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Committee Item No. _4 Board Item No. ____

COMMITTEE/BOARD OF SUPERVISORS

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OTHER		
	LOSP Contract Evaluation - April 20,	2018
	John CarrollDateJohn CarrollDate	e: _June 15, 2018 e:

[Grant Agreement - Mercy Housing California XIV, L.P. - Local Operating Subsidy Program Contract - 10th & Mission Family Housing, 1390 Mission Street - Not to Exceed \$9,741,171]

Resolution authorizing the Director of the Mayor's Office of Housing and Community Development to execute a Local Operating Subsidy Program Grant Agreement with Mercy Housing California XIV, L.P., a California limited partnership, to provide operating subsidies for formerly homeless families at 10th & Mission Family Housing, 1390 Mission Street, for a term of 15 years and six months to commence following Board approval through December 31, 2033, in an amount not to exceed \$9,741,171.

WHEREAS, The Mayor's Office of Housing and Community Development (MOHCD) administers a variety of housing programs that provide financing for the development of new housing and the rehabilitation of single- and multi-family housing for low- and moderate-income households in San Francisco; and

WHEREAS, In 2016, the City and County of San Francisco ("City") formed the Department of Homelessness and Supportive Housing ("HSH"), with one of its goals to reduce the number of chronically homeless households that numbered 1,700 per the 2015 Point in Time Homeless Count; and

WHEREAS, MOHCD developed the Local Operating Subsidy Program ("LOSP") in order to establish long-term financial support to operate and maintain permanent affordable housing for homeless households; through the LOSP, the City subsidizes 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, Continuum of Care ("CoC") Shelter Plus Care Program subsidies, project-based Section 8 rent subsidies, and California Mental Health Services Act operating subsidies; and

WHEREAS, All supportive housing projects selected for capital funding by the Citywide Affordable Housing Loan Committee ("Loan Committee") are eligible to receive LOSP funds; and

WHEREAS, The Board of Supervisors authorizes City funding for LOSP projects as part of the Annual Appropriation Ordinance; and

WHEREAS, MOHCD enters into grant agreements with supportive housing owners and operators for LOSP projects in consultation with the Department of Homelessness and Supportive Housing ("HSH"); administers LOSP contracts; reviews annual audits and prepares recommendations for annual adjustments to project funding; monitors compliance with LOSP requirements in accordance with capital funding regulatory agreements; and if necessary, takes appropriate action to enforce compliance; and

WHEREAS, Mercy Housing California XIV, L.P., a California limited partnership (the "Owner"), is the owner of 10th & Mission Family Housing, located at 1390 Mission Street, which provides 44 units for extremely low-income, chronically homeless individuals and families ("Project"); and

WHEREAS, On April 20, 2018, the Loan Committee recommended approval to the Mayor of a LOSP grant award for the Project in an amount not to exceed \$9,741,171; and

WHEREAS, MOHCD proposes to provide a LOSP grant in the amount not to exceed \$9,741,171 to the Owner pursuant to a LOSP Grant Agreement (the "Agreement") in substantially the form on file with the Clerk of the Board in File No. 180532, and in such final form as approved by the Director of MOHCD and the City Attorney; and

WHEREAS, The Agreement is for a 15.5 year term, and therefore requires Board of Supervisors authorization; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby authorizes the Director of MOHCD or her designee to execute the Agreement for an amount not to exceed \$9,741,171; and, be it

FURTHER RESOLVED, That this Board of Supervisors authorizes MOHCD to proceed with actions necessary to implement the Agreement following execution, and ratifies, approves and authorizes all actions heretofore taken by any City official in connection with the Agreement; and, be it

FURTHER RESOLVED, That this Board of Supervisors hereby authorizes the Director of MOHCD or her designee to enter into any amendments or modifications to the Agreement, including without limitation, the exhibits that the Director determines, in consultation with the City Attorney, are in the best interest of the City, do not materially increase the obligations or liabilities for the City or materially diminish the benefits of the City, are necessary or advisable to effectuate the purposes and intent of this Resolution and are in compliance with all applicable laws, including the City Charter; and, be it

FURTHER RESOLVED, That within thirty (30) days of the Agreement being fully executed by all parties, MOHCD shall provide the final Agreement to the Clerk of the Board for inclusion into the official file.

RECOMMENDED:

Kate Hartley, Director

Mayor's Office of Housing and Community Development

CITY AND COUNTY OF SAN FRANCISCO BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292 FAX (415) 252-0461

June 15, 2018

TO:

Government Audit and Oversight Committee

FROM:

Budget and Legislative Analyst

SUBJECT:

June 20, 2018 Government Audit and Oversight Committee Meeting

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Department:

Mayor's Office of Housing and Community Development (MOHCD)

EXECUTIVE SUMMARY

Legislative Objectives

• The six proposed resolutions authorize MOHCD to execute six new approximately 15-year Local Operating Subsidy Program (LOSP) agreements with nonprofits providing housing to low income persons who were formerly homeless, renewing two existing 9-year agreements with two current providers, replacing three agreements with three providers that were not renewed under the federal Continuum of Care program and adding one new agreement with a new provider.

Key Points

 LOSP provides operating subsidies to supportive housing operators to bridge the gap between the cost of operating housing and the amounts that the tenants can afford to pay. The six LOSP agreements would subsidize 172 supportive housing units in the Zygmundt Arendt House, Parkview Terraces, 455 Fell Street Family Housing, 10th & Mission Family Housing, Railton Place, and Monterey Boulevard Apartments.

Fiscal Impact

• The total costs over the approximately 15-year term for the six projects are estimated to be \$43,410,547. The annual General Fund subsidies for these six projects are anticipated to increase from \$1,996,862 in 2019 to \$3,584,019 in 2033. The average cost of each unit's subsidy that would be provided over the approximately 15-year term of each of these agreements ranges from \$139,039 for each of the 40 units in the Railton Place project to \$415,586 for each of the 4 units at the Monterey Boulevard.

