Citywide Affordable Housing Loan Committee

San Francisco Mayor's Office of Housing and Community Development
Department of Homelessness and Supportive Housing
Office of Community Investment and Infrastructure

Evaluation of Request for Funding: **Local Operating Subsidy Program (LOSP) Contract Renewal**

Prepared By: Mike McLoone
Loan Committee Date: March 3, 2017

Sponsor Name:	Tenderloin Neighborhood Development Corporation
Project Name:	Mosaica Family Apartments
Project Address:	680 Florida Street 94110 (@19th Street)
Number of Units:	93 units including 24 units set aside for homeless families, (20 LOSP and 4 S+C)

PROPOSED FUNDING: Up to $168,685 Year One budget
Up to $3,616,321 through 15 years

1. SUMMARY AND BACKGROUND

Alabama Street Housing Associates, a California limited partnership ("the Mosaica Partnership"), an affiliate of Tenderloin Neighborhood Development Corporation ("TNDC"), is requesting $3,616,321 in General Funds from the Local Operating Subsidy Program ("LOSP") to subsidize continuing operations for 20 units set aside for formerly homeless people at Mosaica Family Apartments (the "Project") for a period of 15 years.

The Mosaica Partnership is the ownership entity for both Mosaica Family Apartments and Mosaica Senior Apartments.

Mosaica Family Apartments, completed in October 2010, consists of 93 units of family housing with 20 units of supportive housing targeted to homeless families. 20 of the 92 affordable units are restricted to families at incomes of 30% of City AMI or below, with the remaining 72 units serves families at incomes of 60% of City AMI or below.

4 units in the project are supported by a subsidy from the HUD Shelter Plus Care program. These households and the households in the 20 LOSP supported units pay 30% of their income on rent. The remaining units are not supported with project-based subsidy, although one of the current households has a VASH voucher.

The unit mix consists of:

Unit Mix	LOSP	OTHER
1BR	3	3
2BR	13	30
3BR	2	37
4BR	2	2
TOTAL	**20**	**72**

TNDC partners with Lutheran Social Services and the Department of Homelessness and Supportive Housing ("DHSH") to provide supportive services to all of the residents.

The current LOSP grant agreement with The Mosaica Partnership covers a 9-year term, beginning in 2009 and for a total contract amount of $2,115,296.

The general partner of the Mosaica Partnership was originally Stevenson Housing Corporation, an affiliate of Citizen's Housing Corporation. TNDC's affiliate Turk Street Inc., assumed the role of general partner effective October 15, 2010.

The Project's current LOSP contract expires at the end of March, 2018, but the funding has lasted longer than originally projected; the remaining funds will be adequate to fund the needs of the project until the end of 2017. The Project is requesting a new 15-year LOSP contract with the funding period beginning on January 1, 2018.

2. PROJECT PERFORMANCE COMPARED WITH MOHCD SUPPORTIVE HOUSING AND LOSP PORTFOLIOS

2.1. 2015 Operating Expenses

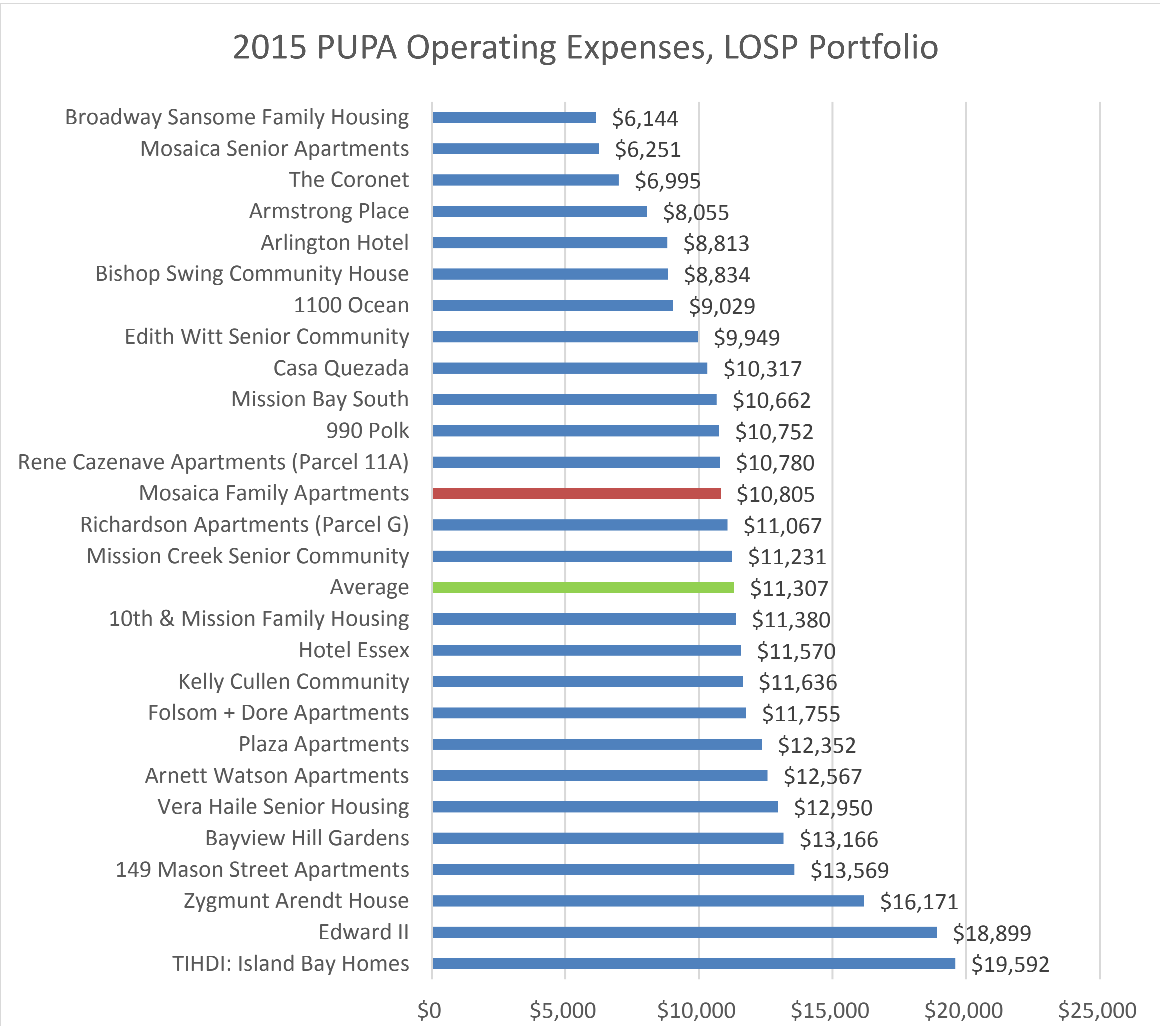
To evaluate the Project's financial performance, operating expenses from 2015, the most current year for which actual operating expenses have been reported, were compared with the operating expenses of projects in MOHCD's supportive housing and LOSP portfolios.

During 2015, MOHCD's portfolio had 91 supportive housing projects. Average total operating expenses (before replacement reserve deposits and hard debt service), averaged $9.7k per unit per year. PUPA operating expenses varied by project size, with Per Unit Per Annum ("PUPA") operating expenses higher for smaller buildings and lower for larger buildings.

Average Operating Expenses Per Unit Per Annum, Supportive Housing Projects, 2015

# Units	# Projects	Average PUPA Operating Expenses
100+	33	$9,212
50-99	41	$10,285
1-49	17	$11,672
All	***91***	***$9,741***

Within MOHCD's LOSP portfolio of 27 projects, operating expenses PUPA ranged from a low of $6.1k to a high of $19.6k, and an average of $11.3k. The Project's 2015 operating expense PUPA, at $10.8k, was below the average and ranks as the thirteenth lowest.



Within the LOSP portfolio, some projects have just 20% LOSP units, while others are 100% LOSP. Average PUPA operating expenses also varies by the percentage of LOSP units within the building. Buildings with a higher percentage of LOSP units were found to cost more to operate.

Average Operating Expenses Per Unit Per Annum by % of LOSP Units, 2015

% of LOSP Units	# Projects	Average PUPA Operating Expenses
66% or more LOSP Units	11	$12,251
20% - 66% LOSP Units	12	$11,049
20% or less LOSP Units	4	$9,487
All	***27***	***$11,307***

The 20 units at the Project designated as LOSP units represent 22% of the unit share; the Project's 2015 PUPA operating expenses of $10.8k is below the average of $11k for projects with a similar percentage of LOSP units.

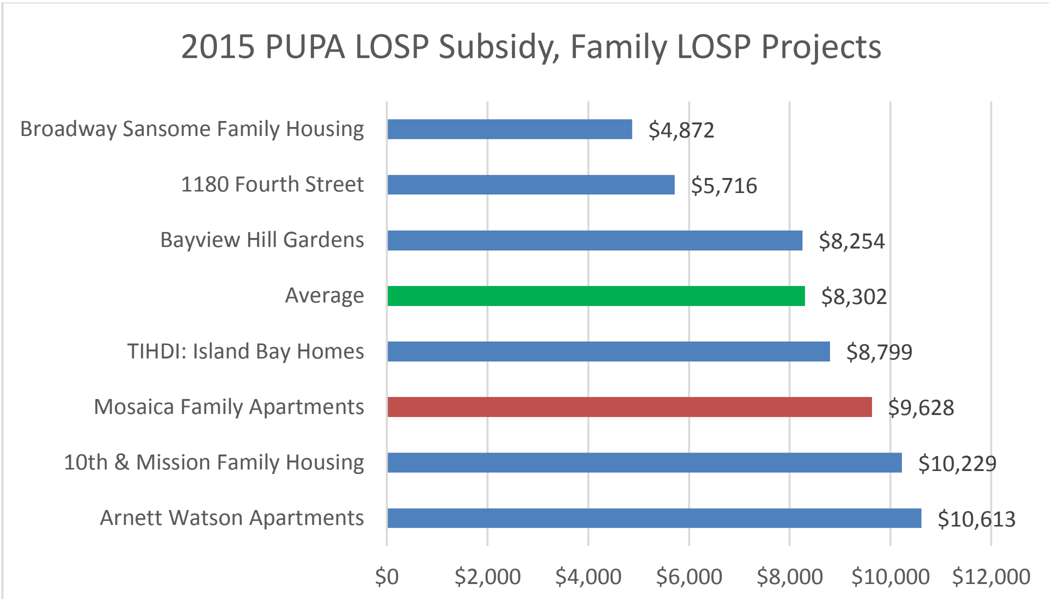
Drilling down to the general expense categories, the Project's 2015 expenditures are around average for management, insurance and maintenance and repairs; and below average for salaries, administration and taxes/licenses; utilities for the Project are considerably higher than the average. TNDC acknowledge that the cost of utilities is high, particularly water, and is analyzing to understand the causes, see below for additional details.

Operating Expenses by Expense Categories, 2015

2015 PUPA Expenses	Mgmt	Salaries/ Benefits	Admin	Utilities	Taxes/ Licenses	Insurance	Maintenance/ Repairs
Mosaica Family Apartments	$965	$1,695	$753	$2,621	$261	$936	$3,489
LOSP Portfolio Average	***$927***	***$2,369***	***$1,297***	***$1,568***	***$365***	***$964***	***$3,412***

2.2. 2015 LOSP Subsidy

The per unit 2015 LOSP subsidy of $9,628 is higher than the average per unit LOSP subsidy of $8,858 across all LOSP projects. Compared with other LOSP projects that serve families, the per unit 2015 LOSP subsidy for the Project was also somewhat higher than the average of $8,302.



3. PROJECT OPERATIONS

3.1. Annual Operating Income Evaluation

Tenant Rent: Tenant paid rents are projected to generate $947,626 in 2017, the first year of budget data supplied in the operating budget workbook attached. Tenant rents are comprised of rents collected from the 68 non-subsidized units, targeted to family households up to 60% Unadjusted AMI, the 20 LOSP households and the 4 S+C households who pay 30% of their income on rent.

2015 gross rent from the 68 non-subsidized 1-bedroom units average $1,005 per month, or about 44% AMI; initial incomes average at 37% AMI and current income of 41%.

LOSP and S+C-subsidized units are deeply affordable; average AMI in 2015 households was about 12% AMI for the S+C units, and 21.65% for the LOSP units; the average tenant-paid rent in the S+C units is approximately $173 and $335 for the LOSP units.

MOHCD noticed in late 2016 that the rents reported by TNDC for some LOSP units appeared to exceed 30% of gross household income; TNDC has confirmed that the Utility Allowance paid by LOSP tenancies was not included when calculating tenant rent. TNDC is working to identify when the problem began and will provide refunds for all LOSP HH's that were overcharged. The analysis has not yet been finalized, but currently shows that a total of 12 LOSP units were overcharged; the overcharges date back to March 2009 for some of the units, and the total amount overcharged is $27k. It is anticipated that the project will have adequate surplus from CY2016 to cover this additional cost.

HUD Rental Subsidy: All of the revenue for the Shelter Plus Care units is earmarked as non-LOSP revenue. 2015 contract rent for the 4 Shelter Plus Care subsidized units is 3BR(2): $3,927; 2BR: $3,320; 1BR: $2,562. The projected 2017 rental subsidy amount, at $191,424, or $15,952 per month, reflects an increase of 135% since 2015; the project will benefit significantly from the impact of the increased FMRs in 2017.

LOSP Subsidy: The LOSP subsidy is designed to fill any operating deficit existing for the LOSP units. The first year LOSP subsidy requested for the 20 LOSP units is $168,685 ($8,434/PUPA and $703/PUPM) and is shown in the attached operating budget. This is a significant reduction of 25% in the amount of the LOSP subsidy requested for 2017 under the existing contract ($224,834). This reduction is attributable to the revised approach that is being used to split the expenses between the LOSP and non-LOSP units, see section 3.2 below for additional info.

Other Income: Approximately $35k is anticipated to be generated from laundry, various tenant charges and miscellaneous income, and will be split pro-rata among the LOSP and non-LOSP units. As tenant charges can be tracked to the specific LOSP/non-LOSP unit, those revenues will be booked accordingly.

