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: Scott Madden Loan Committee Date: March 3, 2017

Sponsor Name:	Community Housing Partnership
Project Name:	Hotel Essex
Project Address:	684 Ellis Street @ Larkin
Number of Units/Beds :	84 units
Amount of Funds Requested:	Up to \$928,671 Year One budget Up to \$18,623,354 through 15 ¹ / ₂ years

Amount of Funds Recommended: \$18,623,354

1. SUMMARY AND BACKGROUND

Hotel Essex, L.P., a California limited partnership ("Essex"), an affiliate of Community Housing Partnership ("CHP"), is requesting \$18,623,354 in General Funds from the Local Operating Subsidy Program ("LOSP") to subsidize continuing operations for 84 studio units of permanent supportive housing for formerly homeless people at the Hotel Essex for a period of 15 years, six months.

CHP, along with Mercy Housing as development partner, acquired the Hotel Essex in 2005, rehabilitated it and converted from a historic tourist/residential hotel into 84 efficiency units for extremely low-income, chronically homeless individuals. The project began operations in 2008, and Mercy Housing exited the partnership in 2010. CHP provides both property management and supportive services to the project.

The requested funds would renew an existing, 9-year contract for \$7,030,424, which started in 2008 and will expire this year. The Hotel Essex was the first project to be funded under LOSP. Funds under the existing contract are expected to be fully expended by October 2017. If the requested funds are approved, a new contract for a period of 15 years and 6 months will start on 7/1/17 in order to overlap with the current contract and avoid any disruptions in operations at the project. This new term will cover the remaining 6 years of the 15-year tax credit compliance period and continue for another 9 years through calendar year 2032.

The amount of funds requested was determined using the current calendar year's operating budget and applying MOHCD's standard underwriting assumptions over a 15¹/₂-year projection period. If approved, funds would be disbursed under the contract on an annual basis in accordance with the attached schedule (see Exhibit A), while also taking into account any surplus reported from the previous years. A total of \$958,079 in assistance is budgeted for the first full year of operations under the contract (2018). This equates to a monthly per unit subsidy of \$950. This amount will increase from 2.2% - 4.3% each year during the contract. Though all requested funds would be provided under a single, long-term contract, disbursements thereunder would be subject to annual appropriations by the Board of Supervisors.

2. PROJECT PERFORMANCE COMPARED WITH MOHCD SUPPORTIVE HOUSING PORTFOLIO AND LOSP PROJECTS

2.1. 2015 Operating Expenses

To evaluate Hotel Essex'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 portfolio and of LOSP projects as a subset of supportive housing.

Compared to All Supportive Housing

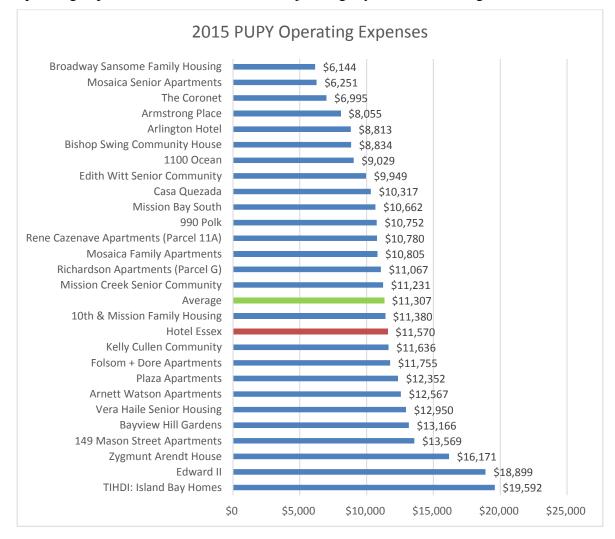
During 2015, MOHCD's portfolio had 91 supportive housing projects in operations. Average total operating expenses (before replacement reserve deposits and hard debt service), averaged \$9.7k per unit per year. PUPY operating expenses varied by project size, with PUPY operating expenses higher for smaller buildings and lower for larger buildings. With 84 units, PUPY operating expenses for the Hotel Essex were \$11,570, which was 12% above the average for supportive housing projects with 50-99 units.

# Units	# Projects	Average PUPY Operating Expenses
100+	33	\$9,212
50-99	41	\$10,285
1-49	17	\$11,672
All	91	\$9,741
84	Essex	\$11,570

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

Compared to LOSP Projects Only

Within MOHCD's LOSP portfolio of 27 projects, operating expenses PUPY ranged from a low of \$6,100 to a high of \$19,600 and an average of \$11,300. Hotel Essex's 2015 operating expenses of \$11,570 PUPY were just slightly above the average.



Compared to Projects with Similar Percentages of LOSP Units

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

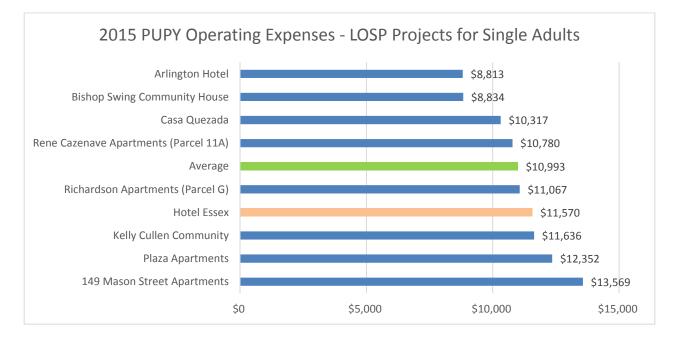
One hundred percent (100%) of the units at Hotel Essex are LOSP units. The per unit per year operating cost of \$11,570 at this project is 6% below the average for projects with 66% or more LOSP units and is slightly above the average of \$11,307 for all projects with LOSP units.

% of LOSP Units	# Projects	Average PUPY 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
84	Essex	\$11,570

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

Compared to LOSP Projects for Single Adults

When its per unit per year operating costs are compared with projects that serve only single adults and in which 66% or more of the units are LOSP units, the Hotel Essex ranks 6th out of 9 projects and 5% above the average of these projects.

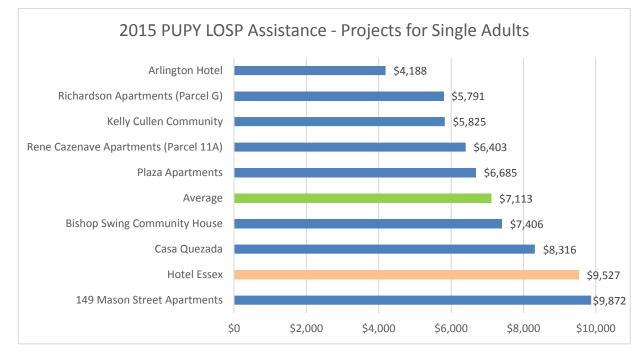


2.2. 2015 LOSP Subsidy

In 2015, the LOSP assistance for the Hotel Essex on a per unit basis was \$9,527, which was 7.5% above the average per unit amount of assistance (\$8,858) across all 27 LOSP projects.

	2015 PUPY LOSP Assistance
Hotel Essex	\$9,527
Average – All LOSP Projects	\$8,858

When compared just to other LOSP projects that serve only single adults, the per unit LOSP subsidy at the Essex was second highest among 9 projects and was 34% above the average. The incongruity between this high PUPY LOSP subsidy and the close-to-average PUPY operating costs of the Hotel Essex relative to the other single adult projects can be attributed to different tenant rent payment requirements among the 9 projects in the survey. Seven of the 9 projects are part of the Direct Access to Housing ("DAH") program, which requires all tenants to pay 50% of their incomes as rent. This results in a higher income stream per unit from tenant rents and a reduced need for operating subsidy. The two other projects in the survey, Hotel Essex and Bishop Swing Community House, require tenants to pay only 30% of their incomes towards rent.



3. PROJECT OPERATIONS

3.1. Annual Operating Income Evaluation

<u>Tenant Rent</u>: Under the current LOSP contract, 30 of the 84 units are restricted at 20% AMI, and the remaining 54 units are restricted at 40% AMI. This is an average restriction across all units of 33% AMI. Tenants that are qualified under these restrictions pay 30% of household income towards rent. As of 12/31/15, the most recent year for which MOHCD has data, the average income of the tenants was 13% AMI, significantly below the average restriction.

The Year 1 (2017) operating budget shows tenant rental income of \$214,968, or an average of \$213 per unit per month, which is 14% AMI. This number reflects the rent roll of the tenants currently in place at the project and is consistent with the target population of extremely low-income people on fixed incomes such as Social Security, SSI or General Assistance. The proforma assumes that tenant rent payments will escalate by 2.2%, which

is equal to the historic average increase from the beginning of the contract through 2015. The projected vacancy rate is 5% and more conservative than the historic average of 1.3%, but this is acceptable because it is consistent with MOHCD's underwriting guidelines and provides the project with a modest cushion in the event that actual vacancy is higher.

<u>LOSP Subsidy</u>: The LOSP subsidy requested for the first year under the new contract is \$958,079 (\$11,406/PUPY and \$950/PUPM). This is a 4.7% increase above the LOSP subsidy from 2015 and is sized to fund a break-even budget, including operating expenses, debt service, replacement and operating reserve deposits and a partnership management fee.

Between tenant rents and the LOSP subsidy, total residential rental revenue for Year 1 is \$1.14 million. This represents a monthly rent per unit of \$1,135, which equates to 60.2% AMI for 2016. It should be noted that MOHCD's underlying capital financing agreements restrict all units in the project at 60% AMI, which means that if the LOSP contract were terminated, CHP would be able to serve none-homeless, higher income people and charge rents only up to 60% AMI.

<u>Commercial Income</u>: Almost \$62,000 is budgeted in Year 1 for 4 small, ground-floor commercial spaces on Larkin and Ellis Streets. This represents an average current monthly rent for these spaces of \$2.23 per square foot, with an average size of 575 square feet. This is an increase of 3% above actual commercial income from 2015. The 20-year proforma assumes annual escalation of 2.5%, slightly more than historic average of 2.2%. It also assumes a vacancy rate of 10%, which is somewhat higher than the historic average of 7% and thus provides a reasonable cushion against possible higher vacancy loss. Current uses of these spaces are retail stores for apparel, jewelry, hats and barbery.

3.2. Annual Operating Expenses Evaluation

The annual operating expenses in Year One, before debt service and reserves, are projected at \$1,088,590 or \$12,959 PUPY. This is a 12% increase above 2015 operating expenses. MOHCD would not expect to see these costs budgeted much more than 7% above 2015 actuals (3.5% escalation over 2 years). CHP attributes this budget increase to increased minimum wage requirements that will take effect on 7/1/17 and 7/1/18. These will benefit the front desk and janitorial staff at the project, a total of 6.4 FTE.

<u>Staffing</u>: Staffing is anticipated to remain the same as current staffing levels. The staffing plan covers 9.90 FTE, including a full range of property management services from custodial, maintenance, reception, on-site management, compliance and various levels of supervision. This represents a staff to resident ratio of 1 to 8.5.