Policy Consideration

 Parkview Terraces, Railton Place, and the Monterey Boulevard Apartments previously received Continuum of Care funding, but the funding for these housing units was not renewed by HUD. An alternative to HUD's Continuum of Care funding are Project Based Vouchers, funded through HUD's Section 8 program and administered by the San Francisco Housing Authority (SFHA).

Recommendations

- Amend the proposed resolutions to clarify the term of each agreement.
- Amend (i) File 18-0529 to state that the current agreement with Arendt House, LP will terminate on December 31, 2018; and (ii) File 18-0530 to state that the current agreement with Parkview Terrace Partners, LP is retroactive to April 1,.
- Amend the proposed resolutions to (1) request the MOHCD Director to facilitate the application of the respective housing project to the next RFP for Project Based Voucher funding for which they are eligible; and (2) require the LOSP contract for the respective housing project to be amended to account the Project Based Voucher funding if awarded.
- Approve the proposed resolutions as amended.

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

The Mayor's Office of Housing and Community Development (MOHCD), in collaboration with the Department of Homelessness and Supportive Housing (HSH)¹, currently provides operating subsidies to non-profit owners and operators of 28 supportive housing facilities, through its Local Operating Subsidy Program (LOSP). The program was started in 2004 as a part of the Mayor's ten year "San Francisco Plan to Abolish Chronic Homelessness," which had a goal of providing 3,000 new supportive housing units within 10 years to low income persons who were formerly homeless. Supportive housing provides social and other related services as well as housing to formerly homeless persons in order to improve their social outcomes and in an attempt to reduce the City's associated health, mental health, social services, criminal justice, and other related costs.

According to Ms. Anne Romero, MOHCD Senior Project Manager, tenants in supportive housing have very low incomes (below 20 percent of area median income)². Under the agreements between the City and housing operators, rent in supportive housing units is capped to a fixed percentage of a tenant's income (50 percent in Direct Access to Housing (DAH)³ subsidized units, 30 percent in all other subsidized units). The LOSP was created to bridge the gap between the cost of operating the housing and the amount the tenants can afford to pay, thereby providing long-term financial incentives to owners and operators to create and maintain permanent supportive housing units.

As shown in Table 1 below, between FY 2013-14 and FY 2017-18, the number of LOSP agreements has grown from 21 to 28, the number of subsidized units increased from 1,218 to 1,477 and the overall annual General Fund costs have decreased slightly from \$9,377,788 to \$9,284,434⁴. In FY 2017-18, MOHCD is anticipated to pay \$9,284,434 in operating subsidies to

¹ MOHCD previously collaborated with the Department of Public Health (DPH) and the Human Services Agency (HSA) prior to the creation of the Department of Homelessness and Supportive Housing (HSH), which combines key homeless serving programs and contracts from the two agencies.

² 20 percent of area median income (AMI) for one person in 2018 is \$16,600 annually according to the HUD Metro Fair Market Rent Area (HMFA)

³ Established by the San Francisco Department of Public Health – Housing and Urban Health Section (SFDPH-HUH) in 1998, the Direct Access to Housing (DAH) is a permanent supportive housing program targeting low-income San Francisco residents who are homeless and have special needs.

⁴ According to Ms. Romero, LOSP funding has decreased in FY 2017-18 because several projects applied for Project Based Vouchers (PBV) through the San Francisco Housing Authority in 2017 which are in the process of being placed. The award of this subsidy has provided savings for the LOSP. Through this effort to date, 476 PBV units across 11 sites have been placed under federal Department of Housing and Urban Development (HUD) Housing Assistance Payments (HAP) contracts dated December 1, 2017, with a corresponding annual LOSP savings of \$4.9

28 supportive housing nonprofit providers for 1,477 units throughout the City, for an average subsidy of \$524 per unit of housing per month.

Table 1: Actual Local Operating Subsidy Program Agreements, Subsidized Units, Budget, and Subsidy per Unit – FY 2013-14 through FY 2017-18

Fiscal Year	Number of Local Operating Subsidy Program Agreements	Number of Subsidized Units of Housing	Total Annual Budgeted Amount	Average Subsidy per Unit per Year	Average Subsidy per Unit per Month
FY 2013-14	21	1,218	\$9,377,788	\$7,699	\$642
FY 2014-15	26	1,454	\$12,231,928	\$8,413	\$701
FY 2015-16	26	1,459	\$12,359,887	\$8,471	\$706
FY 2016-17	26	1,464	\$12,117,510	\$8,277	\$690
FY 2017-18	28	1,477	\$9,284,434	\$6,286	\$524

As shown in Table 2 below, MOHCD estimates that over the next five years, or by FY 2022-23, the LOSP will provide subsidies to 62 housing projects covering 2,842 units of supportive housing at an overall General Fund cost of \$25,966,320 in FY 2022-23, or an average cost of \$761 per unit per month.

Table 2: Estimated Local Operating Subsidy Program Agreements, Subsidized Units, Budget, and Subsidy per Unit – FY 2018-19 through FY 2022-23⁵

Fiscal Year	Number of Local Operating Subsidy Program Agreements	Number of Subsidized Units	Total Annual Budgeted amount	Average Subsidy per Unit per Year	Average Subsidy per Unit per Month	
FY 2018-19	35	1,616	\$9,356,674	\$5,790	\$483	
FY 2019-20	41	1,858	\$10,753,579	\$5,787	\$482	
FY 2020-21	48	2,415	\$14,950,219	\$6,190	\$516	
FY 2021-22	56	2,654	\$21,868,562	\$8,240	\$687	
FY 2022-23	62	2,842	\$25,966,320	\$9,137	\$761	

DETAILS OF PROPOSED LEGISLATION

The six proposed resolutions authorize MOHCD to execute six new approximately 15-year Local Operating Subsidy Program (LOSP) agreements with nonprofits providing housing to low income persons who were formerly homeless, renewing two existing 9-year agreements with two current providers, replacing three agreements with three providers that were not

million for 2017-18 and around \$7.6 million in 2018-19 (plus additional General Fund savings for some HSH General Fund-supported sites).