Vacancy: The operating budget assumes a 1% vacancy on the LOSP and non-LOSP units, based on project history; the average vacancy over the past 4 years is .88%.

3.2. Annual Operating Expenses Evaluation

The annual operating expenses projected for 2017 of the operating budget, before debt service and reserves, are projected at $1,045,586 or $11,243 PUPA. This reflects a 4.05% increase above 2015 operating expenses, which is a bit less than the average rate of increase of 5.5% for the past 4 years.

Allocation between LOSP/Non-LOSP Units:
In buildings where less than 100% of the affordable units are LOSP, the LOSP budget allocates income and expenses pro-rata across LOSP/Non-LOSP units.

In recognition that the share of income or expense for some budget items may not happen according to the pro-rata split, and especially in recognition that LOSP tenancies may cost the project more than the pro-rata split provides, MOHCD allows the use of alternative splits. Sponsors must provide rationale for any alternative or project splits that are proposed.

At the time when the Project's current LOSP budget and contract was approved, MOHCD allowed project sponsors to use an alternative split for all operating budget line items.

MOHCD policy now requires sponsors to seek approval for alternative splits for specific line-items. Some items are allowed either an alternative split, or a projected split based on actuals, which is allowed if the sponsor's accounting system is able to track income and expenses at the program level.

The pro-rata allocation for the Project is 22% LOSP units and 78% non-LOSP units.

At the time when the current LOSP contract was approved, MOHCD approved the project sponsor's request to use an alternative split of 31% LOSP units and 69% non-LOSP units that was applied to all line items.

Under the new contract for the Project, the pro-rata allocation is 22% LOSP units and 78% non-LOSP units. TNDC has not proposed to use any alternative splits.

The Project consistently generated surplus over the life of the project. This is a sign that prior alternative split across LOSP/Non-LOSP units was overly conservative. TNDC's decision to no longer use the alternative split further affirms that the prior operating budget assumptions were inaccurate.

Staffing:
Staffing is anticipated to remain the same as current staffing levels. The staffing plan includes 5.8 FTE.

Position	**FTE**	**Notes**
General Manager II	.9	1FTE shared by Mosaica Family (.9) & Senior (.1)
Assistant Manager	.9	1FTE shared by Mosaica Family (.9) & Senior (.1)
Custodian	1.8	.72 @ $18/hour, .72 @ $15/hr, .4 @ 16/hr; Shared with Mosaica Senior
Maintenance Supervisor	1.8	2 FTE shared with Mosaica Senior; .9 @ $18/hr, .9 @ $29/hr
Night Manager	.4	Resides in Mgr Unit, paid via rent credit
TOTAL	**5.8**	**= 1 staff per 16 households, 1 staff per 56 residents**

Management Fees:
The Sponsor proposes to collect $64 per unit per month in property management fees, as allowed per HUD published their management fee schedule, and will escalate at 3.5%, per MOHCD policy.

Asset Management Fee: The Sponsor proposes an above the line General Partner Asset Management fee of $15,000, with no escalation; this is well under the cap allowed by MOHCD policy.

Salaries and Benefits: Salaries and benefits are budgeted at $163,595 or $1,759 per unit per year, and covers the salary and benefits of the Resident Manager and Assistant Manager.

Administration: Administration line items are budgeted at $86,963, or $935 per unit per year, and cover typical functions such as legal, office supplies and equipment, bookkeeping and accounting, computers and telephones. The only notable increase is the bookkeeping fee, which is up by over $3k or 24% from 2015. TNDC is raising this fee based on an analysis that the prior bookkeeping fees were not adequately covering accounting team expenses.

Utilities: Utilities (gas, water/sewer, common electric) are budgeted at $255,514, or $2,747 per unit per year. The building is not individually metered for water; the costs for Mosaica Family, Mosaica Senior and Mosaica Commercial is based on covenant with assumed percentages. As noted above, the PUPA for Utilities for Mosaica Family appears to be high. TNDC is using software that analyzes consumption and has found that on a per-resident basis, consumption is within norms. TNDC also reported that one of the commercial tenants was a high user of Water, but that has been stopped. TNDC has agreed to analyze further to determine if the per-project allocation should be revised, and will also assess the cost/benefit of adding metering for Water for the commercial spaces.

Taxes: Taxes are budgeted at $26,017, or $280 per unit per year.

Insurance: Insurance is budgeted at $91,356, or $982 per unit per year, for property and liability and worker's compensation insurance.

Maintenance and Repair: Maintenance and repair costs in Year One are budgeted at $329,058, or $3,538 per unit per year. This line item includes payroll for 1.8 FTE custodial staff and 1.8 FTE maintenance staff; contracts for a janitorial contracting, pest control, grounds, misc. maintenance contracting, and elevator; supplies and garbage and trash removal.

Supportive Services: Supportive services is budgeted at $6,659, or $72 per unit per year, in Year One. The salary of a one TNDC services staff is allocated across 12 properties. (HSH provides an annual supportive services contract of approximately $267k which is separate from this operating budget.)

Replacement Reserve Deposits: Replacement reserve deposits are shown at $600 per unit per year, as required by MOHCD. The next CNA is due to be performed in 2018. Based on the projections from the 2013 CNA, the RR balance will be at or above $400k until year 18, 2034, when the balance drops under $100k; the ending balance after year 20 is just under $200k.

Operating Reserve Deposits: The project has an operating reserve account with a 2017 beginning balance of $255,798, which meets MOHCD's required balance of 25% of the prior year's operating expenses. Contributions from the operating budget of about $10k are projected to be needed over time to maintain the 25% minimum balance.

Debt Service: The project has annual debt service payments of $42,000 to HCD which is the .42% administrative fee for its loan.

Partnership Management and Investor Services Fees: The project pays $12,000 for an annual partnership management fee and another $3,000 for the Limited Partner Asset Management Fee, neither is escalated over time.

3.3. 20-Year Cash Flow

The attached 20-Year Cash Flow Projection shows the estimated amount of annual LOSP subsidy that will be needed for the 15-year grant period. The projection was made using MOHCD's standard underwriting guidelines, with certain adjustments made based on prior trends.

- Non-LOSP tenant rent income trends at 2.5% per year based on MOHCD guidelines, while LOSP tenant rents trend at 0% per year. TNDC has indicated that LOSP tenant rents are difficult to predict and may decrease from year to year. Laundry income, tenant charges, and miscellaneous income trend at 2.5%, per underwriting guidelines.

- Operating expenses trend at 3.5% per year, per MOHCD Underwriting Guidelines, with the exception of:
    - Health Insurance and Other Benefits: 7% annual escalation due to history; for the past 4 years, the average increase has been over 20%.
    - Utilities: 4.5% annual escalation is proposed for Water due to both historical and projected increases.
    - Real Estate Taxes are projected to increase by only 1.2%, based on history.

With the above assumptions, the proforma projects that the non-LOSP units will generate a total of just under $500k in repayments to MOHCD over years 1-15 (2031) of the new LOSP contract; the non-LOSP units are projected to begin running a deficit in year 16, increasing from -$3k to -$86k in year 20.

Year 15 of the tax credit compliance period for the Project is in 2023. TNDC anticipates a withdrawal of the limited partner by 2022, and will begin exploring re-syndication and other refinancing possibilities in 2020 to address the anticipated operating deficits on the non-LOSP units.

4. SUPPORT SERVICES EVALUATION

Through a separate contract with HSH, Lutheran Social Services provides supportive services to 20 formerly homeless families. The current contract term is 7/1/14-6/30/18 in the amount of $267,862, which is tracked in a services budget that is managed separately from the operating budget attached to this evaluation. A total of 3 FTE are funded under the contract, which equates with ratios of 1 staff per 7 LOSP households, or 1 staff per 20 LOSP residents.

The goals of services is to empower tenants to become more self-sufficient, retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence. Support services include but are not limited to tenant outreach, intake and assessment, case management, benefits advocacy and assistance, offsite service referrals, mediation with property management, conflict resolution, support groups, social events and organized tenant activities, monthly community meetings, and clinical consultation.

HSH is pleased with the quality of services provided at the Project as well as coordination between services and property management, which has resulted in a very low turnover percentage; there was one eviction in 2015. The program is meeting service and outcome objectives.

5. CONCLUSION

The Mosaica Family project appears to be operating stably. The amount of funding in the new LOSP contract is considerably less than what was authorized under the prior LOSP contract and more accurately reflects the actual costs of serving the Project's LOSP households.

If the proposed new 15-year LOSP contract is approved, the remaining LOSP subsidy requested for 2017, $82,689, will be disbursed by August 2017, based on the underwriting done for this approval, but under the authority of the existing LOSP contract. The full $168,685 LOSP subsidy requested for calendar year 2018 is anticipated to be disbursed in early January 2018. All disbursements moving forward would happen on a calendar year basis in January each year.

6. RECOMMENDED CONDITIONS

To ensure that the Project remains sustainable, TNDC will continue to monitor expenses closely, with extra attention paid to how the Utilities costs are split across Mosaica Senior, Mosaica Family and the Mosaica Commercial. TNDC will also explore the cost/benefit of adding meters to more precisely track actual Water and Gas usage by project.

7. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

Approval indicates approval with modifications, when so determined by the Committee.

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

Date: 3/3/17

Olson Lee, Director
Mayor's Office of Housing

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

Date: 3-3-17

Kerry Abbott, Deputy Director for Programs
Department of Homelessness and Supportive Housing

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

Date: 3/3/17

for Nadia Sesay, Interim Director
Office of Community Investment and Infrastructure

Attachments:
A. LOSP Program Description
B. 1st Year Operating Budget
C. 20-year Operating Pro Forma
D. LOSP Funding Schedule A

Attachment A: LOSP Program Description

As part of the City and County of San Francisco's effort to address the needs of the growing homeless population, the City has prioritized the development of non-profit owned and operated permanent supportive housing for formerly homeless individuals and families. While capital financing can be leveraged for this population, stakeholders realized these units cannot be feasibly operated at the scale needed if they rely solely on scarce federal or state operating subsidies.

In June 2004, the City launched its *Ten Year Plan to Abolish Chronic Homelessness* (the 2004 10-Year Plan), a multifaceted approach that included a locally funded operating subsidy as a key element and established the Local Operating Subsidy Program (LOSP) in 2006 to support the creation of permanent supportive housing at a large scale. The operating subsidy leverages capital financing by integrating homeless units into Low Income Housing Tax Credit projects without burdening them with operating deficits. LOSP was created by the Mayor's Office of Housing and Community Development (MOHCD) in partnership with the Department of Public Health (DPH) and the Human Services Agency (HSA).

On July 1, 2016, the City's diverse programs addressing homelessness were brought under the new Department of Homelessness and Supportive Housing (HSH), which combines key homeless-serving programs and contracts previously located across several City departments. The new department consolidates the functions of DPH Direct Access to Housing (DAH) and HSA Housing & Homeless programs. San Francisco is developing a Coordinated Entry System (CES) for all homeless populations to best match households to the appropriate intervention and ensure those with the highest needs are prioritized.

Through 15-year grant agreements with MOHCD, which are subject to annual appropriations by the Board of Supervisors, LOSP pays the difference between the cost of operating housing for homeless persons and all other sources of operating revenue for a given project, such as tenant rental payments, commercial space lease payments, or other operating subsidies. HSH refers homeless applicants to the housing units as well as provides services funding to the projects under a separate contract.

This request is a contract renewal of the initial 9-year LOSP grant agreement for Mosaica Family Apartments. As discussed in the Loan Evaluation, MOHCD and HSH have evaluated the Project's performance during the initial contract period and have determined that the property has been well run, and that services provided address the needs of the tenants. Accordingly, MOHCD staff is recommending a renewal of the LOSP grant agreement for a 15-year period, beginning in January 2018, for a full 15-year period from 2018 through the end of 2032.

Contract periods for LOSP contract renewals will transition from a fiscal year basis to a calendar year basis. The full $168,685 LOSP subsidy requested for calendar year 2018 is anticipated to be disbursed in early January 2018 (minus any surplus reported from 2016), and all disbursements moving forward would be on a calendar year basis.

