Funds."

C. On November 3, 2015, the voters of the City and County of San Francisco approved Proposition A, which provided for the issuance of up to $310 million in general obligation bonds to finance the construction, acquisition, improvement, rehabilitation, preservation and repair of certain affordable housing improvements (the "2015 GO Bond"). To the extent permitted by law, the City intends to reimburse with proceeds of the Bond amounts disbursed under this Agreement.

D. In November 2012, the voters of the City approved Proposition C, which established a housing trust fund to provide funds to support creating, acquiring and rehabilitating affordable housing and promoting affordable home ownership programs (the "Housing Trust Fund"). Under San Francisco City Charter Section 16.110, the City is authorized to provide the

Housing Trust Fund funds under this Agreement to the Borrower as assistance to reduce the risk of a loss of housing to current occupants of housing in San Francisco.

E. On August 19, 2005, the Board of Supervisors approved Ordinance No. 217-05 (the "Ordinance"), adding a new Section 318 to the San Francisco Planning Code (now numbered Section 418), which, among other things, established a new Rincon Hill Downtown Residential District. The Ordinance imposed a South of Market (SoMa) Community Stabilization Fee of $14 per square foot on residential development and a Rincon Hill Community Improvements Impact Fee of $11 per square foot within the new Residential District (the "SoMa Community Stabilization Fee"). The money collected from the SoMa Community Stabilization Fee, along with up to $6 million transferred from the Rincon Hill Community Improvements Fund for enumberated types of improvements in SoMa, including affordable housing, is in a separate fund called the "SoMa Community Stabilization Fund," which must be used to address various impacts of destabilization on residents and businesses in SoMa. On January 26, 2016, the San Francisco Board of Supervisors approved Resolution 19-16, which authorized the use of $3,000,000 in SoMa Community Stabilization Fund funds to provide acquisition and rehabilitation loans for real property in the SoMa area.

F. Under the Jobs-Housing Linkage Program set forth in Sections 413 *et seq*. of the San Francisco Planning Code, the Citywide Affordable Housing Fund was established with fees paid by office developers to mitigate the increased demand for housing in the City (the "Affordable Housing Fund"). Under the Inclusionary Affordable Housing Program set forth in Sections 415 *et seq.* of the San Francisco Planning Cide, the Citywide Affordable Housing Fund receives in-lieu fees paid by housing developers to satisfy requirements of the Inclusionary Affordable Housing Program. The City may use the funds in the Citywide Affordable Housing Fund under this Agreement to finance housing affordable to qualifying households. The Director of City Planning has designated MOHCD to administer the Citywide Affordable Housing Fund and enforce agreements relating to them.

G. Under San Francisco Administrative Code Section 10.100-11, the San Francisco Board of Supervisors established the Affordable Housing Production and Preservation Fund to receive appropriated excess Education Revenue Augmentation Fund ("ERAF") revenues received by the City (the "ERAF Housing Fund"). MOHCD administers the ERAF Housing Fund for the purpose of funding land acquisition and production of new 100% affordable housing projects and acquisition and preservation of existing housing to make that housing permanently affordable. MOHCD is authorized to provide funds from the ERAF Housing Fund under this Agreement to Borrower for the development of affordable housing.

H. On November 5, 2019, the voters of the City and County of San Francisco approved Proposition A (Ordinance 168-19), which provided for the issuance of up to $600 million in general obligation bonds to finance the construction, acquisition, improvement, rehabilitation, preservation and repair of certain affordable housing improvements (the "2019 G.O. Bond"). To the extent permitted by law, the City intends to reimburse with proceeds of the 2019 G.O. Bond amounts disbursed under this Agreement to Borrower for the development of affordable housing.

I. The funds provided from the PASS Funds, the 2015 GO Bond, the Housing Trust Fund, the SoMa Community Stabilization Fund, the Affordable Housing Fund, the ERAF Housing Fund, and the 2019 G.O. Bond funds under this Agreement are collectively referred to as the "Funds."

J. Borrower owns a fee interest in certain real property located at 2840-2848 Folsom Street ("Pigeon Palace"), 4042-4048 Fulton Street, 568-570 Natoma Street, and 308 Turk Street, all in San Francisco, California (collectively, the "Site"). The Site is currently developed as four multifamily residential properties with a total of 36 residential rental housing units. Borrower desires to use the Funds to acquire the Site, construct an accessory dwelling unit on a portion of the Site (at 4042-4048 Fulton Street), and rehabilitate the four buildings located on the Site, in order to continue to preserve the Site as residential housing affordable to low- to moderate-income households (collectively, the "Project").

K. The City previously made the following loans to San Francisco Community Land Trust, a California nonprofit public benefit corporation ("Original Borrower") with respect to the Site:

1. A loan in the principal amount of Two Million Four Hundred Ninety-Six Thousand Six Hundred Forty-Two and No/100 Dollars ($2,496,642.00) (the "Pigeon Palace SSP Loan") under that certain loan agreement dated as of August 28, 2015 (the "Pigeon Palace SSP Loan Agreement");

2. A loan in the principal amount of Two Million One Hundred Twenty-Five Thousand and No/100 Dollars ($2,125,000.00) (the "Fulton Street SSP Loan") under that certain loan agreement dated as of March 16, 2017 (the "Fulton Street SSP Loan Agreement");

3. A loan in the principal amount of One Million Eight Hundred Seventy-Five Thousand and No/100 Dollars ($1,875,000.00) (the "Natoma Street SSP Loan") under that certain loan agreement dated as of March 11, 2016, as amended by that certain First Amendment dated as of June 14, 2018 (together, the "Natoma Street SSP Loan Agreement"); and

4. A loan in the principal amount of Two Million Five Hundred Sixty-Nine Thousand Four Hundred Fifty-Six and No/100 Dollars ($2,569,456.00) (the "Turk Street SSP Loan") under that certain loan agreement dated as of June 12, 2015 (the "Turk Street SSP Loan Agreement").

The Pigeon Palace SSP Loan, Fulton Street SSP Loan, Natoma Street SSP Loan, and the Turk Street SSP Loan are hereinafter collectively referred to as the "Original SSP Loans." The Pigeon Palace SSP Loan Agreement, Fulton Street SSP Loan Agreement, Natoma Street SSP Loan Agreement, and Turk Street SSP Loan Agreement are hereinafter collectively referred to as the "Original SSP Loan Agreements."

L. Original Borrower intends to assign to Borrower, and Borrower intends to assume, all of Original Borrower's rights and duties with respect to the Original SSP Loans (the "Assignment and Assumption"). The consent of the City is required for the Assignment and Assumption. The City has reviewed Borrower's request for the Assignment and Assumption and, in reliance on the accuracy of the information provided by Borrower, has consented to this request. In connection with such Assignment and Assumption, the City and the Borrower have agreed to consolidate the principal associated with the Original SSP Loans, totaling Nine Million Sixty-Six Thousand Ninety-Eight and No/100 Dollars ($9,066,098.00) (the "Original SSP Loans Payoff Amount"), along with an additional Four Million Seven Hundred One Thousand Three Hundred Eighty-Three and No/100 Dollars ($4,701,383.00) in SSP funds (the "Additional SSP

Loan Amount"), into a single modified loan (the "SSP Loan") in an amount equal to Thirteen Million Seven Hundred Sixty-Seven Thousand Four Hundred Eighty-One and No/100 Dollars ($13,767,481.00) (the "SSP Loan Amount") to be governed by the terms of this Agreement. As of the date of this Agreement, the outstanding interest is One Million Eight Hundred Ninety-Seven Thousand Eight Hundred Ninety-Six and No/100 Dollars ($1,897,896.00).

M. In addition, the City has reviewed Borrower's application for PASS Funds under the PASS Program, and in reliance on the accuracy of the statements in that application, has agreed to make a new aggregate total loan of PASS Funds (the "PASS Loan" and together with the SSP Loan, the "Loan") to Borrower in an amount up to approximately Four Million Nine Hundred Thirty-Three Thousand and No/100 Dollars $(4,933,000.00) (the "PASS Loan Amount," and together with the SSP Loan Amount, the "Funding Amount") for the acquisition, rehabilitation, and permanent financing of the Project under this Agreement and is comprised of the following:

(1) a market rate loan of Funds to Borrower (the "Market Rate Loan") in the amount of Three Million Four Thousand One Hundred Ninety-Seven and No/100 Dollars ($3,004,197.00) (the "Market Rate Loan Amount");

(2) a below market rate loan of Funds to Borrower ("BMR Loan") in the amount of One Million Six Hundred Fifty-Seven Thousand Four Hundred Eighty-Eight and No/100 Dollars ($1,657,488.00) (the "BMR Loan Amount"); and

(3) a deferred loan of Funds to Borrower (the "Deferred Loan") in the amount of Two Hundred Seventy-One Thousand Three Hundred Fifteen and No/100 Dollars ($271,315.00) (the "Deferred Loan Amount").

The Market Rate Loan, the BMR Loan, and the Deferred Loan are hereinafter collectively referred to as the "PASS Loan."

N. On the Agreement Date, this Agreement will amend, restate, supersede and replace the Original SSP Loan Agreements. Concurrently herewith, Borrower will also (i) execute an amended and restated promissory note in favor of the City to supersede and replace the promissory notes evidencing the Original SSP Loans, (ii) execute and record a deed of trust to secure such amended and restated promissory note, (iii) execute three PASS promissory notes, (iv) execute and record a deed of trust to secure such PASS promissory notes, (v) execute and record an amended and restated declaration of restrictions, and (vi) execute and record a City Purchase Option Agreement. As of the Agreement Date, City will cancel and return the promissory notes evidencing Original SSP Loans and reconvey the deed of trusts securing the promissory notes evidencing the Original SSP Loans.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, the parties agree as follows:

ARTICLE 1 DEFINITIONS.

1.1 Defined Terms. As used in this Agreement, the following words and phrases have the following meanings:

"Accounts" means all depository accounts, including reserve and trust accounts, required or authorized under this Agreement or otherwise by the City in writing. All Accounts must be maintained in accordance with **Section 2.3**.

"Agreement" means this Loan Agreement.

"Agreement Date" means the date first written above.

"Annual Monitoring Report" has the meaning set forth in **Section 10.3**.

"Annual Operating Budget" means an annual operating budget for the Project attached hereto as **Exhibit B-2**, which may not be adjusted without the City's prior written approval.

"Approved Plans" has the meaning set forth in **Section 5.2**.

"Approved Specifications" has the meaning set forth in **Section 5.2**.

"Authorizing Resolutions" means: (a) in the case of a corporation, a certified copy of resolutions adopted by its board of directors; (b) in the case of a partnership (whether general or limited), a certificate signed by all of its general partners; and (c) in the case of a limited liability company, a certified copy of resolutions adopted by its board of directors or members, satisfactory to the City and evidencing Borrower's authority to execute, deliver and perform the obligations under the City Documents to which Borrower is a party or by which it is bound.

"BMR Loan" has the meaning set forth in **Recital M**.

"BMR Loan Amount" has the meaning set forth in **Recital M**.

"BMR Note" means the promissory note executed by Borrower in favor of the City in the original principal amount of the BMR Loan Amount.

"Borrower" means SFCLT TNFF HOLDINGS LLC, a California limited liability company, whose sole member and manager is San Francisco Community Land Trust, a California nonprofit public benefit corporation ("Manager"), and its authorized successors and assigns.

"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.

"CFR" means the Code of Federal Regulations.

"Charter Documents" means: (a) in the case of a corporation, its articles of incorporation and bylaws; (b) in the case of a partnership, its partnership agreement and any certificate or

statement of partnership; and (c) in the case of a limited liability company, its operating agreement and any LLC certificate or statement. The Charter Documents must be delivered to the City in their original form and as amended from time to time and be accompanied by a certificate of good standing for Borrower issued by the California Secretary of State and, if Borrower is organized under the laws of a state other than California, a certificate of good standing issued by the Secretary of State of the state of organization, issued no more than ninety (90) days before the Agreement Date.

"City" means the City and County of San Francisco, a municipal corporation, represented by the Mayor, acting by and through MOHCD. Whenever this Agreement provides for a submission to the City or an approval or action by the City, this Agreement refers to submission to or approval or action by MOHCD unless otherwise indicated.

"City Documents" means this Agreement, the Notes, the Deeds of Trust, the Declaration of Restrictions, the City Purchase Option Agreement, and any other documents executed or, delivered in connection with this Agreement.

"CNA" means a 20-year capital needs assessment or analysis of replacement reserve requirements.

"Completion Date" has the meaning set forth in **Section 5.6**.

"Compliance Term" means the period commencing on the date the SSP Deed of Trust and PASS Deed of Trust are recorded in the Official Records and remaining for the time during which the Project, or any modification of the Project, remains in existence, but in any event no less than ninety-nine (99) years, even if the Loan is repaid or otherwise satisfied or the SSP Deed of Trust and PASS Deed of Trust are reconveyed before that date.

"Construction Contract" has the meaning set forth in **Section 5.2**.

"Contracting Manual" means the Contracting Implementation Manual (CIM) issued by MOHCD and dated July 2013, as the same may be amended from time to time.

"Declaration of Restrictions" means a recorded declaration of restrictions in form and substance acceptable to the City that requires Borrower and the Project to comply with the use restrictions in this Agreement for the Compliance Term, even if the Loan is repaid or otherwise satisfied, this Agreement terminates or the SSP Deed of Trust and PASS Deed of Trust are reconveyed.

"Deeds of Trust" means, collectively, the PASS Deed of Trust and the SSP Deed of Trust.

"Deferred Loan" has the meaning set forth in **Recital M**.

"Deferred Loan Amount" has the meaning set forth in **Recital M**.

"Deferred Note" means the promissory note executed by Borrower in favor of the City in the original principal amount of the Deferred Loan Amount.

"Department of Building Inspection" has the meaning set forth in **Section 5.2**.

"Developer" means San Francisco Community Land Trust, a California nonprofit public benefit corporation, and its authorized successors and assigns.

"Developer Fees" has the meaning set forth in **Section 15.1**.

"Disbursement" means the disbursement of all or a portion of the Funding Amount by the City as described in **Article 4**.

"Displaced Tenant Preference Certificate Holder" means a person or household that has been issued a certificate under the Displaced Tenant Preference Program, as further described in the Operational Rules.

"Distributions" has the meaning set forth in **Section 13.1**.

"Environmental Activity" means any actual, proposed or threatened spill, leak, pumping, discharge, leaching, storage, existence, release, generation, abatement, removal, disposal, handling or transportation of any Hazardous Substance from, under, into or on the Site.

"Environmental Laws" means all present and future federal, state, local and administrative laws, ordinances, statutes, rules and regulations, orders, judgments, decrees, agreements, authorizations, consents, licenses, permits and other governmental restrictions and requirements relating to health and safety, industrial hygiene or the environment or to any Hazardous Substance or Environmental Activity, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (commonly known as the "Superfund" law) (42 U.S.C. §§ 9601 *et seq*.), the Resource Conservation and Recovery Act of 1976, as amended by the Solid Waste and Disposal Act of 1984 (42 U.S.C. §§ 6901 *et seq*.); the National Environmental Policy Act of 1969 ("NEPA") (24 CFR §§ 92 and 24 CFR §§ 58); the California Hazardous Substance Account Act (also known as the Carpenter-Presley-Tanner Hazardous Substance Account Law and commonly known as the "California Superfund" law) (Cal. Health & Safety Code §§ 25300 *et seq*.); and the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65") (Cal. Health & Safety Code §§ 25249.2 *et seq*.); and Sections 25117 and 25140 of the California Health & Safety Code.

"Escrow Agent" has the meaning set forth in **Section 4.2**.

"Event of Default" has the meaning set forth in **Section 19.1**.

"Excess Proceeds" has the meaning set forth in **Section 5.8**.

"Expenditure Request" means a written request by Borrower for a Disbursement from the Funding Amount, which must certify that the Project costs covered by the Expenditure Request have been paid or incurred by Borrower.

"Funding Amount" has the meaning set forth in **Recital M**.

"Funds" has the meaning set forth in **Recital I.**

"GAAP" means generally accepted accounting principles in effect on the date of this Agreement and at the time of any required performance.

"Governmental Agency" means: (a) any government or municipality or political subdivision of any government or municipality; (b) any assessment, improvement, community facility or other special taxing district; (c) any governmental or quasi-governmental agency, authority, board, bureau, commission, corporation, department, instrumentality or public body; or (d) any court, administrative tribunal, arbitrator, public utility or regulatory body.

"Hazardous Substance" means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any Governmental Agency to pose a present or potential hazard to human health or safety or to the environment. Hazardous Substance includes any material or substance listed, defined or otherwise identified as a "hazardous substance," "hazardous waste," "hazardous material," "pollutant," "contaminant," "pesticide" or is listed as a chemical known to cause cancer or reproductive toxicity or is otherwise identified as "hazardous" or "toxic" under any Environmental Law, as well as any asbestos, radioactive materials, polychlorinated biphenyls and any materials containing any of them, and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids. Materials of a type and quantity normally used in the rehabilitation, construction, operation or maintenance of developments similar to the Project will not be deemed "Hazardous Substances" for the purposes of this Agreement if used in compliance with applicable Environmental Laws.

"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.

"in balance" means that the sum of undisbursed Funds and any other sources of funds that Borrower has closed or for which Borrower has firm commitments will be sufficient to complete rehabilitation of the Project, as determined by the City in its sole discretion.

"Income Restrictions" means the maximum household income limits for Qualified Tenants, as described in **Section 7**.

"Indemnify" means, whenever any provision of this Agreement requires a person or entity (the "Indemnitor") to Indemnify any other entity or person (the "Indemnitee"), that the Indemnitor will be obligated to defend, indemnify and protect and hold harmless the Indemnitee, its officers, employees, agents, constituent partners, and members of its boards and commissions from and against any and all Losses arising directly or indirectly, in whole or in part, out of the

act, omission, event, occurrence or condition with respect to which the Indemnitor is required to Indemnify an Indemnitee, whether the act, omission, event, occurrence or condition is caused by the Indemnitor or its agents, employees or contractors, or by any third party or any natural cause, foreseen or unforeseen; *provided that* no Indemnitor will be obligated to Indemnify any Indemnitee against any Loss arising or resulting from the gross negligence or intentional wrongful acts or omissions of the Indemnitee or its agents, employees or contractors. If a Loss is attributable partially to the grossly negligent or intentionally wrongful acts or omissions of the Indemnitee (or its agents, employees or contractors), the Indemnitor must Indemnify the Indemnitee for that part of the Loss not attributable to its own grossly negligent or intentionally wrongful acts or omissions or those of its agents, employees or contractors.

"Indemnitee" has the specific meaning set forth in **Section 23.1** and the general meaning set forth in the definition of "Indemnify."

"Indemnitor" has the meaning set forth in the definition of "Indemnify."

"Laws" means all statutes, laws, ordinances, regulations, orders, writs, judgments, injunctions, decrees or awards of the United States or any state, county, municipality or Governmental Agency.

"Loan" means, collectively, the SSP Loan, the Market Rate Loan, the BMR Loan, and the Deferred Loan.

"Loss" or "Losses" includes any loss, liability, damage, cost, expense or charge and reasonable attorneys' fees and costs, including those incurred in a proceeding in court or by mediation or arbitration, on appeal or in the enforcement of the City's rights or in defense of any action in a bankruptcy proceeding.

"Market Rate Loan" has the meaning set forth in **Recital M**.

"Market Rate Loan Amount" has the meaning set forth in **Recital M**.

"Market Rate Note" means the promissory note executed by Borrower in favor of the City in the original principal amount of the Market Rate Loan Amount.

"Marketing and Tenant Selection Plan" has the meaning set forth in **Section 6.1**.

"Maturity Date" has the meaning set forth in **Section 3.1**.

"Median Income" means 100% median income as published annually by MOHCD, or a successor metric approved by MOHCD, derived in part from income limits determined by HUD for the San Francisco area, adjusted solely for household size, but not high housing cost area, also referred to as "Unadjusted Median Income". MOHCD's current publication is the "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that Contains San Francisco."

"Maximum Rent" means the total amount for rent and utilities (with the maximum allowance for utilities determined by the San Francisco Housing Authority) charged to a Qualified Tenant that must be approved by MOHCD and may not exceed: (i) thirty percent (30%) of the applicable maximum income level for the Unit, adjusted for household size/unit type, as published annually by MOHCD, or a successor metric approved by MOHCD; or (ii) the tenant paid portion of the contract rent as determined by either (A) the San Francisco Housing Authority for Qualified Tenants holding Section 8 vouchers or certificates or (B) MOHCD for any other rent subsidy program. MOHCD's current publication is the "Maximum Monthly Rent by Unit Type derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that Contains San Francisco."

"MOHCD" means the Mayor's Office of Housing and Community Development or its successor.

"MOHCD Monthly Project Update" has the meaning set forth in **Section 10.2**.

"Notes" (or each "Note") means collectively the SSP Note, the Market Rate Note, the BMR Note, and the Deferred Note.

"Official Records" means the official records of the City and County of San Francisco.

"Operating Reserve Account" has the meaning set forth in **Section 12.2**.

"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.

"Opinion" means an opinion of Borrower's California legal counsel, satisfactory to the City and its legal counsel, that Borrower is a duly formed, validly existing California limited liability company in good standing under the laws of the State of California, has the power and authority to enter into the City Documents and will be bound by their terms when executed and delivered, and that addresses any other matters the City reasonably requests.

"out of balance" means that the sum of undisbursed Funds and any other sources of funds that Borrower has closed or for which Borrower has firm commitments will not be sufficient to complete rehabilitation of the Project, as determined by the City in its sole discretion.

"PASS Deed of Trust" means the deed of trust executed by Borrower granting the City a lien on the Site and the Project to secure Borrower's performance under this Agreement, the Declaration of Restrictions, the Market Rate Note, the Below Market Rate Note, and the Deferred Note, in form and substance acceptable to the City.

"Payment Date" means the first day of the month that is one calendar month after the date that the PASS Deed of Trust and SSP Deed of Trust are recorded in the Official Records, and each succeeding 1st day of the month until the Maturity Date.

"Permitted Exceptions" means liens in favor of the City, real property taxes and assessments that are not delinquent, and any other liens and encumbrances the City expressly approves in writing in its escrow instructions.

"Preferences Ordinance" means Chapter 47 of the San Francisco Administrative Code, as amended from time to time.

"Project" means the development described in **Recital J**. If indicated by the context, "Project" means the Site and the improvements developed on the Site.

"Project Expenses" means the following costs, which may be paid from Project Income in the following order of priority to the extent of available Project Income: (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 or by other lenders providing secured financing for the Project; (b) salaries, wages and any other compensation due and payable to the employees or agents of Borrower employed in connection with the Project, including all related withholding taxes, insurance premiums, Social Security payments and other payroll taxes or payments; (c) required payments of interest and principal, if any, on any junior or senior financing secured by the Site and used to finance the Project that has been approved by the City; (d) all other expenses actually incurred to cover operating costs of the Project, including maintenance and repairs and the fee of any managing agent as indicated in the Annual Operating Budget; (e) required deposits to the Replacement Reserve Account, Operating Reserve Account, Vacancy Reserve Account and any other reserve account required under this Agreement; (f) the approved annual asset management fees in the amount of $47,952.00 (plus a 3.5% annual increase as indicated in the Annual Operating Budget and approved by the City); and (g) any extraordinary expenses approved in advance by the City (other than expenses paid from any reserve account).

"Project Income" means all income and receipts in any form received by Borrower from the operation of the Project, including rents, fees, deposits (other than tenant security deposits), any accrued interest disbursed from any reserve account required under this Agreement for a purpose other than that for which the reserve account was established, reimbursements and other charges paid to Borrower in connection with the Project. Interest accruing on any portion of the Funding Amount is not Project Income.

"Project Operating Account" has the meaning set forth in **Section 11.1**.

"Qualified Tenant" means household occupying the Project that has been certified and approved as earning no more than the maximum permissible annual income level allowed by this Agreement and that has entered into a lease with Borrower in a form approved by City. As the context requires, "Qualified Tenant" also means households occupying the Project that have entered into a lease with Borrower in a form approved by City but have not been income certified, in accordance with **Section 7.2(a)**.

"Rent" means the monthly sum charged to Qualified Tenants for rent in compliance with this Agreement.

"Replacement Reserve Account" has the meaning set forth in **Section 12.1**.

"Residual Receipts" means Project Income remaining after payment of Project Expenses. The amount of Residual Receipts must be based on figures contained in audited financial statements.

"Residual Receipts Policy" means the Mayor's Office of Housing and Community Development Residual Receipts Policy effective April 1, 2016, as amended from time to time, attached hereto as **Exhibit M**.

"Retention" has the meaning set forth in **Section 4.7**.

"SBE Manual" means that certain Small Business Enterprise Program manual dated July 1, 2015, as the same may be amended from time to time.

"Section 8" means rental assistance provided under Section 8(c)(2)(A) of the United States Housing Act of 1937 (42 U.S.C. § 1437f) or any successor or similar rent subsidy programs.

"Senior Lien" has the meaning set forth in **Section 24.1**.

"Severely Rent Burdened" means a Qualified Tenant household paying fifty percent (50%) or more of its gross monthly income (as shown on the Qualified Tenant's income certification required under **Section 7.4** below) on Rent.

"SFHA" means the San Francisco Housing Authority.

"Site" means the real property described in **Recital J** of this Agreement.

"SSP Deed of Trust" means the deed of trust executed by Borrower granting the City a lien on the Site and the Project to secure Borrower's performance under this Agreement, the Declaration of Restrictions, and the SSP Note, in form and substance acceptable to the City.

"SSP Loan" has the meaning set forth in **Recital L**.

"SSP Loan Amount" has the meaning set forth in **Recital L**.

"SSP Note" means the promissory note executed by Borrower in favor of the City in the original principal amount of the SSP Loan Amount.

"Table" means: (a) the Table of Sources and Uses, (b) the Annual Operating Budget, and (c) the 20-Year Cash Flow Proforma.

"Table of Sources and Uses" means a table of sources and uses of funds attached hereto as **Exhibit B-1**, including a line item budget for the use of the Funding Amount, which table may not be adjusted without the City's prior written approval.

"Tenant Screening Criteria Policy" has the meaning set forth in **Section 6.3**.

"Title Policy" means an ALTA extended coverage lender's policy of title insurance in form and substance satisfactory to the City, issued by an insurer selected by Borrower and satisfactory to the City, together with any endorsements and policies of coinsurance and/or reinsurance required by the City, in a policy amount equal to the Funding Amount, insuring the SSP Deed of Trust and PASS Deed of Trust and indicating the Declaration of Restrictions as valid liens on the Site, each subject only to the Permitted Exceptions.

"20-Year Cash Flow Proforma" means the 20-year cash flow proforma for the Project attached as **Exhibit B-3**.

"Unit" means a residential rental unit within the Project.

"Vacancy Reserve Account" has the meaning set forth in **Section 12.3**.

"Waiting List" has the meaning set forth in **Section 6.5**.

1.2 Interpretation. The following rules of construction will apply to this Agreement and the other City Documents.

(a) The masculine, feminine or neutral gender and the singular and plural forms include the others whenever the context requires. The word "include(s)" means "include(s) without limitation" and "include(s) but not limited to," and the word "including" means "including without limitation" and "including but not limited to" as the case may be. No listing of specific instances, items or examples in any way limits the scope or generality of any language in this Agreement. References to days, months and years mean calendar days, months and years unless otherwise specified. References to a party mean the named party and its successors and assigns.