Title	FTE	Salary	Total
Roving Property			
Manager/Trainer	0.04	52,522	\$1,970
Facilities and Compliance			
Director	0.05	79,688	\$3,984
Property Supervisor	0.3	69,014	\$20,704

Divertex of Drenerty			
Director of Property Management	0.05	107,851	\$5,393
Other PM salaries	0.05	107,031	\$32,051
			<i><i><i></i></i></i>
Property Manager	1	52,522	\$52,522
Manager 1 - Certifications			
& Internal Auditing	0.23	56,870	\$12,796
Manager 2- Vacancies and			
Referrals	0.09	58,292	\$5,101
Propery Manager Salaries			\$70,418
Janitor PT	0.2	27,040	\$5 <i>,</i> 408
Janitor FT	1	27,040	\$27,040
Janitor FT	0.6	27,040	\$16,224
Payroll Maintenance			\$48,672
Maintenance Operations			
Manager	0.2	58,292	\$11,658
Facilities and Compliance			
Director	0.05	79,688	\$3 <i>,</i> 984
Maintenance Supervisor	0.5	53,310	\$26 <i>,</i> 655
Maintenance Technician	1	31,775	\$31,775
Payroll Maintenance			\$74,073
Desk Clerk-LPT	0.2	30,420	\$6,084
Desk Clerk-FT	0.4	30,420	\$12,168
Desk Clerk-FT	1	30,420	\$30,420
Desk Clerk-FT	1	30,876	\$30,876
Desk Clerk-FT	1	30,876	\$30,876
Lead Desk Clerk	1	31,310	\$31,310
Security salaries			\$141,735
Total Expense and FTE's	9.90		\$366,949

<u>Management Fees</u>: Management fee is budgeted in Year 1 at \$78 per unit per month, which is the current maximum allowed by HUD for Northern California for multifamily rental properties. Due to HCD's regulations, this fee is not escalated in the proforma, though it would be permitted under MOHCD's underwriting guidelines.

<u>Asset Management Fee</u>: \$15,000 is budgeted in Year 1, which is within MOHCD's maximum fee of \$19,750. A 3.5% annual escalation is budgeted.

<u>Salaries and Benefits</u>: Salaries and benefits are budgeted at \$183,975 or \$936 per unit per year, and covers all or part of the salaries and benefits of the Property Manager, Assistant Manager, Property Supervisor, Property Manager Trainer, Facilities Manager and Compliance Director.

<u>Administration</u>: Administration line items are budgeted at \$135,451, or \$1,613 per unit per year, and cover typical functions such as legal, office supplies and equipment, bookkeeping and accounting, audit, computers and telephones. There is no resident manager or administrative rent-free unit because the front desk is staffed 24/7.

<u>Utilities</u>: Utilities (gas, water/sewer, common electric) in Year 1 are budgeted at \$138,404, or \$1,648 per unit per year and are based on 2015 actuals with a 3.5% escalation. These numbers include all utility expenses in the residential units, as all utilities are included in the rent, as well as common areas.

<u>Taxes</u>: Taxes are budgeted at \$60,045, or \$715 per unit per year. Costs assume 100% of units receive welfare exemption. Approximately \$12,000 of this cost is for special assessments and fees for school district, community facilities, etc. Payroll taxes are based on 10% of salaries, and various miscellaneous fees.

<u>Insurance</u>: Insurance is budgeted at \$86,483, or \$1,030 per unit per year, for property and liability and worker's compensation insurance.

<u>Maintenance and Repair</u>: Maintenance and repair costs in Year One are budgeted at \$388,258, or \$4,622 per unit per year. This line item includes payroll for 1.80 FTE janitor,, a full-time maintenance technician and one full time 0.50 FTE maintenance supervisor; contracts for some maintenance, supplies, exterminating, fire alarm and elevator; garbage and trash removal. This also includes 24/7 front desk staff under the Security Payroll/Contract line item. Overall, projected expenses in this category are reasonable.

<u>Replacement Reserve Deposits</u>: \$54,936 per year, in accordance with a 2012 CNA approved by MOHCD. The proforma also shows withdrawals that are consistent with the CNA. Ending balances in the reserve are projected to range from \$1,400 to \$5,100 per unit. Current industry standard is to maintain a minimum balance equal to \$1000 per unit.

<u>Operating Reserve Deposits</u>: Annual deposits are sized to maintain MOHCD's required balance of 25% of the prior year's operating expenses.

<u>Debt Service</u>: Mandatory debt service to HCD in the amount of \$29,400 for the MHP loan, which is \$350 PUPY

Partnership Management and Investor Services Fees: The project pays \$10,000 for an annual partnership management fee and another \$5,000 for the Limited Partner Asset Management Fee. In accordance with MOHCD underwriting guidelines, there is a 3.5% annual escalation on the partnership management fee but none on the LP AM Fee. These fees will terminate in Year 6, when the 15-year tax credit compliance period will end. MOHCD does not allow these fees to be paid beyond this point.

3.3. 20-Year Cash Flow

- The LOSP subsidy funds a break-even budget, thus no cash flow would be generated and available for soft loan repayments or distributions.
- Tenant rental income is escalated at 2.2%.
- Commercial income is trended at 2.5%.
- Resident vacancy rate is 5%. Commercial vacancy rate is assumed at 10%.
- All operating expenses are escalated at 3.5%.

• Partnership management and investor services fees end after Year 6 when tax credit compliance period ends. The partnership management fee is escalated at 3.5% annually.

4. SUPPORT SERVICES EVALUATION

Through a direct contract with the Department of Homelessness and Supportive Housing (HSH), CHP provides supportive services to 84 formerly homeless adults at the Hotel Essex. The current contract term is 7/1/14-6/30/18 in the amount of \$579,728 and has a total not to exceed grant amount of \$2,165,454. 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 satisfied with the quality of services provided at The Essex Hotel as well as coordination between services and property management and the quality of services.

5. CONCLUSION

I recommend approval of the request in full. The Hotel Essex is a well-staffed, well-run, highly supportive, permanent housing project for 84 extremely low-income, formerly homeless individuals. It is an important resource in the City's array of homeless services and programs, and under CHP's ownership and management, it merits renewed LOSP funding so that it may continue to serve homeless people well into the future.

6. RECOMMENDED CONDITIONS

7. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

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

[]

APPROVE. [] DISAPPROVE.

Olson Lee, Director Mayor's Office of Housing

APPROVE. [4] Ē.] DISAPPROVE.

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

APPROVE. DISAPPROVE. 4 ſ. 1

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

TAKE NO ACTION. Date:

[] TAKE NO ACTION.

[] TAKE NO ACTION.

Date:

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 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 Hotel Essex. 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, six-month period, beginning in July 2017, through the end of 2032.

Contract periods for LOSP contract renewals will transition from a fiscal year basis to a calendar year basis. For Hotel Essex, the full \$954,624 in LOSP subsidy requested for calendar year 2018 will be disbursed in early January 2018, and all disbursements moving forward would be on a calendar year basis.

Attachment B: 1st Year Operating Budget

MOHCD Proforma - Year 1 Operating Budget

Application Date:	10/21/2016	LOSP Units	Non-LOSP Units	Project Name:	Hotel Essex
Total # Units:	84	84	0	Project Address:	684 Ellis Street
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	2017	LOSP/non-LC 100%	OSP Allocation 0%	Project Sponsor:	Community Housing Partnership

INCOME	LOSP	non-LOSP	Total	Comments
Residential - Tenant Rents	214,968	0	214,968	Links from 'Existing Proj - Rent Info' Worksheet
Residential - Tenant Assistance Payments (Non-LOSP)	0	0	0	Links from 'Existing Proj - Rent Info' Worksheet
Residential - LOSP Tenant Assistance Payments	925,671		925,671	
Commercial Space			61,608	Links from 'Commercial Op. Budget' Worksheet
Residential Parking	0	0	0	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Rent Income	0	0	0	Links from 'Utilities & Other Income' Worksheet
Supportive Services Income	0	0		
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet
Laundry and Vending	0	0	0	Links from 'Utilities & Other Income' Worksheet
Tenant Charges	0	0	0	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	1,140,639	0	1,202,247	
Vacancy Loss - Residential - Tenant Rents	(11,160)		(11,160)	Vacancy loss is 5.2% of Tenant Rents.
Vacancy Loss - Residential - Tenant Assistance Payments	0	0	0	#DIV/0!
Vacancy Loss - Commercial			(6,161)	Links from 'Commercial Op. Budget' Worksheet
EFFECTIVE GROSS INCOME	1,129,479	0	1,184,926	PUPA: 14,106

OPERATING EXPENSES

Management				
Management Fee	78,624	0	78,624	1st Year to be set according to HUD schedule. Commercial in tab 5 as electricity
Asset Management Fee	12,000	0	12,000	Maximum Allowable according to HCD Regulatory Agreement
Sub-total Management Expenses	90,624	0	90,624	PUPA: 1,079
Salaries/Benefits				
Office Salaries	32,051	0	32,051	.50 of other staff site time including Facilities Manager .05 FTE's, Compliance Director05 FTE's
Manager's Salary	70,418	0		1.00 FTE Manager and .35 of an Occupancy Assistant manager
Health Insurance and Other Benefits	81,506	0	81,506	Based off our current Health Insurance Expense per FTE
Other Salaries/Benefits	0	0		
Administrative Rent-Free Unit	0	0		
Sub-total Salaries/Benefits	183,975	0	183,975	PUPA: 2,190
Administration				
Advertising and Marketing	0	0		
Office Expenses	46,676	0	46,676	This is a combination of Telecommunications,,Office Supplies, IT Maintenance and Equipment,
Office Rent	2,453	0		The Essex's share of office rent expense
Legal Expense - Property	10,820	0	10,820	This was escalated from our 2015 Audit by 3.5% annually
Audit Expense	12,767	0		This is the property's current Audit Expenses
Bookkeeping/Accounting Services	9,576	0	9,576	Based off HUD's \$9.50 standard
Bad Debts	13,077	0	13,077	This was projected from 9 months of Bad Debt in 2016.
Miscellaneous	40,082	0	40,082	Lobby Services Reduced to \$31,000, Payroll expenses were \$5,522, Bank Charges budgeted at
Sub-total Administration Expenses	135,451	0	135,451	PUPA: 1,613
Utilities				
Electricity	47,198	0		Based off 2016 Operating Statement
Water	21,798	0	21,798	Based off 2015 Audit with 3.5% Escalation
Gas	36,301	0	36,301	Based off 2015 Audit with 3.5% Escalation