Attachment B: 1st Year Operating Budget

Application Date:	**11/16/2016**	LOSP Units	non-LOSP Units	**Project Name:**	**Apartments**
Total # Units:	**93**	**20**	**73**	**Project Address:**	**680 Florida Street**
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations)**:**	**2017**	LOSP/non-LOSP Allocation		**Project Sponsor:**	**Tenderloin Neighborhood Development Corporation**
		22%	78%		

INCOME	**LOSP**	**non-LOSP**	**Total**	**Comments**
Residential - Tenant Rents	90,161	857,465	947,626	Links from 'Existing Proj - Rent Info' Worksheet
Residential - Tenant Assistance Payments (Non-LOSP)	0	191,424	191,424	Links from 'Existing Proj - Rent Info' Worksheet
Residential - LOSP Tenant Assistance Payments	165,377		165,377	
Commercial Space			0	Links from 'Commercial Op. Budget' Worksheet
Residential Parking	0	0	0	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Rent Income	660	2,340	3,000	2/16: asked TNDC to verify source of income
Supportive Services Income	0	0		
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet
Laundry and Vending	6,600	23,400	30,000	Links from 'Utilities & Other Income' Worksheet
Tenant Charges	304	1,076	1,380	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income' Worksheet
Other Commercial Income			0	Links from 'Commercial Op. Budget' Worksheet
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0		
Gross Potential Income	**263,102**	**1,075,706**	**1,338,807**	
Vacancy Loss - Residential - Tenant Rents	(2,085)	(7,391)	(9,476)	Vacancy loss is 1% of Tenant Rents.
Vacancy Loss - Residential - Tenant Assistance Payments	(421)	(1,493)	(1,914)	Vacancy loss is 1% of Tenant Assistance Payments.
Vacancy Loss - Commercial			0	Links from 'Commercial Op. Budget' Worksheet
EFFECTIVE GROSS INCOME	**260,596**	**1,066,821**	**1,327,417**	***PUPA: 14,273***
OPERATING EXPENSES				
Management				
Management Fee	15,713	55,711	71,424	$64 pupm: $52 Base, $3 non-profit, $5 high crime, $4 BBC,
Asset Management Fee	3,300	11,700	15,000	HCD is more restrictive than MOH policy; non-escalating
Sub-total Management Expenses	**19,013**	**67,411**	**86,424**	***PUPA: 929***
Salaries/Benefits				
Office Salaries	1,322	4,687	6,009	
Manager's Salary	10,778	38,214	48,992	
Health Insurance and Other Benefits	10,325	36,605	46,930	
Other Salaries/Benefits	11,982	42,482	54,464	
Administrative Rent-Free Unit	1,584	5,616	7,200	
Sub-total Salaries/Benefits	**35,991**	**127,604**	**163,595**	***PUPA: 1,759***
Administration				
Advertising and Marketing	0	0	0	
Office Expenses	10,860	38,505	49,365	
Office Rent	0	0	0	
Legal Expense - Property	1,100	3,900	5,000	
Audit Expense	2,899	10,277	13,176	
Bookkeeping/Accounting Services	3,806	13,492	17,298	
Bad Debts	396	1,404	1,800	
Miscellaneous	71	253	324	
Sub-total Administration Expenses	**19,132**	**67,831**	**86,963**	***PUPA: 935***
Utilities				
Electricity	7,204	25,543	32,747	
Water	40,037	141,948	181,985	Higher than projections. 1) High annual rate inflation city-wide for infrastructure investments. 2) Inherently hard to predict without operating experience. For properties which have no operating experience we project based on comps in
Gas	8,972	31,810	40,782	
Sewer	0	0	0	
Sub-total Utilities	**56,213**	**199,301**	**255,514**	***PUPA: 2,747***
Taxes and Licenses				
Real Estate Taxes	503	1,784	2,287	
Payroll Taxes	4,891	17,339	22,230	
Miscellaneous Taxes, Licenses and Permits	330	1,170	1,500	
Sub-total Taxes and Licenses	**5,724**	**20,293**	**26,017**	***PUPA: 280***
Insurance				
Property and Liability Insurance	14,084	49,934	64,018	Lower than original underwriting.
Fidelity Bond Insurance	0	0	0	
Worker's Compensation	6,014	21,324	27,338	Higher than original underwriting. 9011 class rate increases.
Director's & Officers' Liability Insurance	0	0	0	
Sub-total Insurance	**20,098**	**71,258**	**91,356**	***PUPA: 982***
Maintenance & Repair				
Payroll	32,727	116,032	148,759	
Supplies	7,700	27,300	35,000	Higher than original projection. Comparable to other family properties with 20% homeless
Contracts	10,028	35,556	45,584	
Garbage and Trash Removal	12,416	44,019	56,435	Expecting 6% increases every yr., mid-yr. Escalating fr 2015.
Security Payroll/Contract	0	0	0	
HVAC Repairs and Maintenance	1,760	6,240	8,000	
Vehicle and Maintenance Equipment Operation and Repairs	106	374	480	
Miscellaneous Operating and Maintenance Expenses	7,656	27,144	34,800	
Sub-total Maintenance & Repair Expenses	**72,393**	**256,665**	**329,058**	***PUPA: 3,538***
Supportive Services	1,465	5,194	6,659	
Commercial Expenses			0	Links from 'Commercial Op. Budget' Worksheet
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE	***230,029***	***815,557***	***1,045,586***	***PUPA: 11,243*** — 2015: 10,805 4.05%
Reserves/Ground Lease Base Rent/Bond Fees				
Ground Lease Base Rent	0	0	0	Provide additional comments
Bond Monitoring Fee	0	0	0	
Replacement Reserve Deposit	12,276	43,524	55,800	
Operating Reserve Deposit	5,751	20,389	26,140	
Other Required Reserve 1 Deposit	0	0	0	
Other Required Reserve 2 Deposit	0	0	0	
Required Reserve Deposit/s, Commercial			0	Links from 'Commercial Op. Budget' Worksheet
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	**18,027**	**63,913**	**81,940**	***PUPA: 881***
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE	**248,056**	**879,470**	**1,127,526**	***PUPA: 12,124***
NET OPERATING INCOME (INCOME minus OP EXPENSES)	**12,540**	**187,351**	**199,891**	***PUPA: 2,149***
DEBT SERVICE ("hard debt"/amortized loans)				
Hard Debt - First Lender	0	0	0	Provide additional comments
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Le	9,240	32,760	42,000	HCD Loan — Provide additional comments
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	Provide additional comments
Hard Debt - Fourth Lender	0	0	0	Provide additional comments
Commercial Hard Debt Service			0	Links from 'Commercial Op. Budget' Worksheet
TOTAL HARD DEBT SERVICE	**9,240**	**32,760**	**42,000**	***PUPA: 452***
CASH FLOW (NOI minus DEBT SERVICE)	**3,300**	**154,591**	**157,891**	
Commercial Only Cash Flow			0	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	0	0		
AVAILABLE CASH FLOW	**3,300**	**154,591**	**157,891**	
USES OF CASH FLOW BELOW (This row also shows DSCR.)			*4.76*	
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0	0		
Partnership Management Fee (see policy for limits)	2,640	9,360	12,000	2 HCD maximum
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	660	2,340	3,000	1
Other Payments	0	0		
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	0	0		
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	0	0		
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	0	0		Provide additional comments
TOTAL PAYMENTS PRECEDING MOHCD	**3,300**	**11,700**	**15,000**	***PUPA: 161***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	**0**	**142,891**	**142,891**	

Min DSCR:	
Available for DS in Yr 1:	#DIV/0!
Mortgage Rate:	
Term (Years):	
le 1st Mortgage Pmt:	#DIV/0!
Supportable 1st Mortgage Amt:	#DIV/0!
Proposed 1st Mortgage Amt:	$2,323,687

Alternative LOSP Split / Projected LOSP Split	LOSP	non-LOSP	Approved
Residential - Tenant	0.00%	100.00%	
Income			
Tenant Charges	22.00%	78.00%	(only acceptab
Withdrawal from Capitalized Reserve (d			
Management Fee			
Asset Management Fee			
Office Salaries			
Manager's Salary			
Health Insurance and Other Benefits			
Other Salaries/Benefits			
Administrative Rent-Free Unit			
Legal Expense - Prop	22.00%	78.00%	(only acceptab
Bad Debts	22.00%	78.00%	(only acceptab le if
Electricity	22.00%	78.00%	(only acceptab
Real Estate Taxes			
Payroll Taxes			
Worker's Compensation			
Supplies	22.00%	78.00%	(only acceptab le if
Contracts			
Security Payroll/Contract			
Supportive Services			
Replacement Reserve Deposit			
Operating Reserve Deposit			
Other Required Reserve 1 Deposit			
Hard Debt - First Lender			
Hard Debt - Second Lender (HCD Prog			
Hard Debt - Third Lender (Other HCD F			
Hard Debt - Fourth Lender			
Allocation of Commercial Surplus to LO			
Other Payments			
Non-amortizing Loan Pmnt - Lender 1 (			
Deferred Developer Fee (Enter amt <=			

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?	**Yes**	Project has MOHCD ground lease?	**no**
Will Project Defer Developer Fee?	**No**		
Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1:	33%	Sum of DD F from LC	0
% of Residual Receipts available for distribution to **soft debt lenders** in	67%	Ratio of Sum of DDF	#VALUE!

Soft Debt Lenders with Residual Receipts Obligations	*(Select lender name/program from drop down)*	**Total Principal Am**	**Soft Debt Loans**
MOHCD/OCII - Soft Debt Loans	All MOHCD/OCII Loans payable from res. rects	$12,031,930	54.24%
MOHCD/OCII - Ground Lease Value	Ground Lease		0.00%
HCD (soft debt loan) - Lender 3			0.00%
Other Soft Debt Lender - Lender 4	HCD Loan	$10,150,000	45.76%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE				
MOHCD Residual Receipts Amount Due		51,671	51,671	67% of residual receipts, multiplied by 54.24% -- MOHCD's
Proposed MOHCD Residual Receipts Amount to Loan Repayment		51,671	51,671	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		0	0	
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE			**91,220**	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE				
HCD Residual Receipts Amount Due			0	
Lender 4 Residual Receipts Due			43,589	67% of residual receipts, multiplied by 45.76%, HCD Loan's pro rata share of all soft debt
Lender 5 Residual Receipts Due			0	
Total Non-MOHCD Residual Receipts Debt Service			**43,589**	
REMAINDER (Should be zero unless there are distributions below)			**47,630**	
Owner Distributions/Incentive Management Fee			20,467	43% of Borrower share of 33% of residual receipts
Other Distributions/Uses			27,163	to MOH -- no Borrower residual receipt allowed until $2.3m

Attachment C: 20-year Operating Proforma

Mosaica Family Apartments

	LOSP	non-LOSP										
Total # Units:	Units	Units										
93	*20*	*73*		Year 1			Year 2			Year 3		
	22.00%	*78.00%*		2017			2018			2019		
INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total
Residential - Tenant Rents	0.0%	2.5%		90,161	857,465	947,626	90,161	878,902	969,063	90,161	900,875	991,036
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%	Shelter Plus Care and VASH are driven by HUD Fair Market Rents. Past 10 yr history of FMR escalation is 2.5%	-	191,424	191,424	-	196,210	196,210	-	201,115	201,115
Residential - LOSP Tenant Assistance Payments	n/a	n/a		165,377		165,377	168,685		168,685	177,565		177,565
Commercial Space	n/a	0.0%				-			-			-
Residential Parking	0.0%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		660	2,340	3,000	677	2,399	3,075	693	2,458	3,152
Supportive Services Income	0.0%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	0.0%			-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		6,600	23,400	30,000	6,765	23,985	30,750	6,934	24,584	31,518
Tenant Charges	2.5%	2.5%		304	1,076	1,380	311	1,103	1,415	319	1,131	1,450
Miscellaneous Residential Income	0.0%			-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	0.0%				-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-		-	-	
Gross Potential Income				**263,102**	**1,075,706**	**1,338,807**	**266,599**	**1,102,598**	**1,369,197**	**275,672**	**1,130,163**	**1,405,835**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(2,085)	(7,391)	(9,476)	(902)	(8,789)	(9,691)	(902)	(9,009)	(9,910)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(421)	(1,493)	(1,914)	-	(1,962)	(9,810)	-	(10,056)	(10,056)
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME				**260,596**	**1,066,821**	**1,327,417**	**265,697**	**1,091,847**	**1,349,696**	**274,770**	**1,111,099**	**1,385,869**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	schedule.	15,713	55,711	71,424	16,263	57,661	73,924	16,832	59,679	76,511
Asset Management Fee	0.0%	0.0%	No escalation allowed by HCD	3,300	11,700	15,000	3,300	11,700	15,000	3,300	11,700	15,000
Sub-total Management Expenses				**19,013**	**67,411**	**86,424**	**19,563**	**69,361**	**88,924**	**20,132**	**71,379**	**91,511**
Salaries/Benefits												
Office Salaries	3.5%	3.5%		1,322	4,687	6,009	1,368	4,851	6,219	1,416	5,021	6,437
Manager's Salary	3.5%	3.5%		10,778	38,214	48,992	11,155	39,551	50,707	11,546	40,936	52,481
Health Insurance and Other Benefits	7.0%	7.0%	Historically high inflation	10,325	36,605	46,930	11,047	39,168	50,215	11,821	41,910	53,730
Other Salaries/Benefits	3.5%	3.5%		11,982	42,482	54,464	12,401	43,969	56,370	12,836	45,508	58,343
Administrative Rent-Free Unit	3.5%	3.5%		1,584	5,616	7,200	1,639	5,813	7,452	1,697	6,016	7,713
Sub-total Salaries/Benefits				**35,991**	**127,604**	**163,595**	**37,612**	**133,351**	**170,963**	**39,315**	**139,390**	**178,705**
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		10,860	38,505	49,365	11,240	39,852	51,093	11,634	41,247	52,881
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		1,100	3,900	5,000	1,139	4,037	5,175	1,178	4,178	5,356
Audit Expense	3.5%	3.5%		2,899	10,277	13,176	3,000	10,637	13,637	3,105	11,009	14,114
Bookkeeping/Accounting Services	3.5%	3.5%		3,806	13,492	17,298	3,939	13,965	17,903	4,077	14,453	18,530
Bad Debts	2.5%	2.5%	Consistent with rent inflation	396	1,404	1,800	406	1,439	1,845	416	1,475	1,891
Miscellaneous	3.5%	3.5%		71	253	324	74	262	335	76	271	347
Sub-total Administration Expenses				**19,132**	**67,831**	**86,963**	**19,798**	**70,191**	**89,989**	**20,486**	**72,633**	**93,120**
Utilities												
Electricity	3.5%	3.5%		7,204	25,543	32,747	7,456	26,437	33,893	7,717	27,362	35,079
Water	4.5%	4.5%	Historically high inflation	40,037	141,948	181,985	41,838	148,336	190,174	43,721	155,011	198,732
Gas	3.5%	3.5%		8,972	31,810	40,782	9,286	32,923	42,209	9,611	34,076	43,687
Sewer	0.0%			-	-	-	-	-	-	-	-	-
Sub-total Utilities				**56,213**	**199,301**	**255,514**	**58,581**	**207,696**	**266,277**	**61,050**	**216,449**	**277,498**
Taxes and Licenses												
Real Estate Taxes	1.2%	1.2%		503	1,784	2,287	509	1,805	2,314	515	1,827	2,342
Payroll Taxes	3.5%	3.5%		4,891	17,339	22,230	5,062	17,946	23,008	5,239	18,574	23,813
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		330	1,170	1,500	342	1,211	1,553	354	1,253	1,607
Sub-total Taxes and Licenses				**5,724**	**20,293**	**26,017**	**5,912**	**20,962**	**26,875**	**6,108**	**21,654**	**27,762**
Insurance												
Property and Liability Insurance	3.5%	3.5%		14,084	49,934	64,018	14,577	51,682	66,259	15,087	53,491	68,578
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		6,014	21,324	27,338	6,225	22,070	28,295	6,443	22,842	29,285
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				**20,098**	**71,258**	**91,356**	**20,802**	**73,752**	**94,553**	**21,530**	**76,333**	**97,863**
Maintenance & Repair												
Payroll	3.5%	3.5%		32,727	116,032	148,759	33,872	120,093	153,966	35,058	124,296	159,354
Supplies	3.5%	3.5%		7,700	27,300	35,000	7,970	28,256	36,225	8,248	29,244	37,493
Contracts	3.5%	3.5%		10,028	35,556	45,584	10,379	36,800	47,179	10,743	38,088	48,831
Garbage and Trash Removal	3.5%	3.5%		12,416	44,019	56,435	12,850	45,560	58,410	13,300	47,155	60,455
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		1,760	6,240	8,000	1,822	6,458	8,280	1,885	6,684	8,570
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		106	374	480	109	388	497	113	401	514
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		7,656	27,144	34,800	7,924	28,094	36,018	8,201	29,077	37,279
Sub-total Maintenance & Repair Expenses				**72,393**	**256,665**	**329,058**	**74,927**	**265,649**	**340,575**	**77,549**	**274,946**	**352,495**
Supportive Services	3.5%	3.5%		1,465	5,194	6,659	1,516	5,376	6,892	1,569	5,564	7,133
Commercial Expenses						-			-			-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				**230,029**	**815,557**	**1,045,586**	**238,711**	**846,338**	**1,085,048**	**247,739**	**878,348**	**1,126,087**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)						*11,243*						
Reserves/Ground Lease Base Rent/Bond Fees							*Note: Hidden columns are in between total columns. To updat*					
Ground Lease Base Rent				-	-	-	-	-	-	-	-	-
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				12,276	43,524	55,800	12,276	43,524	55,800	12,276	43,524	55,800
Operating Reserve Deposit				5,751	20,389	26,140	2,170	7,695	9,866	2,215	7,854	10,069
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				**18,027**	**63,913**	**81,940**	**14,446**	**51,219**	**65,666**	**14,491**	**51,378**	**65,869**
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				**248,056**	**879,470**	**1,127,526**	**253,157**	**897,557**	**1,150,714**	**262,230**	**929,726**	**1,191,956**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)						*12,124*						
NET OPERATING INCOME (INCOME minus OP EXPENSES)				**12,540**	**187,351**	**199,891**	**12,540**	**194,290**	**198,982**	**12,540**	**181,373**	**193,913**
DEBT SERVICE ("hard debt"/amortized loans)							*Note: Hidden columns are in between total columns. To updat*					
Hard Debt - First Lender				-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				9,240	32,760	42,000	9,240	32,760	42,000	9,240	32,760	42,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-			-			-
TOTAL HARD DEBT SERVICE				**9,240**	**32,760**	**42,000**	**9,240**	**32,760**	**42,000**	**9,240**	**32,760**	**42,000**
CASH FLOW (NOI minus DEBT SERVICE)				**3,300**	**154,591**	**157,891**	**3,300**	**161,530**	**156,982**	**3,300**	**148,613**	**151,913**
Commercial Only Cash Flow						-			-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-	
AVAILABLE CASH FLOW				**3,300**	**154,591**	**157,891**	**3,300**	**161,530**	**156,982**	**3,300**	**148,613**	**151,913**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***			***4.76***			***4.74***			***4.62***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL							*Note: Hidden columns are in between total columns. To updat*					
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0.0%			-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	0.0%			2,640	9,360	12,000	2,640	9,360	12,000	2,640	9,360	12,000
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	660	2,340	3,000	660	2,340	3,000	660	2,340	3,000
Other Payments				-	-	-	-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-	-	-	-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD				**3,300**	**11,700**	**15,000**	**3,300**	**11,700**	**15,000**	**3,300**	**11,700**	**15,000**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				-	142,891	**142,891**	-	149,830	**141,982**	-	136,913	**136,913**