⁵ According to Ms. Romero, LOSP budget estimates for 2020-21 through 2022-23 are preliminary as a full budget update incorporating the annual reductions due to award of PBV subsidies needs to be finalized.

renewed under the federal Continuum of Care program and adding one new agreement with a new provider as follows:

- File 18-0529: Arendt House, LP for Zygmunt Arendt House at 850 Broderick Street for a not to exceed amount of \$11,787,548 and a term of 15 years from January 1, 2019 through December 31, 2033. The proposed new LOSP agreement replaces the current 9-year LOSP agreement with Arendt House, LP from February 2010 and through February 2019. According to Ms. Romero, MOHCD has moved LOSP funding to the Calendar Year instead of Fiscal Year to the extent possible because the tax credit reporting cycle is on the Calendar Year. Therefore, the proposed agreement is from January 1, 2019 through December 2033 and will supersede the previous LOSP agreement. The proposed legislation should be amended to terminate the existing agreement with Arendt House, LP on December 31, 2018 prior to the start of the new agreement on January 1, 2019.
- File 18-0530: A new LOSP agreement with Parkview Terrace Partners, LP for Parkview Terraces at 871 Turk Street not to exceed \$4,580,619 for a term of 15 years and nine months from April 1, 2018 through December 31, 2033. The proposed new LOSP agreement replaces a contract under the federal Continuum of Care program which was not renewed by HUD. According to Ms. Romero, given that the project lost its Continuum of Care funding in March 2018, the project needs to fill the gap in operating costs from April 2018 onwards for the project's 20 units. Therefore, MOHCD is requesting that the proposed LOSP agreement allow for reimbursements of operating expenses incurred since April 2018. Consequently, the proposed legislation should be amended for retroactive approval for the period of April 1, 2018 through December 31, 2033 for the LOSP agreement with Parkview Terrace Partners, LP.
- File 18-0531: 455 Fell, LP for 455 Fell Street Family Housing (formerly known as Parcel O), for a not to exceed amount of \$10,077,324 and a term of 15 years and eight months to commence on May 1, 2019 and end on December 31, 2034. The building is currently under construction and this is a new LOSP contract.
- <u>File 18-0532</u>: Mercy Housing California XIV, LP for 10th & Mission Family Housing at 1390 Mission Street for a not to exceed \$9,741,171 and a term of 15 years and six months from July 1, 2018 through December 31, 2033. The proposed new LOSP agreement replaces the current 9-year LOSP agreement with Mercy Housing California XIV, LP from July 2009 through June 2018.
- <u>File 18-0533</u>: The Salvation Army Turk Street, LP for Railton Place at 242 Turk Street for a not to exceed amount of \$5,561,543 and a term of 15 years and six months from July

⁶ According to MOHCD, the Chinatown Community Development Corporation's (project sponsor) renewal application for the Continuum of Care rental assistance for Parkview Terraces ranked too low in the competition last year to be funded. It was ranked 58 out of 62 projects that applied. The funding threshold was at 57. The application for Parkview received a low score because CCDC had failed to properly report income under the existing Continuum of Care contract, in addition to other reporting errors, and failed to show increases in income of the Continuum of Care-supported tenants. Continuum of Care contracts are renewed annually through the Local Homeless Coordinating Board consolidated application to HUD, and the project received annual funding from when it began in 2008 – March 2018.

- 1, 2018 through December 31, 2033. The proposed new LOSP agreement replaces a contract under the federal Continuum of Care program which was not renewed by HUD.⁷ According to Ms. Romero, given that the project lost its Continuum of Care funding in 2017, HSH increased its funding for operations from 23 to 40 units to cover the gap in funding from April 2017 through June 2018. HSH was already funding operations for 23 units and support services for all 40 units. This was bridge funding until another operating subsidy could be obtained. HSH still provides supportive services funding to the project.
- <u>File 18-0536</u>: A new LOSP agreement with Housing Services Affiliate of Bernal Heights Neighborhood Center for Monterey Boulevard Apartments at 403 Monterey Boulevard not to exceed \$1,662,342 for a term of 15 years and 6-months from July 1, 2018 through December 31, 2033. The proposed new LOSP agreement replaces a contract under the federal Continuum of Care program which was not renewed by HUD⁸. According to Ms. Romero, given that the project lost its Continuum of Care funding in December 2016, HSH assumed operating funding from January 2017 through June 2018 until the project could obtain another operating subsidy. HSH was already overseeing the project and providing supportive services funding.

Table 3 below shows the target population, total number of units, and the number of units to be subsidized under the proposed LOSP agreements.

⁷ According to MOHCD, the Continuum of Care contract was not renewed in 2017 and ended in March 2017. Continuum of Care contracts are renewed annually through the Local Homeless Coordinating Board consolidated application to HUD, and the project received annual funding from when it began in 2008 – March 2017. The Fair Market Rent (FMR) has increased since 2015, which reduces the total number of units that are funded. Citywide, San Francisco has over 60 projects with Continuum of Care subsidies which seek renewal every year, as well as new projects which seek this subsidy. Projects are scored into different tiers and over time, some contracts are lost on the lowest scoring projects. These projects used to be transitional housing developments which did not meet HUD's current priorities for permanent supportive housing models. Now that there are no transitional housing developments remaining within the Continuum of Care portfolio, PSH sites that have been in operation for many years are starting to lose their contracts. In 2017, an additional two PSH projects lost their contracts, despite being high performing projects. Consequently, MOHCD aims to backfill these subsidies to provide project continuity and maintain these units as permanent supportive housing.