Gas	30,301	0	,	Based off 2015 Audit with 3.5	
Sewer	33,107	0	33,107	Based off 2015 Audit with 3.5	% Escalation
Sub-total Utilities	138,404	0	138,404	PUPA:	1,648
Taxes and Licenses					
Real Estate Taxes	12,171	0	12,171	Increased based on 2016 Dec	Operating Statement
Payroll Taxes	32,522	0	32,522	This expense was \$30,951 ba	ased off 2016's operating statement. This is slightly escalated
Miscellaneous Taxes, Licenses and Permits	15,352	0	15,352	Based off of 2015 Expenses	
Sub-total Taxes and Licenses	60,045	0	60,045	PUPA:	715
Insurance					
Property and Liability Insurance	63,211	0	63.211	2016 Property and Liability ex	pense 3.5% escalation
Fidelity Bond Insurance	0	0	0		
Worker's Compensation	23,272	0	23 272	We have worked to reduce cla	aims over the last three years and this would be a reduction in this
Director's & Officers' Liability Insurance	0	0	20,212		
Sub-total Insurance	86,483	0	86,483	PUPA:	1 030
Maintenance & Repair	00,400	Ŭ	00,403	1 01 A.	1,000
Payroll	122,745	0	100 745	1.0 ETE Maintonanco Toch	50 FTE Maintence Supervisor.20 Operations Manager and 1.80
	42,197	0			aintenance, Furnishings and Repair Equipment expense and unit
Supplies					
Contracts	57,977	0			s that provide Maintenance outside employees scope We also
Garbage and Trash Removal	23,416	0		3.5% increase from 2016 proj	
Security Payroll/Contract	141,735	0		This includes Minimum Wage	Increases. We have redesigned our Desk clerk positions so that all
HVAC Repairs and Maintenance	0	0	0		
Vehicle and Maintenance Equipment Operation and Repairs	188	0	188	Based off previous year's expo	ense for shared maintenance vehicle.
Miscellaneous Operating and Maintenance Expenses	0	0	0		
Sub-total Maintenance & Repair Expenses	388,258	0	388,258	PUPA:	4,622
Supportive Services	0	0			
Commercial Expenses			2,350	Links from 'Commercial Op. E	Budget' Worksheet
•				· · · ·	<u> </u>
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE	1,083,240	0	1,085,590	PUPA:	12,924
	.,000,210	C C	.,,	1.017.0	
Reserves/Ground Lease Base Rent/Bond Fees					
Ground Lease Base Rent	0	0	0		Provide additional comments here, if needed.
Bond Monitoring Fee	0	0	0		i Tovide additional comments here, il needed.
	54.000		54 000		
Replacement Reserve Deposit	54,936	0	54,936	Based off C.N.A.	1105
Operating Reserve Deposit	0	0		3% of previous year's operati	ng expenses per HCD
Other Required Reserve 1 Deposit	0	0			
Other Required Reserve 2 Deposit	0	0			
Required Reserve Deposit/s, Commercial				Links from 'Commercial Op. E	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	54,936	0	54,936	PUPA: 654	Min DSCR: 1.1
					Available for DS in Yr 1: 40,364
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE	1,138,176	0	1,140,526	PUPA: 13,578	Mortgage Rate: 5.00%
					Term (Years): 30
NET OPERATING INCOME (INCOME minus OP EXPENSES)	(8,697)	0	44,400	PUPA: 529	Supportable 1st Mortgage Pmt: \$40,760
		-			Supportable 1st Mortgage Amt: \$626,584
DEBT SERVICE ("hard debt"/amortized loans)					Proposed 1st Mortgage Amt: \$7,000,000
Hard Debt - First Lender	29,400	0	29,400	HCD-MHP	Provide additional comments here, if needed.
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Le	0	0	0		Provide additional comments here, if needed.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0		Provide additional comments here, if needed.
Hard Debt - Fourth Lender	0	0	0		Provide additional comments here, if needed.
	0	0	0	Links from Commercial On	· · · · · · · · · · · · · · · · · · ·
Commercial Hard Debt Service	00.400			Links from 'Commercial Op. E	
TOTAL HARD DEBT SERVICE	29,400	0	29,400	PUPA:	350
CASH FLOW (NOI minus DEBT SERVICE)	(38,097)	0	15,000		
Commercial Only Cash Flow			53,097		
·	52.007		55,097		
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)		0	45.000		
	15,000	0	15,000		
USES OF CASH FLOW BELOW (This row also shows DSCR.)			1.51		
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)	10,000	0	10,000	2	
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	10,000 5,000	0 0	10,000 5,000	2	
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments	10,000	0		2 1	
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	10,000 5,000	0 0		2	Provide additional comments here, if needed.
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments	10,000 5,000 0	0 0 0		2 1	
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	10,000 5,000 0 0	0 0 0 0		2 1 #DIV/0!	Provide additional comments here, if needed.
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	10,000 5,000 0 0 0	0 0 0 0 0		1	Provide additional comments here, if needed. Provide additional comments here, if needed.
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	10,000 5,000 0 0 0	0 0 0 0 0 0		1	Provide additional comments here, if needed. Provide additional comments here, if needed. Provide additional comments here, if needed.
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field) Deferred Developer Fee (Enter amt <= Max Fee from cell I130) TOTAL PAYMENTS PRECEDING MOHCD	10,000 5,000 0 0 0 0	0 0 0 0 0	5,000	1 #DIV/0!	Provide additional comments here, if needed. Provide additional comments here, if needed. Provide additional comments here, if needed.
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field) Deferred Developer Fee (Enter amt <= Max Fee from cell I130) TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS	10,000 5,000 0 0 0 0 15,000	0 0 0 0 0 0 0	5,000	1 #DIV/0!	Provide additional comments here, if needed. Provide additional comments here, if needed. Provide additional comments here, if needed.
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field) Deferred Developer Fee (Enter amt <= Max Fee from cell I130) TOTAL PAYMENTS PRECEDING MOHCD	10,000 5,000 0 0 0 0	0 0 0 0 0 0	5,000	1 #DIV/0!	Provide additional comments here, if needed. Provide additional comments here, if needed. Provide additional comments here, if needed.
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field) Deferred Developer Fee (Enter amt <= Max Fee from cell I130) TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS	10,000 5,000 0 0 0 0 15,000	0 0 0 0 0 0 0	5,000	1 #DIV/0!	Provide additional comments here, if needed. Provide additional comments here, if needed. Provide additional comments here, if needed.
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field) Deferred Developer Fee (Enter amt <= Max Fee from cell I130) TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	10,000 5,000 0 0 0 0 15,000	0 0 0 0 0 0 0	5,000	1 #DIV/0!	Provide additional comments here, if needed. Provide additional comments here, if needed. Provide additional comments here, if needed. 179
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field) Deferred Developer Fee (Enter amt <= Max Fee from cell I130) TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD) Residual Receipts Calculation	10,000 5,000 0 0 0 0 15,000	0 0 0 0 0 0 0	<u>5,000</u> <u>15,000</u> 0	1 #DIV/0! <i>PUPA:</i>	Provide additional comments here, if needed. Provide additional comments here, if needed. Provide additional comments here, if needed. 179
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field) Deferred Developer Fee (Enter amt <= Max Fee from cell 1130) TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD) Residual Receipts Calculation Does Project have a MOHCD Residual Receipt Obligation? Will Project Defer Developer Fee?	10,000 5,000 0 0 0 0 15,000	0 0 0 0 0 0 0	5,000 <u>15,000</u> 0 Yes No	1 #DIV/0! <i>PUPA:</i>	Provide additional comments here, if needed. Provide additional comments here, if needed. Provide additional comments here, if needed. 179
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field) Deferred Developer Fee (Enter amt <= Max Fee from cell I130) TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD) Residual Receipts Calculation Does Project have a MOHCD Residual Receipt Obligation?	10,000 5,000 0 0 0 0 15,000	0 0 0 0 0 0 0	5,000 <u>15,000</u> 0 Yes	1 #DIV/0! <i>PUPA:</i>	Provide additional comments here, if needed. Provide additional comments here, if needed. Provide additional comments here, if needed. 179

		Distrib. of Soft Debt
Soft Debt Lenders with Residual Receipts Obligations	(Select lender name/program from drop down) Total Principal Amt	Loans
MOHCD/OCII - Soft Debt Loans	\$6,096,483	44.25%
MOHCD/OCII - Ground Lease Value		0.00%
HCD (soft debt loan) - Lender 3	HCD-MHP \$7,000,000	50.81%
Other Soft Debt Lender - Lender 4	FHLB-AHP \$680,000	4.94%
Other Soft Debt Lender - Lender 5		0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due	0	0	67% of residual receipts, multiplied by 44.25% MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	0	0	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repymt.

0

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due	0 67% of residual receipts, multiplied by 50.81% HCD-MHP's pro rata share of all soft debt
Lender 4 Residual Receipts Due	0 67% of residual receipts, multiplied by 4.94%, FHLB-AHP's pro rata share of all soft debt
Lender 5 Residual Receipts Due	0
Total Non-MOHCD Residual Receipts Debt Service	0

REMAINDER (Should be zero unless there are

distributions below)	0	
Owner Distributions/Incentive Management Fee	0	
Other Distributions/Uses	0	

MOHCD Proforma - Year 1 Operating Budget

Application Date:	10/21/2016
Total # Units:	84
First Year of Operations (provide data assuming that	
Year 1 is a full year, i.e. 12 months of operations):	2017

INCOME

Residential - Tenant Rents	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Residential - Tenant Assistance Payments (Non-LOSP)	Residential - Tenant Assistance Payments (No	100.00%	0.00%	
Residential - LOSP Tenant Assistance Payments				
Commercial Space				
Residential Parking				
Miscellaneous Rent Income	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Supportive Services Income	Supportive Services Income			
Interest Income - Project Operations				
Laundry and Vending	Projected LOSP Split	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked
Tenant Charges	Tenant Charges			at entry level in the project's accounting system)
Miscellaneous Residential Income				
Other Commercial Income	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Withdrawal from Capitalized Reserve (deposit to operating account)	Withdrawal from Capitalized Reserve (deposit t	to 100.00%	0.00%	
Gross Potential Income				
Vacancy Loss - Residential - Tenant Rents				

Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments

Vacancy Loss - Commercial

EFFECTIVE GROSS INCOME

OPERATING EXPENSES

Management	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)	
Management Fee	Management Fee	100.00%	0.00%		
Asset Management Fee	Asset Management Fee	100.00%	0.00%		
Sub-total Management Expense	S	•			
Salaries/Benefits	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)	
Office Salaries	Office Salaries	100.00%	0.00%		
Manager's Salary	Manager's Salary	100.00%	0.00%		
Health Insurance and Other Benefits	Health Insurance and Other Benefits	100.00%	0.00%		
Other Salaries/Benefits	Other Salaries/Benefits	100.00%	0.00%		
Administrative Rent-Free Unit	Administrative Rent-Free Unit	100.00%	0.00%		
Sub-total Salaries/Benefits					
Administration					
Advertising and Marketing					
Office Expenses					
Office Rent	Projected LOSP Split	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked	
Legal Expense - Property	Legal Expense - Property	100.00%	0.00%	at entry level in the project's accounting system)	
Audit Expense					
Bookkeeping/Accounting Services	Projected LOSP Split	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked	
Bad Debts	Bad Debts	100.00%	0.00%	at entry level in the project's accounting system)	
Miscellaneous					
Sub-total Administration Expense	<u>s</u>				
Utilities	Projected LOSP Split	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked	
Electricity	Electricity	100.00%	0.00%	at entry level in the project's accounting system)	
Water					
	-				