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%*					
			Max Deferred Developer Fee Amt:			
	Dist. Soft Debt Loans		*Cum. Deferred Developer Fee:*	-	-	-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE						
MOHCD Residual Receipts Amount Due	*54.24%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy		51,671	51,343	49,510
Proposed MOHCD Residual Receipts Amount to Loan Repayment				51,671	51,343	49,510
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		Proposed Total MOHCD Amt Due less Loan Repayment		-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE						
HCD Residual Receipts Amount Due	*0.00%*	No HCD Financing		-	-	-
Lender 4 Residual Receipts Due	*45.76%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.		43,589	43,312	41,766
Lender 5 Residual Receipts Due	*0.00%*			-	-	-
Total Non-MOHCD Residual Receipts Debt Service				**43,589**	**43,312**	**41,766**
REMAINDER (Should be zero unless there are distributions below)				**47,630**	**47,327**	**45,638**
Owner Distributions/Incentive Management Fee				20,467	47,327	45,638
Other Distributions/Uses				27,163		
Final Balance (should be zero)				**-**	**-**	**-**
REPLACEMENT RESERVE - RUNNING BALANCE						
Replacement Reserve Starting Balance				**399,895**	**376,445**	**426,228**
Replacement Reserve Deposits				**55,800**	**55,800**	**55,800**
Replacement Reserve Withdrawals (ideally tied to CNA)				**79,250**	**6,017**	**39,371**
Replacement Reserve Interest						
RR Running Balance				**376,445**	**426,228**	**442,657**
OPERATING RESERVE - RUNNING BALANCE						
Operating Reserve Starting Balance				**255,798**	**281,938**	**291,804**
Operating Reserve Deposits				**26,140**	**9,866**	**10,069**
Operating Reserve Withdrawals						
Operating Reserve Interest						
OR Running Balance				**281,938**	**291,804**	**301,872**
				25.00%	25.36%	25.33%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE						
Other Reserve 1 Starting Balance					-	-
Other Reserve 1 Deposits				-	-	-
Other Reserve 1 Withdrawals						
Other Reserve 1 Interest						
Other Required Reserve 1 Running Balance				**-**	**-**	**-**
OTHER RESERVE 2 - RUNNING BALANCE						
Other Reserve 2 Starting Balance					-	-
Other Reserve 2 Deposits				-	-	-
Other Reserve 2 Withdrawals						
Other Reserve 2 Interest						
Other Required Reserve 2 Running Balance				**-**	**-**	**-**

Mosaica Family Apartments

	LOSP Units	non-LOSP Units										
Total # Units:												
93	*20*	*73*		Year 4			Year 5			Year 6		
	22.00%	*78.00%*		2020			2021			2022		
INCOME	**% annual inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Residential - Tenant Rents	0.0%	2.5%		90,161	923,396	1,013,557	90,161	946,481	1,036,642	90,161	970,143	1,060,304
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%	Shelter Plus Care and VASH are driven by HUD Fair Market Rents. Past 10 yr history of FMR escalation is 2.5%	-	206,143	206,143	-	211,296	211,296	-	216,579	216,579
Residential - LOSP Tenant Assistance Payments	n/a	n/a		186,835		186,835	196,482		196,482	203,220		203,220
Commercial Space	n/a	0.0%				-			-			-
Residential Parking	0.0%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		711	2,520	3,231	729	2,583	3,311	747	2,647	3,394
Supportive Services Income	0.0%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	0.0%			-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		7,107	25,199	32,306	7,285	25,829	33,114	7,467	26,475	33,942
Tenant Charges	2.5%	2.5%		327	1,159	1,486	335	1,188	1,523	343	1,218	1,561
Miscellaneous Residential Income	0.0%			-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	0.0%				-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-		-	-	
Gross Potential Income				**285,142**	**1,158,417**	**1,443,559**	**294,992**	**1,187,378**	**1,482,369**	**301,938**	**1,217,062**	**1,519,000**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(902)	(9,234)	(10,136)	(902)	(9,465)	(10,366)	(902)	(9,701)	(10,603)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(10,307)	(10,307)	-	(10,565)	(10,565)	-	(10,829)	(10,829)
Vacancy Loss - Commercial	n/a	n/a				-			-			-
EFFECTIVE GROSS INCOME				**284,240**	**1,138,876**	**1,423,116**	**294,090**	**1,167,348**	**1,461,438**	**301,037**	**1,196,532**	**1,497,568**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	schedule.	17,422	61,767	79,189	18,031	63,929	81,961	18,662	66,167	84,829
Asset Management Fee	0.0%	0.0%	No escalation allowed by HCD	3,300	11,700	15,000	3,300	11,700	15,000	3,300	11,700	15,000
Sub-total Management Expenses				**20,722**	**73,467**	**94,189**	**21,331**	**75,629**	**96,961**	**21,962**	**77,867**	**99,829**
Salaries/Benefits												
Office Salaries	3.5%	3.5%		1,466	5,197	6,662	1,517	5,378	6,895	1,570	5,567	7,137
Manager's Salary	3.5%	3.5%		11,950	42,368	54,318	12,368	43,851	56,219	12,801	45,386	58,187
Health Insurance and Other Benefits	7.0%	7.0%	Historically high inflation	12,648	44,843	57,491	13,533	47,982	61,516	14,481	51,341	65,822
Other Salaries/Benefits	3.5%	3.5%		13,285	47,100	60,385	13,750	48,749	62,499	14,231	50,455	64,686
Administrative Rent-Free Unit	3.5%	3.5%		1,756	6,227	7,983	1,818	6,444	8,262	1,881	6,670	8,551
Sub-total Salaries/Benefits				**41,105**	**145,735**	**186,840**	**42,986**	**152,405**	**195,391**	**44,964**	**159,419**	**204,383**
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		12,041	42,691	54,732	12,462	44,185	56,647	12,899	45,732	58,630
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		1,220	4,324	5,544	1,262	4,475	5,738	1,306	4,632	5,938
Audit Expense	3.5%	3.5%		3,214	11,395	14,608	3,326	11,793	15,120	3,443	12,206	15,649
Bookkeeping/Accounting Services	3.5%	3.5%		4,219	14,959	19,179	4,367	15,483	19,850	4,520	16,025	20,545
Bad Debts	2.5%	2.5%	Consistent with rent inflation	426	1,512	1,938	437	1,550	1,987	448	1,588	2,037
Miscellaneous	3.5%	3.5%		79	280	359	82	290	372	85	300	385
Sub-total Administration Expenses				**21,199**	**75,161**	**96,360**	**21,937**	**77,776**	**99,713**	**22,700**	**80,483**	**103,183**
Utilities												
Electricity	3.5%	3.5%		7,988	28,320	36,307	8,267	29,311	37,578	8,556	30,337	38,893
Water	4.5%	4.5%	Historically high inflation	45,689	161,987	207,675	47,745	169,276	217,020	49,893	176,893	226,786
Gas	3.5%	3.5%		9,947	35,268	45,216	10,296	36,503	46,798	10,656	37,780	48,436
Sewer	0.0%			-	-	-	-	-	-	-	-	-
Sub-total Utilities				**63,624**	**225,574**	**289,198**	**66,307**	**235,089**	**301,397**	**69,105**	**245,010**	**314,116**
Taxes and Licenses												
Real Estate Taxes	1.2%	1.2%		521	1,848	2,370	528	1,870	2,398	534	1,893	2,426
Payroll Taxes	3.5%	3.5%		5,422	19,225	24,647	5,612	19,897	25,509	5,808	20,594	26,402
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		366	1,297	1,663	379	1,343	1,721	392	1,390	1,782
Sub-total Taxes and Licenses				**6,309**	**22,370**	**28,679**	**6,518**	**23,110**	**29,629**	**6,734**	**23,876**	**30,610**
Insurance												
Property and Liability Insurance	3.5%	3.5%		15,615	55,363	70,978	16,162	57,300	73,462	16,727	59,306	76,033
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		6,668	23,642	30,310	6,902	24,469	31,371	7,143	25,326	32,469
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				**22,283**	**79,005**	**101,288**	**23,063**	**81,770**	**104,833**	**23,870**	**84,632**	**108,502**
Maintenance & Repair												
Payroll	3.5%	3.5%		36,285	128,647	164,932	37,555	133,149	170,704	38,869	137,810	176,679
Supplies	3.5%	3.5%		8,537	30,268	38,805	8,836	31,327	40,163	9,145	32,424	41,569
Contracts	3.5%	3.5%		11,119	39,421	50,540	11,508	40,801	52,309	11,911	42,229	54,139
Garbage and Trash Removal	3.5%	3.5%		13,766	48,805	62,571	14,247	50,513	64,761	14,746	52,281	67,027
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		1,951	6,918	8,870	2,020	7,161	9,180	2,090	7,411	9,501
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		117	415	532	121	430	551	125	445	570
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		8,488	30,095	38,583	8,785	31,148	39,934	9,093	32,239	41,331
Sub-total Maintenance & Repair Expenses				**80,263**	**284,569**	**364,833**	**83,072**	**294,529**	**377,602**	**85,980**	**304,838**	**390,818**
Supportive Services	3.5%	3.5%		1,624	5,759	7,383	1,681	5,960	7,641	1,740	6,169	7,909
Commercial Expenses						-			-			-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				**257,129**	**911,641**	**1,168,770**	**266,897**	**946,270**	**1,213,167**	**277,057**	**982,294**	**1,259,351**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees				*e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.*								
Ground Lease Base Rent				-	-	-	-	-	-	-	-	-
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				12,276	43,524	55,800	12,276	43,524	55,800	12,276	43,524	55,800
Operating Reserve Deposit				2,295	8,135	10,430	2,377	8,429	10,806	2,464	8,734	11,198
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				**14,571**	**51,659**	**66,230**	**14,653**	**51,953**	**66,606**	**14,740**	**52,258**	**66,998**
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				**271,700**	**963,300**	**1,235,000**	**281,550**	**998,223**	**1,279,773**	**291,797**	**1,034,552**	**1,326,349**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				**12,540**	**175,576**	**188,116**	**12,540**	**169,125**	**181,665**	**9,240**	**161,980**	**171,220**
DEBT SERVICE ("hard debt"/amortized loans)				*e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.*								
Hard Debt - First Lender				-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				9,240	32,760	42,000	9,240	32,760	42,000	9,240	32,760	42,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-			-			-
TOTAL HARD DEBT SERVICE				**9,240**	**32,760**	**42,000**	**9,240**	**32,760**	**42,000**	**9,240**	**32,760**	**42,000**
CASH FLOW (NOI minus DEBT SERVICE)				**3,300**	**142,816**	**146,116**	**3,300**	**136,365**	**139,665**	**(0)**	**129,220**	**129,220**
Commercial Only Cash Flow						-			-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-	
AVAILABLE CASH FLOW				**3,300**	**142,816**	**146,116**	**3,300**	**136,365**	**139,665**	**(0)**	**129,220**	**129,220**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***			***4.48***			***4.33***			***4.08***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				*e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.*								
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0.0%			-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)	0.0%			2,640	9,360	12,000	2,640	9,360	12,000	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	660	2,340	3,000	660	2,340	3,000	-	-	
Other Payments				-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-		-	-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD				**3,300**	**11,700**	**15,000**	**3,300**	**11,700**	**15,000**	**-**	**-**	**-**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				-	131,116	**131,116**	(0)	124,665	**124,665**	(0)	129,220	**129,220**