⁸ According to MOHCD, the Continuum of Care contract was not renewed in December 2016. MOHCD has since recognized that projects with less than 10 units funded with Continuum of Care funding are less likely to be renewed based on the current renewal scoring (e.g., lack of economies of scale for operations and service provision), and is working to develop contingency plans and other strategies to manage and minimize the impact. As a solution for this loss in funding, MOHCD initially pursued plans to replace the lost Continuum of Care funding with Project-Based Voucher (PBV) Section 8 under a new RFP to have been issued by the San Francisco Housing Authority (SFHA). However, SFHA was not able to obtain the necessary HUD approvals needed by April 2018 to make additional PBVs available via RFP. In order to avoid the risk of the project running short on operating funding during 2018, MOHCD offered to recommend Local Operating Subsidy Program funds to fill the operating budget gap caused by the loss of the Continuum of Care subsidy.

Table 3: Summary of Proposed LOSP Agreements

Project: Address	Target Population	Total Number of Units	LOSP Funded Units
Zygmundt Arendt House: 850 Broderick Street	Seniors	47	31
Parkview Terraces: 871 Turk Street	Seniors	101	20
455 Fell Street Family Housing: 455 Fell Street	Families	108	33
10th & Mission Family Housing: 1390 Mission Street	Families	136	44
Railton Place: 242 Turk Street	Adults	113	40
Monterey Boulevard Apartments: 403 Monterey Boulevard	Families	4	4
Total		509	172

Each of the projects and project sponsors are summarized below:

Zygmundt Arendt House (File 18-0529)

Zygmundt Arendt House was completed in 2010 as a 47 unit permanent supportive housing development for formerly homeless seniors. The property has Continuum of Care subsidies on 16 units and the remaining 31 units are covered by LOSP. The initial 9 year LOSP contract expires in February 2019, and the proposed resolution is for a new 15 year LOSP contract for the 31 LOSP units. The project sponsor is Community Housing Partnership. Supportive services are also provided by Community Housing Partnership.

Parkview Terraces (File 18-0530)

Parkview Terraces was completed in 2008 as an affordable senior development with 20 out of 101 units targeted to formerly homeless seniors, which previously had HUD's Continuum of Care subsidies that were not renewed in 2017. The 20 units are set aside to serve extremely low-income, formerly homeless seniors. The project sponsor is the Chinatown Community Development Center. Supportive services are provided by Northern California Presbyterian Homes and Services.

455 Fell Street Family Housing (File 18-0531)

455 Fell Street Family Housing is currently under construction and will provide 108 units of affordable family rental housing including 33 units serving formerly homeless families and ground floor commercial space. Mercy Housing California and the San Francisco Housing Development Corporation were selected to develop the property through a Request for Proposals (RFP) process. The building is located in the Hayes Valley neighborhood on a former Freeway Parcel, known as Parcel O. The project sponsor is Mercy Housing California. Supportive services are provided by Mercy Housing California and Episcopal Community Services.

10th & Mission Family Housing (File 18-0532)

10th & Mission Family Housing was completed in 2009 and has 136 units of affordable family housing including 44 LOSP units set aside for formerly homeless families. The initial 9-year LOSP

contract ends in June 2018 and is being renewed for a new 15 year term. The project sponsor is Mercy Housing California. Supportive services are provided by Catholic Charities.

Railton Place (File 18-0533)

Railton Place is an existing 113 unit permanent and transitional supportive housing development completed in 2008 by The Salvation Army. 40 units are permanent supportive housing for chronically homeless households including 17 units that lost their Continuum of Care federal subsidy in 2017, and 23 units that were previously funded by HSH for a total of 40 units. The project also has 15 Veteran Affairs Supportive Housing Program (VASH) units and 55 transitional housing units for veterans and adults in recovery from Salvation Army's rehabilitation programs, and Transitional Aged Youth with their own respective program structures and rental subsidies. There are also three affordable property management staff units. The project sponsor is The Salvation Army. Supportive services are also provided by The Salvation Army.

Monterey Boulevard Apartments (File 18-0536)

Monterey Boulevard Apartments is a 4-unit, permanent family supportive housing development that previously operated with the support of Continuum of Care subsidies which were not renewed by HUD. The target population is formerly homeless families referred by HSH. The project sponsor is the Housing Services Affiliate of the Bernal Heights Neighborhood Center. Supportive services are provided by HSH.

Approval of Local Operating Subsidy Program Providers

According to Ms. Romero, the six nonprofit providers were approved for LOSP subsidies as part of the evaluation by the Citywide Affordable Housing Loan Committee⁹ of applications responding to various Notice of Funding Availability (NOFA) for capital funding for acquisition and predevelopment financing for supportive housing for homeless persons, or Request for Proposals (RFP) for specific development sites.

Ms. Romero advises that the operating subsidies to be paid to the six nonprofit affordable housing owners and operators are necessary because revenue generated by the affordable housing developments, including outside grants, tax credits and tenant rents, are not sufficient to fund permanent supportive housing to low income persons who were formerly homeless. According to Ms. Romero, for FY 2018-19, three additional existing supportive housing projects were added to the LOSP portfolio due to loss of federal Continuum of Care subsidies in 2017 and 2018: Railton Place, Monterey Boulevard Apartments, and Parkview Terraces totaling 64 units. This backfill was implemented to ensure continuation of the permanent supportive housing units.

Funding for the proposed agreements are General Fund monies allocated annually in the HSH budget, which is subject to Board of Supervisors annual appropriation approval. The proposed agreements are administered by MOHCD, under work order agreements with HSH. Ms. Romero

⁹ The Citywide Affordable Housing Loan Committee is composed of the Directors and/or senior staff of the Mayor's Office of Housing and Community Development, the Office of Community Investment and Infrastructure, and the Department of Homelessness and Supportive Housing.

notes that, if any of the six proposed LOSP agreements are not approved, or if any of the General Fund appropriations are not approved in the current or future 14 fiscal years, then the individual nonprofit housing providers would not be able to provide such specified housing units for very low income formerly homeless target populations.