(b) Headings are for convenience only and do not define or limit any terms. References to a specific City Document or other document or exhibit mean the document, together with all exhibits and schedules, as supplemented, modified, amended or extended from time to time in accordance with this Agreement. References to Articles, Sections and Exhibits refer to this Agreement unless otherwise stated.

(c) Accounting terms and financial covenants will be determined, and financial information must be prepared, in compliance with GAAP as in effect on the date of performance. References to any Law, specifically or generally, will mean the Law as amended, supplemented or superseded from time to time.

(d) The terms and conditions of this Agreement and the other City Documents are the result of arms'-length negotiations between and among sophisticated parties who were represented by counsel, and the rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not apply to the construction and interpretation of the City Documents. The language of this Agreement must be construed as a whole according to its fair meaning.

1.3 Websites for Statutory References. The statutory and regulatory materials listed below may be accessed through the following identified websites.

(a) CFR provisions: https://www.govinfo.gov/help/cfr

(b) OMB circulars: https://www.whitehouse.gov/omb/information-for-agencies/circulars/

(c) S.F. Administrative Code: https://sfgov.org/civilservice/SAN-FRANCISCO-ADMINISTRATIVE-CODe

1.4 Contracting Manual. As applicable, Borrower shall use the Contracting Manual as a guide to Borrower's responsibilities under Laws and regulations regarding soliciting, awarding and administering contracts associated with projects assisted by federal funds and some City funds. In the event of a conflict between the terms of the Contracting Manual and this Agreement, the terms of the Agreement shall prevail.

ARTICLE 2 FUNDING.

2.1 Funding Amount. The City agrees to lend to Borrower a maximum principal amount equal to the Funding Amount in order to provide financing for the acquisition, rehabilitation, and permanent financing of the Project to preserve affordability that might otherwise be lost to the market-rate real estate market. The Funding Amount will be disbursed according to the terms and subject to the conditions set forth in this Agreement.

2.2 Use of Funds. Borrower acknowledges that the City's agreement to make the Loan is based in part on Borrower's agreement to use the Funds solely for the purpose set forth in **Section 2.1** and agrees to use the Funds solely for that purpose in accordance with the approved Table of Sources and Uses. Notwithstanding anything to the contrary contained herein, City will not approve expenditure of Funds for expenses incurred by Borrower prior to June 17, 2015 for 2840-2848 Folsom Street; March 16, 2017 for 4042-4048 Fulton Street; March 11, 2016 for 568-570 Natoma Street; and June 15, 2015 for 308 Turk Street.

2.3 Accounts; Interest. Each Account to be maintained by Borrower under this Agreement must be held in a bank or savings and loan institution acceptable to the City as a segregated account that is insured by the Federal Deposit Insurance Corporation or other comparable federal insurance program. With the exception of tenant security deposit trust accounts, any interest earned on funds in any Account must be used for the benefit of the Project.

2.4 Records. Borrower must maintain and provide to the City upon request records that accurately and fully show the date, amount, purpose and payee of all expenditures from each Account authorized under this Agreement or by the City in writing and keep all estimates, invoices, receipts and other documents related to expenditures from each Account. In addition Borrower must provide to the City promptly following Borrower's receipt, complete copies of all monthly bank statements, together with a reconciliation, for each Account until all funds (including accrued interest) in each Account have been disbursed for eligible uses.

2.5 Conditions to Additional Financing. The City may grant or deny any application by Borrower for additional financing for the Project in its sole discretion.

ARTICLE 3 TERMS. Borrower's repayment obligations with respect to the Funding Amount will be evidenced and governed by the Notes, which will govern in the event of any conflicting provision in this Agreement.

3.1 Maturity Date. Borrower must repay all amounts owing under the City Documents on the date that is the fortieth (40^{th}) anniversary of the date that is the first day of the first full month following the date the SSP Deed of Trust and PASS Deed of Trust are recorded in the Official Records (the "Maturity Date").

3.2 Compliance Term; Declaration of Restrictions. Borrower must comply with all provisions of the City Documents relating to the use of the Site and the Project, as set forth in the Declaration of Restrictions to be recorded in the Official Records, for the Compliance Term.

3.3 Interest. The outstanding principal balance of the SSP Loan will bear simple interest at a rate of 3% per annum, as provided in the SSP Note. The outstanding principal balance of the Market Rate Loan will bear interest at a rate of 3.87289% per annum, compounding monthly, as provided in the Market Rate Note. The outstanding principal balance of the BMR Loan will bear interest at a rate of 0.95763% per annum, compounding monthly, as provided in the BMR Note. The outstanding principal balance of the Deferred Loan will bear interest at a rate of 0.95763% per annum compounding monthly, as provided in the Deferred Note.

3.4 Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, the principal balance of the Loan will bear interest at the default interest rate set forth in the Notes, with such default interest rate commencing as of the date specified in each Note and continuing until such Event of Default is fully cured. In addition, the default interest rate will apply to any amounts to be reimbursed to the City under any City Document if not paid when due or as otherwise provided in any City Document.

3.5 Repayment of Principal and Interest. The outstanding principal balance of the Loan, together with all accrued and unpaid interest will be due and payable on the Maturity Date according to the terms set forth in full in the Notes. Except as set forth in the Notes, no prepayment of the Loan will be permitted without the prior written consent of the City in its sole and absolute discretion.

3.6 Changes In Funding Streams. The City's agreement to make the Loan on the terms set forth in this Agreement and the Notes is based in part on Borrower's projected sources and uses of all funds for the Project, as set forth in the Table of Sources and Uses. Borrower covenants to give written notice to the City within thirty (30) days of any significant changes in budgeted funding or income set forth in documents previously provided to the City. Examples of significant changes include loss or adjustments (other than regular annual adjustments) in funding under Shelter + Care, Section 8 or similar programs. The City reserves the right to

modify the terms of this Agreement based upon any new information so provided, in its reasonable discretion.

3.7 Additional Borrower Covenants. Borrower hereby covenants and agrees to perform the following additional obligations:

(a) Borrower shall accept rental assistance (such as Section 8 and VASH, or any successor or similar rent subsidy programs) to the extent that Rent charged for the Unit complies with such program regulations and a Qualified Tenant who submits a voucher or other form of rental assistance has been selected through the marketing process described in **Article 6** and is otherwise qualified for the Unit.

(b) To the extent possible, as allowable by applicable law, and in compliance with MOHCD's marketing procedures outlined in Article 6 of this Agreement, Borrower will maximize the occupancy of the Units.

(c) The following covenants will apply to "Pigeon Palace" only:

a. If Borrower desires to convert Pigeon Palace to a limited equity housing cooperative ("LEHC") (the "Conversion"), Borrower shall provide an application to the City (the "Conversion Notice") to pursue the Conversion no less than 6 months prior to the desired conversion date. Borrower shall include with the Conversion Notice the anticipated date of conversion, a narrative report outlining the coop structure, draft documents authorizing the formation of the LEHC, drafts of all legal and operational documents, and updated budgets with its application for coop conversion. Borrower shall promptly provide City with any further documentation in connection with the Conversion reasonably requested by the City. City may approve or deny the application, in its reasonable discretion, and may include certain conditions for its approval, including but not limited to the following:
    i. Borrower shall ensure that the LEHC complies with the following provisions:
        1. Borrower will set the equity share cost at a level that is affordable to qualifying households under the Small Sites Program (SSP) who desire to become a member of the LEHC. Borrower will complete a market analysis to determine the ability of potential qualified buyers to purchase the equity shares and will explore opportunities to stagger equity share prices according to target income levels of coop units prior to deciding on the final equity share cost. For those households who do not have the resources to acquire a share at Conversion (or upon that household's initial occupancy), Borrower will try to provide assistance to the extent feasible for

Pigeon Palace and for San Francisco Community Land Trust's organization budget to those households.

2. Equity shares will appreciate according to the Consumer Price Index (CPI), as defined by MOHCD.
3. Carrying charges will be established at the time of Conversion for all residents based on the amount necessary to support all of the operating expenses of the building as reflected by two years of audited financial statements.

ii. Borrower will market vacant units according to the Marketing requirements in **Article 6** of this Agreement and will include a disclosure to all incoming Tenants that the property may become a LEHC, what their rights are with regard to the Conversion, and that financial assistance to acquire an equity share may be available.

iii. For any households who cannot or do not wish to become a member of the LEHC, Borrower will offer leases according to SSP guidelines.

3.8 Additional City Approvals. Borrower understands and agrees that City is entering into this Agreement in its proprietary capacity and not as a regulatory agency with certain police powers. Borrower understands and agrees that neither entry by City into this Agreement nor any approvals given by City under this Agreement shall be deemed to imply that Borrower will obtain any required approvals from City departments, boards or commissions which have jurisdiction over the Property. By entering into this Agreement, City is in no way modifying or limiting the obligations of Borrower to develop the Property in accordance with all local laws. Borrower understands that any development of the Property shall require approvals, authorizations and permits from governmental agencies with jurisdiction over the Property, which may include, without limitation, the San Francisco City Planning Commission and the San Francisco Board of Supervisors. Notwithstanding anything to the contrary in this Agreement, no party is in any way limiting its discretion or the discretion of any department, board or commission with jurisdiction over the Project, including but not limited to a party hereto, from exercising any discretion available to such department, board or commission with respect thereto, including but not limited to the discretion to (i) make such modifications deemed necessary to mitigate significant environmental impacts, (ii) select other feasible alternatives to avoid such impacts, including the "No Project" alternative; (iii) balance the benefits against unavoidable significant impacts prior to taking final action if such significant impacts cannot otherwise be avoided, or (iv) determine not to proceed with the proposed Project.

ARTICLE 4 CLOSING; DISBURSEMENTS.

4.1 Generally. Subject to the terms of this Agreement, the City will make Disbursements in an aggregate sum not to exceed the Funding Amount to or for the account of Borrower in accordance with this Agreement and the approved line item budget contained in the Table of Sources and Uses.

4.2 Closing. Unless otherwise agreed by the City and Borrower in writing, Borrower will establish an escrow account with the title company issuing the Title Policy, or any other escrow agent Borrower chooses, subject to the City's approval (the "Escrow Agent"). The parties will execute and deliver to the Escrow Agent written instructions consistent with the terms of this Agreement. In the event the escrow does not close on or before the expiration date of escrow instructions signed by the City, or any other mutually agreed date, the City may declare this Agreement to be null and void.

4.3 Conditions Precedent to Closing. The City will authorize the close of the Loan upon satisfaction of the conditions in this Section.

(a) Borrower 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) the Notes; (ii) this Agreement (in triplicate); (iii) the SSP Deed of Trust; (iv) the PASS Deed of Trust; (v) the Declaration of Restrictions; (vi) the City Purchase Option Agreement; (vii) the Authorizing Resolutions; and (viii) any other City Documents reasonably requested by the City.

(b) Borrower must have delivered to the City: (i) Borrower's Charter Documents, and the Opinion; (ii) a comprehensive maintenance and operating plan for the Project duly approved by Borrower's governing body that includes, but is not limited to, plans for emergencies and emergency maintenance, vacant unit turnover, preventive maintenance and inspection schedule, and marketing and resident selection or the equivalent achieved through a contract with a 3rd party property manager; and (iii) a CNA that has been duly approved by the City.

(c) Borrower must have fully repaid all existing non-City loans affecting the Site and removed from title any and all corresponding liens, encumbrances, deeds of trust, mortgages, assignments of rents, and financing statements.

(d) If approved by MOHCD, any lender with a security interest or other party with an interest in the Property must have agreed to subordinate its interest in the Site to the Declaration of Restrictions by instrument satisfactory in form and substance to the City.

(e) Borrower must have delivered to the City insurance endorsements and, if requested by the City, copies of policies for all insurance required under Exhibit L of this Agreement.

(e) Borrower must have delivered to the City a preliminary report on title for the Site dated no earlier than thirty (30) days before the Agreement Date.

(f) Borrower must have submitted a "Phase I" environmental report for the Site, or any other report reasonably requested by the City, prepared by a professional hazardous materials consultant acceptable to the City.

(g) The Declaration of Restrictions, the SSP Deed of Trust, and the PASS Deed of Trust must have been recorded as valid liens in the Official Records, subject only to the Permitted Exceptions.

(h) The Escrow Agent must have committed to provide to the City the Title Policy in form and substance satisfactory to the City.

(i) Borrower must have delivered to the City satisfactory evidence that current tenants in Project are aware of the transfer of property, the change in regulation to rents, and any rent increases that will be implemented as a result of the Project, in compliance with all applicable laws.

(j) Borrower must have income certified the existing tenants residing on the Site and deliver sufficient evidence to the City that 66% of the Units occupied as of the Agreement Date are occupied by households with a combined average income at or below 80% Median Income. For the purposes of this Agreement, Borrower may include any Units that are vacant as of the Agreement Date in such calculation, using the maximum household income allowable pursuant to **Exhibit A** for each such vacant Unit.

(k) The Borrower shall provide MOHCD with a certificate, substantially in the form attached hereto as **Exhibit O**, and satisfactory to MOHCD, stating that the Project meets the requirements of the PASS Program Regulations underwriting guidelines including, but not limited to, the following:

(i) Loan-to-value ratio ("LTV") that does not exceed the lesser of (a) 90% of appraised value or (b) 80% of total development costs based upon a numerator equal to the principal balance of the PASS Loan and a denominator equal to the "as complete restricted" value set forth in that certain appraisals for the Project, including an appraisal for 2480-2848 Folsom Street prepared by Golden Gate Appraisal Inc., dated November 17, 2022; an appraisal for 4042-4048 Fulton Street prepared by Golden Gate Appraisal Inc., dated November 17, 2022, an appraisal for 568-570 Natoma Street prepared by Richard Kurz, MAI, SRA, dated February 4, 2016; and an appraisal for 308 Turk Street prepared by Golden Gate Appraisal Inc., dated November 17, 2022;

(ii) Debt service coverage ratio ("DSC") of at least 1.15x, or such lower ratio as otherwise determined by MOHCD, based upon a 30 day operating statement for the Project prepared on an accrual basis

(iii) Budgets must assume no more than 2% annual growth in operating income and no less than 3.5% annual growth in operating expenses.

(iv) Residential Vacancy Loss assumption of 10%

(v) Tenant Assistance Vacancy Loss assumption of 10%

(l) All escrows, reserves and accounts for the Project required as of such date to be funded shall be fully funded in their required amounts, as evidenced by bank statements.

(m) Borrower hereby covenants and agrees to pay MOHCD the following PASS program costs and fees:

i. Origination Fee – On or before the Agreement Date, the Borrower shall pay MOHCD a fee equal to $61,663.00. The Borrower shall pay the Origination Fee to MOHCD by certified or official bank check or other means of payment acceptable to MOHCD.

ii. City Attorney Expenses – On or before the Agreement Date, the Borrower shall pay MOHCD a fee equal to $15,000. The Borrower shall pay the City Attorney Expenses fee to MOHCD by certified or official bank check or other means of payment acceptable to MOHCD.

iii. Compliance Monitoring Fee – The initial installment of this fee, which must be paid in full on or before the Agreement Date to cover the first year of monitoring, is $2,500. Thereafter, the fee for the coming year, which is due on the anniversary of the Agreement Date, is $2,500. For Properties subject to City-imposed affordability restrictions, the fee is payable annually in advance for the duration of the Compliance Term. For Properties not subject to such restrictions, the fee is payable annually in advance through Loan maturity or prepayment.

iv. Loan Servicing Fee – The cost of this fee is $2,500 annually in advance. The first installment of the fee, which covers the first year of servicing, must be paid in full on or before the Agreement Date. Thereafter, the fee for the coming year is due on the anniversary of the Agreement Date through Loan maturity or prepayment.

v. Adjustments – All fees in this Section shall be increased proportionately in the event of an increase in the Loan, but shall not be decreased in the event of a reduction in the Loan.

4.4 Disbursement of Funds. Following satisfaction of the conditions in **Section 4.3**, the City will authorize the Escrow Agent to disburse Funds for the acquisition, rehabilitation, and permanent financing of the Project, as provided in the City's escrow instructions.

4.5 Disbursements. The City's obligation to approve any expenditure of Funds after the Loan closing is subject to Borrower's satisfaction of the following conditions precedent:

(a) Borrower must have delivered to the City an Expenditure Request in form and substance satisfactory to the City, together with: (i) copies of invoices, contracts or other documents covering all amounts requested; (ii) a line item breakdown of costs to be covered by the Expenditure Request; and (iii) copies of checks issued to pay expenses covered in the previous Expenditure Request. The City may grant or withhold its approval of any line item contained in the Expenditure Request that, if funded, would cause it to exceed the budgeted line item as previously approved by the City. Additionally, the City must approve all requested reallocations of Funds for line items previously approved by the City.

(b) No Event of Default, or event that with notice or the passage of time or both could constitute an Event of Default, may have occurred that remains uncured as of the date of the Expenditure Request.

(c) With respect to any Expenditure Request that covers rehabilitation or construction costs, Borrower will have certified to the City that the Project complies with the labor standards set forth in **Section 5.1**, if applicable.

(d) With respect to any Expenditure Request that covers travel expenses, Borrower's travel expenses will be reasonable and will comply with the following:

(i) Lodging, meals and incidental expenses will 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 will use fares for coach-class accommodations, provided that purchases for air travel will 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 will not exceed Fifty Dollars ($50.00) each way. Other ground transportation expenses will not exceed then-current San Francisco taxi rates found at: https://www.sfmta.com/getting-around/taxi/taxi-rates. Ground transportation will 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 will not exceed Fifty Dollars ($50.00) without prior written approval of the City.

(v) Any Expenditure Request for travel expenses will 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" will have the same meanings defined in 41 CFR Part 300-3; the term "coach-class" will 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.

(e) The Loan must be in balance.

4.6 Loan In Balance. The City may require Borrower to pay certain costs incurred in connection with the Project from sources of funds other than the Loan at any time the City determines that the Loan is out of balance. When the City is satisfied that the Loan is again in balance, the City will recommence making Disbursements for Expenditure Requests meeting the conditions set forth above.

4.7 Retention. In addition to the other conditions to Disbursements, Borrower acknowledges that the amount of hard costs or tenant improvements costs included in any Expenditure Request associated with rehabilitation or construction, when added to previously approved costs, may not exceed ninety percent (90%) of the approved budgeted costs on a line item basis. The remaining ten percent (10%) of approved budgeted hard costs or tenant improvement costs associated with rehabilitation or construction will be held by the City and/or other Project lenders (the "**Retention**") and may be released only upon satisfaction of all requirements listed in the Construction Manager's Checklist for Release of Retention as follows:

(a) Early Retention Release. After fifty percent (50%) of the rehabilitation or construction of the Project is complete as determined by the City, Borrower may submit a written request to the City to release up to fifty percent (50%) of the Retention, provided that the following prerequisites have been met: (i) all work required to be performed by all parties for whom the City agrees to release the Retention (the "**Early Retention Release Contractors**") has been completed in conformance with the terms of the applicable contract documents, the plans and specifications approved by the City and all applicable Laws; (ii) the applicable Early Retention Release Contractors have filed unconditional lien waivers satisfactory to the City; (iii) no liens or stop notices have been filed against the Project and no claims are pending; (iv) the City determines that the contingency is in balance and adequate to complete the Project; (v) the Project is on schedule, and (vi) Expenditure Requests will not exceed 95% of the approved budgeted costs on a line item basis.

(b) Retention Release After Project Completion. Borrower may request disbursement of the remaining percentage amount of the Retention only upon the satisfaction of each of the following conditions, unless otherwise approved in writing by the City: (i) completion of rehabilitation or construction of the Project in accordance with the plans and specifications approved by the City, as evidenced by a certificate of occupancy or equivalent certification provided by the City's Department of Building Inspection, and an architect's or engineer's certificate of completion; (ii) timely recordation of a notice of completion; and

(iii) either expiration of the lien period and the absence of any unreleased mechanics' liens or stop notices or recordation of the lien releases of all contractors, subcontractors and suppliers who provided labor or materials for the Project.

4.8 Limitations on Approved Expenditures. The City may refuse to approve any expenditure: (a) during any period in which an event that, with notice or the passage of time or both, would constitute an Event of Default remains uncured, or during the pendency of an uncured Event of Default; or (b) for disapproved, unauthorized or improperly documented expenses. The City is not obligated to approve expenditure of the full Funding Amount unless approved Expenditure Requests support disbursement of the full Funding Amount, and in no event may the aggregate amount of all Funds disbursed to Borrower under this Agreement exceed the Funding Amount.

ARTICLE 5 DEMOLITION, REHABILITATION OR CONSTRUCTION.

5.1 Labor Requirements. Borrower's procurement procedures, contracts, and subcontracts will comply, and where applicable, require its contractors and subcontractors to comply, with the applicable labor requirements under **Exhibit E** of this Agreement, including, but not limited to, the selection of all contractors and professional consultants for the Project and payment of prevailing wage.

5.2 Plans and Specifications. Before starting any demolition, rehabilitation or construction on the Site, Borrower will deliver to the City, and the City will have reviewed and approved, plans and specifications and the construction contract for the Project entered into between Borrower and Borrower's general contractor and approved by the City (the "Construction Contract"). The plans approved by the City will also be approved by the City and County of San Francisco's Department of Building Inspection (the "Department of Building Inspection") (collectively, the "Approved Plans") prior to the start of any demolition, rehabilitation or construction on the Site. The Approved Plans will be explicitly identified in the Construction Contract. The specifications approved by the City, including the funder requirements and the technical specifications (the "Approved Specifications") will also be explicitly identified in the Construction Contract. The Construction Contract may include funder requirements not otherwise addressed in the Approved Specifications. The Contracting Manual provides further guidance to Borrower regarding the City's policies for the review and approval of plans, specifications, and construction contracts. After completion of the Project, Borrower will retain the Approved Plans as well as "as-built" plans for the Project, the Approved Specifications and the Construction Contract, all of which Borrower will make available to the City upon request.

5.3 Change Orders. Borrower may not approve or permit any change orders to the plans and specifications approved by the City without the City's prior written consent. Borrower will provide adequate and complete justification for analysis of any change order request to the City. The City will provide any questions, comments or requests for additional information to Borrower within five (5) business days of receipt of a change order request. City will review and approve or disapprove of a change order request within ten (10) business days of a complete submission by Borrower. In the event the City fails to approve or disapprove the change order

request within such ten (10) business day period, the change order will be deemed approved. Borrower acknowledges that the City's approval of any change order will not constitute an agreement to amend the Table of Sources and Uses or to provide additional Funds for the Project, unless the City agrees in its sole discretion to amend the Table of Sources and Uses or provide additional Funds for that purpose.

5.4 Insurance, Bonds and Security. Before starting any demolition, rehabilitation or construction on the Site, Borrower will deliver to the City insurance endorsements and bonds as described in **Exhibit L**. At all times, Borrower will take prudent measures to ensure the security of the Site.

5.5 Notice to Proceed. No demolition, rehabilitation or construction may commence until Borrower has issued a written notice to proceed with the City's approval.

5.6 Commencement and Completion of Project. Unless otherwise extended in writing by the City, Borrower will: (a) commence rehabilitation by a date no later than August 15, 2023; (b) complete rehabilitation by a date no later than August 15, 2024, in accordance with the plans and specifications approved by the City, as evidenced by a certificate of occupancy or equivalent certification provided by the City's Department of Building Inspection, and an architect's or engineer's certificate of completion (the "Completion Date"); and (c) achieve occupancy of one hundred percent (100%) of the Units by a date no later than September 10, 2024.

5.7 Rehabilitation/Construction Standards. All rehabilitation or construction will be performed in a first class manner, substantially in accordance with final plans and specifications approved by the City and in accordance with all applicable codes.

5.8 Construction Monitoring. During the rehabilitation work on the Site, and in addition to the monitoring and reporting requirements described in Article 10 of this Agreement, Borrower must include the City's construction representative in any meetings between Borrower and Borrower's general contractor.

ARTICLE 6 MARKETING.

6.1 Marketing and Tenant Selection Plan. No later than sixty (60) days after the Agreement Date, Borrower must deliver to the City for the City's review and approval an affirmative plan for initial and ongoing marketing of the Units and a written tenant selection procedure for initial and ongoing renting of the Units based on MOHCD's then-current form of marketing and tenant selection plan (the "Marketing and Tenant Selection Plan"), all in compliance with the restrictions set forth in **Exhibit A** and in form and substance acceptable to the City. Borrower must obtain the City's approval of reasonable alterations to the Marketing and Tenant Selection Plan. Borrower must market and rent the Units in the manner set forth in the Marketing and Tenant Selection Plan, as approved by the City. Before marketing any Units, Borrower must provide the City with updated implementation and contact information.

6.2 Affirmative Marketing and Tenant Selection Plan Requirements. Borrower's Marketing and Tenant Selection Plan must address how Borrower intends to market vacant Units

and any opportunity for placement on the Waiting List, as defined in 6.5. The Marketing and Tenant Selection Plan shall include as many of the following elements as are appropriate to the Project, as determined by the City:

(a) A reasonable accommodations policy that indicates how Borrower intends to market Units to disabled individuals, including an indication of the types of accessible Units in the Project, the procedure for applying, and a policy giving disabled individuals a priority in the occupancy of accessible Units.

(b) A plan that satisfies the requirement to give preference in occupying units first to Certificate of Preference Holders in accordance with the Operational Rules and the Preferences Ordinance.

(c) A plan that satisfies the requirement to give preference in occupying units second to Displaced Tenant Preference Certificate Holders in accordance with the Operational Rules and the Preferences Ordinance; provided, however, that depending on the requirements of non-City funding approved by the City for the Project, the preferences set forth in this paragraph may not apply.

(d) A list of local neighborhood newspapers, community-oriented radio stations, on the internet and in other media that are likely to reach low-income households in which the apartments will be advertised. All advertising must display the Equal Housing Opportunity logo.

(e) Copies of draft notices to be sent to neighborhood-based, nonprofit housing corporations and other low-income housing advocacy organizations that maintain waiting lists or make referrals for below-market-rate housing.

(f) Notices to SFHA.

(g) Notices to MOHCD.

(h) To the extent practicable, Borrower must give preference to potential tenants who have been displaced from other units in the City by rehabilitation or construction work financed in whole or part by the City. To implement this requirement, Borrower agrees to give preferential consideration to applications of displaced persons provided to Borrower by the City.

(i) To the extent practicable, without holding Units off the market, the community outreach efforts listed above must take place before advertising vacant Units or open spots on the Waiting List to the general public.

(j) An acknowledgement that, with respect to vacant Units, the marketing elements listed above shall only be implemented if there are no qualified applicants interested or available from the Waiting List.

6.3 Marketing and Tenant Selection Plan & Tenant Screening Criteria Requirements.

(a) Borrower's Marketing and Tenant Selection Plan shall comply with the requirements of the Tenant Selection Plan Policy as set forth in the attached **Exhibit H**. The Marketing and Tenant Selection Plan must be kept on file at the Project at all times.

(b) Borrower's tenant screening criteria must comply with the Tenant Screening Criteria Policy set forth in the attached **Exhibit I**.

6.4 Marketing Records. Borrower must keep records of: (a) activities implementing the Marketing and Tenant Selection Plan; (b) advertisements; and (c) other community outreach efforts.

6.5 Waiting List. Borrower's Marketing and Tenant Selection Plan must contain, at a minimum, policies and criteria that provide for the selection of tenants from a written waiting list that complies with the Marketing and Tenant Selection Plan (the "Waiting List"). Each Waiting List shall be valid for a six (6) month period following the lottery date, at which time such Waiting List shall expire. The Marketing and Tenant Selection Plan may allow an applicant to refuse an available Unit for good cause without losing standing on the Waiting List but shall limit the number of refusals without cause as approved by the City. The Waiting List and the previous expired Waiting Lists must be kept on file at the Project for three (3) years after the expiration of such lists.