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%*	

	Dist. Soft Debt Loans	Comments	Year 4 Total	Year 5 Total	Year 6 Total
MOHCD RESIDUAL RECEIPTS DEBT SERVICE			-	-	-
MOHCD Residual Receipts Amount Due	*54.24%*	loans, and MOHCD residual receipts policy	47,413	45,081	46,728
Proposed MOHCD Residual Receipts Amount to Loan Repayment			47,413	45,081	46,728
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		Proposed Total MOHCD Amt Due less Loan Repayment	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE					
HCD Residual Receipts Amount Due	*0.00%*	No HCD Financing	-	-	-
Lender 4 Residual Receipts Due	*45.76%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.	39,997	38,029	39,419
Lender 5 Residual Receipts Due	*0.00%*		-	-	-
Total Non-MOHCD Residual Receipts Debt Service			**39,997**	**38,029**	**39,419**
REMAINDER (Should be zero unless there are distributions below)			**43,705**	**41,555**	**43,073**
Owner Distributions/Incentive Management Fee			43,705	41,555	43,073
Other Distributions/Uses					
Final Balance (should be zero)			**-**	**-**	**-**
REPLACEMENT RESERVE - RUNNING BALANCE					
Replacement Reserve Starting Balance			**442,657**	**492,440**	**435,273**
Replacement Reserve Deposits			**55,800**	**55,800**	**55,800**
Replacement Reserve Withdrawals (ideally tied to CNA)			**6,017**	**112,967**	**6,017**
Replacement Reserve Interest					
RR Running Balance			**492,440**	**435,273**	**485,055**
OPERATING RESERVE - RUNNING BALANCE					
Operating Reserve Starting Balance			**301,872**	**312,302**	**323,108**
Operating Reserve Deposits			**10,430**	**10,806**	**11,198**
Operating Reserve Withdrawals					
Operating Reserve Interest					
OR Running Balance			**312,302**	**323,108**	**334,306**
			25.29%	25.25%	25.20%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE					
Other Reserve 1 Starting Balance			**-**	**-**	**-**
Other Reserve 1 Deposits			**-**	**-**	**-**
Other Reserve 1 Withdrawals					
Other Reserve 1 Interest					
Other Required Reserve 1 Running Balance			**-**	**-**	**-**
OTHER RESERVE 2 - RUNNING BALANCE					
Other Reserve 2 Starting Balance			**-**	**-**	**-**
Other Reserve 2 Deposits			**-**	**-**	**-**
Other Reserve 2 Withdrawals					
Other Reserve 2 Interest					
Other Required Reserve 2 Running Balance			**-**	**-**	**-**

Mosaica Family Apartments

	LOSP Units	non-LOSP Units
Total # Units: 93	20	73
	22.00%	78.00%

INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 7 2023 LOSP	Year 7 2023 non-LOSP	Year 7 2023 Total	Year 8 2024 LOSP	Year 8 2024 non-LOSP	Year 8 2024 Total	Year 9 2025 LOSP	Year 9 2025 non-LOSP	Year 9 2025 Total
Residential - Tenant Rents	0.0%	2.5%		90,161	994,397	1,084,558	90,161	1,019,257	1,109,418	90,161	1,044,738	1,134,899
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%	Shelter Plus Care and VASH are driven by HUD Fair Market Rents. Past 10 yr history of FMR escalation is 2.5%	-	221,993	221,993	-	227,543	227,543	-	233,232	233,232
Residential - LOSP Tenant Assistance Payments	n/a	n/a		213,666		213,666	224,538		224,538	235,855		235,855
Commercial Space	n/a	0.0%				-			-			-
Residential Parking	0.0%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		765	2,714	3,479	785	2,782	3,566	804	2,851	3,655
Supportive Services Income	0.0%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	0.0%			-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		7,654	27,137	34,790	7,845	27,815	35,660	8,041	28,510	36,552
Tenant Charges	2.5%	2.5%		352	1,248	1,600	361	1,280	1,640	370	1,311	1,681
Miscellaneous Residential Income	0.0%			-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	0.0%				-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-		-	-	
Gross Potential Income				312,598	1,247,489	1,560,087	323,690	1,278,676	1,602,366	335,231	1,310,643	1,645,874
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(902)	(9,944)	(10,846)	(902)	(10,193)	(11,094)	(902)	(10,447)	(11,349)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(11,100)	(11,100)	-	(11,377)	(11,377)	-	(11,662)	(11,662)
Vacancy Loss - Commercial	n/a	n/a				-			-			-
EFFECTIVE GROSS INCOME				311,697	1,226,445	1,538,142	322,788	1,257,106	1,579,894	334,329	1,288,534	1,622,863
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	schedule.	19,316	68,483	87,798	19,992	70,880	90,871	20,691	73,360	94,052
Asset Management Fee	0.0%	0.0%	No escalation allowed by HCD	3,300	11,700	15,000	3,300	11,700	15,000	3,300	11,700	15,000
Sub-total Management Expenses				22,616	80,183	102,798	23,292	82,580	105,871	23,991	85,060	109,052
Salaries/Benefits												
Office Salaries	3.5%	3.5%		1,625	5,762	7,387	1,682	5,963	7,645	1,741	6,172	7,913
Manager's Salary	3.5%	3.5%		13,249	46,974	60,224	13,713	48,619	62,332	14,193	50,320	64,513
Health Insurance and Other Benefits	7.0%	7.0%	Historically high inflation	15,494	54,935	70,429	16,579	58,780	75,359	17,740	62,895	80,634
Other Salaries/Benefits	3.5%	3.5%		14,729	52,221	66,950	15,245	54,049	69,293	15,778	55,941	71,719
Administrative Rent-Free Unit	3.5%	3.5%		1,947	6,903	8,851	2,015	7,145	9,160	2,086	7,395	9,481
Sub-total Salaries/Benefits				47,045	166,795	213,840	49,234	174,556	223,790	51,537	182,723	234,260
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		13,350	47,332	60,682	13,817	48,989	62,806	14,301	50,703	65,004
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		1,352	4,794	6,146	1,400	4,962	6,361	1,448	5,136	6,584
Audit Expense	3.5%	3.5%		3,563	12,633	16,197	3,688	13,076	16,764	3,817	13,533	17,350
Bookkeeping/Accounting Services	3.5%	3.5%		4,678	16,586	21,264	4,842	17,166	22,008	5,011	17,767	22,778
Bad Debts	2.5%	2.5%	Consistent with rent inflation	459	1,628	2,087	471	1,669	2,140	482	1,711	2,193
Miscellaneous	3.5%	3.5%		88	311	398	91	322	412	94	333	427
Sub-total Administration Expenses				23,490	83,284	106,775	24,308	86,183	110,491	25,154	89,182	114,337
Utilities												
Electricity	3.5%	3.5%		8,856	31,398	40,254	9,166	32,497	41,663	9,487	33,635	43,122
Water	4.5%	4.5%	Historically high inflation	52,138	184,854	236,992	54,484	193,172	247,656	56,936	201,865	258,801
Gas	3.5%	3.5%		11,029	39,103	50,131	11,415	40,471	51,886	11,814	41,888	53,702
Sewer	0.0%			-	-	-	-	-	-	-	-	-
Sub-total Utilities				72,023	255,355	327,378	75,065	266,141	341,206	78,237	277,387	355,625
Taxes and Licenses												
Real Estate Taxes	1.2%	1.2%		540	1,915	2,455	547	1,938	2,484	553	1,961	2,514
Payroll Taxes	3.5%	3.5%		6,012	21,315	27,326	6,222	22,061	28,283	6,440	22,833	29,273
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		406	1,438	1,844	420	1,489	1,908	435	1,541	1,975
Sub-total Taxes and Licenses				6,958	24,668	31,625	7,189	25,487	32,676	7,428	26,334	33,762
Insurance												
Property and Liability Insurance	3.5%	3.5%		17,313	61,382	78,694	17,919	63,530	81,449	18,546	65,754	84,299
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		7,393	26,212	33,605	7,652	27,130	34,782	7,920	28,079	35,999
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				24,706	87,594	112,300	25,571	90,660	116,230	26,466	93,833	120,298
Maintenance & Repair												
Payroll	3.5%	3.5%		40,230	142,633	182,863	41,638	147,625	189,263	43,095	152,792	195,887
Supplies	3.5%	3.5%		9,465	33,559	43,024	9,797	34,733	44,530	10,139	35,949	46,088
Contracts	3.5%	3.5%		12,328	43,707	56,034	12,759	45,237	57,996	13,206	46,820	60,025
Garbage and Trash Removal	3.5%	3.5%		15,262	54,111	69,373	15,796	56,005	71,801	16,349	57,965	74,314
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		2,163	7,671	9,834	2,239	7,939	10,178	2,318	8,217	10,534
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		130	460	590	134	476	611	139	493	632
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		9,411	33,367	42,778	9,741	34,535	44,275	10,081	35,743	45,825
Sub-total Maintenance & Repair Expenses				88,989	315,507	404,496	92,104	326,550	418,654	95,327	337,979	433,307
Supportive Services	3.5%	3.5%		1,801	6,385	8,186	1,864	6,608	8,472	1,929	6,840	8,769
Commercial Expenses						-			-			-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				287,628	1,019,771	1,307,398	298,626	1,058,764	1,357,390	310,070	1,099,339	1,409,409
PUPA (w/o Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees												
Ground Lease Base Rent				-	-	-	-	-	-	-	-	-
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				12,276	43,524	55,800	12,276	43,524	55,800	12,276	43,524	55,800
Operating Reserve Deposit				2,553	9,052	11,606	2,646	9,383	12,030	2,744	9,727	12,471
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				14,829	52,576	67,406	14,922	52,907	67,830	15,020	53,251	68,271
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				302,457	1,072,347	1,374,804	313,548	1,111,671	1,425,219	325,089	1,152,590	1,477,679
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				9,240	154,098	163,338	9,240	145,435	154,675	9,240	135,944	145,184
DEBT SERVICE ("hard debt"/amortized loans)												
Hard Debt - First Lender				-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				9,240	32,760	42,000	9,240	32,760	42,000	9,240	32,760	42,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-			-			-
TOTAL HARD DEBT SERVICE				9,240	32,760	42,000	9,240	32,760	42,000	9,240	32,760	42,000
CASH FLOW (NOI minus DEBT SERVICE)				-	121,338	121,338	-	112,675	112,675	0	103,184	103,184
Commercial Only Cash Flow						-			-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-	
AVAILABLE CASH FLOW				-	121,338	121,338	-	112,675	112,675	0	103,184	103,184
USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:			3.89			3.68			3.46
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL												
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0.0%			-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)	0.0%			-	-		-	-		-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-		-	-		-	-	
Other Payments				-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-		-	-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD				-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				-	121,338	121,338	-	112,675	112,675	0	103,184	103,184

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%*	

	Dist. Soft Debt Loans	Comments	Year 7 Total	Year 8 Total	Year 9 Total
MOHCD RESIDUAL RECEIPTS DEBT SERVICE			-	-	-
MOHCD Residual Receipts Amount Due	*54.24%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	43,877	40,745	37,313
Proposed MOHCD Residual Receipts Amount to Loan Repayment			43,877	40,745	37,313
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		Proposed Total MOHCD Amt Due less Loan Repayment	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE					
HCD Residual Receipts Amount Due	*0.00%*	No HCD Financing	-	-	-
Lender 4 Residual Receipts Due	*45.76%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.	37,015	34,372	31,477
Lender 5 Residual Receipts Due	*0.00%*		-	-	-
Total Non-MOHCD Residual Receipts Debt Service			37,015	34,372	31,477
REMAINDER (Should be zero unless there are distributions below)			40,446	37,558	34,395
Owner Distributions/Incentive Management Fee			40,446	37,558	34,395
Other Distributions/Uses					
Final Balance (should be zero)			-	-	-
REPLACEMENT RESERVE - RUNNING BALANCE					
Replacement Reserve Starting Balance			485,055	534,838	422,308
Replacement Reserve Deposits			55,800	55,800	55,800
Replacement Reserve Withdrawals (ideally tied to CNA)			6,017	168,331	6,017
Replacement Reserve Interest					
RR Running Balance			534,838	422,308	472,090
OPERATING RESERVE - RUNNING BALANCE					
Operating Reserve Starting Balance			334,306	345,912	357,941
Operating Reserve Deposits			11,606	12,030	12,471
Operating Reserve Withdrawals					
Operating Reserve Interest					
OR Running Balance			345,912	357,941	370,412
			25.16%	25.11%	25.07%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE					
Other Reserve 1 Starting Balance			-	-	-
Other Reserve 1 Deposits			-	-	-
Other Reserve 1 Withdrawals					
Other Reserve 1 Interest					
Other Required Reserve 1 Running Balance			-	-	-
OTHER RESERVE 2 - RUNNING BALANCE					
Other Reserve 2 Starting Balance			-	-	-
Other Reserve 2 Deposits			-	-	-
Other Reserve 2 Withdrawals					
Other Reserve 2 Interest					
Other Required Reserve 2 Running Balance			-	-	-