Gas				
Sewer				
Sub-total Utilities	s			
Taxes and Licenses	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Real Estate Taxes	Real Estate Taxes	100.00%	0.00%	
Payroll Taxes	Payroll Taxes	100.00%	0.00%	
Miscellaneous Taxes, Licenses and Permits				
Sub-total Taxes and License	S			
Insurance				
Property and Liability Insurance				
Fidelity Bond Insurance	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Worker's Compensation	Worker's Compensation	100.00%	0.00%	
Director's & Officers' Liability Insurance				
Sub total Insurance				

Sub-total Insurance

Maintenance & Repair

Payroll	Projected LOSP Split	LOSP		(only acceptable if LOSP-specific expenses are being tracked
Supplies	Supplies	100.00%	0.00%	at entry level in the project's accounting system)
Contracts	Contracts	100.00%	0.00%	
Garbage and Trash Removal	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Security Payroll/Contract	Security Payroll/Contract	100.00%	0.00%	
HVAC Repairs and Maintenance				

Vehicle and Maintenance Equipment Operation and Repairs

Miscellaneous Operating and Maintenance Expenses

Sub-total Maintenance & Repair Expenses

	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Supportive Services	Supportive Services	100.00%	0.00%	
Commercial Expenses				

TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE

Reserves/Ground Lease Base Rent/Bond Fees

Ground Lease Base Rent				
Bond Monitoring Fee	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Replacement Reserve Deposit	Replacement Reserve Deposit	100.00%	0.00%	
Operating Reserve Deposit	Operating Reserve Deposit	100.00%	0.00%	
Other Required Reserve 1 Deposit	Other Required Reserve 1 Deposit			
Other Required Reserve 2 Deposit				

Required Reserve Deposit/s, Commercial

Sub-total Reserves/Ground Lease Base Rent/Bond Fees

TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE

NET OPERATING INCOME (INCOME minus OP EXPENSES)

DEBT SERVICE ("hard debt"/amortized loans)	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Hard Debt - First Lender	Hard Debt - First Lender	100.00%	0.00%	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Le	Hard Debt - Second Lender (HCD Program 0.4	2% pymt, or other 2nd Lender)		
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	Hard Debt - Third Lender (Other HCD Program	, or other 3rd Lender)		
Hard Debt - Fourth Lender	Hard Debt - Fourth Lender			
Commercial Hard Debt Service				
	-			

TOTAL HARD DEBT SERVICE

CASH FLOW (NOI minus DEBT SERVICE)

Commercial Only Cash Flow				
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	Allocation of Commercial Surplus to LOPS/non	100.00%	0.00%	
AVAILABLE CASH FLOW				
USES OF CASH FLOW BELOW (This row also shows DSCR.)				
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)				
Partnership Management Fee (see policy for limits)				
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	Alternative LOSP Split	LOSP	non-LOSP	Approved By (reqd)
Other Payments	Other Payments			

Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	Non-amortizing Loan Pmnt - Lender 1 (select le	nder in comments field)		
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)				
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	Deferred Developer Fee (Enter amt <= Max Fe	0.00%	100.00%	

0

TOTAL PAYMENTS PRECEDING MOHCD

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?	
Will Project Defer Developer Fee?	
Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1 Sum of DD F from LOSP and non-LOSP:	
% of Residual Receipts available for distribution to soft debt lenders in Ratio of Sum of DDF and calculated 50%:	#VALUE!

Soft Debt Lenders with Residual Receipts Obligations

MOHCD/OCII - Soft Debt Loans	
MOHCD/OCII - Ground Lease Value	
HCD (soft debt loan) - Lender 3	
Other Soft Debt Lender - Lender 4	
Other Soft Debt Lender - Lender 5	

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due
Proposed MOHCD Residual Receipts Amount to Loan Repayment
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due	
Lender 4 Residual Receipts Due	
Lender 5 Residual Receipts Due	
Total Non MOHOD Basidual Bassinta Daht Samuiaa	

Total Non-MOHCD Residual Receipts Debt Service

REMAINDER (Should be zero unless there are distributions below)