ARTICLE 7 AFFORDABILITY AND OTHER LEASING RESTRICTIONS.

7.1 Term of Leasing Restrictions. Borrower acknowledges and agrees that the covenants and other leasing restrictions set forth in this Article will remain in full force and effect for the Compliance Term and survive the prior repayment or other satisfaction of the Loan, termination of this Agreement or reconveyance of the SSP Deed of Trust and PASS Deed of Trust; and (b) following the expiration of the Compliance Term with respect to any Unit then occupied by a Qualified Tenant, until the Qualified Tenant voluntarily vacates his/her Unit or is evicted lawfully for just cause.

7.2 Borrower's Covenant; Rent Restrictions.

(a) Borrower covenants to rent all Units at all times to households certified as Qualified Tenants at initial occupancy and at the Rent described in this Agreement. Notwithstanding the foregoing, 80% of the households occupying Units on the Agreement Date must be income certified as Qualified Tenants on the Agreement Date, provided that all such households enter into a lease with Borrower in a form approved by City on or before the Agreement Date. Borrower may include any Units that are vacant as of the Agreement Date in its calculation of the percentage of Qualified Tenants, using the maximum household income allowable set forth in **Exhibit A** for each such Unit, so long as Borrower rents the Units to Qualified Tenants at such rates. Borrower will rent all Units that are occupied as of the Agreement Date at the initial Rent set forth in **Exhibit A**, as adjusted thereafter in accordance with this **Section 7**.

(b) A Qualified Tenant at initial occupancy may not be required to vacate the Unit due to subsequent rises in household income. Qualified Tenants must pay at least 20% of their gross household income towards Rent unless otherwise approved by MOHCD, provided that in no event shall any Qualified Tenant be required to pay Rent in excess of the lesser of (i) Maximum Rent, or (ii) 20% below the market rents of comparable units as approved by MOHCD, except as otherwise provided in **Section 7.3(d)**.

(c) Required Rents for the Units as of the Agreement Date will be as set forth in **Exhibit A**.

(d) After the Agreement Date, the Rent for each Unit that becomes vacant shall be set at the amount necessary to bring the Project's combined average Rents for all Units as close as is possible to the amount calculated as 30% of 80% Median Income, or other amount as approved by MOHCD.

7.3 Rent Adjustments and Restrictions. Rent for all Units shall be increased annually by the greater of: (x) the percentage change in annual operating expenses, up to a maximum of 3.5%, or (y) 2%, except as follows:

(a) Reserved.

(b) Severely Rent Burdened Qualified Tenants. If the Rent increase described in this **Section 7** results in any Qualified Tenant household becoming Severely Rent Burdened, Borrower is not required to increase the Rent of the Severely Rent Burdened Qualified Tenant until such time as the Qualified Tenant is no longer Severely Rent Burdened, provided that: (i) Borrower first demonstrates to the satisfaction of MOHCD, in MOHCD's sole discretion, that the Project maintains short- and long-term financial sustainability in the form of positive cash flow, adequately funded reserves, and other indicators as MOHCD may reasonably request; (ii) at each annual income recertification, the ability of all households to pay required rent increases will be reassessed, as will the Borrower cash flow, to ensure short- and long-term financial sustainability if Borrower elects not to impose the required annual Rent increase for any Severely Rent Burdened Qualified Tenant; and (iii) all Regulatory Obligations continue to be met. Similarly, if the circumstances described in this subsection are met, a Unit becomes vacant and a Qualified Tenant demonstrates to Borrower that it is Severely Rent Burdened, Borrower may reduce such Qualified Tenant's Rent to a level no lower than 40% of that Qualified Tenant's gross monthly income, thus resulting in a higher Rent that will be required for the vacant Unit. If more than one Qualified Tenant is eligible for such a Rent reduction, the reduction shall be equally distributed among such eligible Qualified Tenants.

(c) Recovery of Project Expenses. With the City's prior written approval, Rent increases for Units exceeding the amounts permitted by the first sentence of **Section 7.3** may be permitted once annually in order to recover increases in approved Project Expenses, provided that: (i) in no event may single or aggregate Rent increases exceed ten percent (10%) per year unless such an increase is contemplated in a City-approved temporary relocation plan or is necessary due to the expiration of Section 8 or other rental subsidies; and (ii) Rents for each Unit may in no event exceed the lesser of *(y)* Maximum Rent, or *(z)* 20% below the market rents of

comparable units as approved by MOHCD. The City's approval for such Rent increases under this subsection shall not be unreasonably withheld.

(d) Rent Subsidy Programs. For those households that hold rent subsidy vouchers, such as Section 8 and VASH, on an annual basis Borrower shall request and use best efforts to receive an increase in contract rent equivalent to the percentage change in Fair Market Rent or equivalent payment standard, whichever is greater. For any Qualified Tenant participating in a rent or operating subsidy program where the rent charged is calculated as a percentage of household income, adjustments to Rent charged may be made according to the rules of the relevant subsidy program, and provided the Qualified Tenant paid portion of Rent does not exceed the lesser of (i) Maximum Rent or (ii) 20% below the market rents of comparable units as approved by MOHCD. For any Qualified Tenant that becomes ineligible to continue participating in a rent or operating subsidy program, there is no limit on the increase in Rent charged as long as it does not exceed 30% of 120% of Median Income.

(e) Recovery of Property Tax Increases. In addition to the Rent increases contemplated in this **Section 7** and with the City's prior written approval, if a Qualified Tenant's household income exceeds eighty percent (80%) of California Median Income (as published by the California Department of Housing and Community Development) during occupancy of a Unit, Borrower may adjust the charges for Rent for such Qualified Tenant to absorb the amount of property taxes attributable to the Qualified Tenant's Unit as a result of the loss of the State of California's welfare exemption for low-income housing properties. The City may, in its sole discretion, require that Rent increases allowed under this subsection be implemented over a period of time in order to reduce the burden on an existing Qualified Tenant. Rents charged under this subsection may not exceed the lesser of (i) Maximum Rent; (ii) 20% below the market rents of comparable units as approved by MOHCD; or (iii) 20% of its gross household income. The City's approval for such Rent increases shall not be unreasonably withheld. If such Qualified Tenant's household income subsequently decreases and the Unit becomes eligible for the California welfare property tax exemption, Borrower may reduce such Qualified Tenant's Rent by the amount of property tax savings attributable to the Qualified Tenant's Unit, as provided in Section 7.3(b).

(f) Excess Rent. If Borrower increases Rents or offers a vacant Unit for rent at a rate that exceeds the rules described in this Agreement, the resulting excess cash flow will be paid by Borrower to the Qualified Tenants who were overcharged, and Borrower's actions will constitute an Event of Default pursuant to **Section 19**.

7.4 Certification.

(a) As a condition to initial occupancy, each person who desires to be a Qualified Tenant in the Project must be required to sign and deliver to Borrower a certification in the form shown in **Exhibit C** in which the prospective Qualified Tenant certifies that he/she or his/her household qualifies as a Qualified Tenant. In addition, each person must be required to provide any other information, documents or certifications deemed necessary by the City to substantiate the prospective Qualified Tenant's income. Certifications provided to and accepted by the SFHA will satisfy this requirement.

(b) Each Qualified Tenant in the Project must recertify their household income to Borrower on an annual basis.

(c) Income certifications with respect to each Qualified Tenant who resides in a Unit or resided therein during the immediately preceding calendar year must be maintained on file at Borrower's principal office, and Borrower must file or cause to be filed copies thereof with the City promptly upon request by the City.

7.5 Form of Lease. The form of lease for Qualified Tenants must provide for termination of the lease and consent to immediate eviction for failure to qualify as a Qualified Tenant if the Qualified Tenant has made any material misrepresentation in the initial income certification.

7.6 Nondiscrimination. Borrower agrees not to 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 operation and use of the Project except to the extent permitted by law or required by any other funding source for the Project. Borrower agrees not to discriminate against or permit discrimination against Qualified Tenants using Section 8 certificates or vouchers or assistance through other rental subsidy programs.

7.7 Security Deposits. Security deposits may be required of tenants only in accordance with applicable 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 disbursed in accordance with California law. The balance in the trust account must at all times equal or exceed the aggregate of all security deposits collected plus accrued interest thereon, less any security deposits returned to tenants.

ARTICLE 8 MAINTENANCE AND MANAGEMENT OF THE PROJECT.

8.1 Borrower's Responsibilities.

(a) Subject to the rights set forth in **Section 8.2**, Borrower will be specifically and solely responsible for causing all maintenance, repair and management functions performed in connection with the Project, including selection of tenants, recertification of income and household size, evictions, collection of rents, routine and extraordinary repairs and replacement of capital items. Borrower must maintain or cause to be maintained the Project, including the Units and common areas, in a safe and sanitary manner in accordance with local health, building and housing codes, California Health and Safety Code 17920.10 and any applicable provisions of 24 CFR Part 35.

8.2 Contracting With Management Agent.

(a) Borrower may contract or permit contracting with a management agent for the performance of the services or duties required in **Section 8.1(a)**, subject to the City's prior written approval of both the management agent and, at the City's discretion, the management contract between Borrower and the management agent, *provided*, *however*, that the arrangement will not relieve Borrower of responsibility for performance of those duties. Any management contract must contain a provision allowing Borrower to terminate the contract without penalty upon no more than thirty (30) days' notice. As of the Agreement Date, the City has approved the Kalco Property Management as Borrower's management agent for 4042-4048 Fulton Street, 568-570 Natoma Street, and 308 Turk Street, subject to approval of the management contract.

The following provision will apply to Pigeon Palace only: As of the Agreement Date, the City has approved Pigeon Palace's tenants to self-manage the property. The monetary value of self-management is $100 per month per unit. Accordingly, rent stated in the form of lease reflects a $100 per month credit (the "Rent Credit"). If Borrower determines that property management is not being adequately performed by Pigeon Palace's tenants, and if Borrower and Pigeon Palace's tenants are unable to resolve the issue within 15 days after Borrower delivers written notice of Borrower's determination, Borrower shall hire a third-party professional property management company approved by the City, and Pigeon Palace's tenants shall no longer be obligated to participate in property management or be entitled to receive the Rent Credit. Borrower shall provide at least 30 days advance written notice to each Pigeon Palace tenant of such. Pigeon Palace's tenants' rent amount as adjusted to reflect the termination of the Rent Credit.

(b) The City will provide written notice to Borrower of any determination that the contractor performing the functions required in **Section 8.1(a)** has failed to operate and manage the Project in accordance with this Agreement. If the contractor has not cured the failure within a reasonable time period, as determined by the City, Borrower must exercise its right of termination immediately and make immediate arrangements for continuous and continuing performance of the functions required in **Section 8.1(a)**, subject to the City's approval.

8.3 Borrower Management. Borrower may manage the Project itself only with the City's prior written approval. The City will provide written notice to Borrower of any determination that Borrower has failed to operate and manage the Project in accordance with this Agreement, in which case, the City may require Borrower to contract or cause contracting with a management agent to operate the Project, or to make other arrangements the City deems necessary to ensure performance of the functions required in **Section 8.1(a**).

ARTICLE 9 GOVERNMENTAL REQUIREMENTS.

9.1 Borrower Compliance. Borrower must comply, and where applicable, require its contractors to comply, with all applicable Laws governing the use of Funds for the construction, rehabilitation and/or operation of the Project, including those set forth in **Exhibit E**. Borrower acknowledges that its failure to comply with any of these requirements will constitute an Event of Default under this Agreement. Subject to **Section 23.1**, this Section does not prohibit Borrower from contesting any interpretation or application of Laws in good faith and by appropriate proceedings.

ARTICLE 10 PROJECT MONITORING, REPORTS, BOOKS AND RECORDS.

10.1 Generally.

(a) Borrower 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. Borrower acknowledges that the City may also conduct periodic on-site inspections of the Project. Borrower 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.

(b) Borrower must keep and maintain books, records and other documents relating to the receipt and use of all Funds, including all documents evidencing any Project Income and Project Expenses. Borrower must maintain records of all income, expenditures, assets, liabilities, contracts, operations, tenant eligibility and condition of the Project. All financial reports must be prepared and maintained in accordance with GAAP as in effect at the time of performance.

(c) Borrower 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.

10.2 Monthly Reporting. Borrower will submit monthly reports (the "MOHCD Monthly Project Update") describing progress toward developing the Project with respect to obtaining necessary approvals from other City departments, procuring architects, consultants and contractors, changes in scope, cost or schedule and significant milestones achieved in the past month and expected to be achieved in the coming month. The MOHCD Monthly Project Update will be submitted by email in substantially the form requested by MOHCD until such time as the Project Completion Report is submitted to the City pursuant to **Section 10.5** below. In addition,

Borrower will meet with MOHCD staff on a monthly basis until the completion of rehabilitation of the Project.

10.3 Annual Reporting. Borrower must file with the City annual report forms (the "Annual Monitoring Report") that include audited financial statements with an income and expense statement for the Project covering the applicable reporting period, a statement of balances, deposits and withdrawals from all Accounts, line item statements of Project Expenses, Project Income, Residual Receipts and any Distributions made, evidence of required insurance, a description of marketing activities and a rent roll, no later than one hundred fifty (150) days after the end of Borrower's fiscal year. The Annual Monitoring Report must be in substantially the form attached as **Exhibit G** or as later modified during the Compliance Term.

10.4 Capital Needs Assessment. Borrower must deliver to MOHCD an updated CNA every seven (7) years after the Completion Date for approval. The updated CNA must include an analysis of Borrower's actual expenditures for capital needs compared to the most recently approved CNA, Borrower's 20-Year Proforma and initial Annual Operating Budget and its then-current Annual Operating Budget.

10.5 Project Completion Report. Within the specific time periods set forth below after the completion of rehabilitation or construction, the lease-up and/or permanent financing of the Project, as applicable, Borrower must provide to the City the reports listed below certified by Borrower to be complete and accurate. Subsequent to the required submission of the reports listed below, Borrower shall provide to the City information or documents reasonably requested by the City to assist in the City's review and analysis of the submitted reports:

(a) within one hundred-eighty (180) days after the Completion Date, a report on use of Small Disadvantaged Business Enterprises as defined in the SBE Manual, including the type of work and the dollar value of such work;

(b) within ninety (90) days after the Completion Date, a report demonstrating compliance with all requirements regarding relocation, including the names of all individuals or businesses occupying the Site on the date of the submission of the application for Funds, those moving in after that date, and those occupying the Site upon completion of the Project.

(c) within one hundred-eighty (180) days after the Completion Date, and if the Project has used federal funds, a report demonstrating compliance with all requirements regarding HUD Section 3 and MOHCD Section 3 hiring goals, including documentation of total labor hours worked on the Project, total Section 3 hours worked, total wages paid, total Section 3 wages paid, and the names of all individuals employed to comply with the Section 3 and Section 3 goals, including the total hours worked for each individual and total wages paid to each individual.

10.6 Response to Inquiries. At the request of the City, its agents, employees or attorneys, Borrower must respond promptly and specifically to questions relating to the income, expenditures, assets, liabilities, contracts, operations and condition of the Project, the status of

any mortgage encumbering the Project and any other requested information with respect to Borrower or the Project.

10.7 Delivery of Records. At the request of the City, made through its agents, employees, officers or attorneys, Borrower must provide the City with copies of each of the following documents, certified in writing by Borrower to be complete and accurate:

(a) all tax returns filed with the United States Internal Revenue Service, the California Franchise Tax Board and/or the California State Board of Equalization on behalf of Borrower and any general partner or manager of Borrower;

(b) all certified financial statements of Borrower and, if applicable, its general partner or manager, the accuracy of which must be certified by an auditor satisfactory to the City; and

(c) any other records related to Borrower's ownership structure and the use and occupancy of the Site.

10.8 Access to the Project and Other Project Books and Records. In addition to Borrower's obligations under **Sections 2.4, 10.1, 10.3, 10.4, 10.6 and 10.7 and** any other obligations to provide reports or maintain records in any City Document, Borrower agrees that duly authorized representatives of the City will have: (a) access to the Project throughout the Compliance Term to monitor the progress of work on the Project and compliance by Borrower with the terms of this Agreement; and (b) access to and the right to inspect, copy, audit and examine all books, records and other documents Borrower is required to keep at all reasonable times, following reasonable notice, for the retention period required under **Section 10.9**

10.9 Records Retention. Borrower must retain all records required for the periods required under applicable Laws.

ARTICLE 11 USE OF INCOME FROM OPERATIONS.

11.1 Project Operating Account.

(a) Borrower must deposit all Project Income promptly after receipt into a segregated depository account (the “Project Operating Account”) established exclusively for the Project. Withdrawals from the Project Operating Account may be made only in accordance with the provisions of this Agreement and the approved Annual Operating Budget, as it may be revised from time to time with the City's approval. Borrower may make withdrawals from the Project Operating Account solely for the payment of Project Expenses. Withdrawals from the Project Operating Account (including accrued interest) for other purposes may be made only with the City's express prior written approval.

(b) Borrower must keep accurate records indicating the amount of Project Income deposited into and withdrawn from the Project Operating Account and the use of Project Income. Borrower must provide copies of the records to the City upon request.

ARTICLE 12 REQUIRED RESERVES.

12.1 Replacement Reserve Account.

(a) Commencing no later than sixty (60) days after the Agreement Date, or any other date the City designates in writing, Borrower must establish or cause to be established a segregated interest-bearing replacement reserve depository account (the "Replacement Reserve Account"). On or before the 15th day of each third month following establishment of the Replacement Reserve Account, Borrower must make quarterly deposits from Project Income into the Replacement Reserve Account in the amount necessary to meet the requirements of this Section. The City may review the adequacy of deposits to the Replacement Reserve Account periodically and require adjustments as it deems necessary.

(b) Borrower must make an initial deposit into the Replacement Reserve Account in an amount equal to One Million Two Hundred Thousand Sixty-Five and No/100 Dollars ($1,265,000.00). Thereafter, quarterly deposits must equal the higher of (i) the amount needed under Borrower's approved Capital Needs Assessment (CNA), or (ii) 1/4th of the applicable amount set forth in the chart below. Borrower may request adjustments every seven (7) years based on its most recently approved CNA.

No. of Units	Replacement Reserve Deposits Per-Unit, Per-Year
Less than or equal to 10	$400
11-29	$350
Equal to or over 30	$300

(c) In addition, if at any time the balance of the Replacement Reserve Account is below one and a half (1.5) times the original capitalized replacement reserve balance set forth in **Section 12.1(b)** above, Borrower shall deposit into the Replacement Reserve Account the funds that would otherwise be allocated to the City's share of Residual Receipts until it reaches that amount. Any Residual Receipts remaining above that amount shall be paid to the City in accordance with the Notes.

(d) Borrower may withdraw funds from the Replacement Reserve Account solely to fund capital improvements for the Project, such as replacing or repairing structural elements, furniture, fixtures or equipment of the Project that are reasonably required to preserve the Project. Borrower may not withdraw funds (including any accrued interest) from the Replacement Reserve Account for any other purpose without the City's prior written approval.

12.2 Operating Reserve Account.

(a) Commencing no later than sixty (60) days after the Agreement Date, or any other date the City designates in writing, Borrower must establish or cause to be established a segregated interest-bearing operating reserve depository account (the "Operating Reserve Account") by depositing funds in an amount equal to One Hundred Forty Thousand Six Hundred Eighty-Two and No/100 Dollars ($140,682.00). The City may review the adequacy of deposits to the Operating Reserve Account periodically and require adjustments as it deems necessary.

(b) No less than annually after establishing the Operating Reserve Account and continuing until the Compliance Term has expired, Borrower must make additional deposits, if necessary, to bring the balance in the Operating Reserve Account to an amount equal to twenty-five percent (25%) of the prior year's actual Project Expenses.

(c) Borrower may withdraw funds from the Operating Reserve Account solely to alleviate cash shortages resulting from unanticipated and unusually high maintenance expenses, seasonal fluctuations in utility costs, abnormally high vacancies and other expenses that vary seasonally or from month to month in the Project. Borrower may not withdraw funds (including any accrued interest) from the Operating Reserve Account for any other purpose without the City's prior written approval.

12.3 Other Reserve Requirements. Commencing no later than sixty (60) days after the Agreement Date, or any other date the City designates in writing, Borrower shall establish an interest-bearing "Vacancy Reserve Account" to cover lost monthly rental income during the construction of an accessory dwelling unit at 4042-4048 Fulton Street, Unit 4042a (the "ADU Unit"), in the amount of Forty-Four Thousand Four Hundred and No/100 Dollars ($44,400.00) (the "Initial Deposit") into the Vacancy Reserve Account on the Agreement Date. The "Vacancy Reserve Account" will cover lost monthly rental income for ADU Unit, which will be constructed during the Project rehabilitation. Borrower may use the funds from the Initial Deposit only for the payment of Project Expenses, and may only withdraw amounts each month equivalent to what would have been the monthly rent for the ADU Unit that is being constructed during the Project rehabilitation. If the ADU Unit is complete in less than twenty-four (24) months from the Agreement Date, the remaining balance from the Initial Deposit shall be deposited in the Replacement Reserve Account.

ARTICLE 13 DISTRIBUTIONS.

13.1 Definition. "Distributions" refers to cash or other benefits received as Project Income from the operation of the Project and available to be distributed to Borrower or any party having a beneficial interest in the Project, but does not include reasonable payments for property management, asset management or other services performed in connection with the Project.

13.2 Conditions to Distributions. The 20-Year Cash Flow Proforma attached hereto as Exhibit B-2 includes projections of annual Distributions. Exhibit B-2 is not intended to impose limits on the amounts to be annually distributed. Distributions for a particular fiscal year may be

made only following: (a) City approval of the Annual Monitoring Report submitted for that year; (b) the City's determination that Borrower is not in default under this Agreement or any other agreement entered into with the City and County of San Francisco or the City for the Project; and (c) the City's determination that the amount of the proposed Distribution satisfies the conditions of this Agreement. The City will be deemed to have approved Borrower's written request for approval of a proposed Distribution unless the City delivers its disapproval or request for more information to Borrower within thirty (30) business days after the City's receipt of the request for approval.

13.3 Prohibited Distributions. No Distribution may be made in the following circumstances:

(a) when a written notice of default has been issued by any entity with an equitable or beneficial interest in the Project and the default is not cured within the applicable cure periods; or

(b) when the City determines that Borrower or Borrower's management agent has failed to comply with this Agreement; or

(c) if required debt service on all loans secured by the Project and all operating expenses have not been paid current; or

(d) if the Replacement Reserve Account, Operating Reserve Account or any other reserve account required for the Project is not fully funded under this Agreement; or

(e) if the Loan is to be repaid from Residual Receipts, Borrower failed to make a payment when due on a Payment Date and the sum remains unpaid; or

(f) during the pendency of an uncured Event of Default (including Borrower's failure to provide its own funds at any time the City determines the Loans are out of balance) under any City Document.

13.4 Borrower's Use of Residual Receipts for Development. To the extent that making a Distribution is not inconsistent with any other financing agreement for the Project, and subject to the limitations in this Article, with the City's prior written approval, Borrower may retain a portion of Residual Receipts in lieu of using them to repay the Loan in an amount consistent with the Residual Receipts Policy attached hereto as Exhibit M. Borrower acknowledges that the City may withhold its consent to a Distribution in any year in which Residual Receipts are insufficient to meet Borrower's payment obligations under the Notes.

ARTICLE 14 SYNDICATION PROCEEDS.

14.1 Distribution and Use. If Borrower is a limited partnership or limited liability company, and unless otherwise approved by the City in writing, Borrower must allocate, distribute and pay or cause to be allocated, distributed and paid all net syndication proceeds and all loan and grant funds as specified in the Table. Borrower must notify the City of the receipt

and disposition of any net syndication proceeds received by Borrower during the term of this Agreement.

ARTICLE 15 DEVELOPER FEES.

15.1 Amount. Developer is entitled to receive developer fees from the Loan in a total amount not to exceed Three Hundred Seventy-One Thousand Three Hundred Sixty and No/100 Dollars ($371,360.00) for developing the Project ("Developer Fees"), payable as described in **Section 15.2**.

15.2 Payment.

(a) At Loan Closing. Developer is entitled to receive fees from the Loan in the amount of Forty Thousand and No/100 Dollars ($40,000.00) at the closing of the Loan.

(b) At Completion. If any Loan proceeds remain after payment of all costs and expenses described in **Exhibit B-1**, and following issuance by the San Francisco Department of Building Inspection of a Notice of Completion or similar document approved by MOCHD signifying full completion of the rehabilitation of the Site, Borrower shall receive such Loan proceeds up to the amount of Three Hundred Thirty-One Thousand Three Hundred Sixty and No/100 Dollars ($331,360.00) towards Developer Fees on the Completion Date. In its sole discretion, MOHCD may withhold the portion of Developer Fees payable to Borrower on the Completion Date by the amount of any development costs incurred in connection with the Project that exceed the Project's projected Eighteen Million Seven Hundred Thousand Four Hundred Eighty One and No/100 Dollars ($18,700,481.00) total development costs, up to Three Hundred Thirty-One Thousand Three Hundred Sixty and No/100 Dollars ($331,360.00).

(c) From Residual Receipts. Subject to **Section 12.1(c)**, if any Developer Fee remains unpaid after Completion excluding any portion of the Developer Fee withheld by MOHCD pursuant to **Section 5.2(a)**, 50% of Residual Receipts shall be retained by Borrower in payment of its remaining unpaid Developer Fee and 50% of Residual Receipts shall be used to repay the Loan, until such time as the full remaining unpaid Developer Fee is paid.

(d) From Refinancing Proceeds. If any Developer Fee remains unpaid at the time Borrower refinances the Project, the remaining unpaid fee may be paid out of the proceeds from the refinancing of the Project.

ARTICLE 16 TRANSFERS.

16.1 Permitted Transfers/Consent. Borrower may not cause or permit any voluntary transfer, assignment or encumbrance of all or any portion of its interest in the Site or Project or of any ownership interests in Borrower, or lease or permit a sublease on all or any part of the Project, other than: (a) leases, subleases or occupancy agreements to occupants of Units; 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. 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.

ARTICLE 17 INSURANCE AND BONDS.

17.1 Borrower's Insurance. Subject to approval by the City's Risk Manager of the insurers and policy forms, Borrower must obtain and maintain, or cause to be obtained and maintained, insurance and bonds as set forth in **Exhibit L** from the date the Deeds of Trust are recorded in the Official Records until the expiration of the Compliance Term at no expense to the City.

ARTICLE 18 GOVERNMENTAL APPROVALS.

18.1 Compliance. Borrower covenants that it has obtained or will obtain in a timely manner and comply with all federal, state and local governmental approvals required by Law to be obtained for the Project. Subject to **Section 23.1**, this Section does not prohibit Borrower from contesting any interpretation or application of Laws in good faith and by appropriate proceedings.

ARTICLE 19 DEFAULT.