FISCAL IMPACT

Under the proposed LOSP agreements, the rent charged to tenants living in these subsidized units would be capped at a fixed percentage of a tenant's income (50 percent in Direct Access to Housing (DAH) subsidized units, 30 percent in all other subsidized units). According to Ms. Romero, in 2016, the average tenant's rent was \$331 per unit per month. The projected City LOSP subsidy amount for the units covered under the proposed agreements is the difference between the rent paid by individual tenants and the actual cost to operate the unit per month. The actual operating cost is the amount necessary to cover each facility's operating expenses, which includes property management and office staff, utilities, taxes, licenses, insurance, maintenance, security and required reserves. The amount of the projected subsidy is specified in each agreement, and (i) is subject to revision annually by MOHCD based on the prior years' occupancy and operating budget, and (ii) is contingent on the annual General Fund appropriation to HSH, under work orders with MOHCD, by the Board of Supervisors.

The Attachment provided by MOHCD summarizes the projected LOSP expenditures for each of the six projects, over the approximately 15-year term of each agreement. As shown in the Attachment, the City's 2019 subsidy provided per housing unit ranges from \$571 per month at the Railton Place project to \$1,893 per month at the 455 Fell Street Family Housing project. According to Ms. Romero, the significant variation in the subsidy per unit is primarily due to the number of the LOSP units per project because economies of scale allow property management and other housing staff requirements to be spread over a greater number of units. Target populations and staffing models are also additional factors.

As summarized in Table 4 below, the total costs over the approximately 15-year term for the six projects are estimated to be \$43,410,547. The annual General Fund subsidies for these six projects are anticipated to increase from \$1,996,862 in 2019 to \$3,584,019 in 2033. The average cost of each unit's subsidy that would be provided over the approximately 15-year term of each of these agreements is shown in Table 4, ranging from \$139,039 for each of the 40 units in the Railton Place project to \$415,586 for each of the 4 units at the Monterey Boulevard Apartments project.

Table 4: Projected Subsidy Expenditures under the Proposed Six Agreements

Project	Number of LOSP Units	Total LOSP Cost	Average Cost Per Unit for Agreement Term		
Zygmunt Arendt House (File 18-0529)	31	\$11,787,548	\$380,243		
Parkview Terraces (File 18-0530)	20	4,580,619	\$229,031		
455 Fell Street Family Housing (File 18-0531)	33	10,077,324	\$305,373		
10th & Mission Family Housing (File 18-0532)	44	9,741,171	\$221,390		
Railton Place (File 18-0533)	40	5,561,543	\$139,039		
Monterey Boulevard Apartments (File 18-0536)	4	1,662,342	\$ 415,586		
TOTAL:	172	\$43,410,547			

As noted above, funding for the proposed agreements are General Fund monies appropriated annually in the Department of Homelessness and Supportive Housing (HSH) budget, which are subject to Board of Supervisors annual appropriation approval. The proposed agreements are administered by MOHCD, under work order agreements with HSH, such that MOHCD would be party to each of the proposed LOSP agreements on behalf of the City.

POLICY CONSIDERATION

Annual Reporting

The Budget and Legislative Analyst's January 2012 Performance Audit of San Francisco's Affordable Housing Policies recommended that MOHCD report annually to the Board of Supervisors on (i) completed and planned supportive housing units for chronically homeless individuals and families, and (ii) funding strategies for planned but not constructed units. According to Ms. Romero, MOHCD reports on the LOSP contracts in the MOHCD Annual Progress Report, which contains all of MOHCD's required reports for the Board of Supervisors.

Loss of Continuum of Care Funding from HUD

The federal Department of Housing and Urban Development (HUD) allocates rental assistance funding to eligible housing units each year through applications to the Local Homeless Coordinating Board. Due to increases in the fair market rent in San Francisco, the total number of housing units that receive funding each year is reduced, resulting permanent supportive housing units that previously received Continuum of Care funding losing this funding in 2017 and 2018.

As noted above, Parkview Terraces, Railton Place, and the Monterey Boulevard Apartments previously received Continuum of Care funding, but the funding for these housing units was not renewed by HUD. According to Ms. Romero, housing units that did not receive renewal of the Continuum of Care funding are not eligible for future Continuum of Care funding.

Parkview Terraces Loss of Funding

While Railton Place and Monterey Boulevard Apartments did not receive Continuum of Care funding due to ineligibility of program model (Railton Place's Clean and Sober program does not conform to HUD's Housing First model) or size (Monterey Boulevard Apartments has only four units), Parkview Terrace lost funding due to inability to meet HUD's reporting requirements. According to Ms. Romero, MOHCD has worked with Chinatown Community Development Corporation (the sponsor of Parkview Terraces) to implement procedures to assure that Chinatown Community Development Corporation will continue to be eligible for Continuum of Care funding at other housing projects sponsored by Chinatown Community Development Corporation.

Project Based Vouchers

An alternative to HUD's Continuum of Care funding are Project Based Vouchers, funded through HUD's Section 8 program and administered by the San Francisco Housing Authority (SFHA). SFHA issued a Request for Proposals (RFP) in August 2017 to award Project Based Vouchers for up to 600 housing units serving the homeless; the three housing projects noted above — Parkview Terraces, Railton Place, and the Monterey Boulevard Apartments — did not apply for Project Based Vouchers in response to this RFP.

According to Ms. Romero, MOHCD and SFHA hope to expand the use of Project Based Vouchers to offset the costs of LOSP for supportive housing units for formerly homeless adults and families. SFHA is only allowed to allocate 20 percent of their Section 8 Housing Choice Vouchers to Project Based Vouchers; this allocation can be increased to 30 percent for housing units for formerly homeless adults and families that have access to supportive services. In order for SFHA to issue a new RFP for Project Based Vouchers, HUD must review and approve a "cap analysis" on how many housing units can be allocated Project Based Vouchers. HUD has not yet approved a new RFP for this purpose.