Owner Distributions/Incentive Management Fee
Other Distributions/Uses

Attachment C: 20-year Operating Proforma

Hotel Essex

Hotel Essex		n-LOSP																	
	84 <i>84</i>	Units 0	Year 1		Year 2	Year		Year 4	Year 5	Year 6		Year 7	Year 8		Year 9	Year 10		Year 11	Year 12
	100.00%		2017		2018 non-	2019 non-		2020	2021	2022		2023	2024	_	2025	2026		2027	2028
INCOME Residential - Tenant Rents	inc LOSP inc 2.2% 2	2.2% Based off Rent Roll	LOSP non-LOSP 214,968 -	Total LOSP 214,968 219,6	LOSP Tota 07 - 219,1		Total LOSP I 224,531 229,470 1	non-LOSP Total LOSP - 229,470 234,53	non-LOSP Total 19 - 234,519	LOSP non-LOS 239,678 -	P Total LOSP no. 239,678 244,951	n-LOSP Total - 244,951	LOSP non-LOS 250,340 -	P Total LOSP 250,340 255,8		LOSP non-LOSP 261,476 -	Total LOSP 261,476 267,229	non-LOSP Total - 267,229	LOSP non-LOSP 273,108 -
Residential - Tenant Assistance Payments (Non-LOSP) Residential - LOSP Tenant Assistance Payments Commercial Space	n/a	n/a Image: model n/a Image: model 2.5% Current Commercial Income	925,671	925,671 954,6	- <u>954,</u>				- 79 1,060,279 68 004	1,083,492		- 1,115,292	1,152,268	1,152,268 1,190,6	1,190,620		- 1,230,399 <i>1,271,657</i> 76,940	- 1,271,657 78 863	1,314,448
Residential Parking Miscellaneous Rent Income	1%a 2 2.5% 2 2.5% 2	2.5%			-										· · · · ·	· ·			
Supportive Services Income Interest Income - Project Operations	2.5% 2 2.5% 2	2.5%					- <u>-</u> -								· · · · ·				
Laundry and Vending Tenant Charges	2.5% 2 2.5% 2 2.5% 2	2.5% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5%		 -									 				 		
Miscellaneous Residential Income Other Commercial Income	2.5% 2 n/a 2			· ·	-		· · · ·				· · ·	· ·			· · · ·				
Withdrawal from Capitalized Reserve (deposit to operating Gross Po	account) n/a	n/a applicable								- <u>-</u> 1,323,170 -		_ 	 1,402,608	1,475,840 1,446,4	<u> </u>			<u>-</u> 1,617,749	
Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial	n/a	n/a Enter formulas manually per relevant MOH n/a policy; annual incrementing usually not	(11,160) -	(11,160) (10,9			- (11,227) (11,474)	- (11,474) (11,72			(11,984) (12,248)	- (12,248)	(12,517) -	(12,517) (12,7	792) - (12,792) 		(13,074) (13,361)	- (13,361)	
Vacancy Loss - Commercial EFFECTIVE G	n/a ROSS INCOME	n/a appropriate	1,129,479 -	(6,161) 1,184,926 <i>1,163,3</i>	(6,) 6 - 1,220,	315) 170 1,198,393	- 1,256,647 1,234,691	(6,635) - 1,294,401 <i>1,283,07</i>	(6,800) 72 - 1,344,275	1,311,186 -	(6,970) 1,373,920 <i>1,347,995</i>	- 1,412,297		(7,323) 1,456,000 1,433,6	(7,506) 675 - 1,501,232	1,478,802 -	(7,694) 1,548,048 <i>1,525,525</i>	(7,886) - 1,596,502	1,573,900 -
OPERATING EXPENSES Management																			
Management Fee Asset Management Fee	0.0%	Escalated to the maximum allowable by HCD- MHP 3.5% per MOHCD policy	78,624 -	78,624 78,6	,		- 78,624 78,624 - 12,855 13,305	- 78,624 78,62 - 13,305 13,77	24 - 78,624 70 - 13,770	78,624 -	78,624 78,624 14,252 14,751	- 78,624	78,624 -	78,624 78,6	- 78,624	78,624 -	78,624 78,624	- 78,624	
Sub-total Management Fee Sub-total Management Salaries/Benefits			12,000 - 90,624 -	90,624 91,0	,	420 12,855 - 044 91,479 -	- 91,479 91,929	- 91,929 92,39	0 10,110	92,876 -	92,876 93,375	- 93,375	10,201	93,891 94,4	10,002	94,979 -	16,355 16,927 94,979 95,551	- 16,927 - 95,551	,0=0
Office Salaries Manager's Salary	3.5% 3 3.5% 3	3.5% 3.5%	32,051 - 70,418 -	32,051 33, <i>1</i> 70,418 72,8	73 - 33, 33 - 72,	173 <u>34,334</u> - 883 75,434 -	- 34,334 35,536 - 75,434 78,074	- 35,536 36,77 - 78,074 80,80	79 - 36,779 06 - 80,806	<u> </u>	38,067 39,399 83,634 86,562	- 39,399 - 86,562	40,778 - 89,591 -	40,778 42,2 89,591 92,7	205 - 42,205 727 - 92,727	43,682 - 95,973 -	43,682 <i>45,211</i> 95,973 <i>9</i> 9,332	- 45,211 - 99,332	46,793 - 102,808 -
Health Insurance and Other Benefits Other Salaries/Benefits		3.5% 3.5%	81,506 -	81,506 84,3	59 <u>- 84</u> , -	359 <u>87,311</u> - 	- 87,311 90,367	- 90,367 93,53	30 - 93,530 	96,804 -	96,804 100,192	- 100,192	103,698 -	103,698 107,3	28 - 107,328	111,084	111,084 <i>114,972</i> 	- 114,972 	118,996 -
	3.5% 3.5% 3.5% 3.5%	3.5%	 183,975 -	 183,975 <i>190,4</i>		 414 197,079 -			 16 - 211,116	 218,505 -		<u>-</u> - 226,152	 234,068 -			250,739 -	 250,739 259,515	259,515	 268,598 -
Administration Advertising and Marketing Office Function		3.5%			-														
Office Expenses Office Rent Legal Expense - Property	3.5% 3	3.5% 3.5% 3.5%	46,676 - 2,453 - 10,820 -	46,676 48,3 2,453 2,5 10,820 11,1	0 - 48, 39 - 2, 00 - 11	539 2,628 -	- 50,000 51,751 - 2,628 2,720	- 51,751 53,56 - 2,720 2,81 - 11,996 12,41	52 - 53,562 5 - 2,815 16 - 12,416	55,436 - 2,913 - 12,851 -	55,436 57,377 2,913 3,015 12,851 13,301	- 57,377 - 3,015 - 13,301	59,385 - 3,121 -	59,385 61,4 3,121 3,2 13,766 14,2	463 - 61,463 230 - 3,230 448 - 14,248	63,615 - 3,343 - 14,747 -	63,615 65,841 3,343 3,460 14,747 15,263	- 65,841 - 3,460 - 15,263	<u> </u>
Audit Expense Bookkeeping/Accounting Services	3.5% 3		<u> </u>	12,767 13,2 9,576 9,9	14 - 13, 11 - 9,	214 13,676 - 911 10,258 -	- 13,676 14,155 - 10,258 10,617	- 14,155 14,65 - 10,617 10,98		15,163 - 11,373 -	15,163 15,694 11,373 11,771	- 15,694 - 11,771	16,243 - 12,183 -	16,243 16,8 12,183 12,6	,	17,400 - 13.051 -	17,400 18,009 13,051 13,508	- 18,009	
Bad Debts Miscellaneous	3.5% 3 3.5% 3		<u> </u>	13,077 13,5 40,082 41,4	<mark>35 - 13</mark> , 35 - 41,		- 14,008 14,499 - 42,937 44,440	- 14,499 15,00 - 44,440 45,9 9	- 15,006 05 - 45,995	<u> </u>	15,531 16,075 47,605 49,271	- 16,075 - 49,271	<mark>16,638</mark> - 50,995 -	16,638 17,2 50,995 52,7	20 - 17,220 780 - 52,780	<mark>17,823</mark> - 54,628 -	17,823 18,446 54,628 56,540	- 18,446 - 56,540	
Sub-total Administra Utilities			135,451 -	135,451 140,1	92 - 140,	192 145,098 -	- 145,098 <i>150,177</i>	- 150,177 155,43	33 - 155,433	160,873 -	160,873 166,504	- 166,504	172,331 -	172,331 178,3	- 178,363	184,606 -	184,606 191,067	- 191,067	197,754 -
Electricity Water	3.5% 3 3.5% 3	3.5%	47,198 - 21,798 -	47,198 48,8 21,798 22,5	51 - 22,	561 23,351 -	- 50,560 52,329 - 23,351 24,168	- 52,329 54,16 - 24,168 25,00	51 - 54,161 14 - 25,014	<u>56,056</u> - 25,889 -	56,056 58,018 25,889 26,795	- 58,018 - 26,795	<u>60,049</u> - 27,733 -	60,049 62,1 27,733 28,7	51 - 62,151 704 - 28,704	64,326 - 29,708 -	64,326 66,577 29,708 30,748	- 66,577 - 30,748	31,824 -
Gas Sewer	3.5% 3 3.5% 3 <i>ib-total Utilities</i>	3.5% 3.5%	36,301 - 33,107 -	36,301 37,5 33,107 34,2 138,404 142,2	66 - 34,	266 35,465 -	- 38,887 40,248 - 35,465 36,706	- 40,248 41,65 - 36,706 37,99	91 - 37,991	43,114 - 39,321 -	43,114 44,623 39,321 40,697 164,391 170,134	- 44,623 - 40,697	46,185 - 42,121 -	46,185 47,8 42,121 43,5 176,090 193,2	596 - 43,596	49,475 - 45,121 -	49,475 51,206 45,121 46,701 199,630 105,333	- 51,206 - 46,701	48,335 -
Taxes and Licenses Real Estate Taxes		3.5%	12 171 -	138,404 <i>143,2</i>	18 - 143 ,	248 148,262 -	- 148,262 <i>153,451</i>	- 153,451 158,82 - 13,494 13,96	22 - 158,822	164,381 -	164,381 170,134	- 170,134	176,089 -	176,089 182,2 15.485 16.0	2 52 - 182,252	188,630 - 16 588 -	188,630 195,233	- 195,233	
Payroll Taxes Miscellaneous Taxes, Licenses and Permits	0.070	3.5%	<u> </u>	12,171 72,0 32,522 33,6 15,352 15.8	60 - 33, 89 - 15,	000 04,000	- 34,838 36,058 - 16,445 17,021	- <u>36,058</u> 37,32 - <u>17,021</u> 17,61	20 - 37,320	38,626 - 18,233 -	38,626 39,978 18,233 18,872	- 39,978 - 18.872	41,377 - 19.532 -	<u>41,377</u> <u>42,8</u> <u>19,532</u> <u>20,2</u>	227 - 10,027 225 - 42,825 216 - 20,216	44,324 - 20.923 -	10,333 11,103 44,324 45,875 20,923 21,656	- 45,875	47,481 -
Sub-total Taxes			60,045 -	60,045 62,1	- 62,	147 64,322 -	- 64,322 66,573	- 66,573 68,90	23 - 68,903	71,315 -	71,315 73,811	- 73,811	76,394 -	76,394 79,0	68 - 79,068	81,835 -	81,835 <i>84,699</i>	- 84,699	87,664 -
Property and Liability Insurance Fidelity Bond Insurance	0.070	3.5%	63,211 -	63,211 65,4	23 - 65, -	423 67,713 -	- 67,713 <i>70,083</i> 	- 70,083 72,53	36 - 72,536 	75,075 -	75,075 77,702	- 77,702	80,422 -	80,422 83,2	- 83,237	86,150 -	86,150 <i>89,165</i> 	- 89,165 	92,286 -
Worker's Compensation Director's & Officers' Liability Insurance	3.5% 3 3.5% 3			23,272 24,0	-		- 24,930 25,802	- 25,802 26,70			27,640 28,607	- 28,607	29,608 -	29,608 30,6		31,717 -	31,717 32,827	- 32,827 	
Maintenance & Repair	total Insurance 3.5% 3	3 5%	86,483 -	86,483 89,5		510 92,643 -	- 92,643 95,885 - 131,488 136,090	- 95,885 99,24 - 136,090 140,85	-	102,715 -	102,715 106,310	- 106,310	110,031 -	110,031 113,8 156,166 161,6	·	117,867 -	117,867 121,993 167,289 173,144	- 121,993 - 173,144	
Supplies Contracts	3.5% 3 3.5% 3	3.5%	42,197 - 57,977 -	42,197 43,6 57,977 60,0	- 43,	<i>,</i>	- 45,202 46,785 - 62,106 64,280	- 46,785 48,42 - 64,280 66,53	- 48,422	<u>50,117</u> -	50,117 51,871 68,858 71,269	- 51,871 - 71,269	53,686 - 73,763 -	53,686 55,5 73,763 76,3	i <mark>65</mark> - 55,565	<u>57,510</u> -	57,510 59,523 79,017 81,782	- 59,523 - 81,782	<u>61,606</u> -
Garbage and Trash Removal Security Payroll/Contract	3.5% 3 3.5% 3	3.5%	23,416 - 141,735 -	23,416 24,2 141,735 146,6	24,	20,004	- 25,084 25,962 - 151,830 157,144	- 25,962 26,87 - 157,144 162,64	70 - 26,870 14 - 162,644	27,811 - 168,337 -	27,811 28,784 168,337 174,229	- 28,784 - 174,229	29,792 - 180,327 -	29,792 30,8 180,327 186,6		31,914 - 193,170 -	31,91433,031193,170199,931	- 33,031 - 199,931	34,187 -
HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repair		3.5%	 188 -	 188 1		 195 201 -	 - 201 208	208 21	 16 - 216	 223 -	 223 231	 - 231	 239 -	 2392	248	 256 -	 256 265	265	
Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Re	3.5% 3 Sepair Expenses	3.5%	 388,258 -	 388,258 <i>401,8</i>	- 17 - 401,	 847 <i>415,912</i> -	415,912 <i>430,469</i>	430,469 <i>445,5</i> 3	<u> </u>	 461,129 -	461,129 477,268	- 477,268	 493,973 -	493,973 511,2	262 - 511,262	 529,156 -	 529,156 547,676	547,676	 566,845 -
Supportive Services Commercial Expenses	3.5% 3	3.5%		 2,350	- 2,		2,517	 2,605	2,697		2,791	 2,889		2,990	3,095		3,203	 3,315	
TOTAL OPERATING EXPENSES w/o RESERVES/GL PUPA (w/o Reserves/GL Base Re			1,083,240 -	1,085,590 1,118,4 12,924	92 - 1,120,	834 1,154,794 -	- 1,157,311 <i>1,192,460</i>	- 1,195,065 <i>1,231,44</i>	14 - 1,234,141	1,271,793 -	1,274,584 <i>1,313,554</i>	- 1,316,442	1,356,776 -	1,359,766 1,401,5	- 1,404,606	1,447,812 -	1,451,015 <i>1,495,734</i>	- 1,499,049	1,545,333 -
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent					Note: Hido	len columns are in between tota	l columns. To update/delete values in j	yellow cells, manipulate each cell rather than	dragging across multiple cells.										
Bond Monitoring Fee Replacement Reserve Deposit			 54,936 -	 54,936 <i>54,9</i>		 936 54,936 -		 - <mark>54,936</mark> 54,93		 54,936 -			 54,936 -				 54,936 54,936		 54,936 -
Operating Reserve Deposit Other Required Reserve 1 Deposit								- 10,75 				- <u>11,518.87</u> 	11,898 - 	11,897.95 12,2 	290 - 12,290.30 	12,696 - 	12,696.38 13,117 	- <u>13,116.68</u> 	13,552 -
Other Required Reserve 2 Deposit Required Reserve Deposit/s, Commercial	Dent/Bond Food					 													
Sub-total Reserves/Ground Lease Base R TOTAL OPERATING EXPENSES w/ RESERVES/GL B			54,936 - 1,138,176 -	54,936 54,9 1,140,526 <i>1,173,3</i>	,	936 54,936 - 770 1,209,730 -	- 54,936 54,936 - 1,212,247 <i>1,247,3</i> 96	- 54,936 65,73 - 1,250,001 <i>1,297,17</i>		54,936 - 1,326,729 -	54,936 66, <i>4</i> 55 1,329,520 <i>1,380,008</i>	- 66,455 - 1,382,897	66,834 - 1,423,610 -	66,834 67,2 1,426,600 <i>1,468,7</i>	26 - 67,226 738 - 1,471,832	67,632 - 1,515,445 -	67,632 <i>68,053</i> 1,518,648 <i>1,563,787</i>	- 68,053 - 1,567,102	68,488 - 1,613,821 -
PUPA (w/ Reserves/GL Base Re NET OPERATING INCOME (INCOME minus OP EXPE			(8,697) -	13,578 44,400 (10,0)1) - 44,	400 (11,337) -	- 44,400 (12,705)	- 44,400 (14,10	. 44,400	(15,542) -	44,400 (32, <i>013</i>)	- 29,400	(33,519) -	29,400 (35,0	- 29,400	(36,643) -	29,400 (38,262)	- 29,400	(39,921) -
DEBT SERVICE ("hard debt"/amortized loans) Hard Debt - First Lender		Enter comments re: annual increase, etc.	29.400 -	29,400 29,4			l columns. To update/delete values in - 29,400 29,400	yellow cells, manipulate each cell rather than - 29.400 29.40		29.400 -	29,400 29,400	- 29.400	29.400 -	29,400 29,4	- 29,400	29.400 -	29,400 29,400	- 29.400	29.400 -
Hard Debt - Second Lender (HCD Program 0.42% pymt, of Hard Debt - Third Lender (Other HCD Program, or other 3	or other 2nd Lender) Brd Lender)	Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.					- <u>-</u> - - <u>-</u>								· · · · ·				
Hard Debt - Fourth Lender Commercial Hard Debt Service		Enter comments re: annual increase, etc.			-										· · · · · · · · · · · · · · · · · · ·				
TOTAL HARD D CASH FLOW (NOI minus DEBT SERVICE)	DEBT SERVICE		29,400 - (38,097) -	29,400 29,4 15,000 (39,4	,	400	- 29,400 <i>29,400</i> - 15,000 <i>(42,105)</i>	- 29,400 29,40 - 15,000 (43,50		29,400 - (44,942) -	29,400 <i>29,400</i> 15,000 <i>(61,413)</i>	- 29,400	29,400 - (62,919) -	29,400 29,4 0 (64,4	,	29,400 - (66,043) -	29,400 <i>29,400</i> - (67,662)	- 29,400	29,400 - (69,321) -
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/non-LOSP	(residual income)	Г	53.097 -	53,097 54,4	54,	401 55,737	55,737	57,105	58,507	59,942 -	59,942	- 61,413		62,919	64,463	66,043 -	66,043 67,662	67.662	69,321 -
AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows		L	15,000 -		. 15,	000 15,000 - 1.51	- 15,000 <i>15,000</i>	- 15,000 15,00 1.51	- 15,000	15,000 -	15,000 <i>(0)</i>			0 -	····				(0) -
USES OF CASH FLOW BELOW (This row also shows USES THAT PRECEDE MOHCD DEBT SERVICE IN V "Below-the-line" Asset Mgt fee (uncommon in new projects	VATERFALL	3.5% per MOHCD policy	_ 1	1.51			1.01	1.51 yellow cells, manipulate each cell rather than	1.51 dragging across multiple cells.		1.51	1		7	1	<u> </u>	1	1	
Partnership Management Fee (see policy for limits)	0.0%	CA HCD Regulatory Agreement requires no escalation	10,000 -	10,000 10,0	00 - 10,	000 10,000 -	- 10,000 10,000	- 10,000 10,00	00 - <u>10,000</u>	10,000 -	- 10,000	-						-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy Other Payments	/ for limits)	per MOHCD policy no annual increase	5,000 -	5,000 5,0	00 - 5, -		- <u>5,000</u> 5,000	- <u>5,000</u> <u>5,00</u> 	00 - 5,000 	5,000 -	5,000 - -	-			·		-	-	
Non-amortizing Loan Pmnt - Lender 1 Non-amortizing Loan Pmnt - Lender 2 Deferred Developer Fee (Enter amt <= Max Fee from row	131)	Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.					· · ·		-			-	 				-	-	
TOTAL PAYMENTS PRECE	EDING MOHCD				<u> </u>			- 15,000 15,00							·				
RESIDUAL RECEIPTS (CASH FLOW minus PAYMEN	TS PRECEDING MOHCD)		0 -	-	(0) -	(0) (0) -		- (0)	0 - (0)	0 -	- (0)	. .		0 -	- -		· ·	- -	(0) -