Mosaica Family Apartments

	LOSP Units	non-LOSP Units
Total # Units: 93	20	73
	22.00%	78.00%

INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 10 2026 LOSP	Year 10 2026 non-LOSP	Year 10 2026 Total	Year 11 2027 LOSP	Year 11 2027 non-LOSP	Year 11 2027 Total	Year 12 2028 LOSP	Year 12 2028 non-LOSP	Year 12 2028 Total
Residential - Tenant Rents	0.0%	2.5%		90,161	1,070,857	1,161,018	90,161	1,097,628	1,187,789	90,161	1,125,069	1,215,230
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%	Shelter Plus Care and VASH are driven by HUD Fair Market Rents. Past 10 yr history of FMR escalation is 2.5%	-	239,062	239,062	-	245,039	245,039	-	251,165	251,165
Residential - LOSP Tenant Assistance Payments	n/a	n/a		247,635		247,635	259,899		259,899	272,668		272,668
Commercial Space	n/a	0.0%				-			-			-
Residential Parking	0.0%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		824	2,922	3,747	845	2,995	3,840	866	3,070	3,936
Supportive Services Income	0.0%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	0.0%			-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		8,242	29,223	37,465	8,448	29,954	38,402	8,660	30,702	39,362
Tenant Charges	2.5%	2.5%		379	1,344	1,723	389	1,378	1,767	398	1,412	1,811
Miscellaneous Residential Income	0.0%			-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	0.0%				-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-		-	-	
Gross Potential Income				347,242	1,343,409	1,690,650	359,742	1,376,994	1,736,736	372,753	1,411,419	1,784,172
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(902)	(10,709)	(11,610)	(902)	(10,976)	(11,878)	(902)	(11,251)	(12,152)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(11,953)	(11,953)	-	(12,252)	(12,252)	-	(12,558)	(12,558)
Vacancy Loss - Commercial	n/a	n/a				-			-			-
EFFECTIVE GROSS INCOME				346,340	1,320,747	1,667,087	358,840	1,353,766	1,712,606	371,852	1,387,610	1,759,462
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	schedule.	21,416	75,928	97,344	22,165	78,585	100,751	22,941	81,336	104,277
Asset Management Fee	0.0%	0.0%	No escalation allowed by HCD	3,300	11,700	15,000	3,300	11,700	15,000	3,300	11,700	15,000
Sub-total Management Expenses				24,716	87,628	112,344	25,465	90,285	115,751	26,241	93,036	119,277
Salaries/Benefits												
Office Salaries	3.5%	3.5%		1,802	6,388	8,190	1,865	6,612	8,476	1,930	6,843	8,773
Manager's Salary	3.5%	3.5%		14,690	52,081	66,771	15,204	53,904	69,108	15,736	55,791	71,527
Health Insurance and Other Benefits	7.0%	7.0%	Historically high inflation	18,981	67,298	86,279	20,310	72,008	92,318	21,732	77,049	98,781
Other Salaries/Benefits	3.5%	3.5%		16,330	57,898	74,229	16,902	59,925	76,827	17,493	62,022	79,516
Administrative Rent-Free Unit	3.5%	3.5%		2,159	7,654	9,813	2,234	7,922	10,156	2,313	8,199	10,512
Sub-total Salaries/Benefits				53,962	191,319	245,281	56,515	200,371	256,886	59,204	209,904	269,108
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		14,801	52,478	67,279	15,320	54,315	69,634	15,856	56,216	72,071
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		1,499	5,315	6,814	1,552	5,501	7,053	1,606	5,694	7,300
Audit Expense	3.5%	3.5%		3,951	14,007	17,958	4,089	14,497	18,586	4,232	15,005	19,237
Bookkeeping/Accounting Services	3.5%	3.5%		5,187	18,389	23,575	5,368	19,032	24,401	5,556	19,699	25,255
Bad Debts	2.5%	2.5%	Consistent with rent inflation	495	1,753	2,248	507	1,797	2,304	520	1,842	2,362
Miscellaneous	3.5%	3.5%		97	344	442	101	356	457	104	369	473
Sub-total Administration Expenses				26,030	92,287	118,316	26,936	95,499	122,435	27,873	98,824	126,697
Utilities												
Electricity	3.5%	3.5%		9,819	34,812	44,631	10,162	36,030	46,193	10,518	37,292	47,810
Water	4.5%	4.5%	Historically high inflation	59,498	210,949	270,447	62,176	220,441	282,617	64,974	230,361	295,335
Gas	3.5%	3.5%		12,228	43,354	55,582	12,656	44,871	57,527	13,099	46,442	59,540
Sewer	0.0%			-	-	-	-	-	-	-	-	-
Sub-total Utilities				81,545	289,114	370,660	84,994	301,343	386,337	88,591	314,094	402,685
Taxes and Licenses												
Real Estate Taxes	1.2%	1.2%		560	1,984	2,544	566	2,008	2,574	573	2,032	2,605
Payroll Taxes	3.5%	3.5%		6,665	23,632	30,297	6,899	24,459	31,358	7,140	25,315	32,455
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		450	1,595	2,044	465	1,650	2,116	482	1,708	2,190
Sub-total Taxes and Licenses				7,675	27,211	34,885	7,930	28,117	36,048	8,195	29,055	37,250
Insurance												
Property and Liability Insurance	3.5%	3.5%		19,195	68,055	87,250	19,867	70,437	90,304	20,562	72,902	93,464
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		8,197	29,062	37,259	8,484	30,079	38,563	8,781	31,132	39,913
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				27,392	97,117	124,509	28,351	100,516	128,867	29,343	104,034	133,377
Maintenance & Repair												
Payroll	3.5%	3.5%		44,604	158,140	202,743	46,165	163,675	209,839	47,780	169,403	217,184
Supplies	3.5%	3.5%		10,494	37,207	47,701	10,862	38,509	49,371	11,242	39,857	51,099
Contracts	3.5%	3.5%		13,668	48,459	62,126	14,146	50,155	64,301	14,641	51,910	66,551
Garbage and Trash Removal	3.5%	3.5%		16,921	59,994	76,915	17,514	62,094	79,607	18,127	64,267	82,394
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		2,399	8,504	10,903	2,483	8,802	11,285	2,570	9,110	11,680
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		144	510	654	149	528	677	154	547	701
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		10,434	36,994	47,429	10,800	38,289	49,089	11,178	39,629	50,807
Sub-total Maintenance & Repair Expenses				98,664	349,808	448,472	102,117	362,052	464,169	105,691	374,724	480,415
Supportive Services	3.5%	3.5%		1,997	7,079	9,076	2,066	7,327	9,393	2,139	7,583	9,722
Commercial Expenses						-			-			-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				321,979	1,141,564	1,463,543	334,375	1,185,510	1,519,885	347,277	1,231,254	1,578,531
PUPA (w/o Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees												
Ground Lease Base Rent				-	-	-	-	-	-	-	-	-
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				12,276	43,524	55,800	12,276	43,524	55,800	12,276	43,524	55,800
Operating Reserve Deposit				2,845	10,085	12,930	2,950	10,458	13,407	3,059	10,846	13,905
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				15,121	53,609	68,730	15,226	53,982	69,207	15,335	54,370	69,705
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				337,100	1,195,173	1,532,273	349,600	1,239,492	1,589,092	362,612	1,285,624	1,648,235
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				9,240	125,574	134,814	9,240	114,274	123,514	9,240	101,986	111,226
DEBT SERVICE ("hard debt"/amortized loans)												
Hard Debt - First Lender				-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				9,240	32,760	42,000	9,240	32,760	42,000	9,240	32,760	42,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-			-			-
TOTAL HARD DEBT SERVICE				9,240	32,760	42,000	9,240	32,760	42,000	9,240	32,760	42,000
CASH FLOW (NOI minus DEBT SERVICE)				0	92,814	92,814	-	81,514	81,514	-	69,226	69,226
Commercial Only Cash Flow						-			-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-	
AVAILABLE CASH FLOW				0	92,814	92,814	-	81,514	81,514	-	69,226	69,226
USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:			3.21			2.94			2.65
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL												
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0.0%			-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)	0.0%			-	-		-	-		-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-		-	-		-	-	
Other Payments				-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-		-	-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD				-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				0	92,814	92,814	-	81,514	81,514	-	69,226	69,226
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		54.24%	loans, and MOHCD residual receipts policy			33,563			29,476			25,033
Proposed MOHCD Residual Receipts Amount to Loan Repayment						33,563			29,476			25,033
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment			-			-			-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
HCD Residual Receipts Amount Due		0.00%	No HCD Financing			-			-			-
Lender 4 Residual Receipts Due		45.76%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.			28,313			24,866			21,118
Lender 5 Residual Receipts Due		0.00%				-			-			-
Total Non-MOHCD Residual Receipts Debt Service						28,313			24,866			21,118
REMAINDER (Should be zero unless there are distributions below)						30,938			27,171			23,075
Owner Distributions/Incentive Management Fee						30,938			27,171			23,075
Other Distributions/Uses												
Final Balance (should be zero)						-			-			-
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance						472,090			521,873			571,656
Replacement Reserve Deposits						55,800			55,800			55,800
Replacement Reserve Withdrawals (ideally tied to CNA)						6,017			6,017			6,017
Replacement Reserve Interest												
RR Running Balance						521,873			571,656			621,439
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance						370,412			383,342			396,749
Operating Reserve Deposits						12,930			13,407			13,905
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance						383,342			396,749			410,654
						25.02%			24.97%			24.91%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance						-			-			-
Other Reserve 1 Deposits						-			-			-
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance						-			-			-
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						-			-			-
Other Reserve 2 Deposits						-			-			-
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance						-			-			-