Because housing units in the six projects being recommended for new 15-year LOSP contracts could potentially be eligible to apply for Project Based Voucher funding through a new RFP process, the proposed resolutions should be amended to (1) request the Director of the Mayor's Office of Housing and Community Development to facilitate the application of the respective housing project to the next RFP for Project Based Voucher funding; and (2) require the LOSP contract for the respective housing project to be amended to account the Project Based Voucher funding if awarded.

RECOMMENDATIONS

1. Amend the proposed resolutions to clarify the term of each agreement as follows:

File	Provider	Agreement Start Date	Agreement End Date	Term
18-0529	Zygmunt Arendt House	January 1, 2019	December 31, 2033	15 yrs
18-0530	Parkview Terraces	April 1, 2018	December 31, 2033	15 yrs, 9 mo
18-0531	455 Fell Street Family Housing	May 1, 2019	December 31, 2034	15 yrs, 8 mo
18-0532	10th & Mission Family Housing	July 1, 2018	December 31, 2033	15 yrs, 6 mo
18-0533	Railton Place	July 1, 2018	December 31, 2033	15 yrs, 6 mo
18-0536	Monterey Boulevard Apartments	July 1, 2018	December 31, 2033	15 yrs, 6 mo

- 2. Amend (i) File 18-0529 to state that the current agreement between MOHCD and Arendt House, LP for Zygmunt Arendt House will terminate on December 31, 2018 prior to the start of the new LOSP agreement on January 1, 2019; and (ii) File 18-0530 to state that the current agreement between MOHCD and Parkview Terrace Partners, LP for Parkview Terraces is retroactive from April 1, 2018 through December 31, 2033.
- 3. Amend the proposed resolutions to (1) request the Director of the Mayor's Office of Housing and Community Development to facilitate the application of the respective housing project to the next RFP for Project Based Voucher funding for which they are eligible; and (2) require the LOSP contract for the respective housing project to be amended to account the Project Based Voucher funding if awarded.
- 4. Approve the proposed resolutions as amended.

Combined Exhibit A

	Zygmundt Arendt	House		10th & Mission	11 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1		455 Fall Stree	ıt ·		Monterey Boule	vard		Railton Place			Parkview Terraces			
Calendar Year	Months of Contract	Projected Local Operating Subsidy Program Expanditure	Average Local Operating Subsidy Program Subsidy Per Unit Per Month	Months of Contract	Projected Local Operating Subsidy Program Expenditure	Average Local Operating Subsidy Program Subsidy Par Unit Per Month	Months of Contract	Projected Local Operating Subsidy Program Expenditure	Average Local Operating Subsidy Program Subsidy Per Unit Per Month		Projected Local Operating Subsidy Program Expenditure	Average Local Operating Subsidy Program Subsidy Per Unit Per Month	Months of Contract	Projected Local Operating Subsidy Program Expenditure	Average Local Operating Subsidy Program Subsidy Per Unit Per Month	Months of Contract	Projected Local Operating Subsidy Program Expenditure	Average Local Operating Subsic Program Subsidy Unit Per Monti	
2018	0	\$ -	\$ -	6	\$ 246,896	\$ 935	0	0	\$ -	6	\$ 36,213	\$ 1,509	6	132,042	\$ 550	9	\$167,817	\$ 9	
2019	12	\$596,433	\$ 1,603	12	\$ 496,130	\$ 940	8	\$323,273	\$ 1,893	12	\$ 75,771	\$ 1,579	12	274,311	\$ 571	12	\$230,943	\$ 9	
2020	12	\$631,091	\$ 1,696	12	\$ 513,339	\$ 972	12	\$499,870	\$ 1,309	12	\$ 79,313	\$ 1,652	12	284,920	\$ 594	12	\$239,079	\$ 9	
2021	12	\$652,644	\$ 1,754	12	\$ 531,193	\$ 1,006	12	\$518,260	\$ 1,357	12	\$ 83,067	\$ 1,731	12	295,924	\$ 617	12	\$247,134	\$ 1,0	
2022	12	\$674,295	\$ 1,813	12	\$ 549,715	\$ 1,041	12	\$537,319	\$ 1,407	12	\$ 87,047	\$ 1,813	12	307,337	\$ 640	12	\$254,090	\$ 1,0	
2023	12	\$699,166	\$ 1,879	12	\$ 568,931	\$ 1,078	12	\$557,065	\$ 1,45B	12	\$ 91,271	\$ 1,901	12	319,176	\$ 665	12	\$258,510	\$ 1,0	
2024	12	\$725,925	\$ 1,951	12	\$ 588,865	\$ 1,115	12	\$577,524	\$ 1,512	12	\$ 95,759	\$ 1,995	12	331,454	\$ 691	12	\$268,412	\$ 1,1	
2025	12	\$739,857	\$ 1,989	12	\$ 609,544	\$ 1,154	12	\$598,721	\$ 1,567	12	\$ 100,529	\$ 2,094	12	344,187	\$ 717	12	\$278,448	\$ 1,1	
2026	12	\$769,268	\$ 2,068	12	\$ 621,742	\$ 1,178	12	\$620,682	\$ 1,625	12	\$ 105,605	\$ 2,200	12	357,392	\$ 745	12	\$292,761	\$ 1,2	
2027	12	\$799,761	\$ 2,150	12	\$ 643,692	\$ 1,219	12	\$643,435	\$ 1,684	12	\$ 111,010	\$ 2,313	12	371,086	\$ 773	12	\$299,127	\$ 1,2	
2028	12	\$830,875	\$ 2,234	12	\$ 666,461	\$ 1,262	12	\$667,007	\$ 1,746	12	\$ 116,771	\$ 2,433	12	385,285	\$ 803	12	\$314,509	\$ 1,3:	
2029	12	\$863,149	\$ 2,320	12	\$ 690,079	\$ 1,307	12	\$691,427	\$ 1,810	12	\$ 122,917	\$ 2,561	12	400,009	\$ 833	12	\$321,490	\$ 1,3	
2030	12	\$897,128	\$ 2,412	12	\$ 714,577	\$ 1,353	12	\$716,725	\$ 1,876	12	\$ 129,479	\$ 2,697	12	415,275	\$ 865	12	\$333,288	\$ 1,31	
2031	12	\$932,354	\$ 2,506	12	\$ 739,987	\$ 1,401	12	\$742,932	\$ 1,945	12	\$ 136,491	\$ 2,844	12	431,104	\$ 898	12	\$345,511	\$ 1,4	
2032	12	\$968,872	\$ 2,604	12	\$ 766,343	\$ 1,451	12	\$770,081	\$ 2,016	12	\$ 141,536	\$ 2,949	12	447,514	\$ 932	12	\$358,182	\$ 1,49	
2033	12	\$1,006,730	\$ 2,706	12	793,678	\$ 1,503	12	\$798,203	\$ 2,058	12	149,563	\$ 3,116	12	464,527	\$ 968	12	\$371,318	\$ 1,54	
2034	0	· \$0	\$ -	0	\$ -	\$ -	12	\$814,800	\$ 2,058										
TOTAL:	180	\$ 11,787,548		186	\$ 9,741,172		188	\$ 10,077,324		186	\$ 1,662,342		186	\$5,561,543		189	\$ 4,580,619		
LOSP Units	31			44			33						40			20			