											MC	OHCD Proforma - 2	20 Year Cash Flow																	
	LOSP No	on-LOSP																												
Total # Ur	its: Units	Units																												
	84 84	0	Г	Year 1		Year	2	Year	3	Y	(ear 4		Year 5		Year 6		Yea	ar 7		Year 8			Year 9		Year 1	0		Year 11		Year 12
	100.00%	0.00%		2017		2018		2019			2020		2021		2022		20			2024			2025		2026			2027		2028
	% annual %	annual	Commonto			non-		non-																						
INCOME	inc LOSP inc	crease (relati	Comments ed to annual inc assumptions)	LOSP non-LOSF	P Total	LOSP LOSI		LOSP LOSF		LOSP no	n-LOSP Total	LOSP	non-LOSP	Total L	.OSP non-LOS	P Total L	LOSP non-	LOSP Total	LOSP	non-LOSP	Total LC	.OSP n	on-LOSP T	otal	LOSP non-LO	SP Total	LOSP	non-LOSP To	tal LOS	P non-LOSP
Does Project have a MOHCD Residual Receipt Obligation?		Voc			Total		Total	2037 2037	Total			LUSP	11011-2031						LUSP	1011-2031		.037 ///								1011-2001
Will Project Defer Developer Fee?		No																												
Residual Receipts split for all years Lender/Owner	679	% / 33%																												
	,	, , , , , , , , , , , , , , , , , , , ,																												
		ist. Soft		иах ренетер речеюрет гее Атт																										
	Di	ist. Soft	C	Cum. Deferred Developer Fee:	-		-		-			-		-		-		-			-			-		-			-	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	Dec	bt Loans											Г														٦			
		Allocatio	on per pro rata share of all soft debt																											
MOHCD Residual Receipts Amount Due		44.25% loans, a	and MOHCD residual receipts policy		-		-		-			-		-		-		-			0			-		-			-	
Proposed MOHCD Residual Receipts Amount to Loan Repaymen					-		-		-			-	_	-		-		-			0			-		-			-	
Proposed MOHCD Residual Receipts Amount to Residual Ground			ed Total MOHCD Amt Due less Loan																											
Lease		Repaym	nent		-		-		-			-	L	-		-		-			-			-		-			-	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Due													_																	
HCD Residual Receipts Amount Due		50.81% Allocation	on per pro rata share of all soft debt		-		-		-			-	F	-		-		-			0			-		-			-	
		Allocatio	on per pro rata share of all soft debt																											
Lender 4 Residual Receipts Due			and MOHCD residual receipts policy.		-		-		-			-		-		-		-			0			-		-			-	
Lender 5 Residual Receipts Due		0.00%			-		-		-			-	Γ	-		-		-			-			-		-			-	
Total Non-MOHCD Residual Receipts Debt Ser	vice				-		-		-			-	_	-		-		-			0			-		-	-		-	
REMAINDER (Should be zero unless there are distributions belo	w)				-		-		-			-		-		-		-			0			-		-			-	
Owner Distributions/Incentive Management Fee	,				-		-		-			-	Г	-		-		-			0			-		-	٦		-	
Other Distributions/Uses					-																									
Final Balance (should be zero)					-		-		-			-	_	-		-		-			-			-		-	-		-	
REPLACEMENT RESERVE - RUNNING BALANCE																														
Replacement Reserve Starting Balance					284,826		324 149		354,030		392,	562	Г	430,684		349,591		271,46	67		290,247			306,942		350,480	Т	2	93,703	
Replacement Reserve Deposits		2012 P	NA		54,936		54.936		54,936		54,	936		54,936		54.936		54,93	36		54,936			54,936		54,936	-		54,936	
Replacement Reserve Withdrawals (ideally tied to CNA)		2012 PM	NA		15,613		324,149 54,936 25,055		16,404		16,	814		136,029		133,060		36,15	56		38,241			11.398		111.713			16,214	
Replacement Reserve Interest																								,						
RR Running Bala	nce				324,149		354,030		392,562		430,0	684	_	349,591		271,467		290,24	47		306,942			350,480		293,703	-	33	32,425	
				RR end bal./u	nit 3,859		4,215		4,673		5,	127		4,162		3,232		3,45	55		3,654			4,172		3,496			3,957	
OPERATING RESERVE - RUNNING BALANCE													г			335,630		335,63									7			
Operating Reserve Starting Balance			egulatory Agreement requires 3% of		324,831		324,831		324,831		324,8	831	F	324,831		335,630		335,63	30		347,149			359,047		371,337	_	3	34,033	
			s year's project expenses to be																											
Operating Reserve Deposits		deposite	ed with no cap.		-		-		-			-		10,799		-		11,51	19		11,898			12,290		12,696			13,117	
Operating Reserve Withdrawals													_																	
Operating Reserve Interest													L			335,630		347,14						371,337					97,150	
OR Running Bala	nce				324,831		324,831		324,831		324,8			335,630							359,047					384,033		3		
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE			(OR end bal. % Op.Exps+Deb	t 28%		27%		26%		2	25%		25%		25%		25	5%		25%			25%		25%)		25%	
							-						Г	-				-									T		-	
Other Reserve 1 Starting Balance Other Reserve 1 Deposits					-				-					-							-			-			-		-	
Other Reserve 1 Withdrawals													-	_					·		_			_			-		_	
Other Reserve 1 Interest																														
Other Required Reserve 1 Running Bala	nce				-		-		-			-	L	-		-		-			-			-		-	-		-	
OTHER RESERVE 2 - RUNNING BALANCE							[]						г							г—-			Г — —				Т			
Other Reserve 2 Starting Balance Other Reserve 2 Deposits					-		-		-				ŀ								-			-		-	4		-	
Other Reserve 2 Withdrawals					-		-		-				F	-		-		-	·		-			-		-	-		-	
Other Reserve 2 Interest													F														1			
Other Required Reserve 2 Running Bala	nce				-		-		-				L	-		-		-			-			-		-	_		-	
	-																													