Mosaica Family Apartments

	LOSP Units	non-LOSP Units										
Total # Units:				**Year 13**			**Year 14**			**Year 15**		
93	20	73		**2029**			**2030**			**2031**		
	22.00%	78.00%										
INCOME	**% annual inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	**LOSP**	**non-LOSP**	**Total**	**LOSP**	**non-LOSP**	**Total**	**LOSP**	**non-LOSP**	**Total**
Residential - Tenant Rents	0.0%	2.5%		90,161	1,153,196	1,243,357	90,161	1,182,026	1,272,187	90,161	1,211,576	1,301,737
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%	Shelter Plus Care and VASH are driven by HUD Fair Market Rents. Past 10 yr history of FMR escalation is 2.5%	-	257,444	257,444	-	263,880	263,880	-	270,477	270,477
Residential - LOSP Tenant Assistance Payments	n/a	n/a		285,965		285,965	299,813		299,813	314,236		314,236
Commercial Space	n/a	0.0%				-			-			-
Residential Parking	0.0%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		888	3,147	4,035	910	3,226	4,136	933	3,306	4,239
Supportive Services Income	0.0%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	0.0%			-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		8,876	31,470	40,346	9,098	32,257	41,355	9,326	33,063	42,389
Tenant Charges	2.5%	2.5%		408	1,448	1,856	419	1,484	1,902	429	1,521	1,950
Miscellaneous Residential Income	0.0%			-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	0.0%				-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-		-	-	
Gross Potential Income				**386,298**	**1,446,704**	**1,833,003**	**400,400**	**1,482,872**	**1,883,272**	**415,084**	**1,519,944**	**1,935,027**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(902)	(11,532)	(12,434)	(902)	(11,820)	(12,722)	(902)	(12,116)	(13,017)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(12,872)	(12,872)	-	(13,194)	(13,194)	-	(13,524)	(13,524)
Vacancy Loss - Commercial	n/a	n/a				-			-			-
EFFECTIVE GROSS INCOME				**385,397**	**1,422,300**	**1,807,697**	**399,499**	**1,457,858**	**1,857,356**	**414,182**	**1,494,304**	**1,908,486**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	schedule.	23,744	84,183	107,927	24,575	87,129	111,704	25,435	90,179	115,614
Asset Management Fee	0.0%	0.0%	No escalation allowed by HCD	3,300	11,700	15,000	3,300	11,700	15,000	3,300	11,700	15,000
Sub-total Management Expenses				**27,044**	**95,883**	**122,927**	**27,875**	**98,829**	**126,704**	**28,735**	**101,879**	**130,614**
Salaries/Benefits												
Office Salaries	3.5%	3.5%		1,998	7,082	9,080	2,068	7,330	9,398	2,140	7,587	9,727
Manager's Salary	3.5%	3.5%		16,287	57,744	74,030	16,857	59,765	76,621	17,447	61,856	79,303
Health Insurance and Other Benefits	7.0%	7.0%	Historically high inflation	23,253	82,442	105,695	24,881	88,213	113,094	26,622	94,388	121,011
Other Salaries/Benefits	3.5%	3.5%		18,106	64,193	82,299	18,739	66,440	85,179	19,395	68,765	88,161
Administrative Rent-Free Unit	3.5%	3.5%		2,394	8,486	10,880	2,477	8,783	11,260	2,564	9,091	11,655
Sub-total Salaries/Benefits				**62,037**	**219,948**	**281,984**	**65,022**	**230,531**	**295,553**	**68,168**	**241,687**	**309,856**
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		16,411	58,183	74,594	16,985	60,220	77,205	17,580	62,327	79,907
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		1,662	5,893	7,555	1,720	6,099	7,820	1,781	6,313	8,093
Audit Expense	3.5%	3.5%		4,380	15,530	19,910	4,533	16,073	20,607	4,692	16,636	21,328
Bookkeeping/Accounting Services	3.5%	3.5%		5,750	20,388	26,138	5,952	21,102	27,053	6,160	21,840	28,000
Bad Debts	2.5%	2.5%	Consistent with rent inflation	533	1,888	2,421	546	1,935	2,481	560	1,984	2,543
Miscellaneous	3.5%	3.5%		108	382	490	111	395	507	115	409	524
Sub-total Administration Expenses				**28,844**	**102,264**	**131,108**	**29,848**	**105,825**	**135,673**	**30,887**	**109,509**	**140,396**
Utilities												
Electricity	3.5%	3.5%		10,886	38,597	49,483	11,267	39,948	51,215	11,662	41,346	53,007
Water	4.5%	4.5%	Historically high inflation	67,897	240,727	308,625	70,953	251,560	322,513	74,146	262,880	337,026
Gas	3.5%	3.5%		13,557	48,067	61,624	14,032	49,749	63,781	14,523	51,491	66,014
Sewer	0.0%			-	-	-	-	-	-	-	-	-
Sub-total Utilities				**92,341**	**327,391**	**419,732**	**96,252**	**341,257**	**437,509**	**100,330**	**355,717**	**456,047**
Taxes and Licenses												
Real Estate Taxes	1.2%	1.2%		580	2,056	2,636	587	2,080	2,667	594	2,105	2,699
Payroll Taxes	3.5%	3.5%		7,390	26,201	33,591	7,649	27,118	34,767	7,916	28,067	35,984
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		499	1,768	2,267	516	1,830	2,346	534	1,894	2,428
Sub-total Taxes and Licenses				**8,469**	**30,025**	**38,493**	**8,752**	**31,028**	**39,780**	**9,044**	**32,066**	**41,111**
Insurance												
Property and Liability Insurance	3.5%	3.5%		21,282	75,454	96,736	22,027	78,095	100,121	22,798	80,828	103,626
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		9,088	32,221	41,310	9,406	33,349	42,755	9,735	34,516	44,252
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				**30,370**	**107,675**	**138,045**	**31,433**	**111,444**	**142,877**	**32,533**	**115,344**	**147,877**
Maintenance & Repair												
Payroll	3.5%	3.5%		49,453	175,332	224,785	51,184	181,469	232,653	52,975	187,820	240,795
Supplies	3.5%	3.5%		11,635	41,252	52,887	12,042	42,696	54,738	12,464	44,190	56,654
Contracts	3.5%	3.5%		15,154	53,727	68,881	15,684	55,607	71,291	16,233	57,554	73,787
Garbage and Trash Removal	3.5%	3.5%		18,761	66,516	85,277	19,418	68,844	88,262	20,097	71,254	91,351
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		2,659	9,429	12,089	2,753	9,759	12,512	2,849	10,101	12,950
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		160	566	725	165	586	751	171	606	777
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		11,569	41,016	52,585	11,974	42,452	54,426	12,393	43,938	56,331
Sub-total Maintenance & Repair Expenses				**109,390**	**387,839**	**497,229**	**113,219**	**401,413**	**514,632**	**117,182**	**415,463**	**532,645**
Supportive Services	3.5%	3.5%		2,214	7,849	10,062	2,291	8,123	10,414	2,371	8,408	10,779
Commercial Expenses						-			-			-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				**360,708**	**1,278,873**	**1,639,581**	**374,691**	**1,328,451**	**1,703,142**	**389,251**	**1,380,073**	**1,769,324**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees												
Ground Lease Base Rent				-	-	-	-	-	-	-	-	-
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				12,276	43,524	55,800	12,276	43,524	55,800	12,276	43,524	55,800
Operating Reserve Deposit				3,173	11,249	14,422	3,291	11,669	14,961	3,415	12,107	15,522
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				**15,449**	**54,773**	**70,222**	**15,567**	**55,193**	**70,761**	**15,691**	**55,631**	**71,322**
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				**376,157**	**1,333,647**	**1,709,803**	**390,259**	**1,383,644**	**1,773,903**	**404,942**	**1,435,704**	**1,840,646**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				**9,240**	**88,654**	**97,894**	**9,240**	**74,213**	**83,453**	**9,240**	**58,600**	**67,840**
DEBT SERVICE ("hard debt"/amortized loans)												
Hard Debt - First Lender				-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				9,240	32,760	42,000	9,240	32,760	42,000	9,240	32,760	42,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-			-			-
TOTAL HARD DEBT SERVICE				**9,240**	**32,760**	**42,000**	**9,240**	**32,760**	**42,000**	**9,240**	**32,760**	**42,000**
CASH FLOW (NOI minus DEBT SERVICE)				**-**	**55,894**	**55,894**	**-**	**41,453**	**41,453**	**0**	**25,840**	**25,840**
Commercial Only Cash Flow						-			-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-	
AVAILABLE CASH FLOW				**-**	**55,894**	**55,894**	**-**	**41,453**	**41,453**	**0**	**25,840**	**25,840**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***			***2.33***			***1.99***			***1.62***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL												
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0.0%			-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)	0.0%			-	-		-	-		-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-		-	-		-	-	
Other Payments				-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-		-	-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD				-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				-	55,894	**55,894**	-	41,453	**41,453**	0	25,840	**25,840**
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%*										
		Dist. Soft Debt Loans				-			-			-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due		*54.24%*	loans, and MOHCD residual receipts policy			20,212			14,990			9,344
Proposed MOHCD Residual Receipts Amount to Loan Repayment						20,212			14,990			9,344
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment			-			-			-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
HCD Residual Receipts Amount Due		*0.00%*	No HCD Financing			-			-			-
Lender 4 Residual Receipts Due		*45.76%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.			17,051			12,646			7,883
Lender 5 Residual Receipts Due		*0.00%*				-			-			-
Total Non-MOHCD Residual Receipts Debt Service						**17,051**			**12,646**			**7,883**
REMAINDER (Should be zero unless there are distributions below)						**18,631**			**13,818**			**8,613**
Owner Distributions/Incentive Management Fee						18,631			13,818			8,613
Other Distributions/Uses												
Final Balance (should be zero)						**-**			**-**			**-**
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance						**621,439**			**551,953**			**601,736**
Replacement Reserve Deposits						**55,800**			**55,800**			**55,800**
Replacement Reserve Withdrawals (ideally tied to CNA)						**125,286**			**6,017**			**119,697**
Replacement Reserve Interest												
RR Running Balance						**551,953**			**601,736**			**537,839**
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance						**410,654**			**425,076**			**440,036**
Operating Reserve Deposits						**14,422**			**14,961**			**15,522**
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance						**425,076**			**440,036**			**455,558**
						24.86%			24.81%			24.75%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance						**-**			**-**			**-**
Other Reserve 1 Deposits						**-**			**-**			**-**
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance						**-**			**-**			**-**
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						**-**			**-**			**-**
Other Reserve 2 Deposits						**-**			**-**			**-**
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance						**-**			**-**			**-**

Mosaica Family Apartments

	LOSP Units	non-LOSP Units										
Total # Units: 93	20	73		Year 16 2032			Year 17 2033			Year 18 2034		
	22.00%	78.00%										
INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents	0.0%	2.5%		90,161	1,241,866	1,332,027	90,161	1,272,912	1,363,073	90,161	1,304,735	1,394,896
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%	Shelter Plus Care and VASH are driven by HUD Fair Market Rents. Past 10 yr history of FMR escalation is 2.5%	-	277,239	277,239	-	284,170	284,170	-	291,274	291,274
Residential - LOSP Tenant Assistance Payments	n/a	n/a		329,259		329,259	344,910		344,910	361,217		361,217
Commercial Space	n/a	0.0%				-			-			-
Residential Parking	0.0%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		956	3,389	4,345	980	3,474	4,454	1,004	3,561	4,565
Supportive Services Income	0.0%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	0.0%			-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		9,559	33,890	43,448	9,798	34,737	44,535	10,043	35,605	45,648
Tenant Charges	2.5%	2.5%		440	1,559	1,999	451	1,598	2,049	462	1,638	2,100
Miscellaneous Residential Income	0.0%			-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	0.0%				-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-		-	-	
Gross Potential Income				**430,374**	**1,557,942**	**1,988,317**	**446,299**	**1,596,891**	**2,043,190**	**462,887**	**1,636,813**	**2,099,700**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(902)	(12,419)	(13,320)	(902)	(12,729)	(13,631)	(902)	(13,047)	(13,949)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(13,862)	(13,862)	-	(14,209)	(14,209)	-	(14,564)	(14,564)
Vacancy Loss - Commercial	n/a	n/a				-			-			-
EFFECTIVE GROSS INCOME				**429,473**	**1,531,662**	**1,961,135**	**445,398**	**1,569,953**	**2,015,351**	**461,985**	**1,609,202**	**2,071,187**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	schedule.	26,325	93,335	119,660	27,247	96,602	123,848	28,200	99,983	128,183
Asset Management Fee	0.0%	0.0%	No escalation allowed by HCD	3,300	11,700	15,000	3,300	11,700	15,000	3,300	11,700	15,000
Sub-total Management Expenses				**29,625**	**105,035**	**134,660**	**30,547**	**108,302**	**138,848**	**31,500**	**111,683**	**143,183**
Salaries/Benefits												
Office Salaries	3.5%	3.5%		2,215	7,852	10,067	2,292	8,127	10,420	2,373	8,412	10,784
Manager's Salary	3.5%	3.5%		18,057	64,021	82,079	18,689	66,262	84,951	19,343	68,581	87,925
Health Insurance and Other Benefits	7.0%	7.0%	Historically high inflation	28,486	100,995	129,481	30,480	108,065	138,545	32,614	115,630	148,243
Other Salaries/Benefits	3.5%	3.5%		20,074	71,172	91,246	20,777	73,663	94,440	21,504	76,241	97,745
Administrative Rent-Free Unit	3.5%	3.5%		2,654	9,409	12,063	2,747	9,738	12,485	2,843	10,079	12,922
Sub-total Salaries/Benefits				**71,486**	**253,450**	**324,936**	**74,985**	**265,856**	**340,841**	**78,676**	**278,943**	**357,619**
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		18,195	64,509	82,704	18,832	66,767	85,598	19,491	69,103	88,594
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		1,843	6,534	8,377	1,907	6,763	8,670	1,974	6,999	8,973
Audit Expense	3.5%	3.5%		4,856	17,218	22,074	5,026	17,821	22,847	5,202	18,444	23,647
Bookkeeping/Accounting Services	3.5%	3.5%		6,376	22,605	28,980	6,599	23,396	29,994	6,830	24,215	31,044
Bad Debts	2.5%	2.5%	Consistent with rent inflation	574	2,033	2,607	588	2,084	2,672	603	2,136	2,739
Miscellaneous	3.5%	3.5%		119	423	543	124	438	562	128	454	581
Sub-total Administration Expenses				**31,963**	**113,322**	**145,285**	**33,076**	**117,268**	**150,344**	**34,227**	**121,352**	**155,579**
Utilities												
Electricity	3.5%	3.5%		12,070	42,793	54,863	12,492	44,291	56,783	12,929	45,841	58,770
Water	4.5%	4.5%	Historically high inflation	77,482	274,710	352,192	80,969	287,072	368,041	84,613	299,990	384,603
Gas	3.5%	3.5%		15,031	53,293	68,324	15,557	55,158	70,715	16,102	57,089	73,190
Sewer	0.0%			-	-	-	-	-	-	-	-	-
Sub-total Utilities				**104,583**	**370,796**	**475,379**	**109,019**	**386,521**	**495,539**	**113,644**	**402,920**	**516,564**
Taxes and Licenses												
Real Estate Taxes	1.2%	1.2%		601	2,130	2,731	608	2,156	2,764	615	2,181	2,796
Payroll Taxes	3.5%	3.5%		8,193	29,050	37,243	8,480	30,066	38,547	8,777	31,119	39,896
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		553	1,960	2,513	572	2,029	2,601	592	2,100	2,692
Sub-total Taxes and Licenses				**9,347**	**33,140**	**42,487**	**9,660**	**34,251**	**43,911**	**9,984**	**35,400**	**45,384**
Insurance												
Property and Liability Insurance	3.5%	3.5%		23,596	83,657	107,252	24,421	86,585	111,006	25,276	89,615	114,892
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		10,076	35,725	45,801	10,429	36,975	47,404	10,794	38,269	49,063
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				**33,672**	**119,381**	**153,053**	**34,850**	**123,560**	**158,410**	**36,070**	**127,884**	**163,954**
Maintenance & Repair												
Payroll	3.5%	3.5%		54,829	194,394	249,223	56,748	201,198	257,946	58,734	208,240	266,974
Supplies	3.5%	3.5%		12,900	45,737	58,637	13,352	47,338	60,690	13,819	48,995	62,814
Contracts	3.5%	3.5%		16,801	59,568	76,369	17,389	61,653	79,042	17,998	63,811	81,808
Garbage and Trash Removal	3.5%	3.5%		20,801	73,748	94,548	21,529	76,329	97,858	22,282	79,001	101,283
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		2,949	10,454	13,403	3,052	10,820	13,872	3,159	11,199	14,357
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		177	627	804	183	649	832	190	672	861
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		12,826	45,476	58,302	13,275	47,067	60,343	13,740	48,715	62,455
Sub-total Maintenance & Repair Expenses				**121,283**	**430,004**	**551,287**	**125,528**	**445,054**	**570,582**	**129,922**	**460,631**	**590,553**
Supportive Services	3.5%	3.5%		2,454	8,702	11,156	2,540	9,006	11,547	2,629	9,322	11,951
Commercial Expenses						-			-			-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				**404,414**	**1,433,830**	**1,838,243**	**420,205**	**1,489,817**	**1,910,021**	**436,653**	**1,548,133**	**1,984,786**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees												
Ground Lease Base Rent				-	-	-	-	-	-	-	-	-
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				12,276	43,524	55,800	12,276	43,524	55,800	12,276	43,524	55,800
Operating Reserve Deposit				3,543	12,562	16,106	3,677	13,037	16,714	3,816	13,531	17,347
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				**15,819**	**56,086**	**71,906**	**15,953**	**56,561**	**72,514**	**16,092**	**57,055**	**73,147**
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				**420,233**	**1,489,916**	**1,910,149**	**436,158**	**1,546,377**	**1,982,535**	**452,745**	**1,605,188**	**2,057,933**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				**9,240**	**41,746**	**50,986**	**9,240**	**23,576**	**32,816**	**9,240**	**4,014**	**13,254**
DEBT SERVICE ("hard debt"/amortized loans)												
Hard Debt - First Lender				-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				9,240	32,760	42,000	9,240	32,760	42,000	9,240	32,760	42,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-			-			-
TOTAL HARD DEBT SERVICE				**9,240**	**32,760**	**42,000**	**9,240**	**32,760**	**42,000**	**9,240**	**32,760**	**42,000**
CASH FLOW (NOI minus DEBT SERVICE)				**0**	**8,986**	**8,986**	**(0)**	**(9,184)**	**(9,184)**	**-**	**(28,746)**	**(28,746)**
Commercial Only Cash Flow						-			-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-	
AVAILABLE CASH FLOW				**0**	**8,986**	**8,986**	**(0)**	**(9,184)**	**(9,184)**	**-**	**(28,746)**	**(28,746)**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:			**1.21**			**0.78**			**0.32**
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL												
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0.0%			-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)	0.0%			-	-		-	-		-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-		-	-		-	-	
Other Payments				-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-		-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-		-	-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD				-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				0	8,986	**8,986**	(0)	(9,184)	**(9,184)**	-	(28,746)	**(28,746)**