Total LOSP by Fiscal \	ear for 6	project
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Total LOS	2018	\$	582,968
2	2019	\$	1,996,862
	2020	\$	2,247,612
	2021	\$	2,328,222
	2022	\$	2,409,803
	2023	\$	2,494,118
	2024	\$	2,587,939
	2025	\$	2,671,286
	2026	\$	2,767,450
	2077	\$ \$	2,868,111
	2028	\$	2,980,908
	2029	\$	3,089,071
	2030	\$	3,206,472
	2031	\$	3,328,379
	2032	\$	3,452,527
	2033	\$	3,584,019
	2034	\$	814,800
Total 6 p	rojects over contract	\$	43,410,548

LOSP New or Renowal Projects coming on line in 2018-19 UNIT MIX - HOMELESS UNITS													
Project	Target Population	Service Agency		Ti Homeless Units		15 Year LOSP Contract	Other Operating Subsidies	Studios	1-BR	2-BR	3-BR	4-BR	TOTAL
Zygmundt Arendt House	Seniors	Community Housing Partership	47	47	31	\$ 11,787,548	Continuum of Care	47					47
10th & Mission	Familles	Catholic Charities	136	44	44	\$ 9,741,172	None		34	42	60		136
455 Fell Street	Familles	Mercy Housing California and Episocpal Community Services	108	33	33	\$ 10,077,324	None	1	57	42	8		108
Monterey Blvd	Families	Dept of Homelessness	4	4	4	\$ 1,662,342	None		1	3			4
Railton Place	Adults	The Salvation Army	113	110	40	\$5,561,543	THP Plus, VASH, Salvation Army		113				113
Parkview Terraces	Seniors	Northern California Presbyterian Homes and Serviecs	101	20	20	\$ 4,580,619		59	42				101
TOTAL:			509	258	172	\$ 43,410,548							509

CITY AND COUNTY OF SAN FRANCISCO MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT

GRANT AGREEMENT

between

CITY AND COUNTY OF SAN FRANCISCO

and

Mercy Housing California XIV, a California Limited Parternship

For 10TH AND MISSION FAMILY HOUSING

1390 MISSION STREET

THIS GRANT AGREEMENT (this "Agreement") is made this July 1, 2018, by and between Mercy Housing California XIV, a California limited partnership ("Grantee"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City") acting by and through the Mayor's Office of Housing and Community Development ("MOHCD").

WITNESSETH:

WHEREAS, the City previously provided Grantee funding through MOHCD's Local Operating Subsidy Program ("**Program**") under a nine-year agreement dated September 15, 2009; and

WHEREAS, Grantee submitted the Application Documents (as hereinafter defined) to MOHCD for a grant through MOHCD's Local Operating Subsidy Program ("**Program**"); and

WHEREAS, City desires to provide such a grant on the terms and conditions set forth herein; and

WHEREAS, the Ci	ty's Board o	of Supervisors	authorized	execution	of this A	Agreement	on _	
 pursuant to Resolution	n No	_·						

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

- **1.1 Specific Terms**. Unless the context otherwise requires, the following capitalized terms (whether singular or plural) shall have the meanings set forth below:
- "ADA" shall mean the Americans with Disabilities Act (including all rules and regulations thereunder) and all other applicable federal, state and local disability rights legislation, as the same may be amended, modified or supplemented from time to time.
 - "Additional Leasing Date" shall have the meaning given to it in Section 4.1.

- "Agreement Date" means the date this Agreement is duly executed and delivered by Grantee and MOHCD.
 - "Annual Monitoring Report" shall have the meaning given to it in Section 6.1.
- "Annual Operating Budget" means the operating budget for the Project approved by City attached hereto as **Exhibit B**, as amended by Grantee and City from time-to-time.
- "Applicable Laws" means all applicable present or future federal, state, local and administrative laws, rules, regulations, codes, orders and requirements.
- "Application Documents" shall mean collectively: (i) the grant application submitted by Grantee for a Program grant, including all exhibits, schedules, appendices and attachments thereto; (ii) all documents, correspondence and other written materials submitted in respect of such grant application; and (iii) all amendments, modifications or supplements to any of the foregoing approved in writing by City.
- "Approved Shortfall" means the amount that is approved by MOHCD, if any, by which the Assisted Units Operating Costs (as defined in Section 5.6) for any Business Year during the Term exceed the Project Income attributable to the Assisted Units for such Business Year.
 - "Assisted Units" means forty-four (44) residential units at the Project.
- "Business Year" means each period of twelve (12) months used by the Project to define the beginning and end of the year for purposes of accounting and other reporting.
 - "CFR" means the Code of Federal Regulations.
- "Certificate of Preference" means the form establishing a priority right for tenant selection, as further described in the Operational Rules.
- "Certificate of Preference Holder" means a person or household that has been issued a Certificate of Preference.
 - "Charter" shall mean the Charter of City.
 - "Charter Documents" shall have the meaning given in Section 6.2.
 - "City" means the City and County of San Francisco.
- "City Loan Documents" means the MOHCD Loan Agreement and the documents executed in connection therewith.
 - "Controller" shall mean the Controller of City.
 - "Director" means MOHCD's Director or an authorized representative of the Director.
 - "Effective Date" means the Agreement Date.
 - "Event of Default" shall have the meaning set forth in Section 11.1.
- "First Subsidy Payment" shall mean the Subsidy Payment for the initial period starting from the Effective Date.