19.1 Event of Default. Any material breach by Borrower of any covenant, agreement, provision or warranty contained in this Agreement or in any of the City Documents that remains uncured upon the expiration of any applicable notice and cure periods contained in any City Document will constitute an "Event of Default," including the following:

(a) Borrower fails to make any payment required under this Agreement within ten (10) days after the date when due; or

(b) Any lien is recorded against all or any part of the Site or the Project without the City's prior written consent, whether prior or subordinate to the lien of the SSP Deed of Trust, the PASS Deed of Trust, or the Declaration of Restrictions, and the lien is not removed from title or otherwise remedied to the City's satisfaction within thirty (30) days after Borrower's receipt of written notice from the City to cure the default, or, if the default cannot be cured within a 30-day period, Borrower will have sixty (60) days to cure the default, or any longer period of time deemed necessary by the City, *provided that* Borrower commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(c) Borrower fails to perform or observe any other term, covenant or agreement contained in any City Document, and the failure continues for thirty (30) days after Borrower's receipt of written notice from the City to cure the default, or, if the default cannot be cured within a 30-day period, Borrower will have sixty (60) days to cure the default, or any longer period of time deemed necessary by the City, *provided that* Borrower commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(d) Any representation or warranty made by Borrower in any City Document proves to have been incorrect in any material respect when made; or

(e) All or a substantial or material portion of the improvements on the Site is damaged or destroyed by fire or other casualty, and the City has determined upon restoration or repair that the security of the SSP Deed of Trust or the PASS Deed of Trust has been impaired or that the repair, restoration or replacement of the improvements in accordance with the requirements of the SSP Deed of Trust and PASS Deed of Trust is not economically practicable or is not completed within two (2) years of the receipt of insurance proceeds; or all or a substantial or material portion of the improvements 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 improvements cannot be operated for their intended purpose; or

(f) Borrower is dissolved or liquidated or merged with or into any other entity; or, if Borrower is a corporation, partnership, limited liability company or trust, Borrower 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, if Borrower is an individual, Borrower dies or becomes incapacitated; or all or substantially all of the assets of Borrower are sold or otherwise transferred except as permitted under **Section 16.1**; or

(g) Without the City's prior written consent, Borrower assigns or attempts to assign any rights or interest under any City Document, whether voluntarily or involuntarily, except as permitted under **Section 16.1**; or

(h) Without the City's prior written consent, Borrower voluntarily or involuntarily assigns or attempts to sell, lease, assign, encumber or otherwise transfer all or any portion of the ownership interests in Borrower or of its right, title or interest in the Project or the Site except as permitted under **Article 16**; or

(i) Without the City's prior written consent, Borrower transfers, or authorizes the transfer of, funds in any Account required or authorized under this Agreement; or

(j) The SSP Deed of Trust, the PASS Deed of Trust, or the Declaration of Restrictions ceases to constitute a valid and indefeasible perfected lien on the Site and improvements, subject only to Permitted Exceptions; or

(k) Borrower is subject to an order for relief by the bankruptcy court, or is unable or admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors; or Borrower applies for or consents to the appointment of any receiver, trustee or similar official for Borrower or for all or any part of its property (or an appointment is made without its consent and the appointment continues undischarged and unstayed for sixty (60) days); or Borrower institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship,

liquidation, rehabilitation or similar proceeding relating to Borrower or to all or any part of its property under the laws of any jurisdiction (or a proceeding is instituted without its consent and continues undismissed and unstayed for more than sixty (60) days); or any judgment, writ, warrant of attachment or execution or similar process is issued or levied against the Site, the improvements or any other property of Borrower and is not released, vacated or fully bonded within sixty (60) days after its issue or levy; or

(l) Any material adverse change occurs in the financial condition or operations of Borrower, such as a loss of services funding or rental subsidies, that has a material adverse impact on the Project; or

(m) Borrower fails to make any payments or disbursements required to bring the Loan in balance after the City determines that the Loan is out of balance; or

(n) Borrower ceases rehabilitation or construction of the Project for a period of fifteen (15) consecutive working days, and the cessation is not excused under **Section 19.3**; or

(o) Borrower is in default of its obligations with respect to any funding obligation (other than the Loan) for the Project, and the default remains uncured following the expiration of any applicable cure periods; or

(p) Borrower is in default of its obligations under any other agreement entered into with the City and County of San Francisco, and the default remains uncured following the expiration of any applicable cure periods.

19.2 Remedies. During the pendency of an uncured Event of Default, the City may exercise any right or remedy available under this Agreement or any other City Document or at law or in equity. All of the City's rights and remedies following an Event of Default are cumulative, including:

(a) The City at its option may declare the unpaid principal balance of the Notes, together with default interest as provided in the Notes and any other charges due under the Notes and the other City Documents, immediately due and payable without protest, presentment, notice of dishonor, demand or further notice of any kind, all of which Borrower expressly waives.

(b) The City at its option may terminate all commitments to make Disbursements or to release the Site from the SSP Deed of Trust, the PASS Deed of Trust, or the Declaration of Restrictions, or, without waiving the Event of Default, the City may determine to make further Disbursements or to release all or any part of the Site from the SSP Deed of Trust, the PASS Deed of Trust, or the Declaration of Restrictions upon terms and conditions satisfactory to the City in its sole discretion.

(c) The City may perform any of Borrower's obligations in any manner, in the City's reasonable discretion.

(d) The City, either directly or through an agent or court-appointed receiver, may take possession of the Project and enter into contracts and take any other action the City deems appropriate to complete or construct all or any part of the improvements, subject to modifications and changes in the Project the City deems appropriate.

(e) The City may apply to any court of competent jurisdiction for specific performance, or an injunction against any violation, of this Agreement or for any other remedies or actions necessary or desirable to correct Borrower's noncompliance with this Agreement.

(f) Upon the occurrence of an Event of Default described in **Section 19.1(k)**, the unpaid principal balance of the Notes, together with default interest as provided in the Notes and any other charges due under the Notes and the other City Documents, will become due and payable automatically.

(g) All costs, expenses, charges and advances of the City in exercising its remedies or to protect the Project will be deemed to constitute a portion of the principal balance of the Notes, even if it causes the principal balance to exceed the face amount of the Notes, unless Borrower reimburses the City within ten (10) days of the City's demand for reimbursement.

19.3 Force Majeure. The occurrence of any of the following events will excuse performance of any obligations of the City or Borrower rendered impossible to perform while the event continues: strikes; lockouts; labor disputes; acts of God; inability to obtain labor, materials or reasonable substitutes for either; governmental restrictions, regulations or controls, including but not limited to, government health orders related to a pandemic or epidemic; judicial orders; enemy or hostile governmental actions; civil commotion; fire or other casualty and other causes beyond the control of the party obligated to perform. The occurrence of a force majeure event will excuse Borrower's performance only in the event that Borrower has provided notice to the City within thirty (30) days after the occurrence or commencement of the event or events, and Borrower's performance will be excused for a period ending thirty (30) days after the termination of the event giving rise to the delay.

ARTICLE 20 REPRESENTATIONS AND WARRANTIES.

20.1 Borrower Representations and Warranties. As a further inducement for the City to enter into this Agreement, Borrower represents and warrants as follows:

(a) The execution, delivery and performance of the City Documents will not contravene or constitute a default under or result in a lien upon assets of Borrower under any applicable Law, any Charter Document of Borrower or any instrument binding upon or affecting Borrower, or any contract, agreement, judgment, order, decree or other instrument binding upon or affecting Borrower.

(b) When duly executed, the City Documents will constitute the legal, valid and binding obligations of Borrower. Borrower hereby waives any defense to the enforcement of the City Documents related to alleged invalidity of the City Documents.

(c) No action, suit or proceeding is pending or threatened that might affect Borrower or the Project adversely in any material respect.

(d) Borrower is not in default under any agreement to which it is a party, including any lease of real property.

(e) None of Borrower, Borrower's principals or Borrower's general contractor has been suspended or debarred by the Department of Industrial Relations or any Governmental Agency, nor has Borrower, any of its principals or its general contractor been suspended, disciplined or prohibited from contracting with any Governmental Agency.

(f) The Loan is in balance, and the Funding Amount, together with all other committed sources of financing for the Project, are sufficient to complete the Project in accordance with this Agreement.

(g) All statements and representations made by Borrower in connection with the Loan remain true and correct as of the date of this Agreement.

(h) The Borrower is duly organized and in good standing under applicable laws of the State of California and is qualified to do business in the City and County of San Francisco.

ARTICLE 21 NOTICES.

21.1 Written Notice. All notices required by this Agreement must be made in writing and may be communicated by personal delivery, by a nationally recognized courier that obtains receipts, facsimile (if followed within one (1) business day by first class mail) or by United States certified mail, postage prepaid, return receipt requested. Delivery will be deemed complete as of the earlier of actual receipt (or refusal to accept proper delivery) or five (5) days after mailing, *provided that* any notice that is received after 5 p.m. on any day or on any weekend or holiday will be deemed to have been received on the next succeeding business day. Notices must be addressed as follows:

To the City: Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Director

To Borrower: SFCLT TNFF HOLDINGS LLC
44 Page Street, Suite 401
San Francisco, CA 94102

or any other address a party designates from time to time by written notice sent to the other party in manner set forth in this Section.

21.2 Required Notices. Borrower agrees to provide notice to the City in accordance with **Section 21.1** of the occurrence of any change or circumstance that: (a) will have an adverse effect on the physical condition or intended use of the Project; (b) causes the Loan to be out of balance; or (c) will have a material adverse effect on Borrower's operation of the Property or ability to repay the Loan.

ARTICLE 22 HAZARDOUS SUBSTANCES.

22.1 Borrower's Representations. Borrower represents and warrants to the City that, to the best of Borrower's actual knowledge, without independent investigation or inquiry as of the Agreement Date, the following statements are true and correct except as disclosed in the Phase I Environmental Site Assessment for 2840-2848 Folsom Street, prepared by Partner Engineering and Science dated June 11, 2015; the Natural Hazard Disclosure Report for 4042-4048 Fulton Street, prepared by JCP-LGS Disclosures dated July 11, 2016; the Natural Hazard Disclosure Report for 568-570 Natoma Street, prepared by JCP-LGS Disclosure Reports dated August 18, 2015; the Phase I Environmental Site Assessment Report for 308 Turk Street, prepared by Partner Engineering and Science dated April 14, 2015; the Lead Hazard Risk Assessment/Lead-Based Paint Inspections Report for 308 Turk Street, prepared by Oaks Environmental Testing dated March 31, 2015 or otherwise in writing: (a) the Site is not in violation of any Environmental Laws; (b) the Site is not now, nor has it been, used for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Substances, except in limited quantities customarily used in residences and offices and in compliance with Environmental Laws; (c) the Site does not consist of any landfill or contain any underground storage tanks; (d) the improvements on the Site do not consist of any asbestos-containing materials or building materials that contain any other Hazardous Substances; (e) no release of any Hazardous Substances in the improvements on the Site has occurred or in, on, under or about the Site; and (f) the Site is not subject to any claim by any Governmental Agency or third party related to any Environmental Activity or any inquiry by any Governmental Agency (including the California Department of Toxic Substances Control and the Regional Water Quality Control Board) with respect to the presence of Hazardous Substances in the improvements on the Site or in, on, under or about the Site, or the migration of Hazardous Substances from or to other real property.

22.2 Covenant. Unless the City otherwise consents in writing, at all times from and after the date of this Agreement, at its sole expense, Borrower must: (a) comply with all applicable Environmental Laws relating to the Site and the Project, and not engage in or otherwise permit the occurrence of any Environmental Activity in violation of any applicable

Environmental Laws or that is not customary and incidental to the intended use of the Site, *provided that* nothing contained in this Section will prevent Borrower from contesting, in good faith and by appropriate proceedings, any interpretation or application of Environmental Laws; and (b) deliver to the City notice of the discovery by Borrower of any event rendering any representation contained in this Section incorrect in any respect promptly following Borrower's discovery.

ARTICLE 23 INDEMNITY.

23.1 Borrower's Obligations. Borrower must Indemnify the City and its respective officers, agents and employees (individually or collectively, an "Indemnitee") against any and all Losses arising out of: (a) any default by Borrower in the observance or performance of any of Borrower's obligations under the City Documents (including those covenants set forth in **Article 22** above); (b) any failure of any representation by Borrower to be correct in all respects when made; (c) injury or death to persons or damage to property or other loss occurring on or in connection with the Site or the Project, whether caused by the negligence or any other act or omission of Borrower or any other person or by negligent, faulty, inadequate or defective design, building, construction, rehabilitation or maintenance or any other condition or otherwise; (d) any claim of any surety in connection with any bond relating to the construction or rehabilitation of any improvements or offsite improvements; (e) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnitee that relates to or arises out of the City Documents, the Loan, the Site or the Project or any transaction contemplated by, or the relationship between Borrower and the City or any action or inaction by the City under, the City Documents; (f) the occurrence, before the expiration of the Compliance Term, of any Environmental Activity or any failure of Borrower or any other person to comply with all applicable Environmental Laws relating to the Project or the Site; (g) the occurrence, after the Compliance Term, of any Environmental Activity resulting directly or indirectly from any Environmental Activity occurring before the Compliance Term; (h) any liability of any nature arising from Borrower's contest of or relating to the application of any Law, including any contest permitted under **Sections 9.1, 18.1** and **22.2**; or (i) any claim, demand or cause of action, or any investigation, inquiry, order, hearing, action or other proceeding by or before any Governmental Agency, whether meritorious or not, that directly or indirectly relates to, arises from or is based on the occurrence or allegation of any of the matters described in clauses (a) through (h) above, *provided that* no Indemnitee will be entitled to indemnification under this Section for matters caused solely by its own gross negligence or willful misconduct. In the event any action or proceeding is brought against an Indemnitee by reason of a claim arising out of any Loss for which Borrower has indemnified the Indemnitees, upon written notice, Borrower must answer and otherwise defend the action or proceeding using counsel approved in writing by the Indemnitee at Borrower's sole expense. Each Indemnitee will have the right, exercised in its sole discretion, but without being required to do so, to defend, adjust, settle or compromise any claim, obligation, debt, demand, suit or judgment against the Indemnitee in connection with the matters covered by this Agreement. The provisions of this Section will survive the repayment of the Loan and/or termination of this Agreement.

23.2 Duty to Defend. Borrower acknowledges and agrees that its obligation to defend the Indemnitees under **Section 23.2**: (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 23.2**, 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 Borrower by the Indemnitee and continues at all times thereafter. In the event any action or proceeding is brought against an Indemnitee by reason of a claim arising out of any Loss for which Borrower has indemnified the Indemnitees, upon written notice, Borrower will answer and otherwise defend the action or proceeding using counsel approved in writing by the Indemnitee at Borrower's sole expense. Each Indemnitee will have the right, exercised in its sole discretion, but without being required to do so, to defend, adjust, settle or compromise any claim, obligation, debt, demand, suit or judgment against the Indemnitee in connection with the matters covered by this Agreement. The Indemnitee will give Borrower prompt notice of any Loss and Borrower has the right to defend, settle and compromise any such Loss; provided, however, that the Indemnitee has the right to retain its own counsel at the expense of Borrower if representation of such Indemnitee by the counsel retained by Borrower would be inappropriate due to conflicts of interest between such Indemnitee and Borrower. An Indemnitee's failure to notify Borrower promptly of any Loss does not relieve Borrower of any liability to such Indemnity under **Section 23.2**, unless such failure materially impairs Borrower's ability to defend such Loss. Borrower will seek the Indemnified Party's prior written consent to settle or compromise any Loss if Borrower contends that such Indemnitee shares in liability with respect thereto.

23.3 No Limitation. Borrower's obligations under **Section 23.1** are not limited by the insurance requirements under this Agreement.

23.4 Survival. The provisions of this Section will survive the repayment of the Loan and/or termination of this Agreement.

ARTICLE 24 GENERAL PROVISIONS.

24.1 Subordination. The SSP Deed of Trust may be subordinated to other financing secured by and used for development of the Project (in each case, a "Senior Lien"), but only if MOHCD determines, in its sole discretion, that subordination is necessary to secure adequate acquisition, construction, rehabilitation and/or permanent financing to ensure the viability of the Project. Following review and approval by MOHCD and approval as to form by the City Attorney's Office, the Director of MOHCD or his/her successor or designee will be authorized to execute any approved subordination agreement without the necessity of any further action or approval.

24.2 No Third Party Beneficiaries. Nothing contained in this Agreement, nor any act of the City, may be interpreted or construed as creating the relationship of third party beneficiary, limited or general partnership, joint venture, employer and employee, or principal and agent between the City and Borrower or Borrower's agents, employees or contractors.

24.3 No Claims by Third Parties. Nothing contained in this Agreement creates or justifies any claim against the City by any person or entity with respect to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services

with respect to the Project. Borrower must include this requirement as a provision in any contracts for the development of the Project.

24.4 Entire Agreement. This Agreement and its Exhibits incorporate the terms of all agreements made by the City and Borrower with regard to the subject matter of this Agreement. No alteration or variation of the terms of this Agreement will be valid unless made in writing and signed by the parties hereto. No oral understandings or agreements not incorporated herein will be binding on the City or Borrower.

24.5 City Obligations. The City's sole obligation under this Agreement is limited to providing the Funds as described in this Agreement, up to the Funding Amount. Under no circumstances, including breach of this Agreement, will the City be liable to Borrower for any special or consequential damages arising out of actions or failure to act by the City in connection with any of the City Documents.

24.6 Borrower Solely Responsible. Borrower is an independent contractor with the right to exercise full control of employment, direction, compensation and discharge of all persons assisting in the performance contemplated under this Agreement. Borrower is solely responsible for: (a) its own acts and those of its agents, employees and contractors and all matters relating to their performance, including compliance with Social Security, withholding and all other Laws governing these matters and requiring that contractors include in each contract that they will be solely responsible for similar matters relating to their employees; (b) any losses or damages incurred by Borrower, any of its contractors or subcontractors and the City and its officers, representatives, agents and employees on account of any act, error or omission of Borrower in the performance of this Agreement or any other City Document and the development and operation of the Project; and (c) all costs and expenses relating to Borrower's performance of obligations under the City Documents, the delivery to the City of documents, information or items under or in connection with any of the City Documents and taxes, fees, costs or other charges payable in connection with the execution, delivery, filing and/or recording of any City Document or document required under any City Document.

24.7 No Inconsistent Agreements. Borrower warrants that it has not executed and will not execute any other agreement(s) with provisions materially contradictory or in opposition to the provisions of this Agreement.

24.8 Inconsistencies in City Documents. In the event of any conflict between the terms of this Agreement and any other City Document, the terms of this Agreement control unless otherwise stated; *provided, however,* that any provision in this Agreement in conflict with any Law will be interpreted subject to that Law.

24.9 Governing Law. This Agreement is governed by California law without regard to its choice of law rules.

24.10 Joint and Several Liability. If Borrower consists of more than one person or entity, each is jointly and severally liable to the City for the faithful performance of this Agreement.

24.11 Successors. Except as otherwise limited herein, the provisions of this Agreement bind and inure to the benefit of the undersigned parties and their heirs, executors, administrators, legal representatives, successors and assigns. This provision does not relieve Borrower of its obligation under the City Documents to obtain the City's prior written consent to any assignment or other transfer of Borrower's interests in the Loan, the Site or the ownership interests in Borrower.

24.12 Reserved.

24.13 Severability. The invalidity or unenforceability of any one or more provisions of this Agreement will in no way affect any other provision.

24.14 Time. Time is of the essence in this Agreement. Whenever the date on which an action must be performed falls on a Saturday, Sunday or federal holiday, the date for performance will be deemed to be the next succeeding business day.

24.15 Further Assurances. Borrower agrees to: (a) pursue in an effective and continuous manner; (b) use best efforts to achieve; and (c) take all actions reasonably required by the City from time to time to confirm or otherwise carry out the purpose of this Agreement.

24.16 Binding Covenants. The provisions of the City Documents constitute covenants running with the land and will be binding upon Borrower and Borrower's successors and assigns, and all parties having or acquiring any right, title or interest in whatever form, including leasehold interests, in or to any part of the Property, except that the same will terminate and become void automatically at the expiration of the Compliance Term of this Agreement. Any attempt to transfer any right, title or interest in the Property in violation of these covenants will be void.

24.17 Consent. Except as expressly provided otherwise, whenever consent or approval of a party is required in any City Document, that party agrees not to withhold or delay its consent or approval unreasonably.

24.18 Counterparts. This Agreement may be executed in any number of counterparts, all of which will constitute but one agreement.

24.19 Borrower’s Personnel. The Project shall be implemented only by competent personnel under the direction and supervision of Borrower.

24.20 Borrower’s Board of Directors. Borrower 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 Borrower’s bylaws and other governing documents, and shall adhere to applicable provisions of federal, state and local laws governing nonprofit corporations. Borrower’s board of directors shall exercise such oversight responsibility with regard to this Agreement as is necessary to ensure full and prompt performance by Borrower of its obligations under this Agreement.

24.21 Exhibits. The following exhibits are attached to this Agreement and incorporated by reference:

EXHIBITS

A	Schedules of Income and Rent Restrictions
B-1	Table of Sources and Uses of Funds
B-2	Annual Operating Budget
B-3	20-Year Cash Flow Proforma
C	Form of Tenant Income Certification
D	First Source Hiring Requirements and Numerical Goals
E	Governmental Requirements
F	Lobbying/Debarment Certification Form
G	Form of Annual Monitoring Report
H	Tenant Selection Plan Policy
I	MOHCD Tenant Screening Criteria Policy
J	Reserved
K	Reserved
L	Insurance Requirements
M	MOHCD Residual Receipts Policy
N	PASS Program Regulations
O	PASS Debt Service Coverage Certification

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement at San Francisco, California as of the date first written above.

THE CITY:

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

By: _____
London N. Breed
Mayor

By: _____
Eric D. Shaw
Director, Mayor's Office of Housing and Community Development

APPROVED AS TO FORM:

DAVID CHIU,
City Attorney

By: _____
DocuSigned by:
Jessica Alfaro-Cassella
Deputy City Attorney

BORROWER:

SFCLT TNFF HOLDINGS LLC,
a California limited liability company

By: San Francisco Community Land Trust, a California nonprofit public benefit corporation
Its: Sole Member and Manager

By: _____
Name: Saki Bailey
Title: Executive Director

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at San Francisco, California as of the date first written above.

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a California limited liability company

By: San Francisco Community Land Trust, a California nonprofit public benefit corporation
Its: Sole Member and Manager

By: _____
Name: Saki Bailey
Title: Executive Director

EXHIBIT A

Schedules of Income and Rent Restrictions

1. Restrictions. The Project may be occupied only by Qualified Tenants and their households. As provided in Section 7.2(b) of this Agreement, a Qualified Tenant may not be required to vacate the Unit due to subsequent rises in household income. Qualified Tenants must pay at least 20% of their gross household income towards Rent unless otherwise approved by MOHCD, provided that in no event shall any Qualified Tenant be required to pay Rent in excess of the lesser of (i) Maximum Rent, or (ii) 20% below the market rents of comparable units as approved by MOHCD, except as otherwise provided in Section 4(d) below.

2. Rent Restrictions. Required Rents for the Units as of the Agreement Date shall be as follows:

2840-2848 Folsom Street:

Unit Number	Unit Size	Rent (monthly payments) as of the Agreement Date
2840	2BR	$1,398
2840A	2BR	$2,921
2842	2BR	$1,398
2844	2BR	$1,398
2846	2BR	$2,947
2848	2BR	$2,712

4042-4048 Fulton Street:

Unit Number	Unit Size	Rent (monthly payments) as of the Agreement Date
1790 17th St	1BR	$1,595
4042	1BR	$800
4044	2BR	$625
4046	2BR	$1,770
4048	2BR	$1,406

4042a	Studio	$1,850

568-570 Natoma Street:

Unit Number	Unit Size	Rent (monthly payments) as of the Agreement Date
568A	1BR	vacant
568B	1BR	$446
570C	1BR	$2,033
570D	1BR	$2,150
570	Studio	$501

308 Turk Street:

Unit Number	Unit Size	Rent (monthly payments) as of the Agreement Date
#1	Studio	$1,206
#2	Studio	$1,034
#3	Studio	$1,301
#4	Studio	$912
#5	Studio	$973
#6	Studio	$919
#7	Studio	$1,247
#8	Studio	$1,695
#9	Studio	$1,217
#10	Studio	$574
#11	Studio	$1,695
#12	Studio	$973

#13	Studio	$956
#14	Studio	$1,326
#15	Studio	$2,061
#16	Studio	$1,695
#17	Studio	$1,073
#18	Studio	$1,729
#19	Studio	$1,102
#20	Studio	$1,382

3. Vacancies after the Agreement Date. After the Agreement Date, the Rent for each Unit that becomes vacant shall be set at the amount necessary to bring the Project's combined average Rents for all Units as close as is possible to the amount calculated as 30% of 80% Median Income, or other amount as approved by MOHCD.

4. Rent Adjustments and Restrictions. Rent for all Units shall be increased annually on the anniversary of the Agreement Date by the greater of: (x) the percentage change in annual operating expenses, up to a maximum of 3.5%; or (y) 2%, except as follows:

(a) Reserved.

(b) Severely Rent Burdened Qualified Tenants. If the Rent increase described in this Section 4 results in any Qualified Tenant household becoming Severely Rent Burdened, Borrower is not required to increase the Rent of the Severely Rent Burdened Qualified Tenant until such time as the Qualified Tenant is no longer Severely Rent Burdened, provided that: (i) Borrower first demonstrates to the satisfaction of MOHCD, in MOHCD's sole discretion, that the Project maintains short- and long-term financial sustainability in the form of positive cash flow, adequately funded reserves, and other indicators as MOHCD may reasonably request; (ii) at each annual income recertification, the ability of all households to pay required rent increases will be reassessed, as will the Borrower cash flow, to ensure short- and long-term financial sustainability if Borrower elects not to impose the required annual Rent increase for any Severely Rent Burdened Qualified Tenant; and (iii) all Regulatory Obligations continue to be met. Similarly, if the circumstances described in this subsection are met, a Unit becomes vacant and a Qualified Tenant demonstrates to Borrower that it is Severely Rent Burdened, Borrower may reduce such Qualified Tenant's Rent to a level no lower than 40% of that Qualified Tenant's gross monthly income, thus resulting in a higher Rent that will be required for the vacant Unit. If more than one Qualified Tenant is eligible for such a Rent reduction, the reduction shall be equally distributed among such eligible Qualified Tenants.

(c) Recovery of Project Expenses. With the City's prior written approval, Rent increases for Units exceeding the amounts permitted under the first sentence of Section 4 may be permitted once annually in order to recover increases in approved Project Expenses, provided that: (i) in no event may single or aggregate Rent increases exceed ten percent (10%) per year unless such an increase is contemplated in a City-approved temporary relocation plan or is necessary due to the expiration of Section 8 or other rental subsidies; and (ii) Rents for each Unit may in no event exceed the lesser of *(y)* Maximum Rent, or *(z)* 20% below the market rents of comparable units as approved by MOHCD. The City's approval for such Rent increases under this subsection shall not be unreasonably withheld.

(d) Rent Subsidy Programs. For those households that hold rent subsidy vouchers, such as Section 8 and VASH, on an annual basis Borrower shall request and use best efforts to receive an increase in contract rent equivalent to the percentage change in Fair Market Rent or equivalent payment standard, whichever is greater. For any Qualified Tenant participating in a rent or operating subsidy program where the rent charged is calculated as a percentage of household income, adjustments to Rent charged may be made according to the rules of the relevant subsidy program, provided that the Qualified Tenant paid portion of Rent does not exceed the lesser of (i) Maximum Rent or (ii) 20% below the market rents of comparable units as approved by MOHCD. For any Qualified Tenant that becomes ineligible to continue participating in a rent or operating subsidy program, there is no limit on the increase in Rent charged as long as it does not exceed 30% of 120% Median Income.