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	54.24%	loans, and MOHCD residual receipts policy	3,249	-	-
Proposed MOHCD Residual Receipts Amount to Loan Repayment			3,249	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		Proposed Total MOHCD Amt Due less Loan Repayment	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE					
HCD Residual Receipts Amount Due	0.00%	No HCD Financing	-	-	-
Lender 4 Residual Receipts Due	45.76%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.	2,741	-	-
Lender 5 Residual Receipts Due	0.00%		-	-	-
Total Non-MOHCD Residual Receipts Debt Service			**2,741**	**-**	**-**
REMAINDER (Should be zero unless there are distributions below)			**2,995**	**-**	**-**
Owner Distributions/Incentive Management Fee			2,995	-	-
Other Distributions/Uses					
Final Balance (should be zero)			**-**	**-**	**-**
REPLACEMENT RESERVE - RUNNING BALANCE					
Replacement Reserve Starting Balance			**537,839**	**587,622**	**484,920**
Replacement Reserve Deposits			**55,800**	**55,800**	**55,800**
Replacement Reserve Withdrawals (ideally tied to CNA)			**6,017**	**158,502**	**448,151**
Replacement Reserve Interest					
RR Running Balance			**587,622**	**484,920**	**92,568**
OPERATING RESERVE - RUNNING BALANCE					
Operating Reserve Starting Balance			**455,558**	**471,664**	**488,377**
Operating Reserve Deposits			**16,106**	**16,714**	**17,347**
Operating Reserve Withdrawals					
Operating Reserve Interest					
OR Running Balance			**471,664**	**488,377**	**505,725**
			24.69%	24.63%	24.57%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE					
Other Reserve 1 Starting Balance			-	-	-
Other Reserve 1 Deposits			-	-	-
Other Reserve 1 Withdrawals					
Other Reserve 1 Interest					
Other Required Reserve 1 Running Balance			**-**	**-**	**-**
OTHER RESERVE 2 - RUNNING BALANCE					
Other Reserve 2 Starting Balance			-	-	-
Other Reserve 2 Deposits			-	-	-
Other Reserve 2 Withdrawals					
Other Reserve 2 Interest					
Other Required Reserve 2 Running Balance			**-**	**-**	**-**

Mosaica Family Apartments

	LOSP Units	non-LOSP Units		Year 19			Year 20		
Total # Units: 93	*20*	*73*		2035			2036		
	22.00%	*78.00%*							
INCOME	**% annual inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Residential - Tenant Rents	0.0%	2.5%		*90,161*	1,337,353	1,427,514	*90,161*	1,370,787	1,460,948
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%	Shelter Plus Care and VASH are driven by HUD Fair Market Rents. Past 10 yr history of FMR escalation is 2.5%	-	*298,556*	298,556	-	*306,020*	306,020
Residential - LOSP Tenant Assistance Payments	n/a	n/a		*378,209*		378,209	*395,918*		395,918
Commercial Space	n/a	0.0%				-			-
Residential Parking	0.0%			-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		*1,029*	*3,650*	4,679	*1,055*	*3,741*	4,796
Supportive Services Income	0.0%			-	-	-	-	-	-
Interest Income - Project Operations	0.0%			-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		*10,294*	*36,496*	46,789	*10,551*	*37,408*	47,959
Tenant Charges	2.5%	2.5%		*474*	*1,679*	2,152	*485*	*1,721*	2,206
Miscellaneous Residential Income	0.0%			-	-	-	-	-	-
Other Commercial Income	n/a	0.0%				-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-	
Gross Potential Income				***480,167***	***1,677,734***	**2,157,900**	***498,170***	***1,719,677***	**2,217,847**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	*(902)*	*(13,374)*	*(14,275)*	*(902)*	*(13,708)*	*(14,609)*
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(14,928)	(14,928)	-	(15,301)	(15,301)
Vacancy Loss - Commercial	n/a	n/a				-			-
EFFECTIVE GROSS INCOME				***479,265***	***1,649,432***	**2,128,697**	***497,268***	***1,690,668***	**2,187,936**
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	schedule.	*29,187*	*103,482*	132,669	*30,209*	*107,104*	137,313
Asset Management Fee	0.0%	0.0%	No escalation allowed by HCD	*3,300*	*11,700*	15,000	*3,300*	*11,700*	15,000
Sub-total Management Expenses				***32,487***	***115,182***	**147,669**	***33,509***	***118,804***	**152,313**
Salaries/Benefits									
Office Salaries	3.5%	3.5%		*2,456*	*8,706*	11,162	*2,542*	*9,011*	11,552
Manager's Salary	3.5%	3.5%		*20,020*	*70,982*	91,002	*20,721*	*73,466*	94,187
Health Insurance and Other Benefits	7.0%	7.0%	Historically high inflation	*34,896*	*123,724*	158,620	*37,339*	*132,384*	169,724
Other Salaries/Benefits	3.5%	3.5%		*22,257*	*78,910*	101,166	*23,036*	*81,672*	104,707
Administrative Rent-Free Unit	3.5%	3.5%		*2,942*	*10,432*	13,374	*3,045*	*10,797*	13,842
Sub-total Salaries/Benefits				***82,571***	***292,753***	**375,324**	***86,683***	***307,330***	**394,012**
Administration									
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-
Office Expenses	3.5%	3.5%		*20,173*	*71,522*	91,695	*20,879*	*74,025*	94,904
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		*2,043*	*7,244*	9,287	*2,115*	*7,498*	9,613
Audit Expense	3.5%	3.5%		*5,384*	*19,090*	24,474	*5,573*	*19,758*	25,331
Bookkeeping/Accounting Services	3.5%	3.5%		*7,069*	*25,062*	32,131	*7,316*	*25,939*	33,255
Bad Debts	2.5%	2.5%	Consistent with rent inflation	*618*	*2,190*	2,807	*633*	*2,245*	2,878
Miscellaneous	3.5%	3.5%		*132*	*469*	602	*137*	*486*	623
Sub-total Administration Expenses				***35,419***	***125,577***	**160,997**	***36,653***	***129,951***	**166,604**
Utilities									
Electricity	3.5%	3.5%		*13,382*	*47,445*	60,827	*13,850*	*49,106*	62,956
Water	4.5%	4.5%	Historically high inflation	*88,420*	*313,490*	401,910	*92,399*	*327,597*	419,996
Gas	3.5%	3.5%		*16,665*	*59,087*	75,752	*17,249*	*61,155*	78,403
Sewer	0.0%			-	-	-	-	-	-
Sub-total Utilities				***118,468***	***420,022***	**538,489**	***123,498***	***437,857***	**561,356**
Taxes and Licenses									
Real Estate Taxes	1.2%	1.2%		*623*	*2,207*	2,830	*630*	*2,233*	2,863
Payroll Taxes	3.5%	3.5%		*9,084*	*32,208*	41,292	*9,402*	*33,335*	42,737
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		*613*	*2,173*	2,786	*634*	*2,249*	2,884
Sub-total Taxes and Licenses				***10,320***	***36,588***	**46,908**	***10,667***	***37,818***	**48,484**
Insurance									
Property and Liability Insurance	3.5%	3.5%		*26,161*	*92,752*	118,913	*27,076*	*95,998*	123,075
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		*11,172*	*39,608*	50,780	*11,563*	*40,995*	52,557
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				***37,332***	***132,360***	**169,693**	***38,639***	***136,993***	**175,632**
Maintenance & Repair									
Payroll	3.5%	3.5%		*60,790*	*215,528*	276,318	*62,918*	*223,072*	285,989
Supplies	3.5%	3.5%		*14,303*	*50,709*	65,012	*14,803*	*52,484*	67,288
Contracts	3.5%	3.5%		*18,628*	*66,044*	84,672	*19,280*	*68,356*	87,635
Garbage and Trash Removal	3.5%	3.5%		*23,062*	*81,766*	104,828	*23,869*	*84,627*	108,497
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		*3,269*	*11,591*	14,860	*3,384*	*11,996*	15,380
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		*196*	*695*	892	*203*	*720*	923
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		*14,221*	*50,420*	64,641	*14,719*	*52,184*	66,903
Sub-total Maintenance & Repair Expenses				***134,469***	***476,753***	**611,222**	***139,175***	***493,439***	**632,615**
Supportive Services	3.5%	3.5%		*2,721*	*9,648*	12,369	*2,816*	*9,986*	12,802
Commercial Expenses						-			-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				***453,788***	***1,608,884***	**2,062,671**	***471,640***	***1,672,177***	**2,143,817**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				-	-	-	-	-	-
Bond Monitoring Fee				-	-	-	-	-	-
Replacement Reserve Deposit				*12,276*	*43,524*	55,800	*12,276*	*43,524*	55,800
Operating Reserve Deposit				*3,962*	*14,045*	18,007	*4,113*	*14,581*	18,694
Other Required Reserve 1 Deposit				-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				***16,238***	***57,569***	**73,807**	***16,389***	***58,105***	**74,494**
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				***470,025***	***1,666,453***	**2,136,478**	***488,028***	***1,730,283***	**2,218,311**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)									
NET OPERATING INCOME (INCOME minus OP EXPENSES)				***9,240***	***(17,021)***	**(7,781)**	***9,240***	***(39,615)***	**(30,375)**
DEBT SERVICE ("hard debt"/amortized loans)									
Hard Debt - First Lender				-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				*9,240*	*32,760*	42,000	*9,240*	*32,760*	42,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				-	-	-	-	-	-
Hard Debt - Fourth Lender				-	-	-	-	-	-
Commercial Hard Debt Service						-			-
TOTAL HARD DEBT SERVICE				***9,240***	***32,760***	**42,000**	***9,240***	***32,760***	**42,000**
CASH FLOW (NOI minus DEBT SERVICE)				***0***	***(49,781)***	***(49,781)***	***0***	***(72,375)***	***(72,375)***
Commercial Only Cash Flow						-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-	
AVAILABLE CASH FLOW				***0***	***(49,781)***	***(49,781)***	***0***	***(72,375)***	***(72,375)***
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***			***-0.19***			***-0.72***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL									
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0.0%			-	-		-	-	
Partnership Management Fee (see policy for limits)	0.0%			-	-		-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-		-	-	
Other Payments				-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD				-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				0	(49,781)	**(49,781)**	0	(72,375)	**(72,375)**
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		*54.24%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			-			-
Proposed MOHCD Residual Receipts Amount to Loan Repayment						-			-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment			-			-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE									
HCD Residual Receipts Amount Due		*0.00%*	No HCD Financing			-			-
Lender 4 Residual Receipts Due		*45.76%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.			-			-
Lender 5 Residual Receipts Due		*0.00%*				-			-
Total Non-MOHCD Residual Receipts Debt Service						**-**			**-**
REMAINDER (Should be zero unless there are distributions below)						**-**			**-**
Owner Distributions/Incentive Management Fee						-			-
Other Distributions/Uses									
Final Balance (should be zero)						**-**			**-**
REPLACEMENT RESERVE - RUNNING BALANCE									
Replacement Reserve Starting Balance						**92,568**			**142,351**
Replacement Reserve Deposits						**55,800**			**55,800**
Replacement Reserve Withdrawals (ideally tied to CNA)						**6,017**			**6,017**
Replacement Reserve Interest									
RR Running Balance						**142,351**			**192,134**
OPERATING RESERVE - RUNNING BALANCE									
Operating Reserve Starting Balance						**505,725**			**523,732**
Operating Reserve Deposits						**18,007**			**18,694**
Operating Reserve Withdrawals									
Operating Reserve Interest									
OR Running Balance						**523,732**			**542,426**
						24.51%			24.45%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE									
Other Reserve 1 Starting Balance						**-**			**-**
Other Reserve 1 Deposits						**-**			**-**
Other Reserve 1 Withdrawals									
Other Reserve 1 Interest									
Other Required Reserve 1 Running Balance						**-**			**-**
OTHER RESERVE 2 - RUNNING BALANCE									
Other Reserve 2 Starting Balance						**-**			**-**
Other Reserve 2 Deposits						**-**			**-**
Other Reserve 2 Withdrawals									
Other Reserve 2 Interest									
Other Required Reserve 2 Running Balance						**-**			**-**

Attachment D: LOSP Funding Schedule A

LOSP FUNDING SCHEDULE

Project Address:	Mosaica Family Apartments
Project Start Date:	1/1/2018

Exhibit A

Calendar Year		Full Year Funding Amount	# Months to Fund	Total Disbursement for Calendar Year	Estimated Disbursement Date
CY-1	2018	$168,685	12	$168,685	1/1/2018
CY-2	2019	$177,565	12	$177,565	1/1/2019
CY-3	2020	$186,835	12	$186,835	1/1/2020
CY-4	2021	$196,482	12	$196,482	1/1/2021
CY-5	2022	$203,220	12	$203,220	1/1/2022
CY-6	2023	$213,666	12	$213,666	1/1/2023
CY-7	2024	$224,538	12	$224,538	1/1/2024
CY-8	2025	$235,855	12	$235,855	1/1/2025
CY-9	2026	$247,635	12	$247,635	1/1/2026
CY-10	2027	$259,899	12	$259,899	1/1/2027
CY-11	2028	$272,668	12	$272,668	1/1/2028
CY-12	2029	$285,965	12	$285,965	1/1/2029
CY-13	2030	$299,813	12	$299,813	1/1/2030
CY-14	2031	$314,236	12	$314,236	1/1/2031
CY-15	2032	$329,259	12	$329,259	1/1/2032
		Total Contract Amount:		**$3,616,321**	