MOHCD Proforma - 20 Year Cash Flow

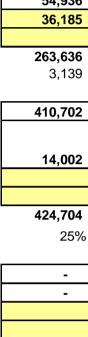
Hotel Essex

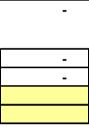
Hotel Essex	LOSP	Non-LOSP																								
Total # Uni	ts: Units 84 84	Units 0	-		Year 13		Ye	ar 14		Year 15			Year 16			Year 17		Ye	ear 18	<u> </u>	Y	(ear 19			Year 20	——,
	100.00%	0.00%	Comments		2029		2	030		2031			2032			2033		2	2034			2035 non-			2036 non-	
INCOME Residential - Tenant Rents	inc LOSP	increase	(related to annual inc assumptions)	Total	LOSP non-LOSI		LOSP non- 285,256	-LOSP Total		non-LOSP		LOSP 297,946	non-LOSP			on-LOSP				otal LOS	SP L	LOSP		LOSP	LOSP 1	Total
Residential - Tenant Assistance Payments (Non-LOSP)	2.2%	2.2% n/a	Based off Rent Roll	273,108		279,116	-	- 285, - 1404	-	-	291,532	-	-	297,946	304,501	-		-	-		-		318,046	325,043	-	325,043
Residential - LOSP Tenant Assistance Payments Commercial Space	n/a n/a	n/a 2.5%	Current Commercial Income	1,314,448 80,835	1,358,826	1,358,826 82,856	1,404,850	1,404, 84,	, , , , , , , , , , , , , , , , , , , ,		1,452,580 87,050	1,502,076		1,502,076 89,227	1,553,404		1,553,404 <i>1,</i> 91,457	506,629	,	606,629 1,66 93,744	61,820		1,661,820 96,087	1,719,049		1,719,049 98,490
Residential Parking Miscellaneous Rent Income	2.5% 2.5%	2.5% 2.5%		-		-	-	-	· -	-	-	-	-	-	-	-	-	-	-	-	-					
Supportive Services Income Interest Income - Project Operations	2.5% 2.5%	2.5%		-		-		-		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
Laundry and Vending Tenant Charges	2.5% 2.5%	2.5% 2.5%		-		-	-	-	- - -	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
Miscellaneous Residential Income Other Commercial Income	2.5% n/a	2.5% 2.5%	Liek from Decence Costion holow on	-			-	-	- -	-	-	-	-	-	-	-	-	-	-	-	·		-	· ·		
Withdrawal from Capitalized Reserve (deposit to operating account) Gross Potential Incor	n/a	n/a	Link from Reserve Section below, as applicable	1 668 390		1,720,798	- 1,690,107	<u>-</u> - 1,775,		2 -	1,831,162	- 1,800,022		1,889,249	- 1,857,904	-	1,949,362 1,	- 917,829	- 20)11,572 <i>1,97</i> 9	-		2,075,954		- 2	2,142,582
Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments	n/a n/a		Enter formulas manually per relevant MOH policy; annual incrementing usually not	(13,655)		(13,956)	(14,263)	- (14,			(14,577)	(14,897)	-	(14,897)		-		(15,560)			15,902)		(15,902)	(16,252)		(16,252)
Vacancy Loss - Commercial EFFECTIVE GROSS INCOM	n/a		appropriate	(8,084) 1,646,652		(8,286) 1,698,557	1,675,844	- (8, - 1,752,	493) 2 78 1,729,53 3	5 -	(8,705) 1 ,807,88 1	1,785,125	- -	(8,923) 1,865,429	1,842,679	-	(9,146) 1,924,991 <i>1,</i>	902,269		(9,374) 986,638 1,96	33.964		(9,609) 2,050,443	2.027.840	- ;	(9,849) 2,116,480
OPERATING EXPENSES				.,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1,000,001	.,,	.,,	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	-	1,001,001	.,		1,000,120	., <i>e</i> ,e.e		.,,	,	.,.		5,001		2,000,110	_,0,0_10	-	,,
Management			Escalated to the maximum allowable by HCD-																	<u> </u>	<u> </u>					
Management Fee Asset Management Fee	0.0%	3.5%	MHP per MOHCD policy	78,624 17,520	,	78,624 18,133	78,624 18,767	- 78, - 18,			78,624 19,424	78,624 20,104	-	78,624 20,104	78,624 20,808	-	78,624 20,808	78,624 21,536		- 1 -	78,624 22,290	-	78,624 22,290	78,624 23,070	-	78,624 23,070
Sub-total Management Expenses	ses			96,144	96,757 -	96,757	97,391	- 97,	391 98, <i>04</i> 6	8 -	98,048	98,728	-	98,728	99,432	-	99,432	100,160	- 1	100,160 <i>10</i>	00,914	-	100,914	101,694	-	101,694
Office Salaries Manager's Salary	3.5% 3.5%	3.5% 3.5%		46,793 102,808	48,431 - 106,406 -	48,431 106,406	50, 126 110, 131	- 50, - 110,	20 01,00	-	51,881 113,985	53,697 117,975	-	53,697 117,975	55,576 122,104	-	55,576 122,104	57,521 126,377		- 1	59,534 30,801		59,534 130,801	61,618 135,379		61,618 135,379
Health Insurance and Other Benefits Other Salaries/Benefits	3.5% 3.5%	3.5% 3.5%		118,996 -		123,161	127,472	- 127, -	131,93 	3 -	131,933 -	136,551 -	-	136,551 -	- 141,330		141,330 -	-	- 1	- 146,277	51,397 -	-	151,397 -	156,695 -	-	156,695 -
Administrative Rent-Free Unit Sub-total Salaries/Benef	3.5%	3.5%		- 268,598	 277,999 -	- 277,999	- 287,729	- 287,	 729 297,79	9 -	- 297,799	- 308,222	-	- 308,222	- 319,010	-	- 319,010	- 330,175	- 3	- 330,175 34	- 41,732	-	- 341,732	- 353,692	-	- 353,692
Administration Advertising and Marketing	3.5%	3.5%		-		-		,		-	, -	,	- 1	,		-	-	-	-	-			-			
Office Expenses Office Rent	<u> </u>	3.5% 3.5%		68,146 3,581	-/	70,531	72,999 3,836	- 72, - 3,	· · · · · · · · · · · · · · · · · · ·		75,554 3,971	78,199 4,110	-	78,199 4,110	80,936 4,253		80,936 4,253	83,768 4,402	-	83,768 8	36,700 4,556		86,700 4,556	89,735 4,716		89,735 4,716
Legal Expense - Property Audit Expense	3.5%	3.5% 3.5%		15,797	<u> </u>	16,350 19,292	16,922 19,967	<u>- 3,</u> <u>- 16,</u> - 19.)22 17,51	4 -	17,514	<u>4,110</u> <u>18,127</u> 21,389	-	18,127	<u>18,762</u> 22,138	-	18,762	<u>19,418</u> 22,913		19,418 20	20,098 23,715		20,098	<u>20,801</u> 24,545		20,801
Bookkeeping/Accounting Services Bad Debts	3.5% 3.5%	3.5% 3.5%		13,981	14,470 - 19,760 -	14,470	14,976 20,452	- 14, - 20,	976 15,50	-	15,501 21,168	16,043 21,909	-	16,043 21,909	16,605 22,675	-	16,605 22,675	17,186 23,469	-	17,186 1	17,787 24,290		17,787	18,410 25,141		18,410
Miscellaneous Sub-total Administration Expens	3.5%	3.5%		58,519 197,754	60,567 - 204,676 -	60,567 204,676	62,686	- <u>62,</u> - 211,	64,88		64,881 219,254	67,151 226,928	-	67,151 226,928	69,502 234,870	-	69,502	71,934 2 43,091	-	71,934 74	74,452 5 1,599	<u> </u>	74,452 251,599	77,058 260,405		25,141 77,058 260,405
Utilities		2 50/					-					-				-		-			-			-		
Electricity Water	3.5% 3.5%	3.5% 3.5%		68,908 31,824	32,938 -	71,319 32,938	73,816 34,091	- 73, - 34,)91 35,28	4 -	76,399 35,284	79,073 36,519	-	79,073 36,519	37,797	-	81,841 37,797	84,705 39,120	-	39,120 40	37,670 40,490		87,670 40,490	90,738 41,907		90,738 41,907
Gas Sewer	3.5% 3.5%	3.5% 3.5%		52,998 48,335	50,027 -	54,853 50,027	56,773 51,778	- 56, - 51,	778 53,59	0 -	58,760 53,590	60,817 55,466	-	60,817 55,466	62,945 57,407	-	57,407	65,149 59,416	-	59,416 6	67,429 61,496	-	67,429 61,496	69,789 63,648	-	69,789 63,648
Sub-total Utiliti				202,066	209,138 -	209,138	· · · · · · · · · · · · · · · · · · ·	- 216,			224,034	231,875	-	231,875	239,991	-		248,390			57,084		257,084	266,082		266,082
Real Estate Taxes Payroll Taxes	3.5% 3.5%	3.5% 3.5%		17,769 47,481	49,143 -	18,391 49,143	19,035 50,863	- 19, - 50,	363 52,64	3 -	19,701 52,643	20,391 54,486	-	20,391 54,486	21,104 56,393	-	56,393	21,843 58,366	-	58,366 60	22,608 60,409	<u> </u>	22,608 60,409	23,399 62,524	<u> </u>	23,399 62,524
Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licens	3.5%	3.5%		22,413 87,664	23,198 - 90,732 -	23,198 90,732	24,010 93,908	- 24, - 93 ,	,	-	24,850 97,195	25,720 100,596	-	25,720 100,596	26,620 104,117	-	,	27,552 107,761		,	28,516 1 1,533	-	28,516 111,533	29,514 115,437		29,514 115,437
Insurance Property and Liability Insurance	3.5%	3.5%		92,286	95,516 -	95,516	98,859	- 98,	359 102,31	9 -	102,319	105,900	-	105,900	109,607	-	109,607	113,443	- 1	113,443 11	17,414		117,414	121,523		121,523
Fidelity Bond Insurance Worker's Compensation	3.5% 3.5%	3.5% 3.5%		- 33,976	 35,166 -	- 35,166	- 36,396	- - 36,	 396 37,670	- 0 -	- 37,670	- 38,989	-	- 38,989	- 40,353	-	- 40,353	- 41,766	-	- 41,766 43	- 43,227	-	- 43,227	- 44,740		- 44,740
Director's & Officers' Liability Insurance Sub-total Insuran	3.5%	3.5%		- 126,263	 130,682 -	 130,682	- 135,256	- 135,	 256 139,990	 0 -	- 139,990	- 144,889	-	۔ 144,889	- 149,960	-	- 149,960	- 155,209	- - 1	- 155,209 160	- 50,641	-	- 160,641	- 166,264	-	- 166,264
Maintenance & Repair Payroll	3.5%	3.5%		179,204	185,476 -	185,476	191,968	- 191,	968 198,68	7 -	198,687	205,641	-	205,641	212,838	-	212,838	220,287	- 2	220,287 22	27,998	-	227,998	235,977	-	235,977
Supplies Contracts	3.5% 3.5%	3.5% 3.5%		61,606 84,645		63,763 87,607	65,994 90,673	- 65, - 90,	,	•	68,304 93,847	70,695 97,132	-	70,695 97,132	73,169 100,531	-	73,169 100,531	75,730 104,050			<mark>78,380</mark> 07,692	-	78,380 107,692	<mark>81,124</mark> 111,461		81,124 111,461
Garbage and Trash Removal Security Payroll/Contract	3.5% 3.5%	3.5% 3.5%		34,187 206,929	,	35,383 214,171	36,622 221,667	- 36, - 221,			37,903 229,426	39,230 237,456	-	39,230 237,456	40,603 245,767	-	,	42,024 254,368		,	43,495 63,271	-	43,495 263,271	45,017 272,486		45,017 272,486
HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs	3.5% 3.5%	3.5% 3.5%		- 274	 284 -	- 284	- 294	-	 294	4 -	- 304	- 315	-	- 315	- 326	-	- 326	- 337	-	- 337	- 349		- 349	- 361	-	- 361
Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expens	3.5%	3.5%		- 566,845	586,684 -	- 586,684	- 607,218	- 607,	 218 628,47	- 1 -	- 628,471	- 650,468	-	- 650,468	- 673,234	-	- 673,234	- 596,797	- 6	- 596,797 72	- 21,185		- 721,185	- 746,427	-	- 746,427
Supportive Services	3.5%	3.5%		-		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Commercial Expenses TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE REN1				3,431	4.500.000	3,551	1 0 40 700	3,			3,804	4 704 700		3,937	4 820 614		4,075			4,217			4,365	2.010.000		4,518
PUPA (w/o Reserves/GL Base Rent/Bond Fee				1,548,764	1,596,668 -	1,600,219	1,649,799	- 1,653,	175 <i>1,704,79</i> 0	- 0	1,708,594	1,761,706	-	1,765,643	1,820,614	-	1,824,689 <i>1,</i>	381,584	- 1,8	385,801 <i>1,94</i> 4	44,687	-	1,949,052	2,010,000	- 2	2,014,517
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent				-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-		-
Bond Monitoring Fee Replacement Reserve Deposit				- 54,936		54,936	- 54,936	- - 54,		-	- 54,936	- 54,936		- 54,936	- 54,936	-	- 54,936	- 54,936			- 54,936		54,936	- 54,936	-	- 54,936
Operating Reserve Deposit Other Required Reserve 1 Deposit				13,551.68 -		14,001.91 -	14,468 -	- <u>14,467</u> -	<mark>.90</mark> 14,950	0 - -	14,950.20 -	15,449 -	-	15,449.38 -	15,966 -	-	15,966.03 -	16,501 -	- 16 -	,	17,054 -		17,054.21 -	17,627 -	- 1	17,627.03 -
Other Required Reserve 2 Deposit Required Reserve Deposit/s, Commercial				-		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-				-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fe TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/E				68,488 1,617,252	68,938 - 1,665,606 -	68,938 1,669,157	69,404 1,719,203	- 69, - 1,722,	104 69,880 378 1,774,677		69,886 1,778,481	70,385 1,832,092	-	70,385 1,836,029	70,902 1,891,516	-	,	71,437 953,021			71,990 16,678	-	71,990 2,021,043	72,563 2,082,563	- 	72,563 2,087,080
PUPA (w/ Reserves/GL Base Rent/Bond Fee NET OPERATING INCOME (INCOME minus OP EXPENSES)				29,400		29,400				_	29,400	(46,967)		29,400	(48,837)			-			52,714)		29,400		L	29,400
DEBT SERVICE ("hard debt"/amortized loans)				29,400	(41,619) -	29,400	(43,339)	- 29,	400 (45,142		29,400	(40,907)	-	29,400	(40,037)	-	29,400	(50,752)	-	29,400 (52	2,7 14)	-	29,400	(54,723)	-	29,400
Hard Debt - First Lender Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd L	_ender)		Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	29,400 -		29,400	29,400	- 29, -	100 29,400 	0 -	29,400	29,400 -	-	29,400	29,400 -	-	29,400	29,400	-		29,400		29,400	29,400 -		29,400
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender) Hard Debt - Fourth Lender			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	-		-	-	-		-	-	-	-	-	-	-	-	-	-		-		-			-
Commercial Hard Debt Service TOTAL HARD DEBT SERVIC	CE			- 29,400	29,400 -	- 29,400	29,400	- 29,	- 29,40	0 -	- 29,400	29,400	-	- 29,400	29,400	-	- 29,400	29,400	_	- 29,400 29	29,400		- 29,400	29,400	-	- 29,400
CASH FLOW (NOI minus DEBT SERVICE)				29,400		29,400	29,400 (72,759)	29, -	0 (74,542		20,400	29,400 (76,367)			29,400 (78,237)	-		29,400 (80,152)	-		29,400 32,114)	-		29,400 (84,123)		_ <u></u> ,+00
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/non-LOSP (residual inco	ome)			69,321	71,019 -	71,019	72,759	- 72,	759 74,542	2 -	74,542	76,367		76,367	78,237	-	78,237	80,152		80,152	32,114	-	82,114	84, 123		84,123
AVAILABLE CASH FLOW			-	(0)		0	0	-	0	0 -	. L 0	-		-	(0)	-	-	(0)	-	(0)	-	'	-		· · _	0
USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			DSCR:	1		1			1		1			1			1			1			1			
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	per MOHCD policy CA HCD Regulatory Agreement requires no					-	-	-		-	-		-	-		-	-		-			-		
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	0.0%		escalation per MOHCD policy no annual increase					-				-	-		-	-		-	-		-			-	-	
Other Payments Non-amortizing Loan Pmnt - Lender 1 Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.					-		-		-	-			-		-	-		-			<u> </u>	-	
Non-amortizing Loan Pmnt - Lender 2 Deferred Developer Fee (Enter amt <= Max Fee from row 131)			Enter comments re: annual increase, etc.		 			-	-			-	-			-		-	-		-	-		<u> </u>		
TOTAL PAYMENTS PRECEDING MOH				-				<u> </u>	<u> </u>		-						<u> </u>	-	-							
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECED	ING WUHCD)			(0)		0	0	-	v (u -	0	-	-	-	(0)	-	-	(0)	-	(0)	-	-	-	-	-	0