(e) Recovery of Property Tax Increases. In addition to the Rent increases contemplated in this Section 4 and with the City's prior written approval, if a Qualified Tenant's household income exceeds eighty percent (80%) of California Median Income (as published by the California Department of Housing and Community Development) during occupancy of a Unit, Borrower may adjust the charges for Rent for such Qualified Tenant to absorb the amount of property taxes attributable to the Qualified Tenant's Unit as a result of the loss of the State of California's welfare exemption for low-income housing properties. The City may, in its sole discretion, require that Rent increases allowed under this subsection be implemented over a period of time in order to reduce the burden on an existing Qualified Tenant. Rents charged under this subsection may not exceed the lesser (i) Maximum Rent; (ii) 20% below the market rents of comparable units as approved by MOHCD; or (iii) 20% of its gross household income. The City's approval for such Rent increases shall not be unreasonably withheld. If such Qualified Tenant's household income subsequently decreases and the Unit becomes eligible for the California welfare property tax exemption, Borrower may reduce such Qualified Tenant's Rent by the amount of property tax savings attributable to the Qualified Tenant's Unit, as provided in Section 4(b).

(f) Excess Rent. If Borrower increases Rents or offers a vacant Unit for rent at a rate that exceeds the rules described in this Declaration, the resulting excess cash flow will be paid by Borrower to the Qualified Tenants who were overcharged, and Borrower's actions will constitute an Event of Default pursuant to Section 19 of this Agreement.

EXHIBIT B-1

Table of Sources and Uses of Funds

Attached.

Application Date: 3/2/23 **# Units:** 37 **Small Sites Project**
Project Name: SFCLT TNFF LLC BUNDLED REFI **# *Bedrooms:***
Project Address: Several Several Several **# Beds:**
Project Sponsor:

							Total Sources	Comments
SOURCES	**13,767,481**	**3,004,197**	**1,657,488**	**271,315**	**-**	**-**	**18,700,481**	
		PASS Market	PASS Below	PASS				
Name of Sources:	MOHCD/OCII	Rate	Market Rate	Deferred				
USES	Perm loans total: 16,771,678							

Perm loan amount is more than bridge loan(s) by: 16771678.17

ACQUISITION								
Acquisition cost or value	8,952,062	3,004,197	1,657,488	271,315			13,885,062	
Legal / Closing costs / Broker's Fee							0	
Holding Costs							0	
Transfer Tax							0	
TOTAL ACQUISITION	**8,952,062**	**3,004,197**	**1,657,488**	**271,315**	**0**	**0**	**13,885,062**	
CONSTRUCTION (HARD COSTS)								
* Unit Construction/Rehab	2,351,304						2,351,304	86750 natoma; 833484 turk; 524850 natoma; 906220 fulton
* Commercial Shell Construction							0	
* Demolition							0	
Environmental Remediation							0	
* Onsight Improvements/Landscaping							0	
* Offsite Improvements							0	
* Infrastructure Improvements							0	HOPE SF/OCII costs for streets etc.
Parking							0	
GC Bond Premium/GC Insurance/GC Taxes							0	**0.0%**
GC Overhead & Profit	352,696						352,696	**13.0%**
CG General Conditions							0	**0.0%**
Sub-total Construction Costs	*2,704,000*	*0*	*0*	*0*	*0*	*0*	*2,704,000*	
Design Contingency (remove at DD)							0	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+ **0.0%**
Bid Contingency (remove at bid)							0	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+ **0.0%**
Plan Check Contingency (remove/reduce during Plan Review)							0	4% up to $30MM HC, 3% $30-$45MM, 2% $45MM+ **0.0%**
Hard Cost Construction Contingency	405,600						405,600	5% new construction / 15% rehab **15.0%**
Sub-total Construction Contingencies	*405,600*	*0*	*0*	*0*	*0*	*0*	*405,600*	
TOTAL CONSTRUCTION COSTS	**3,109,600**	**0**	**0**	**0**	**0**	**0**	**3,109,600**	

Construction line item costs as a % of hard costs

SOFT COSTS								
Architecture & Design								
Architect design fees	35,000						35,000	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms 35K fulton
Design Subconsultants to the Architect (incl. Fees)							0	
Architect Construction Admin	10,000						10,000	10k turk
Reimbursables							0	
Additional Services							0	
Sub-total Architect Contract	*45,000*	*0*	*0*	*0*	*0*	*0*	*45,000*	
Other Third Party design consultants (not included under Architect contract)							0	Consultants not covered under architect contract; name consultant type and contract amount
Total Architecture & Design	**45,000**	**0**	**0**	**0**	**0**	**0**	**45,000**	
Engineering & Environmental Studies								
Survey							0	
Geotechnical studies							0	
Phase I & II Reports							0	
CEQA / Environmental Review consultants							0	
NEPA / 106 Review							0	
CNA/PNA (rehab only)	16,200						16,200	$3400 Natoma, $3800 Fulton, $4000 Folsom, NEED 308 Turk $5000 placeholder for now
Other environmental consultants							0	1. ALTA Survey (Engineers, Inc.) $7,500 2. Zoning Analysis (Zoning, Inc.) $2,500
Total Engineering & Environmental Studies	**16,200**	**0**	**0**	**0**	**0**	**0**	**16,200**	
Financing Costs								
Construction Financing Costs								
Construction Loan Origination Fee							0	
Construction Loan Interest							0	
Title & Recording							0	
CDLAC & CDIAC fees							0	
Bond Issuer Fees							0	
Other Bond Cost of Issuance							0	
Other Lender Costs (specify)							0	
Sub-total Const. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*	*0*	
Permanent Financing Costs								
Permanent Loan Origination Fee	61,663						61,663	
Credit Enhance. & Appl. Fee							0	
Title & Recording	12,500						12,500	
Sub-total Perm. Financing Costs	*74,163*	*0*	*0*	*0*	*0*	*0*	*74,163*	
Total Financing Costs	**74,163**	**0**	**0**	**0**	**0**	**0**	**74,163**	
Legal Costs								
Borrower Legal fees	20,000						20,000	Folsom $5k, Turk $5k, $5k Natoma, $5k Fulton
Land Use / CEQA Attorney fees							0	
Tax Credit Counsel							0	
Bond Counsel							0	
Construction Lender Counsel							0	
Permanent Lender Counsel	15,000						15,000	568 Natoma $15k
* Other Legal (specify)							0	
Total Legal Costs	**35,000**	**0**	**0**	**0**	**0**	**0**	**35,000**	
Other Development Costs								
Appraisal	9,000						9,000	Apprasial for Turk, Folsom, and Fulton $3k each
Market Study							0	
* Insurance							0	
* Property Taxes							0	
Accounting / Audit							0	
* Organizational Costs							0	
Entitlement / Permit Fees	75,623						75,623	GPR Filling Fee 20994 Folsom; 50000 fulton
* Marketing / Rent-up							0	
* Furnishings							0	$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms
PGE / Utility Fees							0	
TCAC App / Alloc / Monitor Fees							0	
* Financial Consultant fees							0	
Construction Management fees / Owner's Rep	102,000						102,000	25500 per site
Security during Construction							0	
* Relocation	45,000						45,000	40k turk; 5k folsom
Bond Fees	5,000						5,000	
Other (specify)							0	
Other (specify)							0	
Total Other Development Costs	**236,623**	**0**	**0**	**0**	**0**	**0**	**236,623**	
Soft Cost Contingency								
Contingency (Arch, Eng, Fin, Legal & Other Dev)	40,699	0	0	0	0	0	40,699	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	**447,684**	**0**	**0**	**0**	**0**	**0**	**447,684**	

Total Soft Cost Contingency as % of Total Soft Costs **10.0%**

RESERVES								
* Operating Reserves	15,700						15,700	Natoma1385.52, Fulton 22901.97, Folsolm 20129.92, Turk 80565.06
Replacement Reserves	826,675						826,675	less of replacement reserve, N 852.28, Fulton $150,031.01, Folsolm $26,535.38, Turk $160905.88, Add RR Natoma $100k
* Tenant Improvements Reserves							0	
* Other (Vacancy Reserve)	44,400						44,400	2 Year Vacancy Reserve for Fulton ADU
* Other (specify)							0	less of other (specify N 1385.52
* Other (specify)							0	less of other (specify N 1385.52
TOTAL RESERVES	**886,775**	**0**	**0**	**0**	**0**	**0**	**886,775**	
DEVELOPER COSTS								
Developer Fee - Cash-out Paid at Milestones	371,360						371,360	Dev Fee, $40k at close for fulton underpayment
Developer Fee - Cash-out At Risk							0	
Commercial Developer Fee							0	
Developer Fee - GP Equity (also show as source)							0	
Developer Fee - Deferred (also show as source)							0	
Development Consultant Fees							0	Need MOHCD approval for this cost, N/A for most projects
Payments to SVB (interest and principal over the years)							0	
TOTAL DEVELOPER COSTS	**371,360**	**0**	**0**	**0**	**0**	**0**	**371,360**	

TOTAL DEVELOPMENT COST	**13,767,481**	**3,004,197**	**1,657,488**	**271,315**	**0**	**0**	**18,700,481**	
Development Cost/Unit by Source	372,094	81,195	44,797	7,333	0	0	505,418	
Development Cost/Unit as % of TDC by Source	73.6%	16.1%	8.9%	1.5%	0.0%	0.0%	100.0%	
Acquisition Cost/Unit by Source	241,948	81,195	44,797	7,333	0	0	375,272	
Construction Cost (inc Const Contingency)/Unit By Source	84,043	0	0	0	0	0	84,043	
Construction Cost (inc Const Contingency)/SF								

**Possible non-eligible GO Bond/COP Amount:* *2,456,404*
City Subsidy/Unit 372,094

Tax Credit Equity Pricing: N/A
Construction Bond Amount: N/A
Construction Loan Term (in months): N/A
Construction Loan Interest Rate (as %): N/A

Small Sites							
Combined Loan to Value Ratio:							**135%**
% of Acquisition Cost by Source	64%	22%	12%	2%	0%	0%	100%

Small Sites Maximum Developer Fee 450,000

EXHIBIT B-2
Annual Operating Budget

Attached.

Application Date:	**3/2/2023**	**Project Name:**	**SFCLT TNFF LLC BUNDLED REFI**
Total # Units:	**37**	**Project Address:**	**Several Several Several**
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	**2023**	**Project Sponsor:**	

Small Sites Project

Correct errors noted in Col N!

INCOME	**Total**	**Comments**
Residential - Tenant Rents	557,187	Links from 'Existing Proj - Rent Info' Worksheet
Residential - Tenant Assistance Payments (Non-LOSP)	90,372	Links from 'Existing Proj - Rent Info' Worksheet
Commercial Space	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%
Residential Parking	3,000	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Rent Income	0	Links from 'Utilities & Other Income' Worksheet
Supportive Services Income		
Interest Income - Project Operations	0	Links from 'Utilities & Other Income' Worksheet
Laundry and Vending	2,080	Links from 'Utilities & Other Income' Worksheet
Tenant Charges	0	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Residential Income	0	Links from 'Utilities & Other Income' Worksheet
Other Commercial Income	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%
Withdrawal from Capitalized Reserve (deposit to operating account)		
Gross Potential Income	**652,639**	
Vacancy Loss - Residential - Tenant Rents	(55,719)	Vacancy loss is 10% of Tenant Rents.
Vacancy Loss - Residential - Tenant Assistance Payments	(4,519)	Vacancy loss is 5% of Tenant Assistance Payments.
Vacancy Loss - Commercial	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%
EFFECTIVE GROSS INCOME	**592,401**	***PUPA: 16,011***

OPERATING EXPENSES

Management		
Management Fee	47,952	$108 PUPM
Asset Management Fee	47,952	$108 PUPM
Sub-total Management Expenses	**95,904**	***PUPA: 2,592***
Salaries/Benefits		
Office Salaries	0	
Manager's Salary	12,855	Bundled Total
Health Insurance and Other Benefits	0	
Other Salaries/Benefits	0	
Administrative Rent-Free Unit	20,340	Bundled Total
Sub-total Salaries/Benefits	**33,195**	***PUPA: 897***
Administration		
Advertising and Marketing	0	
Office Expenses	2,271	Bundled Total
Office Rent	0	Bundled Total
Legal Expense - Property	3,342	Bundled Total
Audit Expense	9,688	Bundled Total
Bookkeeping/Accounting Services	5,292	Bundled Total
Bad Debts	16,716	Bundled Total
Miscellaneous	0	
Sub-total Administration Expenses	**37,308**	***PUPA: 1,008***
Utilities		
Electricity	4,911	Bundled Total
Water	23,468	Bundled Total
Gas	5,030	Bundled Total
Sewer	11,268	Bundled Total
Sub-total Utilities	**44,676**	***PUPA: 1,207***
Taxes and Licenses		
Real Estate Taxes	25,307	Bundled Total
Payroll Taxes	1,605	Bundled Total
Miscellaneous Taxes, Licenses and Permits	688	Bundled Total
Sub-total Taxes and Licenses	**27,599**	***PUPA: 746***
Insurance		
Property and Liability Insurance	24,672	Bundled Total + 20% Buffer
Fidelity Bond Insurance	0	Bundled Total
Worker's Compensation	355	Bundled Total
Director's & Officers' Liability Insurance	0	Bundled Total
Sub-total Insurance	**25,027**	***PUPA: 676***
Maintenance & Repair		
Payroll	500	Bundled Total
Supplies	200	Bundled Total
Contracts	54,380	Bundled Total
Garbage and Trash Removal	22,176	Bundled Total
Security Payroll/Contract	0	Bundled Total
HVAC Repairs and Maintenance	0	Bundled Total
Vehicle and Maintenance Equipment Operation and Repairs	0	Bundled Total
Miscellaneous Operating and Maintenance Expenses	5,637	Bundled Total
Sub-total Maintenance & Repair Expenses	**82,894**	***PUPA: 2,240***
Supportive Services		
Commercial Expenses	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%
TOTAL OPERATING EXPENSES	***346,603***	***PUPA: 9,368***

Reserves/Ground Lease Base Rent/Bond Fees			
Ground Lease Base Rent	0		Provide additional comments here, if needed.
Bond Monitoring Fee	5,000	($2.5k)Half for Monitering,($2.5k)Half for loan servicing	
Replacement Reserve Deposit	13,400	$400 PUPY (<=10 units); 350 PUPY (11-29 units); 300 PUPY (>=30 units)	
Operating Reserve Deposit	0		
Other Required Reserve 1 Deposit	0		
Other Required Reserve 2 Deposit	0		
Required Reserve Deposit/s, Commercial	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	**18,400**	***PUPA: 497***	

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	**365,003**	***PUPA: 9,865***	Min DSCR: 1.15 Mortgage Rate: 5.00% Term (Years): 30
NET OPERATING INCOME (INCOME minus OP EXPENSES)	**227,398**	***PUPA: 6,146***	Supportable 1st Mortgage Pmt: 197,737 Supportable 1st Mortgage Amt: $3,069,571 Proposed 1st Mortgage Amt: $3,004,197

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)

Hard Debt - First Lender	147,831	PASS Market Rate	Provide additional comments here, if needed.
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	49,895	PASS Below Market Rate	Provide additional comments here, if needed.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	PASS Deferred	Provide additional comments here, if needed.
Hard Debt - Fourth Lender	0		Provide additional comments here, if needed.
Commercial Hard Debt Service	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
TOTAL HARD DEBT SERVICE	**197,726**	***PUPA: 5,344***	

CASH FLOW (NOI minus DEBT SERVICE)	**29,672**		
USES OF CASH FLOW BELOW (This row also shows DSCR.)	***1.15***		
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 (select lender in comments field)			Provide additional comments here, if needed.
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)			Provide additional comments here, if needed.
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)		Def. Develop. Fee split: 0%	Provide additional comments here, if needed.
TOTAL PAYMENTS PRECEDING MOHCD	**0**	***PUPA: 0***	

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD) **29,672**

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?	**Yes**	Project has MOHCD ground lease?	**TBD**
Will Project Defer Developer Fee?	**No**		
Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1:	33%		
% *of Residual Receipts available for distribution to* **soft debt lenders** in	67%		

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	All MOHCD/OCII Loans payable from res. rects		100.00%
MOHCD/OCII - Ground Lease Value or Land Acq Cost	Ground Lease Value		0.00%
HCD (soft debt loan) - Lender 3			0.00%
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	19,781	67% of residual receipts, multiplied by 100% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	0	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repymt.
Proposed MOHCD Residual Receipts Amount to Replacement Reserve	19,781	MOHCD res rects to Rep Res (RR) until RR balance >= 1.5 Original Capitalized RR amt.
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	**9,891**	***Total Resid Receipts due not allocated, please revise F142***

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE		
HCD Residual Receipts Amount Due	0	
Lender 4 Residual Receipts Due	0	
Lender 5 Residual Receipts Due	0	
Total Non-MOHCD Residual Receipts Debt Service	**0**	
REMAINDER (Should be zero unless there are distributions below)	**9,891**	
Owner Distributions/Incentive Management Fee	9,891	100% of Borrower share of 33% of residual receipts
Other Distributions/Uses	0	
Final Balance (should be zero)	**0**	

EXHIBIT B-3

20-Year Cash Flow Proforma

Attached.

SFCLT TNFF LLC BUNDLED REFI **Small Sites Project**

Total # Units: ***37***

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14
		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
INCOME	% annual increase	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total
Residential - Tenant Rents	2.5%	557,187	570,134	583,960	598,131	612,657	627,974	643,673	659,765	676,259	693,165	710,495	728,257	746,463	765,125
Residential - Tenant Assistance Payments (Non-LOSP)	2.5%	90,372	92,631	94,947	97,321	99,754	102,248	104,804	107,424	110,110	112,862	115,684	118,576	121,540	124,579
Commercial Space	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income		**652,639**	**667,897**	**684,092**	**700,692**	**717,707**	**735,574**	**753,889**	**772,661**	**791,903**	**811,625**	**831,841**	**852,562**	**873,801**	**895,571**
Vacancy Loss - Residential - Tenant Rents	n/a	(55,719)	(57,013)	(58,396)	(59,813)	(61,266)	(62,797)	(64,367)	(65,976)	(67,626)	(69,317)	(71,049)	(72,826)	(74,646)	(76,512)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	(4,519)	(4,632)	(4,747)	(4,866)	(4,988)	(5,112)	(5,240)	(5,371)	(5,505)	(5,643)	(5,784)	(5,929)	(6,077)	(6,229)
Vacancy Loss - Commercial	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME		**592,401**	**606,252**	**620,949**	**636,013**	**651,453**	**667,665**	**684,281**	**701,313**	**718,771**	**736,665**	**755,007**	**773,807**	**793,077**	**812,829**
OPERATING EXPENSES															
Management	3.5%	95,904	99,261	102,735	106,330	110,052	113,904	117,891	122,017	126,287	130,707	135,282	140,017	144,918	149,990
Salaries/Benefits	3.5%	33,195	34,357	35,559	36,804	38,092	39,425	40,805	42,233	43,711	45,241	46,824	48,463	50,159	51,915
Administration	3.5%	37,308	38,614	39,965	41,364	42,812	44,310	45,861	47,466	49,128	50,847	52,627	54,469	56,375	58,348
Utilities	3.5%	44,676	46,240	47,859	49,534	51,267	53,062	54,919	56,841	58,830	60,889	63,021	65,226	67,509	69,872
Taxes and Licenses	3.5%	27,599	28,565	29,565	30,600	31,671	32,779	33,927	35,114	36,343	37,615	38,932	40,294	41,704	43,164
Insurance	3.5%	25,027	25,903	26,809	27,748	28,719	29,724	30,764	31,841	32,956	34,109	35,303	36,538	37,817	39,141
Maintenance & Repair	3.5%	82,894	85,795	88,798	91,906	95,123	98,452	101,898	105,464	109,155	112,976	116,930	121,023	125,258	129,642
Supportive Services	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES		**346,603**	**358,734**	**371,290**	**384,285**	**397,735**	**411,656**	**426,064**	**440,976**	**456,410**	**472,385**	**488,918**	**506,030**	**523,741**	**542,072**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)		***9,368***													
Reserves/Ground Lease Base Rent/Bond Fees															
Ground Lease Base Rent		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond Monitoring Fee		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Replacement Reserve Deposit		13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400
Operating Reserve Deposit		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposit/s, Commercial		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees		**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)		**365,003**	**377,134**	**389,690**	**402,685**	**416,135**	**430,056**	**444,464**	**459,376**	**474,810**	**490,785**	**507,318**	**524,430**	**542,141**	**560,472**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)		***9,865***													
NET OPERATING INCOME (INCOME minus OP EXPENSES)		**227,398**	**229,118**	**231,259**	**233,327**	**235,318**	**237,609**	**239,817**	**241,937**	**243,961**	**245,881**	**247,689**	**249,377**	**250,936**	**252,357**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)															
Hard Debt - First Lender		147,831	147,831	147,831	147,831	147,831	147,831	147,831	147,831	147,831	147,831	147,831	147,831	147,831	147,831
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)		49,895	49,895	49,895	49,895	49,895	49,895	49,895	49,895	49,895	49,895	49,895	49,895	49,895	49,895
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service		-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE		**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**197,726**
CASH FLOW (NOI minus DEBT SERVICE)		**29,672**	**31,391**	**33,532**	**35,601**	**37,592**	**39,882**	**42,091**	**44,211**	**46,234**	**48,154**	**49,963**	**51,651**	**53,210**	**54,631**
USES OF CASH FLOW BELOW (This row also shows DSCR.)	**DSCR:**	***1.15***	***1.159***	***1.17***	***1.18***	***1.19***	***1.202***	***1.213***	***1.224***	***1.234***	***1.244***	***1.253***	***1.261***	***1.269***	***1.276***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL															
Deferred Developer Fee (Enter amt <= Max Fee from row 131)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)		**29,672**	**31,391**	**33,532**	**35,601**	**37,592**	**39,882**	**42,091**	**44,211**	**46,234**	**48,154**	**49,963**	**51,651**	**53,210**	**54,631**
Does Project have a MOHCD Residual Receipt Obligation?	**Yes**														
Will Project Defer Developer Fee?	**No**														
Residual Receipts split for all years. - Lender/Owner	**67% / 33%**														
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	Dist. Soft Debt Loans														
MOHCD Residual Receipts Amount Due	100.00%	19,781	20,928	22,355	23,734	25,061	26,588	28,061	29,474	30,823	32,103	33,308	34,434	35,473	36,420
Proposed MOHCD Residual Receipts Amount to Loan Repayment		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Replacement Reserve		19,781	20,928	22,355	23,734	25,061	26,588	28,061	29,474	30,823	32,103	33,308	34,434	35,473	36,420
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE		**9,891**	**10,464**	**11,177**	**11,867**	**12,531**	**13,294**	**14,030**	**14,737**	**15,411**	**16,051**	**16,654**	**17,217**	**17,737**	**18,210**
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE															

SFCLT TNFF LLC BUNDLED REFI **Small Sites Project**

Total # Units: ***37***

INCOME	% annual increase	Year 1 2023 Total	Year 2 2024 Total	Year 3 2025 Total	Year 4 2026 Total	Year 5 2027 Total	Year 6 2028 Total	Year 7 2029 Total	Year 8 2030 Total	Year 9 2031 Total	Year 10 2032 Total	Year 11 2033 Total	Year 12 2034 Total	Year 13 2035 Total	Year 14 2036 Total
HCD Residual Receipts Amount Due	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lender 4 Residual Receipts Due	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lender 5 Residual Receipts Due	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
REMAINDER (Should be zero unless there are distributions below)		**9,891**	**10,464**	**11,177**	**11,867**	**12,531**	**13,294**	**14,030**	**14,737**	**15,411**	**16,051**	**16,654**	**17,217**	**17,737**	**18,210**
Owner Distributions/Incentive Management Fee		9,891	10,464	11,177	11,867	12,531	13,294	14,030	14,737	15,411	16,051	16,654	17,217	17,737	18,210
Other Distributions/Uses		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Final Balance (should be zero)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
RR Running Balance		**1,287,988**	**1,288,355**	**1,301,949**	**1,278,696**	**837,631**	**882,662**	**895,541**	**944,030**	**959,762**	**660,788**	**711,588**	**596,093**	**482,859**	**322,413**
OR Running Balance		**141,738**	**142,801**	**143,872**	**144,951**	**146,038**	**147,133**	**148,237**	**149,348**	**150,468**	**151,597**	**152,734**	**153,879**	**155,033**	**156,196**
Other Required Reserve 1 Running Balance		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Required Reserve 2 Running Balance		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
DEFERRED DEVELOPER FEE - RUNNING BALANCE															
Developer Fee Starting Balance		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Developer Fee Earned in Year		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Developer Fee Remaining Balance		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

SFCLT TNFF LLC BUNDLED REFI **Small Site**

Total # Units: ***37***

		Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
		2037	2038	2039	2040	2041	2042
INCOME	% annual increase	Total	Total	Total	Total	Total	Total
Residential - Tenant Rents	2.5%	784,253	803,859	823,956	844,555	865,669	887,310
Residential - Tenant Assistance Payments (Non-LOSP)	2.5%	127,693	130,886	134,158	137,512	140,949	144,473
Commercial Space	2.5%	-	-	-	-	-	-
Other Income		-	-	-	-	-	-
Gross Potential Income		**917,885**	**940,757**	**964,201**	**988,231**	**1,012,862**	**1,038,109**
Vacancy Loss - Residential - Tenant Rents	n/a	(78,425)	(80,386)	(82,396)	(84,455)	(86,567)	(88,731)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	(6,385)	(6,544)	(6,708)	(6,876)	(7,047)	(7,224)
Vacancy Loss - Commercial	n/a	-	-	-	-	-	-
EFFECTIVE GROSS INCOME		**833,075**	**853,827**	**875,098**	**896,900**	**919,248**	**942,154**
OPERATING EXPENSES							
Management	3.5%	155,239	160,673	166,296	172,117	178,141	184,376
Salaries/Benefits	3.5%	53,732	55,613	57,559	59,574	61,659	63,817
Administration	3.5%	60,391	62,504	64,692	66,956	69,300	71,725
Utilities	3.5%	72,318	74,849	77,468	80,180	82,986	85,891
Taxes and Licenses	3.5%	44,675	46,239	47,857	49,532	51,265	53,060
Insurance	3.5%	40,511	41,929	43,396	44,915	46,487	48,114
Maintenance & Repair	3.5%	134,180	138,876	143,737	148,768	153,974	159,364
Supportive Services	3.5%	-	-	-	-	-	-
Commercial Expenses		-	-	-	-	-	-
TOTAL OPERATING EXPENSES		**561,045**	**580,682**	**601,005**	**622,041**	**643,812**	**666,345**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)							
Reserves/Ground Lease Base Rent/Bond Fees							
Ground Lease Base Rent		0	0	0	0	0	0
Bond Monitoring Fee		5,000	5,000	5,000	5,000	5,000	5,000
Replacement Reserve Deposit		13,400	13,400	13,400	13,400	13,400	13,400
Operating Reserve Deposit		0	0	0	0	0	0
Other Required Reserve 1 Deposit		0	0	0	0	0	0
Other Required Reserve 2 Deposit		0	0	0	0	0	0
Required Reserve Deposit/s, Commercial		0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees		**18,400**	**18,400**	**18,400**	**18,400**	**18,400**	**18,400**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)		**579,445**	**599,082**	**619,405**	**640,441**	**662,212**	**684,745**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)							
NET OPERATING INCOME (INCOME minus OP EXPENSES)		**253,630**	**254,745**	**255,692**	**256,460**	**257,036**	**257,408**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)							
Hard Debt - First Lender		147,831	147,831	147,831	147,831	147,831	223,833
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)		49,895	49,895	49,895	49,895	49,895	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		-	-	-	-	-	-
Hard Debt - Fourth Lender		-	-	-	-	-	-
Commercial Hard Debt Service		-	-	-	-	-	-
TOTAL HARD DEBT SERVICE		**197,726**	**197,726**	**197,726**	**197,726**	**197,726**	**223,833**
CASH FLOW (NOI minus DEBT SERVICE)		**55,904**	**57,019**	**57,966**	**58,733**	**59,309**	**33,575**
USES OF CASH FLOW BELOW (This row also shows DSCR.)	**DSCR:**	***1.283***	***1.288***	***1.293***	***1.297***	***1.3***	***1.15***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL							
Deferred Developer Fee (Enter amt <= Max Fee from row 131)		-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	-	-	-	-	-	-
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		-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD		**-**	**-**	**-**	**-**	**-**	**-**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)		**55,904**	**57,019**	**57,966**	**58,733**	**59,309**	**33,575**

Does Project have a MOHCD Residual Receipt Obligation? **Yes**
Will Project Defer Developer Fee? **No**
Residual Receipts split for all years. - Lender/Owner **67% / 33%**

MOHCD RESIDUAL RECEIPTS DEBT SERVICE	Dist. Soft Debt Loans						
MOHCD Residual Receipts Amount Due	100.00%	37,269	38,013	38,644	39,156	39,540	22,383
Proposed MOHCD Residual Receipts Amount to Loan Repayment		-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Replacement Reserve		37,269	38,013	38,644	39,156	39,540	22,383
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE		**18,635**	**19,006**	**19,322**	**19,578**	**19,770**	**11,192**
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE							

SFCLT TNFF LLC BUNDLED REFI

Small Site

Total # Units: ***37***

		Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
		2037	2038	2039	2040	2041	2042
INCOME	**% annual increase**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**
HCD Residual Receipts Amount Due	0.00%	-	-	-	-	-	-
Lender 4 Residual Receipts Due	0.00%	-	-	-	-	-	-
Lender 5 Residual Receipts Due	0.00%	-	-	-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service		**-**	**-**	**-**	**-**	**-**	**-**
REMAINDER (Should be zero unless there are distributions below)		**18,635**	**19,006**	**19,322**	**19,578**	**19,770**	**11,192**
Owner Distributions/Incentive Management Fee		18,635	19,006	19,322	19,578	19,770	11,192
Other Distributions/Uses		-	-	-	-	-	-
Final Balance (should be zero)		**-**	**-**	**-**	**-**	**-**	**-**
RR Running Balance		**153,109**	**205,307**	**258,645**	**196,365**	**72,263**	**(43,174)**
OR Running Balance		**157,368**	**158,548**	**159,737**	**160,935**	**162,142**	**163,358**
Other Required Reserve 1 Running Balance		**-**	**-**	**-**	**-**	**-**	**-**
Other Required Reserve 2 Running Balance		**-**	**-**	**-**	**-**	**-**	**-**
DEFERRED DEVELOPER FEE - RUNNING BALANCE							
Developer Fee Starting Balance		-	-	-	-	-	-
Deferred Developer Fee Earned in Year		-	-	-	-	-	-
Developer Fee Remaining Balance		**-**	**-**	**-**	**-**	**-**	**-**

EXHIBIT C

Tenant Income Certification Form

Attached.

TENANT INCOME CERTIFICATION

☐ Initial Certification ☐ Recertification ☐ Other _____

Effective Date: _____
Move-In Date: _____
(MM-DD-YYYY)

PART I - DEVELOPMENT DATA

Property Name: _____ County: _____ TCAC#: _____ BIN#: _____
Address: _____ If applicable, CDLAC#: _____
Unit Number: _____ # Bedrooms: _____ Square Footage: _____

PART II. HOUSEHOLD COMPOSITION

☐ Vacant (Check if unit was vacant on December 31 of the Effective Date Year)

HH Mbr #	Last Name	First Name	Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (Y or N)	Last 4 digits of Social Security #
1				HEAD			
2							
3							
4							
5							
6							
7							

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	$	$	$	$

Add totals from (A) through (D), above — TOTAL INCOME (E): $

PART IV. INCOME FROM ASSETS

HH Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
		TOTALS:	$	$

Enter Column (H) Total If over $5000 $_____ X Passbook Rate 0.06% = (J) Imputed Income $

Enter the greater of the total of column I, or J: imputed income **TOTAL INCOME FROM ASSETS (K)** $

(L) Total Annual Household Income from all Sources [Add (E) + (K)] $

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

_____ _____ _____ _____
Signature *(Date)* Signature *(Date)*

_____ _____ _____ _____
Signature *(Date)* Signature *(Date)*

PART V. DETERMINATION OF INCOME ELIGIBILITY

RECERTIFICATION ONLY:

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (L) on page 1 $

Unit Meets Federal Income Restriction at: ☐ 60% ☐ 50%

Current Federal LIHTC Income Limit x 140%: $

Current Federal LIHTC Income Limit per Family Size: $

Unit Meets Deeper Targeting Income Restriction at: ☐ Other _____%

Household Income exceeds 140% at recertification: ☐ Yes ☐ No

If Applicable, Current Federal Bond Income Limit per Family Size: $

Household Income as of Move-in: $

Household Size at Move-in: _____

PART VI. RENT

Tenant Paid Monthly Rent: $

Monthly Utility Allowance: $

Other Monthly Non-optional charges: $

GROSS MONTHLY RENT FOR UNIT: (Tenant paid rent plus Utility Allowance & other non-optional charges) $

Maximum Federal LIHTC Rent Limit for this unit: $

If Applicable, Maximum Federal & State LIHTC Bond Rent Limit for this unit: $

Unit Meets Federal Rent Restriction at: ☐ 60% ☐ 50%

If Applicable, Unit Meets Bond Rent Restriction at: ☐ 60% ☐ 50%

Unit Meets Deeper Targeting Rent Restriction at: ☐ Other: _____%

Federal Rent Assistance: $_____ *Source: _____

Non-Federal Rent Assistance: $_____ (*0-8)

Total Monthly Rent Assistance: $_____

*Source of Federal Assistance
1 **HUD Multi-Family Project Based Rental Assistance (PBRA)
2 Section 8 Moderate Rehabilitation
3 Public Housing Operating Subsidy
4 HOME Rental Assistance
5 HUD Housing Choice Voucher (HCV), tenant-based
6 HUD Project-Based Voucher (PBV)
7 USDA Section 521 Rental Assistance Program
8 Other Federal Rental Assistance
0 Missing

** (PBRA) Includes: Section 8 New Construction/Substantial Rehabilitation; Section 8 Loan Management; Section 8 Property Disposition; Section 202 Project Rental Assistance Contracts (PRAC)

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL TIME STUDENTS?

☐ yes ☐ no

If yes, Enter student explanation* (also attach documentation)

Enter 1-5

*Student Explanation:
1 AFDC / TANF Assistance
2 Job Training Program
3 Single Parent/Dependent Child
4 Married/Joint Return
5 Former Foster Care

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.

a. Tax Credit ☐	b. HOME ☐	c. Tax Exempt Bond ☐	d. AHDP ☐	e. _____ ☐ (Name of Program)
See Part V above.	*Income Status* ☐ ≤ 50% AMGI ☐ ≤ 60% AMGI ☐ ≤ 80% AMGI ☐ OI**	*Income Status* ☐ 50% AMGI ☐ 60% AMGI ☐ 80% AMGI ☐ OI**	*Income Status* ☐ 50% AMGI ☐ 80% AMGI ☐ OI**	*Income Status* ☐ _____ ☐ OI**

**Upon recertification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proof and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

SIGNATURE OF OWNER/REPRESENTATIVE DATE

PART IX. SUPPLEMENTAL INFORMATION FORM

The California Tax Credit Allocation Committee (CTCAC) requests the following information in order to comply with the Housing and Economic Recovery Act (HERA) of 2008, which requires all Low Income Housing Tax Credit (LIHTC) properties to collect and submit to the U.S. Department of Housing and Urban Development (HUD), certain demographic and economic information on tenants residing in LIHTC financed properties. Although the CTCAC would appreciate receiving this information, you may choose not to furnish it. You will not be discriminated against on the basis of this information, or on whether or not you choose to furnish it. If you do not wish to furnish this information, please check the box at the bottom of the page and initial.

Enter both Ethnicity and Race codes for each household member (see below for codes).

TENANT DEMOGRAPHIC PROFILE						
HH Mbr #	Last Name	First Name	Middle Initial	Race	Ethnicity	Disabled
1						
2						
3						
4						
5						
6						
7						

The Following Race Codes should be used:

1 – White – A person having origins in any of the original people of Europe, the Middle East or North Africa.

2 – Black/African American – A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" apply to this category.

3 – American Indian/Alaska Native – A person having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.

4 – Asian – A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent:

4a – Asian India
4b – Chinese
4c – Filipino
4d – Japanese
4e – Korean
4f – Vietnamese
4g – Other Asian

5 – Native Hawaiian/Other Pacific Islander – A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands:

5a – Native Hawaiian
5b – Guamanian or Chamorro
5c – Samoan
5d – Other Pacific Islander

6 – Other

7 – Did not respond. **(Please initial below)**

Note: *Multiple racial categories may be indicated as such: 31 – American Indian/Alaska Native & White, 14b – White & Asian (Chinese), etc.*

The Following Ethnicity Codes should be used:

1 – Hispanic – A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. Terms such as "Latino" or "Spanish Origin" apply to this category.

2 – Not Hispanic – A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

3 – Did not respond. **(Please initial below)**

Disability Status:

1 – Yes

If any member of the household is disabled according to Fair Housing Act definition for handicap (disability):

- A physical or mental impairment which substantially limits one or more major life activities; a record of such an impairment or being regarded as having such an impairment. For a definition of "physical or mental impairment" and other terms used, please see 24 CFR 100.201, available at http://fairhousing.com/legal-research/hud-regulations/24-cfr-100201-definitions.
- "Handicap" does not include current, illegal use of or addiction to a controlled substance.
- An individual shall not be considered to have a handicap solely because that individual is a transvestite.

2 – No

3 – Did not respond **(Please initial below)**

☐ **Resident/Applicant:** I do not wish to furnish information regarding ethnicity, race and other household composition.

(Initials) _____ _____ _____ _____ _____ _____ _____ _____

(HH#) 1. 2. 3. 4. 5. 6. 7.

INSTRUCTIONS FOR COMPLETING
TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I - Development Data

Enter the type of tenant certification: Initial Certification (move-in), Recertification (annual recertification), or Other. If other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual income recertification's, this effective date should be no later than one year from the effective date of the previous (re)certification.
Move-In Date	Enter the most recent date the household tax credit qualified. This could be the move-in date or in an acquisition rehab property, this is not the date the tenant moved into the unit, it is the most recent date the management company income qualified the unit for tax credit purposes.
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
TCAC#	Enter the project number assigned to the property by TCAC. Please include hyphens between the state abbreviation, four digit allocating year, and project specific number. For example: CA-2010-123
BIN #	Enter the building number assigned to the building (from IRS Form 8609).
Address	Enter the physical address of the building, including street number and name, city, state, and zip code.
If applicable, CDLAC#	If project is awarded 4% bonds please enter the project number assigned to the property by CDLAC. Please include hyphens between the state abbreviation, four digit allocating year, and project specific number. For example: 16-436
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.
Square Footage	Enter the square footage for the entire unit.
Vacant Unit	Check if unit was vacant on December 31 of requesting year. For example, for the collection of 2011 data, this would refer to December 31, 2011.

Part II - Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following definitions:

H	Head of Household	S	Spouse	U	Unborn Child/Anticipated Adoption or Foster
A	Adult Co-Tenant	O	Other Family Member		
C	Child	F	Foster child(ren)/adult(s)		
L	Live-in Caretaker	N	None of the above		

Date of Birth	Enter each household member's date of birth.
Student Status	Enter "Yes" if the household member is a full-time student or "NO" if the household member is not a full-time student.
Last Four Digits of Social Security Number	For each tenant 15 years of age or older, enter the last four digits of the social security number or the last four digits of the alien registration number. If the last four digits of SSN or alien registration is missing, enter 0000. For tenants under age 15, social security number not required, although please enter 0000.

If there are more than 7 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III - Annual Income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the twelve months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List **each** respective household member number from Part II. Include anticipated income only if documentation exists verifying pending employment. If any adult states zero-income, please note "zero" in the columns of Part III.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.).
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D), above. Enter this amount.

Part IV - Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. If individual household member income is provided, list the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
TOTALS	Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than $5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 0.06% and enter the amount in (J), Imputed Income.

Row (K)	*Enter the greater of the total in Column (I) or (J)*	
Row (L)	*Total Annual Household Income From all Sources*	*Add (E) and (K) and enter the total*

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

Part V – Determination of Income Eligibility

Total Annual Household Income from all Sources	Enter the number from item (L).
Current LIHTC Income Limit per Family Size	Enter the Current Move-in Income Limit for the household size – specifically, the max income limit for the federal 50% or 60% set aside.
Current Bond Income Limit per Family Size	Enter the Current most restrictive Move-in Income Limit for the household size – specifically, the max income limit incorporating both federal and in some instances more restrictive state standards as reflected in the 50% or 60% set aside detailed in the Bond Regulatory Agreement.

Household Income at Move-in	For recertifications only. Enter the household income from the move-in certification.
Household Size at Move-in	Enter the number of household members from the move-in certification.
Current Federal LIHTC Income Limit x 140%	For recertifications only. Multiply the current LIHTC Maximum Move-in Income Limit by 140% and enter the total. **140% is based on the Federal Set-Aside of 20/50 or 40/60, as elected by the owner for the property, not deeper targeting elections of 30%, 40%, 45%, 50%, etc.** Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the LIHTC Income Limit per Family Size at Move-in date (above), then the available unit rule must be followed.
Unit Meets Federal Income Restriction at	Check the appropriate box for the income restriction that the household meets according to what is required by the federal set-aside(s) for the project.
Unit Meets Deeper Targeting Income Restriction	If your agency requires an income restriction lower than the federal limit, enter the percent required.

Part VI - Rent

Tenant Paid Monthly Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Federal Rent Assistance	Enter the amount of rent assistance received from a federal program, if any.
Non-Federal Rent Assistance	Enter the amount of non-federal rent assistance received, if any.
Total Monthly Rent Assistance	Enter the amount of total rent assistance received, if any.
Source of Federal Rent Assistance	If federal rent assistance is received, indicate the single program source.
Monthly Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other Monthly Non-Optional Charges	Enter the amount of <u>non-optional</u> charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Monthly Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges. The total may NOT include amounts other than Tenant Paid Rent, Utility Allowances and other non-optional charges. In accordance with the definition of Gross Rent in IRC §42(g)(2)(B), it may not include any rent assistance amount.
Maximum LIHTC Rent Limit for this unit	Enter the maximum allowable gross rent for the unit. This amount must be the maximum amount allowed by the Current Income Limit per Family Size – specifically, the max rent limit for the federal 50% or 60% set aside.
Maximum LIHTC Bond Rent Limit for this unit	Enter the maximum allowable gross rent for the unit. This amount must be the maximum amount allowed by the Current Income Limit per Family Size – specifically, the max rent incorporating both federal and in some instances more restrictive state standards as reflected in the 50% or 60% set aside detailed in the Bond Regulatory Agreement.
Unit Meets Federal Rent Restriction at	Indicate the appropriate rent restriction that the unit meets according to what is <u>required</u> by the federal set-aside(s) for the project.
Unit Meets Bond Rent Restriction at	Indicate the appropriate rent restriction that the unit meets according to what is <u>required</u> by the federal and state law for the project.
Unit Meets Deeper Targeting Rent Restriction at	If your agency requires a rent restriction lower than the federal limit, enter the percent required.

Part VII - Student Status

If all household members are full time* students, check “yes”. Full-time status is determined by the school the student attends. If at least one household member is not a full-time student, check “no.”

If “yes” is checked, the appropriate exemption <u>must</u> be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

Part VIII – Program Type

Mark the program(s) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification. If the property does not participate in the HOME, Tax-Exempt Bond, Affordable Housing Disposition, or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicting the household's designation.
Tax Exempt Bond	If the property participates in the Tax Exempt Bond program; mark the appropriate box indicating the household's designation.
AHDP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household's unit will count towards the set-aside requirements, select the appropriate box to indicate if the household is a VLI, LI or OI (at recertification) household.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER/REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

PART IX. SUPPLEMENTAL INFORMATION

Complete this portion of the form at move-in and at recertification's (only if household composition has changed from the previous year's certification).

Tenant Demographic Profile	Complete for each member of the household, including minors. Use codes listed on supplemental form for Race, Ethnicity, and Disability Status.
Resident/Applicant Initials	All tenants who wish not to furnish supplemental information should initial this section. Parent/Guardian may complete and initial for minor child(ren).

EXHIBIT D

First Source Hiring Requirements and Numerical Goals

Borrower's use of Funds triggers the following hiring requirements imposed by the City's First Source Hiring Ordinance (San Francisco Administrative Code Chapter 83) as incorporated into MOHCD's Section 3 Plan.

1. Section 3 Requirements.

(a) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u ("Section 3"), based on Borrower's receipt of City funds under MOHCD's Section 3 Plan. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing, to the greatest extent feasible.

(b) The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

(c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and to post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference and set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions and the qualifications for each, the name and location of the person(s) taking applications for each of the positions and the anticipated date work will begin.

(d) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

(e) The contractor will certify that any vacant employment positions, including training positions, that are filled: (i) after the contractor is selected but before the contract is executed; and (ii) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

(f) Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default and debarment or suspension from future HUD assisted contracts.

2. Recommended Minimum Numerical Goals. Contractors may demonstrate compliance with the "greatest extent feasible" requirement of Section 3 by meeting the numerical goals set forth below for training, employment and contracting opportunities to Section 3 residents and Section 3 business concerns, which represent minimum numerical goals.

(a) Training and Employment of Section 3 Residents (24 CFR § 135.30(b)). Contractors and subcontractors may demonstrate compliance by committing to employ Section 3 residents as thirty percent (30%) of the aggregate number of new hires (full-time employees for permanent, temporary or seasonal employment) and an overall goal of thirty percent (30%) of total work hours for the entire project.

(b) Contracts with Section 3 Business Concerns (24 CFR § 135.30). Contractors and subcontractors may demonstrate compliance with the requirements of this part by committing to award to Section 3 business concerns:

(i) At least ten percent (10%) of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction and other public construction; and

(ii) At least three percent (3%) of the total dollar amount of all other Section 3 covered contracts.

EXHIBIT E
Governmental Requirements

1. Prevailing Wages and Working Conditions.

Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.61. Borrower agrees to require its Contractors and Subcontractors performing (i) labor in the construction of a "public work" as defined in California Labor Code Section 1720 et seq. (which includes certain construction, alteration, maintenance, demolition, installation, repair, carpet laying, or refuse hauling if paid for in whole or part out of public funds), or (ii) Covered Construction at the Project or Site to (1) pay workers performing such work not less than the Prevailing Rate of Wages, (2) provide the same hours, working conditions and benefits as in each case are provided for similar work performed in San Francisco County, and (3) employ Apprentices in accordance with San Francisco Administrative Code Section 23.61 (collectively, "Prevailing Wage Requirements"). Borrower agrees to cooperate with the City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements.

If applicable, Borrower shall include, and require its Contractors and Subcontractors (regardless of tier) to include, the Prevailing Wage Requirements and the agreement to cooperate in City enforcement actions in any Construction Contract with specific reference to San Francisco Administrative Code Section 23.61. Each such Construction Contract shall name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any Contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Borrower's failure to comply with its obligations under this Section shall constitute a material breach of the Agreement. A Contractor's or Subcontractor's failure to comply with this Section will enable the City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party.

2. Environmental Review. The Project must meet the requirements of the California Environmental Quality Act (Cal. Pub. Res. Code §§ 2100 *et seq.*) and implementing regulations.

3. Conflict of Interest.

(a) Except for approved eligible administrative or personnel costs, no employee, agent, consultant, officer or official of Borrower or the City who exercises or has exercised any function or responsibilities with respect to activities assisted by Funds, in whole or in part, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in or benefit from the activities assisted under this Agreement, or have an interest, direct or indirect, in any contract, subcontract or agreement with respect thereto, or in the proceeds thereunder either for himself/herself or for those with whom he/she has family or business ties, during his/her tenure and for one year thereafter. In order to carry out the purpose of this Section, Borrower must incorporate, or cause to be incorporated, in all contracts, subcontracts and agreements relating to activities assisted under the Agreement, a provision similar to that of this Section. Borrower will

be responsible for obtaining compliance with conflict of interest provisions by the parties with whom it contracts and, in the event of a breach, Borrower must take prompt and diligent action to cause the breach to be remedied and compliance to be restored.

(b) Borrower represents that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2, and Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, and Sections 1090 through 1097 and 87100 *et seq*. of the California Government Code, all of which relate to prohibited conflicts of interest and prohibited contributions in connection with government contracts. Borrower certifies that it knows of no facts that constitute a violation of any of these provisions and agrees to notify the City immediately if Borrower at any time obtains knowledge of facts constituting a violation. The City will notify its Ethics Commission of the parties to this Agreement in accordance with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code.

(c) In the event of any violation of the conflict of interest prohibitions, Borrower agrees that the City may refuse to consider any future application for funding from Borrower or any entity related to Borrower until the violation has been corrected to the City's satisfaction, in the City's sole discretion.

4. Disability Access. Borrower must comply with all applicable disability access Laws, including the Americans With Disabilities Act (42 U.S.C. §§ 1201 *et seq.*), Section 504 of the Rehabilitation Act (29 U.S.C. § 794) and the Fair Housing Amendments Act (42 U.S.C. §§ 3601 *et seq.*). Borrower is responsible for determining which disability access Laws apply to the Project, including those applicable due to the use of Funds. In addition, before occupancy of the Project, Borrower must provide to the City a written reasonable accommodations policy that indicates how Borrower will respond to requests by disabled individuals for accommodations in Units and common areas of the Project.

5. Lead-Based Paint. Borrower must satisfy the requirements of Chapter 36 of the San Francisco Building Code ("Work Practices for Exterior Lead-Based Paint") and the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4821 *et seq*.) and implementing regulations at 24 CFR part 35. Borrower must also comply with the provisions contained in 17 CCR 350000 *et seq.*, and 8 CCR 1532.1 and all other applicable Laws governing lead-based hazards.

6. Relocation. Borrower must meet any applicable requirements of the California Relocation Assistance Act (Cal. Gov. Code §§ 7260 *et seq*.) and implementing regulations in Title 25, Chapter 6 of the California Administrative Code and similar Laws. Borrower may use vacant Units in the Project to accommodate the temporary relocation of Qualified Tenants in other Small Sites Program Projects to complete rehabilitation for a period of up to 30 days, during which time, relocated Qualified Tenants must sign a relocation lease, approved as to form by the City, giving the relocated Qualified Tenant temporary right to the Unit for no more than a 30 day period. The use of Small Sites Program Units for temporary relocation applies only to other Small Sites Program Qualified Tenants and not to tenants residing in properties subject to other funding sources and/or program regulations.

7. First Source Hiring. Borrower agrees to comply with San Francisco Administrative Code, Chapter 83, as applicable.

8. Non-Discrimination in City Contracts and Benefits Ordinance.

(a) Borrower Shall Not Discriminate. In the performance of this Agreement, Borrower agrees not to discriminate against any employee, City and County employee working with Borrower or any subcontractor, applicant for employment with Borrower or any subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services or membership in all business, social or other establishments or organizations operated by Borrower on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, height, weight, 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. Borrower 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. Borrower's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(c) Non-Discrimination in Benefits. Borrower 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, Borrower shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form CMD-12B-101) with supporting documentation and secure the approval of the executed form by the San Francisco Contract Monitoring Division.

(e) Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B ("Nondiscrimination in Contracts") and 12C ("Nondiscrimination in Property Contracts") 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. Borrower 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, Borrower understands that pursuant to Sections 12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of $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 Borrower and/or deducted from any payments due Borrower.

9. MacBride Principles. 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. The 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 Borrower acknowledges and agrees that he or she has read and understood this Section.

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

11. Preservative-Treated Wood Containing Arsenic. Borrower may not purchase preservative-treated wood products containing arsenic until the SSP Deed of Trust and PASS Deed of Trust have been fully reconveyed unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of 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. Borrower 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 Borrower 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.

12. Submitting False Claims; Monetary Penalties. Any borrower, grantee, contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A borrower, grantee, contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the borrower, grantee, contractor, subcontractor or consultant:

(a) knowingly presents or causes to be presented to an officer or employee of the 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 the City;

(c) conspires to defraud the City by getting a false claim allowed or paid by the 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 the City; or

(e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

13. Sunshine Ordinance.

(a) Borrower 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 Borrower 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. Further, Borrower specifically agrees that any meeting of the governing body of its general partner/manager that addresses any matter relating to the Project or to Borrower's performance under this Agreement will be conducted as a passive meeting.

(b) By executing this Agreement, Borrower agrees to comply with the provisions of Chapter 12L of the San Francisco Administrative Code to the extent applicable. By executing this Agreement, Borrower agrees to open its meetings and records to the public in the manner set forth in Sections 12L.4 and 12L.5 of the San Francisco Administrative Code. Borrower 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. Borrower acknowledges that its material failure to comply with any of the provisions of this paragraph shall constitute a material breach of this Agreement. Borrower 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.

(c) In accordance with the Citizen's Right to Know Act of 1998 (S. F. Admin. Code Chapter 79), no officer, department, board or commission of the City may approve a City Project, as defined in Chapter 79, unless a sign has been posted on the applicable property at least fifteen (15) days before approval. A City Project is a project that involves new construction, a change in use or a significant expansion of an existing use where the City funding for the project is $50,000 or more. If the loan will be used for a City Project, this Agreement will not become effective until fifteen (15) days following the posting of the requisite sign, or, in the alternative, thirty (30) days following the delivery of written notices to residents and owners within 300 feet of the Site, and the City will have the right to nullify or revoke this Agreement without cost or liability of any sort whatsoever at any time before that date. If Borrower believes

that this Agreement relates to a City Project and that the requisite sign has not been posted, Borrower must notify the City so that the City may determine the applicability of Chapter 79, and, if necessary, post the requisite sign.

14. Prohibition on Use of Public Funds for Political Activities. Borrower shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Borrower is subject to the enforcement and penalty provisions in Chapter 12G.

15. Nondisclosure of Private Information. Borrower has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12.M.2, "Nondisclosure of Private Information", and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. Borrower agrees that any failure of Borrower to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Agreement, bring a false claim action against Borrower pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar Borrower.

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.

(a) Borrower shall remove all graffiti from any real property owned or leased by Borrower in the City and County of San Francisco within forty eight (48) hours of the earlier of Borrower'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 Borrower 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. §§ 101 et seq.).

(b) Any failure of Borrower to comply with this section of this Agreement shall constitute an Event of Default of this Agreement.

17. Resource-Efficient Building Ordinance. Borrower acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Chapter 7 relating to resource-efficient City buildings and resource-efficient pilot projects. Borrower hereby agrees it shall comply with the applicable provisions of such code sections as such sections may apply to the Property.

18. Consideration of Criminal History in Hiring and Employment Decisions.

(a) Borrower agrees to comply fully with and be bound by all of the provisions of Chapter 12T "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at www.sfgov.org/olse/fco. A partial listing of some of Borrower's obligations under Chapter 12T is set forth in this Section. Borrower is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

(b) The requirements of Chapter 12T shall only apply to a Borrower's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, shall apply only when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco, and shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

(c) Borrower shall incorporate by reference in all subcontracts the provisions of Chapter 12T, and shall require all subcontractors to comply with such provisions. Borrower's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(d) Borrower or Subcontractor shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

(e) Borrower or Subcontractor shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection 16.16(d), above. Borrower or Subcontractor shall not require such disclosure or make such

inquiry until either after the first live interview with the person, or after a conditional offer of employment.