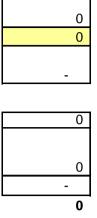
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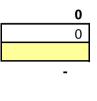
												MORCD	J Ploionna - 2		FIOW											
	LOSP Non-LOSP	þ																								
Total # Units	Units Units				I								T				1									
84	84 0 100.00% 0.00%	0/		Year 13 2029			′ear 14 2030		Year 15 2031			Year 16 2032			Year 17 2033			Year 203				Year 19 2035			Year 20 2036	
	% annual % annual			2029			2030		2031			2032			2033			203				non-			non-	
INCOME	inc LOSP increase		Total	LOSP non-LOSP	Total	LOSP no	n-LOSP Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSF	Total	LOSP	non-L	OSP Tot	al	LOSP	LOSP	Total	LOSP	LOSP	Total
Does Project have a MOHCD Residual Receipt Obligation?	Yes																									<u> </u>
Will Project Defer Developer Fee?	No																									
Residual Receipts split for all years Lender/Owner	67% / 33%	70																								
	Dist. Soft	7	-		-		-			_																
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	Debt Loan			_				_	<u> </u>																	
		Allocation per pro rata share of all soft debt																								
MOHCD Residual Receipts Amount Due	44.25%	% loans, and MOHCD residual receipts policy	-		0		()		0			-			-				-			-			0
Proposed MOHCD Residual Receipts Amount to Loan Repayment Proposed MOHCD Residual Receipts Amount to Residual Ground			-	-	0		()		0			-			-				-			-			0
Lease		Proposed Total MOHCD Amt Due less Loan Repayment	_		-		-			-			-							-			-			-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE				-																		ŀ				
HCD Residual Receipts Amount Due	50.81%	% Allocation per pro rata share of all soft debt	-	Γ	0		()		0			-			-]			-		[-			0
		Allocation per pro rata share of all soft debt																								
Lender 4 Residual Receipts Due		% loans, and MOHCD residual receipts policy.	-		0		(0		0			-			-				-			-			0
Lender 5 Residual Receipts Due Total Non-MOHCD Residual Receipts Debt Service	0.00%	%	-	L			-			- 0			-			-	l			-		l	-			-
	-		-		U		· · · · · ·	,		U			-			-				-			-			U
REMAINDER (Should be zero unless there are distributions below)			-		0		()		0			-			-				-			-			0
Owner Distributions/Incentive Management Fee]		-	[0		(0		0			-			-]			-		[-			0
Other Distributions/Uses				L													l					l				
Final Balance (should be zero)			-		-		-			-			-			-				-			-			-
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Balance	7		222.425	Г	244 995		262 626			277 670			204 509			115,292	1		47	0,228		ſ	225,164			280,100
Replacement Reserve Deposits	-	2012 PNA	332,425 54,936		244,885 54,936		<u>263,636</u> 54,936			277,679 54,936			294,598 54,936			54,936				4,936			54,936			280,100 54,936
Replacement Reserve Withdrawals (ideally tied to CNA)		2012 PNA	142,476		36,185		40,893			38,017			234,242			-	1			-			-			-
Replacement Reserve Interest RR Running Balance			244,885	L	262 626		277,679			294,598			115 202			170 228			22	5 164		l	280 100			225.026
	;		2,915		263,636 3,139		3,306	5		294,596 3,507			115,292 1,373			170,228 2,027				5,164 2,681			280,100 3,335			335,036 3,989
OPERATING RESERVE - RUNNING BALANCE	-		·1	-													,					r				·
Operating Reserve Starting Balance	-	HCD Regulatory Agreement requires 3% of	397,150		410,702		424,704	4		439,171			454,122			469,571			48	5,537			502,038			519,092
		previous year's project expenses to be																								
Operating Reserve Deposits Operating Reserve Withdrawals	-	deposited with no cap.	13,552		14,002		14,468	3		14,950			15,449			15,966			1	6,501			17,054			17,627
Operating Reserve Interest	-																									
OR Running Balance	,		410,702	-	424,704		439,171			454,122			469,571			485,537			50	2,038		-	519,092			536,719
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE			25%		25%		25%	%		25%			25%			25%				25%			25%			25%
Other Reserve 1 Starting Balance	7		-	Г	-		-			-			-			-	1			-]	-			-
Other Reserve 1 Deposits			-		-		-			-			-			-	1			-			-			-
Other Reserve 1 Withdrawals Other Reserve 1 Interest	-			-				_																		
Other Reserve 1 Interest Other Required Reserve 1 Running Balance	_ •		-	L	-		-			-			-			-	1			-		l	-			-
OTHER RESERVE 2 - RUNNING BALANCE																										
Other Reserve 2 Starting Balance]		-	[-		-]		-			-			-]			-		[-			-
Other Reserve 2 Deposits	4		-		-		-	_		-			-			-	ł			-			-			-
Other Reserve 2 Withdrawals Other Reserve 2 Interest	4			-				-	_																	
Other Required Reserve 2 Running Balance	 ?		-	L	-		-			-			-			-	1			-		l	-			-

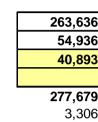


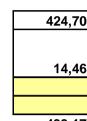






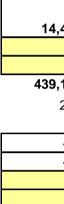


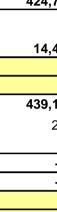


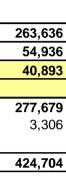


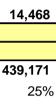




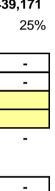


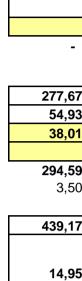




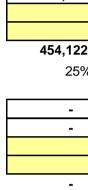


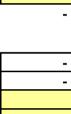




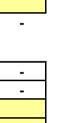




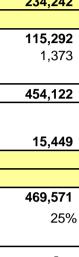














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Attachment D: LOSP Funding Schedule A

LOSP FUNDING SCHEDULE

Project Address: Hotel Essex Project Start Date: 7/1/2017

Exhibit A

				Total	
				Disbursement	Estimated
		Full Year	# Months	for	Disbursement
Calenda	ar Year	Funding Amount	to Fund	Calendar Year	Date
CY-1	2017	\$928,671	6	\$464,335	6/1/2017
CY-2	2018	\$958,079	12	\$958,079	1/1/2018
CY-3	2019	\$989,015	12	\$989,015	1/1/2019
CY-4	2020	\$1,021,107	12	\$1,021,107	1/1/2020
CY-5	2021	\$1,065,227	12	\$1,065,227	1/1/2021
CY-6	2022	\$1,088,932	12	\$1,088,932	1/1/2022
CY-7	2023	\$1,119,012	12	\$1,119,012	1/1/2023
CY-8	2024	\$1,156,118	12	\$1,156,118	1/1/2024
CY-9	2025	\$1,194,605	12	\$1,194,605	1/1/2025
CY-10	2026	\$1,234,524	12	\$1,234,524	1/1/2026
CY-11	2027	\$1,275,926	12	\$1,275,926	1/1/2027
CY-12	2028	\$1,318,866	12	\$1,318,866	1/1/2028
CY-13	2029	\$1,363,399	12	\$1,363,399	1/1/2029
CY-14	2030	\$1,409,583	12	\$1,409,583	1/1/2030
CY-15	2031	\$1,457,478	12	\$1,457,478	1/1/2031
CY-16	2032	\$1,507,146	12	\$1,507,146	1/1/2032
		Total Contract	t Amount:	\$18,623,354	