(f) Borrower or Subcontractor shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment to be performed under this Agreement, that the Borrower or Subcontractor will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

(g) Borrower and Subcontractors shall post the notice prepared by the Office of Labor Standards Enforcement (OLSE), available on OLSE's website, in a conspicuous place at every workplace, job site, or other location under the Borrower or Subcontractor's control at which work is being done or will be done in furtherance of the performance of this Agreement. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the workplace, job site, or other location at which it is posted.

(h) Borrower understands and agrees that if it fails to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T, including but not limited to, a penalty of $50 for a second violation and $100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Agreement.

19. Food Service Waste Reduction Requirements. Borrower 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, Borrower agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Borrower 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 Borrower's failure to comply with this provision.

20. Bottled Drinking Water. Unless exempt, Borrower agrees to comply fully with and be bound by all of the provisions of the San Francisco Bottled Water Ordinance, as set forth in San Francisco Environment Code Chapter 24, including the administrative fines, remedies, and implementing regulations provided therein, as the same may be amended from time to time. The provisions of Chapter 24 are incorporated herein by reference and made a part of this Agreement as though fully set forth.

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.

SFCLT TNFF HOLDINGS LLC,
a California limited liability company

By: San Francisco Community Land Trust,
a California nonprofit public benefit corporation
Its: Sole Member

By: _____
Name: Saki Bailey
Title: Executive Director

EXHIBIT G

Form of Annual Monitoring Report

Attached.

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

Mark Farrell
Mayor

Kate Hartley
Director

March 19, 2018

Notice of Availability of 2017 Annual Monitoring Report Form
(plus reminders of Serious Incident Protocol and marketing procedure)

MOHCD is pleased to announce the availability of the Annual Monitoring Report (AMR) forms for Reporting Year 2017 (RY2017). The forms are now available to 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 12, 2018 from 9:30 a.m.-12:15 p.m. See below for more information.

Deadline: For projects whose business year ended December 31, 2017, the report will be due on May 31, 2018 for the period 1/1/17-12/31/17. For any projects whose 2017 business year ended or will end on different dates than those above, the report will be due 5 months from the last date of that business year.)

Submissions for RY2017 and any outstanding reports from prior reporting years will be accepted only in the RY2017 format.

Completion and Submission Instructions

The Annual Monitoring Report consists of the following four parts:

I. AMR_RY2017 – project name.xlsx – This is a Microsoft Excel spreadsheet that is comprised of the following worksheets:

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

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_RY2017.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 2017. 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 "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.

MOHCD's audit requirements call for the preparation of a supplemental section to the financial statements that includes the following for each MOHCD-funded project:

- schedule of operating revenues,
- schedule of operating expenses,
- computation of cash flow/surplus cash
- summary of project reserve activity

The supplemental section may be prepared by using worksheet #7 of the AMR or a form generated by the accounting system of the project owner or the auditor.

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.

AMR Training – April 12, 9:30 a.m.-12:15 p.m.

To facilitate completion of the AMR by project sponsors, MOHCD will conduct a training on from 9:30 a.m. to 12:15 p.m. on Thursday, 4/12, in our office at 1 South Van Ness Avenue, 5th Floor, Room 5080. We strongly encourage the primary staff person who is responsible for completion of the report to

attend and to bring a Wi-Fi enabled lap top computer. 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

Marketing of 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

Asset Management and Compliance Monitoring Team
Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
http://sf-mohcd.org/
P. 415-701-5500
F. 415-701-5501

Annual Monitoring Report - Instructions - Reporting Year 2017 - 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 1/25/2018

1A. Property & Residents

Please follow the instructions provided on the worksheet.

1B. Transitional Programs Only

Use this worksheet to report the activity only of a transitional housing program, including program capacity, number of people served, length of stay and destination upon exit. Please follow the instructions provided on the worksheet.

1C. Eviction Data

MOHCD is required to collect this data by San Francisco Adminstrative Code Sections 20.500-20.508. 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 *first unit in the project* . 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 *first unit in the project* . For tenants who have transferred to another unit in the project, this amount will be different than the amount from the rertification 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 recertificaion 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 minumum 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. **Household Rent Burden.** THIS IS A SELF-CALCULATING CELL - ENTER NO DATA HERE. If the rent burden is 100% or greater, it is likely that the amount of tenant paid rent and/or the amount of HH income is incorrect, please review the data for accuracy. Typically, rent burdens should be 60% or less. If a unit has a rent subsidy, the typical requirement is for tenants to pay 30% of income toward rent.

V. **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.

W. **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.

X. **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.

Gender, Sex at Birth, and Sexual Orientation/Sexual Identity: on June 30, 2017, MOHCD published and distributed a Notice regarding new requirements to collect this demographic data. Click this cell to review the Notice if you have any questions about this.

Gender. Provide info for the Head of Household. The 8 possible answers for Gender are:

- Female
- Male
- Genderqueer/Gender Non-binary
- Trans Female
- Trans Male
- Not listed
- Declined/Not Stated
- Question Not Asked

Sex At Birth. Provide info for the Head of Household. The 5 possible answers for Sex at Birth are:

- Female
- Male
- Decline to Answer
- Not Stated
- Question Not Asked

Sexual Orientation / Sexual Identity. Provide info for the Head of Household. The 7 possible answers for Sexual Orientation / Sexual Identity are:

- Bisexual
- Gay /Lesbian/Same-Gender Loving
- Questioning /Unsure
- Straight/Heterosexual
- Not listed
- Decline to Answer
- Not Stated

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 satisified 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

Program Income Overview

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

MOHCD Insurance Requirements Policy

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

Annual Monitoring Report - Property & Residents - Reporting Year 2017 - Mayor's Office of Housing & Community Development		
#	***IDENTIFYING INFO***	
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")
	CONTACT INFO	
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		**#4** **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		**#5** **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 *prior* 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		Go To WS6	After School Program/s (y/n)
52		Go To WS6	Licensed Day Care Service *(participant fees are allowable for day care ONLY)* (y/n)
53		Go To WS6	Youth Program/s (y/n)
54		Go To WS6	Educational Classes (e.g. basic skills, computer training, ESL) (y/n)
55		Go To WS6	Health and Wellness Services/Programs (y/n)
56		Go To WS6	Employment Services (y/n)
57		Go To WS6	Case Management, Information and Referrals (y/n)
58		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 specifiy in column G.
61		Go To WS6	Other Service #2 - Please specifiy 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 2017 - 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 *TEMPORARILY*	
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 2017 - 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	L	N	P	R
15	**Annual Monitoring Report - Fiscal Activity - Reporting Year 2017 - Mayor's Office of Housing & Community Development**								
16	**INCOME & EXPENSES**					**LOSP REPORTING**		**2a. Net LOSP Revenue for this reporting period - MUST be amount shown on MOHCD LOSP disbursement form, will be pre-filled by MOHCD in cell P17.**	
17	**12 Month Report Period**	**Start Date:**	**1/0/1900**	**End Date:**	**1/0/1900**	**# LOSP Units**	**# non-LOSP Units**	$0.00	<<< Must match LOSP Disbursement Form !
18	**Number of Units--->**	**0**				**0**	*0*	**2b. If the project receives other source/s of Rental Assistance Payments, enter the total amount in cell R20, and the source/s in cell R21.**	
19		**Account**				**Residential Breakdown**			
20	**Description of Income Accounts**	**Number**	**Residential**	**Non-Residential**	**Total**	**LOSP**	**non-LOSP**	Rental Assistance Pmts - OTHER - Amount	
21						***0%***	***0%***	Rental Assistance Pmts - OTHER - Source/s	
22	**Rental Income**							**2c. If the project has been pre-authorized to use an "alternative LOSP split" to allocate the Rental Assistance Payment, enter the LOSP percentage in cell P26.**	
23	Housing Units - Gross Potential Tenant Rents	5120					*$0.00*		
24	Rental Assistance Payments (identify ALL sources in row below if applicable, including LOSP funding)	5121				*$0.00*	*$0.00*	Pre-authorized alternative LOSP split for OTHER source/s of Rental Assistance Payments:	
25	Source/s---->							LOSP	non-LOSP
26	Commercial Unit Rents	5140							*0.00%*
27	**sub-total Gross Rental Income:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	*$0.00*	
28	**Vacancy Loss - enter amounts as negative numbers!**				vacancy rate				
29	Housing Units	5220		**Must click & explain if Residential Vac Rate is > 15%**			*$0.00*	***Columns L, N, P & R are used for LOSP-funded projects. If the project does not receive LOSP funding, ignore these columns, otherwise please follow these data entry instructions for LOSP Projects:***	**5. Cells in Column G with light green highlighting: can be overriden, but only if LOSP-specific expenses are being tracked at entry level in the project's accounting system.**
30	Commercial	5240			0.00%			**1a. LOSP revenue for the reporting period is pre-filled by MOHCD in P17.**	**6. Cells with pink highlighting indicate where alternative percentages can be used to allocate LOSP/non-LOSP, but only with MOHCD written pre-approval; enter the pre-authorized "alternative percentages" from the approved MOHCD LOSP Budget in Column I.**
31	**sub-total Vacancies:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**1b-c. Enter Other Rental Assistance Amount & Source in R20 & R21. Use P26 if the project was approved to use an "alternative split".**	
32								**3. You must enter data in F24. The formula for cell N24 is F24-L24. If all rental subsidy is allocated to LOSP, then F24 should be = L24. If there is any Rental Subsidy allocated to non-LOSP, then use a formula for F24 the amount of nonLOSP subsidy + L24.**	
33	**NET RENTAL INCOME:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**4. Most of the cells in columns L, N P & R auto-calculate.**	
34									
35	**Other Income**								
36	Garage and Parking Spaces	5170				*$0.00*	*$0.00*		
37	Miscellaneous Rent Income	5190				*$0.00*	*$0.00*		
38	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				*$0.00*	*$0.00*		
39	Supportive Services Income Source/s- identify program source(s) if applicable -->								
40	Interest Income - Project Operations (From Operating Account Only)	5400				*$0.00*	*$0.00*	LOSP split calculation	
41	Laundry and Vending	5910				*$0.00*	*$0.00*	LOSP	non-LOSP
42	Tenant Charges	5920				$0.00	*$0.00*		
43	Other Revenue	5990				*$0.00*	*$0.00*		
44	**sub-total Other Income Received:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
45									
46	**TOTAL INCOME RECEIVED:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
47									
48	**INCOME & EXPENSES**								
49		**Account**				**Residential Breakdown**			
50	**Description of Expense Accounts**	**Number**	**Residential**	**Non-Residential**	**Total**	**LOSP**	**non-LOSP**		
51	**Management**					***0%***	***0%***	Pre-authorized alternative LOSP split	
52	Management Fee	6320				*$0.00*	*$0.00*	50.00%	*50.00%*
53	"Above the Line" Asset Management Fee (amount allowable may be limited, see Asset Mgt. Fee Policy)					*$0.00*	*$0.00*		*0.00%*
54	**sub-total Management Expense:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
55	**Salaries/Benefits**							LOSP	non-LOSP
56	Office Salaries	6310				*$0.00*	*$0.00*	50.00%	*50.00%*
57	Manager's Salary	6330				*$0.00*	*$0.00*		*0.00%*
58	Employee Benefits: Health Insurance & Disability Insurance	6723				*$0.00*	*$0.00*		*0.00%*
59	Employee Benefits: Retirement & Other Salary/Benefit Expenses					*$0.00*	*$0.00*		*0.00%*
60	Administrative Rent Free Unit	6331				*$0.00*	*$0.00*		*0.00%*
61	**sub-total Salary/Benefit Expense:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
62	**Administration**								
63	Advertising and Marketing	6210				*$0.00*	*0*		
64	Office Expenses	6311				*$0.00*	*$0.00*	LOSP split calculation	
65	Office Rent	6312				*$0.00*	*$0.00*	LOSP	non-LOSP
66	Legal Expense - Property	6340				$0.00	*$0.00*		
67	Audit Expense	6350				*$0.00*	*$0.00*		
68	Bookkeeping/Accounting Services	6351				*$0.00*	*$0.00*		
69	Bad Debts	6370				$0.00	*$0.00*		
70	Miscellaneous Administrative Expenses **(must click & explain if >$10k)**	6390				*$0.00*	*$0.00*		
71	**sub-total Administrative Expense:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
72	**Utilities**								
73	Electricity	6450				$0.00	*$0.00*		
74	Water	6451				*$0.00*	*$0.00*		
75	Gas	6452				*$0.00*	*$0.00*		
76	Sewer	6453				*$0.00*	*$0.00*		
77	**sub-total Utilities Expense:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
78	**Taxes and Licenses**							Pre-authorized alternative LOSP split	
79	Real Estate Taxes	6710				*$0.00*	*$0.00*	LOSP	non-LOSP
80	Payroll taxes	6711				*$0.00*	*$0.00*		*0.00%*
81	Miscellaneous Taxes, Licenses, and Permits	6719				*$0.00*	*$0.00*		
82	**sub-total Taxes and License Expense:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
83	**Insurance**								
84	Property and Liability Insurance	6720				*$0.00*	*$0.00*	Pre-authorized alternative LOSP split	
85	Fidelity Bond Insurance	6721				*$0.00*	*$0.00*	LOSP	non-LOSP
86	Workers' Compensation	6722				*$0.00*	*$0.00*		*0.00%*
87	Directors & Officers Liabilities Insurance	6724				*$0.00*	*$0.00*		
88	**sub-total Insurance Expense:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
89	**Maintenance and Repairs**								
90	**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).**					**LOSP**	**non-LOSP**	LOSP split calculation	
91	Payroll	6510				*$0.00*	*$0.00*	LOSP	non-LOSP
92	Supplies	6515				$0.00	*$0.00*		
93	Contracts	6520				*$0.00*	*$0.00*		*0.00%*
94	Garbage and Trash Removal	6525				*$0.00*	*$0.00*	Pre-authorized alternative LOSP split for contracts	
95	Security Payroll/Contract	6530				*$0.00*	*$0.00*		*0.00%*
96	HVAC Repairs and Maintenance	6546				*$0.00*	*$0.00*		
97	Vehicle and Maintenance Equipment Operation and Repairs	6570				*$0.00*	*$0.00*		
98	Miscellaneous Operating and Maintenance Expenses **(must click & explain if >$10k)**	6590				*$0.00*	*$0.00*		
99	**sub-total Maintenance Repair Expense:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	Pre-authorized alternative LOSP split	
100	**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				*$0.00*	*$0.00*		*0.00%*
101	**SUB-TOTAL OPERATING EXPENSES:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	LOSP	non-LOSP
102	**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			*$0.00*	*$0.00*		
103	**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.					*$0.00*	*$0.00*		
104	**TOTAL OPERATING EXPENSES:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
105									
106	**Ground Lease Base Rent/Bond Fees/Reserves**	Name of Lessor/ Bond Monitoring Agency/ Reserve Account				**LOSP**	**non-LOSP**	LOSP	non-LOSP
107	Ground Lease - Base Rent (provide Lessor name to the right)				$0.00	*$0.00*	*$0.00*		*0.00%*
108	Bond Monitoring Fee				$0.00	*$0.00*	*$0.00*		*0.00%*
109	Replacement Reserve Required Annual Deposit (Source is Operating Account.) Enter as positive number.	1320			$0.00	*$0.00*	*$0.00*		*0.00%*
110	Operating Reserve Deposits (Source is Operating Account.) Enter as positive number.	1365			$0.00	*$0.00*	*$0.00*		*0.00%*
111	Operating Reserve Account Withdrawals (For deposits to Operating Account.) Enter as positive number.				$0.00	*$0.00*	*$0.00*		*0.00%*
112	Other Required Reserve Account Deposits (Source is Operating Account. Enter as positive number. Identify reserve account in next col) (1330)				$0.00	*$0.00*	*$0.00*	LOSP split calculation	
113	Other Required Reserve Account Withdrawals (For deposit to Operating account. Enter as positive number. Identify account in next col ---->				$0.00	$0.00	*$0.00*		
114	**Sub-total Ground Lease Base Rent/Bond Fees/Reserves**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	LOSP	non-LOSP
115									
116	**TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
117		**Acct Num**	**Residential**	**Non-Residential**	**Total**				
118	**1. TOTAL INCOME RECEIVED:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
119	**2. TOTAL OPERATING EXPENSES:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		

	B	D	F	H	J	L	N	P	R
15	**Annual Monitoring Report - Fiscal Activity - Reporting Year 2017 - Mayor's Office of Housing & Community Development**								
120	**3. NET OPERATING INCOME:**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		

	B	D	F	H	J	L	N	P	R
15	**Annual Monitoring Report - Fiscal Activity - Reporting Year 2017 - Mayor's Office of Housing & Community Development**								
121						**Residential Breakdown**		Pre-authorized alternative LOSP split	
122	**4. Debt Service (Principal and Interest)**	Name of Lender / Describe Other Amt Paid	**Residential**	**Non-Residential**	**Total**	**LOSP**	**non-LOSP**	LOSP	non-LOSP
123	Lender1 - Principal Paid (provide lender name to the right)					*$0.00*	*$0.00*		*0.00%*
124	Interest Paid					*$0.00*	*$0.00*		*0.00%*
125	Other Amount (describe to the right)					*$0.00*	*$0.00*		*0.00%*
126	Lender2 - Principal Paid (provide lender name to the right)					*$0.00*	*$0.00*		*0.00%*
127	Interest Paid					*$0.00*	*$0.00*		*0.00%*
128	Other Amount (describe to the right)					*$0.00*	*$0.00*		*0.00%*
129	Lender3 - Principal Paid (provide lender name to the right)					*$0.00*	*$0.00*		*0.00%*
130	Interest Paid					*$0.00*	*$0.00*		*0.00%*
131	Other Amount (describe to the right)					*$0.00*	*$0.00*		*0.00%*
132	Lender4 - Principal Paid (provide lender name to the right)					*$0.00*	*$0.00*		*0.00%*
133	Interest Paid					*$0.00*	*$0.00*		*0.00%*
134	Other Amount (describe to the right)					*$0.00*	*$0.00*		*0.00%*
135	**Total Debt Service Payments**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
136								Pre-authorized alternative LOSP split	
137	**Surplus Cash, Detail** (NOI minus Debt Service and Reserve Activity)		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	Pre-authorized alternative LOSP split for Non-Res Surplus	
138						*Cells below allocate any non-residential surplus from H137.*		LOSP	non-LOSP
139	**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			*$0.00*	*$0.00*		*0.00%*
140	**Surplus Cash, Total----------->**				**$0.00**	**$0.00**	**$0.00**		
141	***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 calcluation 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.***								
142						**Residential Breakdown**			
143	**USES OF SURPLUS CASH THAT ARE AUTHORIZED TO BE PAID PRIOR TO CALCULATION OF RESIDUAL RECEIPTS PAYMENTS (IF APPLICABLE)**			**Distribution Priority** (select below)	**Leave cells below blank if Surplus Cash is <= $0.**	**LOSP**	**non-LOSP**		
144	**5. Operating Reserve Replenishments** (Deposits made out of surplus cash to satisfy minimum balance requirements).						*$0.00*	Pre-authorized alternative LOSP split for Non-Res Surplus	
145	**6. "Below-the-line" Asset Mgt fee** (prior written authorization from City/SFRA may be required, see Asset Mgt. Fee Policy).						*$0.00*	LOSP	non-LOSP
146	**7a. Partnership Management fee due from this reporting period. if any** (tax credit projects only; not allowed if project is beyond 15-year compliance period).					$0.00	*$0.00*		
147	**7b. 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).						*$0.00*		
148	**8a. 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).					$0.00	*$0.00*		
149	**8b. 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).						*$0.00*	Pre-authorized alternative LOSP split for Non-Res Surplus	
150	**9. Deferred Developer fee, if any**					*$0.00*	*$0.00*		*0.00%*
151	**10. 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				*$0.00*	*$0.00*		*0.00%*
152	**11ai. Debt Pmt to other lender1: Principal Paid** (note lender name to right)					*$0.00*	*$0.00*		*0.00%*
153	**11aii. Debt Pmt to other lender1: Interest Paid**					*$0.00*	*$0.00*		*0.00%*
154	**11bi. Debt Pmt to other lender2: Principal Paid** (note lender name to right)					*$0.00*	*$0.00*		*0.00%*
155	**11bii. Debt Pmt to other lender2: Interest Paid**					*$0.00*	*$0.00*		*0.00%*
156	**Total Payments preceding Residual Receipts Calculation:**				**$0.00**	***$0.00***	***$0.00***		
157									
158	**12. RESIDUAL RECEIPTS**				**$0.00**	***$0.00***	***$0.00***		
159				**Distribution Priority** (select below)	**Leave cells below blank if Surplus Cash is <= $0.**	**LOSP**	**non-LOSP**	Pre-authorized alternative LOSP split for Non-Res Surplus	
160	12a. MOHCD Residual Receipts Due for Loan Repayment					*$0.00*	*$0.00*		
161	12b. MOHCD Residual Receipts Due for Ground Lease Residual Rent Payment					*$0.00*	*$0.00*	0.00%	*100.00%*
162	*12c. Subtotal Residual Receipts Payments to MOHCD*				***$0.00***	***$0.00***	***$0.00***		
163	12d. Residual Receipts Debt Pmt to other lender3 (note lender name to right)					*$0.00*	*$0.00*		*0.00%*
164	12e. Residual Receipts Debt Pmt to other lender4 (note lender name to right)					*$0.00*	*$0.00*		*0.00%*
165	12f. Residual Receipts Debt Pmt to other lender5 (note lender name to right)					*$0.00*	*$0.00*		*0.00%*
166	**Total Residual Recipts Payments:**				**$0.00**	**$0.00**	**$0.00**		
167						**Residential Breakdown**			
168	***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.***					**LOSP**	**non-LOSP**		
169	**Remaining Balance**				**$0.00**	*$0.00*	*$0.00*		
170									
171	**Proposed Owner Distributions** (provide description in column D and enter amount in column J. If an amount is entered, a description is required.)					If L169 is >0, enter that number in J172 & L172 below. The amount will be treated as the LOSP CY surplus.			
172	**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.)						If N169 is >0, you may enter that amount in J171 & N171 above if your LOSP budget allows an owner distribution.		
173									
174	**Final Balance: should be ZERO except when Surplus Cash (cell F136) is negative**				**$0.00**	**$0.00**	**$0.00**		

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RESERVE ACCOUNT DETAILS

OPERATING RESERVE *(Do not leave blanks for any questions asking for a number, enter zero instead.)*

Minimum Required Balance:	
Beginning Balance:	
Actual Annual Deposit (don't edit - taken from page 1 account number 1365):	*$0.00*
Interest Earned:	
Annual Withdrawal Amount (enter as negative number):	
Ending Balance (don't edit cell -- calculated):	$0.00
Required Annual Deposit:	
Total Operating Expenses plus debt service (don't edit cell -- calculated)	*$0.00*
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. 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%*

REPLACEMENT RESERVE (Do not leave blanks for any questions asking for a number, enter zero instead.)

Minimum Required Balance:	
Beginning Balance:	
Actual Annual Deposit:	
Interest Earned:	
Annual Withdrawal Amount (enter as negative number):	
Ending Balance (don't edit cell -- calculated):	$0.00
Required Annual Deposit (do not edit - taken from page 1 account number 1320):	*$0.00*
Describe how the amount of annual deposit and the minimum required balance is determined.	

CHANGES TO REAL ESTATE ASSETS

Enter Beginning and Ending Balances in each of the categories listed below. Changes in asset categories will auto calculate.	Balance, 1/00/1900	Changes	Balance, 1/00/1900
Building & Improvements		$0.00	
Offsite Improvements		$0.00	
Site Improvements		$0.00	
Land Improvements		$0.00	
Furniture, Fixtures & Equipment		$0.00	
Other		$0.00	

Replacement Reserve-Eligible Expenditures: Provide details below about the Capital and non-Capital Expenditures that are Replacement Reserve-eligible.

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 requred in each corresponding cateogry 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 acount 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.

	Capital Repairs and Improvements Funded By:			
Capital Repairs and Improvements - Categories	Replacement Reserve	Operating Account	Other Source	**Total Amount**
Building & Improvements				$0.00
Offsite Improvements				$0.00
Site Improvements				$0.00
Land Improvements				$0.00
Furniture, Fixtures & Equipment				$0.00
Other				$0.00
Total	**$0.00**	**$0.00**	**$0.00**	**$0.00**

Description of Capital Repairs and Improvements

Non-Capital Replacement Reserve Eligible Expenditures (i.e., labor costs): Enter the amounts used to fund non-capital replacement reserve eligiblie expenditures. Use section below to supply explanations.

Source	Amount
Paid out of Operating Budget, to be reimbursed by RR (shows the amount entered in row 103 above)	*$0.00*
Paid Directly from Replacement Reserve	
Other Source	
Explanation of Non-Capital Replacement Reserve Eligible Expenditures — **Total**	**$0.00**

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**

Notes About RR Withdrawal Amount in excess of Total RR-eligible Expenditures:

	B	D	F	H	J	L	N	P	R
15	**Annual Monitoring Report - Fiscal Activity - Reporting Year 2017 - Mayor's Office of Housing & Community Development**								
231	**FEDERAL PROGRAM INCOME REPORT**								
232	**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. For more information, use the following link or copy this web address for manual navigation:**								
233									
234	http://www.sf-moh.org/Modules/ShowDocument.aspx?documentid=5141								
235	**Overview of Federal (HOME and CDBG) Program Income**								
236									
237	**CDBG PROGRAM INCOME**								
238	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, 2017-2018 Action Plans as follows:	AMOUNT	DESCRIPTION						
239	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):								
240	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):								
241	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):								
242	Amount to be deposited for use on future eligible CDBG activities that will be undertaken by June 30, 2016 (provide amount in cell to the right, and activity description and regulation citation in column furthest to the right):								
243	Other (provide amount in cell to the right, plus activity description and regulation citation in column furthest to the right):								
244	**Total CDBG Program Income Calculation**(see instructions for guidance on how to calculate)								
245	***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 2017 reporting period as depicted above.***								

Annual Monitoring Report - Occupancy & Rent Info - Reporting Year 2017 - Mayor's Office of Housing & Community Development

Project Address: | **Data supplied on this worksheet must be from the rent roll of the last month of the reporting period that was entered on worksheet 1A.** | **1/0/1900** | **# Units:** | **0**

- Provide the data requested for the tenant population that was residing in the project at the end of the Reporting Period.
- Identify manager's unit with the unit number, follow by "- Mgr". For example, if the manager occupies Unit 501, in column D, enter "501 - Mgr." For vacant units and manager's units, provide data in columns D, E, P, R and T only.
- For tenants who moved in during the reporting period, the data entered in columns F, G & H (at initial occupancy) should be the same as the data entered in columns I, J & K (within reporting period), respectively.
- For tenants who have transferred units within the project, report the initial occupancy data (occupancy date, income, household size) for the first unit that the tenant occupied in the project, i.e. when they first moved in to the building.
- Before using the "paste" function to enter data in columns E and P (Orange Highlighting in Column Header), please check the drop-down-menus to ensure that the data you are pasting conforms with the choices of the drop-down menu. This will help prevent you from submitting forms with invalid data. Any forms with invalid data will be returned with instructions to fix and resubmit.

C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X
Row Num	Unit No.	Unit Type (Bed / SRO / Studio / 1BR / 2BR / 3BR / 4BR / 5+BR)	Date of INITIAL OCCUPANCY (m/d/yyyy)	Household Annual Income AT INITIAL OCCUPANCY	Household Size AT INITIAL OCCUPANCY (number)	Date Of Most Recent Income Recertification **WITHIN REPORTING PERIOD** (m/d/yyyy)	Household Annual Income as of Most Recent Recertification **WITHIN REPORTING PERIOD**	Household Size (number) as of Most Recent Recertification **WITHIN REPORTING PERIOD**	Min Occupancy for Unit Type (per data entered on worksheet 1A)	Max Occupancy for Unit Type (per data entered on worksheet 1A)	Is the Household Overhoused or Overcrowded?	Overhoused / Overcrowded -- Narrative. (Explanation required for each row where indicator is displayed in Column N and Col O cell shows no highlighting. Describe any extenuating circumstances that justify the Overhoused/Overcrowded status; summarize efforts made to transfer HH to unit of appropriate size.)	Rental Assistance Type **(select "none" if none)**	Amount of Rental Assistance	Amount of Maximum Gross Rent Allowed for Unit (enter $0 if n/a)	Amount Tenant Paid Rent for Unit	Utility Allowance **(Enter $0 if all utilities. are included.)**	HH Rent Burden (tenant paid rent plus utility allowance x 12 / hh income): typically between 30-50%; should never exceed 100%.	Date Of Most Recent Rent Increase **WITHIN THE REPORTING PERIOD** (m/d/yyyy)	Amount of Most Recent Rent Increase **WITHIN THE REPORTING PERIOD**	%age of Rent Increase (calculated, do not enter)
1																					
2																					
3																					
4																					
5																					
6																					
7																					
8																					
9																					
10																					
11																					
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44																					
45																					
46																					
47																					
48																					

Annual Monitoring Report - Demographic Information - Reporting Year 2017 -

Mayor's Office of Housing & Community Development

Project Address:		**Data supplied on this worksheet must be from the rent roll of the last month of the reporting period that was entered on worksheet 1A.**	**1/0/1900**	**# Units:**	**0**

- Provide the data requested for the tenant population that was residing in the project ***at the end of the Reporting Period*** .
- Select one Ethnicity category for the head of household. If unknown, manager's or vacant unit, select "Not Reported".
- Select one Race category for the head of household. If unknown, manager's or vacant unit, select "Not Reported".
- For legacy race and ethnicity data that reports race and ethnicity as a single field, an additional category of "Not Reported" should be used to categorize a head of household's race if it is listed as Latino/Hispanic. In these cases, the person's ethnicity would be listed as Latino/Hispanic and his/her race would be listed as "Not Reported".
- Select one Gender, one Sex and one Sexual Orientation/Identity category for the head of household. If unknown, manager's or vacant unit, select "Question Not Asked". See the Instructions worksheet for a link to additional info about the City ordinance that requires collection of this data beginning in 2017.

C	D	E	F	G	H	I	J	K	L	M	N
Row Num	Unit No.	Unit Type (Bed / SRO / Studio / 1BR / 2BR / 3BR / 4BR / 5+BR)	Household Size (number) as of Most Recent Recertification **WITHIN REPORTING PERIOD**	Ethnicity (select from drop down menu)	Race (select from drop down menu)	Gender (select from drop down menu) **for Occupancies AFTER 6/30/2017**	Sex at Birth (select from drop down menu) **for Occupancies AFTER 6/30/2017**	Sexual Orientation / Sexual Identity (select from drop down menu) **for Occupancies AFTER 6/30/2017**	Elderly House-hold (yes/no)	Number of Children under Age 18 in HH	Disability (select one)
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
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32											
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34											
35											
36											
37											
38											
39											

Annual Monitoring Report - Summary of Reported Household Demographics - Reporting Year 2017 - Mayor's Office of Housing & Community Development

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

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
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 Mental/Devt Disability	0
Households with Tenant with Other Disability	0
Households with Tenant with More than One 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**	

Gender	# Reported Head of HH	% of Total
Female	0	
Male	0	
Genderqueer/Gender Non-binary	0	
Trans Female	0	
Trans Male	0	
Not listed	0	
Declined/Not Stated	0	
Question Not Asked	0	
Total Head of Households	**0**	

Sex At Birth	# Reported Head of HH	% of Total
Female	0	
Male	0	
Decline to Answer	0	
Not Stated	0	
Question Not Asked	0	
Total Head of Households	**0**	

Sexual Orientation / Sexual Identity	# Reported Head of HH	% of Total
Bisexual	0	
Gay /Lesbian/Same-Gender Loving	0	
Questioning /Unsure	0	
Straight/Heterosexual	0	
Not listed	0	
Decline to Answer	0	
Not Stated	0	
Question Not Asked	0	
Total Head of Households	**0**	

Target and Actual Population Served

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

Annual Monitoring Report - Narrative - Reporting Year 2017 - 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 10.

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

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

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.

Annual Monitoring Report - Project Financing - Reporting Year 2017 - Mayor's Office of Housing & Community Development

Provide information 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.

Project Address:

Current Project Financing

Lien Order	**Lender** (and Loan Program if applicable)	**Loan Amount**	**Interest Rate**	**Maturity Date**	**Repayment Terms**	**Monthly Debt Service Payment**	**Outstanding Principal Balance As Of End of Prior Reporting Period**	**Accrued Interest As Of End of Prior Reporting Period**
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								

Annual Monitoring Report - Services Funding - Reporting Year 2017 - Mayor's Office of Housing & Community Development

Completion of this page is required based on your answers to questions 51 thru 61 on worksheet 1A.Prop&Residents. Supply one row of data for each service that is being provided. (If more than one service is being provided by the same Provider under the same grant, please repeat the data for each service provided.)

Project Address:

Current Services Funding

Service Type	Service Provider Name	Street Address where Service is Provided	Name of Funder of this Service	Grant Amount	Grant Start Date	Grant End Date

Project Street Address:

Schedule of Operating Revenues
For the Year Ended January 0, 1900

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

Project Street Address:

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

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

Project Street Address:

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

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

Financial Expenses

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

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

Depreciation & Amortization Expenses

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

6600	Depreciation Expense			$0
6610	Amortization Expense			0
	Operating Profit (Loss) after Deprecieation & Amortization:	**$0**	**$0**	**$0**

Net Entity Expenses

the right.

7190				$0
7190				0
7190				0
7190				0
7190				0
7190				0
7190				0
7190				0
7190				0
7190				0
	Total Net Entity Expenses:	**$0**	**$0**	**$0**
3250	**Change in Total Net Assets from Operations (Net Loss)**	**$0**	**$0**	**$0**

Amount computed in cell E139 should match audited financial statement.

Project Street Address:

Computation of Operating Cash Flow/Surplus Cash
For the Year Ended January 0, 1900

	Total	LOSP	Non-LOSP
Operating Revenue	$0	$0	$0
Interest earned on restricted accounts	0	0	$0
Adjusted Operating Revenue	$0	$0	$0
Operating Expenses	$0	$0	$0
Net Operating Income	$0	$0	$0
Other Activity			
Ground Lease Base Rent	$0	$0	$0
Bond Monitoring Fee	0	0	0
Mandatory Debt Service - Principal	0	0	0
Mandatory Debt Service - Interest	0	0	0
Mandatory Debt Service - Other Amount	0	0	0
Deposits to Replacement Reserve Account	0	0	0
Deposits to Operating Reserve Account	0	0	0
Deposits to Other Restricted Accounts per Regulatory Agreement	0	0	0
Withdrawals from Operating Reserve Account	0	0	0
Withdrawals from Other Required Reserve Account	0	0	0
Total Other Activity:	$0	$0	$0
Allocation of Non-Residential Surplus (LOSP only)		$0	$0
Operating Cash Flow/Surplus Cash:	**$0**	**$0**	**$0**

Distribution of Surplus Cash Ahead of Residual Receipts Payments

Select the Distribution Priority number from Worksheet 2. Fiscal Activity for payments to be paid ***ahead*** *of residual receipts payments.*

	Total	LOSP	Non-LOSP
Total Cash Available for Residual Receipts Distribution:	**$0**	**$0**	**$0**

Distribution of Residual Receipts

Select the Distribution Priority number from Worksheet 2. Fiscal Activity for payments to be paid with remaining residual receipts.

	Total	LOSP	Non-LOSP
Total Residual Receipts Distributions to Lenders:	$0	$0	$0
Proposed Owner Distribution	$0		$0
Proposed Other Distribution/Uses	0	$0	
Total Residual Receipts Distributions to Lenders and Owners:	**$0**	**$0**	**$0**

Project Street Address:

Summary of Replacement Reserve and Operating Reserve Activity
For the Year Ended January 0, 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	$0	$0

Annual Monitoring Report - Completeness Tracker - Reporting Year 2017 - 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: *1/0/00*
Reporting End Date: *1/0/00*

Project Address:

Submission Instructions:
Once all worksheets below are "COMPLETED", email the AMR, completed Owner Compliance Certiication, 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.

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. Prior to submittal, the waiting list must be redacted to exclude any private information that should not be shared publicly, for example, Social Security numbers, ID numbers from other forms of identification, information related to disabilities or other health conditions. Please confer with legal counsel and let MOHCD know if you have any questions prior to submitting a copy of the project's waitlist.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.

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
Is Gender, Sex at Birth, and Sexual Orientation/Identity 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 Auditied Financial Statement, please complete the required data entry.

EXHIBIT H

Tenant Selection Plan Policy

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**. MOHCD shall provide an application to be used prior to the housing lottery. The housing provider agrees to use this application to determine lottery eligibility. 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. All applicants shall be offered the opportunity for an interview in lottery rank order.
- **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.

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[1] *See 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)**

- **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, DPH or HSA.
- **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

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 record[2] 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 7 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.
    - mitigating factors, including, but not limited to:
        - (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;

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[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."

- (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.

EXHIBIT J

Reserved

EXHIBIT K

Reserved

EXHIBIT L

Insurance Requirements

Subject to approval by the City's Risk Manager of the insurers and policy forms, Borrower must obtain and maintain, or caused to be maintained, the insurance and bonds as set forth below from the date of this Agreement throughout the Compliance Term at no expense to the City:

1. Liability Insurance. Borrower must obtain and maintain, or cause its contractors, subcontractors, property managers and/or agents, as appropriate for each, to obtain and maintain, insurance and bonds as follows:

(a) to the extent Borrower or its contractors and subcontractors have "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars ($1,000,000) each accident, injury or illness;

(b) commercial general liability insurance, with limits no less than Two Million Dollars ($2,000,000) combined single limit per occurrence and Four Million Dollars ($4,000,000) annual aggregate limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; products and completed operations; broad form property damage; and explosion, collapse and underground (XCU) coverage during any period in which Borrower is conducting any activity on, alteration or improvement to the Site with risk of explosions, collapse, or underground hazards;

(c) business 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, hired and non-owned auto coverage, as applicable;

(d) professional liability insurance of no less than Two Million Dollars ($2,000,000) per claim and Four Million Dollars ($4,000,000) annual aggregate limit covering all negligent acts, errors and omissions of Borrower's architects, engineers and surveyors. If the professional liability insurance provided by the architects, engineers , or surveryors is "Claims made" coverage, Borrower shall assure that these minimum limits are maintained for no less than three (3) years beyond completion of the constructions or remodeling. Any deductible over Fifty Thousand Dollars ($50,000) each claim must be reviewed by Risk Management; and

(e) a crime policy or fidelity bond covering Borrower's officers and employees against dishonesty with respect to the Funds of no less than Seventy Five Thousand Dollars ($75,000) each loss, with any deductible not to exceed Five Thousand Dollars ($5,000) each loss, including the City as additional obligee or loss payee;

(f) as applicable, pollution liability and/or asbestos pollution liability covering the work being performed with a limit no less than Two Million Dollars ($2,000,000)

per claim or occurrence and Two Million Dollars ($2,000,000) annual aggregate per policy. This coverage shall be endorsed to include Non-Owned Disposal Site coverage. This policy may be provided by the Borrower's contractor, provided that the policy must be "claims made" coverage and Borrower must require Borrower's contractor to maintain these minimum limits for no less than three (3) years beyond completion of the construction or remodeling.

2. Property Insurance.

Borrower must maintain, or cause its contractors and property managers, as appropriate for each, to maintain, insurance and bonds as follows:

(a) Prior to construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all improvements prior to commencement of construction and City property in the care, custody and control of the Borrower or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing; and with a deductible not to exceed Ten Thousand Dollars ($10,000) each loss, including the City and all subcontractors as loss payees.

(b) During the course of construction:

(i) Builder's risk insurance, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Borrower or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such covered perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing, copy of the applicable endorsement to the Builder's Risk policy, if the Builder's Risk policy is issued on a declared-project basis; and with a deductible not to exceed Ten Thousand Dollars ($10,000) each loss, including the City and all subcontractors as loss payees.

(ii) Performance and payment bonds of contractors, each in the amount of One Hundred Percent (100%) of contract amounts, naming the City and Borrower as dual obligees or other completion security approved by the City in its sole discretion.

(c) Upon completion of construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Borrower or its contractor. For rehabilitation/construction projects that are unoccupied by residential or commercial tenants, Borrower must obtain Property Insurance by the date that the project receives a Certificate of Substantial Completion.

(ii) Boiler and machinery insurance, comprehensive form, covering damage to, loss or destruction of machinery and equipment located on the Site that is used by

Borrower for heating, ventilating, air-conditioning, power generation and similar purposes, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment with a deductible not to exceed Ten Thousand Dollars ($10,000) each loss, including the City as loss payee.

The following notice is provided in accordance with the provisions of California Civil Code Section 2955.5: Under California law, no lender shall require a borrower, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property.

3. General Requirements.

(a) General and automobile liability policies of Borrower, contractors, commercial tenants and property managers must include the City, including its Boards, commissions, officers, agents and employees, as an additional insured by endorsement acceptable to the City.

(b) All policies required by this Agreement must be endorsed to provide no less than thirty (30) days' written notice to the City before cancellation or intended non-renewal is effective. The endorsement must provide the City with the same rights as the named insured in the event of cancellation or intended non-renewal.

(c) With respect to any property insurance, Borrower hereby waives all rights of subrogation against the City to the extent of any loss covered by Borrower's insurance, except to the extent subrogation would affect the scope or validity of insurance.

(d) Approval of Borrower's insurance by the City will not relieve or decrease the liability of Borrower under this Agreement.

(e) Any and all insurance policies called for herein must contain a clause providing that the City and its officers, agents and employees will not be liable for any required premium.

(f) The City reserves the right to require an increase in insurance coverage in the event the City determines that conditions show cause for an increase, unless Borrower demonstrates to the City’s satisfaction that the increased coverage is commercially unreasonable and unavailable to Borrower.

(g) All liability policies must provide that the insurance is primary to any other insurance available to the additional insureds with respect to claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought and that an act of omission of one of the named insureds that would void or otherwise reduce coverage will not void or reduce coverage as to any other insured, but the inclusion of more than one insured will not operate to increase the insurer's limit of liability.

(h) Any policy in a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in the general annual aggregate limit must be in amounts that are double the occurrence or claims limits specified above.

(i) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than three (3) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.

(j) Borrower must provide the City with copies of endorsements for each required insurance policy and make each policy available for inspection and copying promptly upon request.

Exhibit M
MOHCD Residual Receipts Policy

Attached.

EXHIBIT M

Mayor's Office of Housing and Community Development
Residual Receipts Policy
Effective April 1, 2016

INTRODUCTION

The Mayor's Office of Housing and Community Development (MOHCD) typically requires annual payments under the Ground Leases and Loans provided for the purpose of developing or preserving affordable housing to the extent that making payments is feasible and does not jeopardize the long-term affordability or maintenance of safe and secure housing for its residents. Payments may be required under one or a combination of several structures, including amortization, deferral, or payment from residual receipts, depending on the circumstances.

When a development financed by MOHCD is projected to enjoy more income than is needed to pay expenses, service other debt, fully fund its reserves, and make approved payments out of surplus, it is MOHCD's policy that a portion of the remaining "residual" income be directed toward repayment of MOHCD's investment.

MOHCD also permits a modest portion of "residual" income to be distributed by the borrower. Distribution of any portion of "residual receipts" is conditioned on MOHCD's annual determination that certain performance standards and benchmarks have been met.

SUMMARY (see below for detailed requirements)

I. Definition of Residual Receipts	As depicted in the approved MOHCD Operating Budget Proforma for each project, the amount remaining in the annual operating budget after calculation of Net Operating Income (Project Income less Project Expenses) and allowable payments of surplus. .
II. Annual Residual Receipts Payments Due to MOHCD	Generally, 2/3^{rds} of residual receipts is payable to the City. Larger Tax Credit projects may be eligible to use an alternative ½ - ½ split for up the first 10 years of a new tax credit period, see the Developer Fee Policy for more details.
III. When more than one MOHCD contract requires residual payments	The approved MOHCD Operating Budget Proforma is a required exhibit to the last-executed MOHCD contract and must reflect a comprehensive summary of approved cash flow waterfall, listing of all lenders, relative lien positions, underlying loan terms and amounts owed to MOHCD annually across all MOHCD contracts.
IV. When a project has other Lenders in addition to MOHCD that require residual payments	The portion to be repaid to each Lender is typically determined by the proportional amount of capital funded under each loan. The approved MOHCD Operating Budget Proforma must include a list of all loans and details about projected amounts owed annually, including how the portion of residual receipts to be paid to each lender will be calculated, if not based on a proportional amount.
V. Conditions to Distribution of Residual Receipts to Borrower	Distribution of Residual Receipts may be made only upon: (1) MOHCD approval of Annual Monitoring Report; (2) determination by MOHCD that borrower is not in default; and (3) approval by MOHCD of amount of

	Distribution.
VI. Use of Residual Receipts Distributed to the Borrower	MOHCD strongly encourages borrowers to use distributions for activities in San Francisco that would be eligible uses under the CDBG Program Income rules (except to the extent that those rules may prohibit the use of funds for new construction).
VII. Uses of Project Income for Services and other Extraordinary Costs Associated with the Project	Any other use of the income derived from housing developed or preserved with MOHCD financing apart from ordinary and routine operating expenses, debt service or required reserves must be approved by the Loan Committee and the Mayor at the time MOHCD financing is committed and approved.
MOHCD Repayment Waiver Option	The repayment waiver option has been terminated.

I. Definition of Residual Receipts

A. Residual Receipts is the amount remaining in the annual operating budget after calculation of Net Operating Income (Project Income less Project Expenses) and allowable payments from surplus.

B. The project-specific Funding Agreements and/or Ground Leases define what Project Income entails and which Project Expenses are allowable. In general, the definition of allowable Project Expenses will include mandatory or "hard" debt service payments, minimum or Base Rent owed under a Ground or Land lease, and required annual payments into Reserve accounts. Each MOHCD contract will include a copy of the approved Operating Budget Proforma.

C. When MOHCD requires repayments from Residual Receipts, the formula usually requires payment of a portion of the available Residual Receipts. The use of a proportional formula makes it is essential to clearly define which uses of surplus cash have been approved for payment prior to the calculation of the amount owed to MOHCD.

D. The approved uses of any available surplus may also be referred to as the cash flow waterfall. The approved MOHCD Operating Budget Proforma is used to document the approved cash flow waterfall. In general, the following expenses may be a part of a cash flow waterfall:
   1. Fees payable to the project, the GP, the LP or the parent entity
   2. Fees payable to project funders
   3. "Soft" debt repayments to lenders / lessors

   Please see the City's Developer Fee Policy and Operating Fees Policy for a list of allowable fees and any applicable limits.

E. Limited Partnership Agreements may also provide a narrative summary of the cash flow waterfall. In the event that a Limited Partnership Agreements is found to be inconsistent with the MOHCD Funding Agreement and/or the approved MOHCD Operating Budget Proforma, the MOHCD documents shall control.

II. Annual Residual Receipts Payments due under MOHCD Ground Leases & Loans

Except as recommended by the Loan Committee and approved by the Mayor on a project by project basis, the portion to be paid to the City shall be 2/3rds of Residual Receipts. Larger Tax Credit projects may be eligible to use an alternative ½ - ½ split for up the first 10 years of a new tax credit period and the borrower's portion of Residual Receipts shall be considered payment of Deferred Developer Fee. See the Developer Fee Policy for more details.

Any residual receipts payments shall be applied toward the unpaid balance of MOHCD loan/s according to the terms in the Promissory Note and/or Funding Agreement, and toward the payments required under the MOHCD Ground Lease.

III. When more than one MOHCD contract requires residual payments:

Some projects supported by MOHCD may be governed by more than one MOHCD contract. The MOHCD Operating Budget Proforma provides a comprehensive summary of the approved cash flow waterfall, a listing of all lenders, the relative position of each lien, the amounts owed and the relevant repayment terms, and will also reflect the cumulative amount of repayments owed to MOHCD annually across all MOHCD contracts. Projects governed by more than one MOHCD contract that extend or initiate a MOHCD contract after the effective date of this policy will be required to get approval of a new MOHCD Operating Budget Proforma.

IV. When a project has other Lenders in addition to MOHCD that require residual payments

A. If any other project lenders besides MOHCD require repayment from residual receipts, the portion to be repaid to each Lender will typically be determined by the proportional amount of capital supplied under each loan. For example, if a project received a $2 million loan from MOHCD and a $3 million loan from another lender, MOHCD would receive 2/5ths of the amount available to be repaid, and the other lender would receive 3/5ths of the amount available to be repaid. The approved MOHCD Operating Budget Proforma must include a list of all Loans and provide an appropriate amount of detail about the projected amounts owed annually including details about how the portions to be paid to each lender will be calculated. If a project makes an agreement with any other lender/s after executing a MOHCD contract containing the final MOHCD-approved Operating Budget Proforma, prior to making any payments to such other lender/s, the project must request and be approved in writing to amend the MOHCD-approved Operating Budget Proforma to include the new lender/s.

B. During operations, MOHCD will require Residual Receipts payments using MOHCD's method of calculating surplus and any amounts owed to the MOHCD. If there is a difference in the amount calculated to be owed to any other lenders under another lender's repayment calculation method when compared to MOHCD method, then each lender will be paid according to its calculation, so long as doing so would not result in a reduction in the amount payable to MOHCD.

V. Conditions to Distribution of Residual Receipts to Borrower

A. Distribution of Residual Receipts to the borrower of a MOHCD loan, or lessee of a MOHCD ground lease, may be made only upon:
   1. MOHCD approval of the Annual Monitoring Report submitted for that year; and
   2. Determination by MOHCD that the borrower is not in default under terms of the Loan; and

3. Approval by MOHCD of the amount to be distributed.

B. No distribution of Residual Receipts shall be made under any of the following circumstances:

1. When a written notice of default has been issued by any lender or investor and such default has not been cured; or
2. When the City determines that the borrower or the borrower's management agent has failed to maintain the housing and its surroundings in a safe and sanitary manner in accordance with local health, building, and housing codes; or
3. If any operating expense, including debt service on non-City loans remains unpaid; or
4. If any required reserve account is not fully funded according to the terms of the MOHCD contract/s; or
5. In the event of any other material failure to comply with the provisions of the MOHCD contract/s.

VI. Use of Residual Receipts Distributed to the Borrower

MOHCD strongly encourages borrowers to use the portion of Residual Receipts that is not applied toward repayment of MOHCD's loan or payment of residual rent under a MOHCD ground lease for activities in San Francisco that would be eligible uses under the CDBG Program Income rules (except to the extent that those rules may prohibit the use of funds for new construction).

VII. Uses of Project Income for Services and other Extraordinary Costs Associated with the Project

A. With the exception of Residual Receipts retained by a borrower pursuant to this policy, any other use of the income derived from housing developed or preserved with MOHCD financing apart from ordinary and routine operating expenses, debt service or required reserves must be approved by the Loan Committee and the Mayor at the time MOHCD financing is committed and approved.

B. The Loan Committee may approve variations of this policy on a project-specific basis, including the payment of costs associated with the provision of social, educational, vocational, counseling or other supportive services to residents either as a project expense or out of that portion of Residual Receipts that would otherwise be repaid to the City.

Exhibit N

Reserved.

Exhibit O

PASS Debt Service Coverage Certification

Attached.

EXHIBIT O

PASS Debt Service Coverage Certification

Project Name:_SFCLT Scattered Sites
Project Owner: SFCLT TNFF Holdings LLC
Project Sponsor: San Francisco Community Land Trust
Total Units: 37
Total Occupied Units: 37
Percentage Occupied: 97%

INCOME		**Total**
Residential - Tenant Rents		557,187
Residential - Tenant Assistance Payments (Non-LOSP)		90,372
Residential - LOSP Tenant Assistance Payments		
Commercial Space		
Residential Parking		3,000
Miscellaneous Rent Income		
Supportive Services Income		
Interest Income - Project Operations		
Laundry and Vending		2,080
Tenant Charges		
Miscellaneous Residential Income		
Other Commercial Income		
Withdrawal from Capitalized Reserve (deposit to operating account)		
Other Income		
	Gross Potential Income	**652,639**
Vacancy Loss - Residential - Tenant Rents		(55,719)
Vacancy Loss - Residential - Tenant Assistance Payments		(4,519)
Vacancy Loss - Commercial		
	EFFECTIVE GROSS INCOME	592,401
OPERATING EXPENSES		
Management		
Management Fee		47,952
Asset Management Fee		47,952
	Sub-total	**95,904**
Salaries/Benefits		
Office Salaries		
Manager's Salary		12,855
Health Insurance and Other Benefits		

Other Salaries/Benefits		
Administrative Rent-Free Unit		20,340
	Sub-total	**33,195**
Administration		
Advertising and Marketing		
Office Expenses		2,271
Office Rent		
Legal Expense - Property		3,342
Audit Expense		9,688
Bookkeeping/Accounting Services		5,292
Bad Debts		16,716
Miscellaneous		
	Sub-total	**37,308**
Utilities		
Electricity		4,911
Water		23,468
Gas		5,030
Sewer		11,268
	Sub-total	**44,676**
Taxes and Licenses		
Real Estate Taxes		25,307
Payroll Taxes		1,605
Miscellaneous Taxes, Licenses and Permits		688
	Sub-total	**27,599**
Insurance		
Property and Liability Insurance		24,672
Fidelity Bond Insurance		
Worker's Compensation		355
Director's & Officers' Liability Insurance		
	Sub-total	**25,027**
Maintenance & Repair		
Payroll		500
Supplies		200
Contracts		54,380
Garbage and Trash Removal		22,176
Security Payroll/Contract		
HVAC Repairs and Maintenance		
Vehicle and Maintenance Equipment Operation and Repairs		
Miscellaneous Operating and Maintenance Expenses		5,637
	Sub-total	**82,894**

Supportive Services		
Commercial Expenses		
TOTAL OPERATING EXPENSES		***346,603***
Reserves/Ground Lease Base Rent/Bond Fees		
Ground Lease Base Rent		
Bond Monitoring Fee		5,000
Replacement Reserve Deposit		13,400
Operating Reserve Deposit		
Other Required Reserve 1 Deposit		
Other Required Reserve 2 Deposit		
Required Reserve Deposit/s, Commercial		
	Sub-total	**18,400**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)		**365,003**
NET OPERATING INCOME (INCOME minus OP EXPENSES)		**227,398**
DEBT SERVICE/MUST PAY PAYMENTS		
Hard Debt - First Lender		147,831
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)		49,895
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		
TOTAL HARD DEBT SERVICE		**197,726**
CASH FLOW (NOI minus DEBT SERVICE)		**29,672**
DEBT SERVICE COVERAGE RATIO		**1.15**

I certify that the information contained herein is true and accurate.
Authorized signatory: _____
Name: Saki Bailey
Date: 5/22/23