- "Grant Amount" shall have the meaning set forth in Section 5.1.
- "Grant Funds" shall mean any and all funds allocated or disbursed to Grantee under this Agreement.
- "Gross Rent" means the aggregate annual sum charged to Tenants for rent and utilities, with utility charges limited to an allowance determined by the San Francisco Housing Authority and published by MOHCD.
 - "HSH" means the San Francisco Department of Homelessness and Supportive Housing.
- "HUD" means the United States Department of Housing and Urban Development acting by and through the Secretary of Housing and Urban Development and any authorized agents.
- "Indemnified Parties" shall mean City, including MOHCD and all of City's commissions, departments, agencies and other subdivisions, and City's elected officials, directors, officers, employees, agents, and representatives, and their respective successors and assigns.
- "Initial Leasing Date" shall be the date when the first Assisted Unit is leased and occupied by a Tenant.
 - "Loan Committee" means the City review committee that selects Program grantees.
- "LOSP Clients" means the formerly homeless individuals or households that HSH deems eligible for Program assistance pursuant to the Program criteria set forth on the attached Exhibit D (as such criteria may be amended from time to time by MOHCD) as administered by Grantee pursuant to this Agreement, the LOSP Policies and Procedures Manual and the Services Agreement.
- "LOSP Policies and Procedures Manual" means the document published jointly by MOHCD and HSH describing the program's operational policies and procedures, as may be amended from time to time.
 - "Maintenance Duties" shall have the meaning given to it in Section 4.8(a).
- "Median Income" means median income as published annually by MOHCD, derived from the Income Limits determined by HUD for the for the San Francisco area, adjusted solely for household size, but not high housing cost area.
- "MOHCD" shall mean the Mayor's Office of Housing and Community Development of the City and County of San Francisco.
- "MOHCD Loan Agreement" means that certain loan agreement, dated as of April 20, 2007, between MOHCD and Grantee with respect to a \$1,142,535 loan and \$746,356 grant.
- "Operating Costs" means the following costs: (a) all charges incurred in the operation of the Project for utilities, real estate taxes and assessments and premiums for insurance required under this Agreement, the City Loan Documents or the Senior Loan Documents; (b) salaries, wages and any other compensation due and payable to the employees or agents of Grantee employed in connection with the Project, including all related withholding taxes, insurance premiums, Social Security payments and other payroll taxes or payments; (c) Qualified Minimal Debt Service Payments, if any; (d) the asset management fees, partnership management fees, investor services fee and deferred developer fees described in the Annual Operating Budget or otherwise approved by MOHCD in writing; (e) all other expenses actually incurred to cover the operation of the Project to the standards required under this Agreement, including maintenance and repairs, and property management fees (to the extent such fees

are permitted to be made under the MOHCD Loan Agreement); (f) required deposits to the Replacement Reserve Account (as defined in the MOHCD Loan Agreement), Operating Reserve Account, and any other reserve account required under this Agreement (excluding the Subsidy Reserve Account), the City Loan Documents or the Senior Loan Documents; and (g) any extraordinary expenses arising from the ownership or operation of the Project approved in advance and in writing by MOHCD. "Operating Costs" shall not include any loan payments to be made under the City Loan Documents, the Senior Loan Documents or any other loan payments other than Qualified Minimal Debt Service Payments, nor any costs Grantee incurs in providing services to a Project tenant other than the services to be provided under such Project tenant's lease or otherwise approved hereunder.

"Operating Reserve Account" means the interest-bearing operating reserve depository account Grantee is required to maintain pursuant to the MOHCD Loan Agreement.

"Operational Rules" means MOHCD's Operational Rules for San Francisco Housing Lotteries and Rental Lease Up Activities dated August 1, 2015, as amended from time to time.

"Operating Statement" shall have the meaning set forth in Section 6.1.

"Opinion" means an opinion of Grantee's California legal counsel, satisfactory to MOHCD, that Grantee is a duly formed, validly existing limited partnership in good standing under the laws of the State of California, has the power and authority to enter into this Agreement and will be bound by its terms when executed and delivered, that each of Grantee's general partners is a duly formed, validly existing nonprofit corporation in good standing under the laws of the State of California, which has established and maintains valid nonprofit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated thereunder or is a duly formed, validly existing limited liability company whose sole member is nonprofit corporation in good standing under the laws of the State of California, which has established and maintains valid nonprofit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated thereunder and each has the power and authority to act as Grantee's general partner, and that addresses any other matters MOHCD reasonably requests.

"**Program**" means the Local Operating Subsidy Program, through which MOHCD provides operating subsidies to housing projects that provide permanent supportive housing for formerly homeless individuals and households.

"Program Transition Reserve Account" shall have meaning given to it in Section 2.5.

"Project" means the forty-four (44) unit set aside for formerly homeless families referred by HSH within the one hundred thirty-six (136) unit housing project commonly known as 10th and Mission Family Housing, which is located on the Real Property.

"Project Income" means all income and receipts in any form received by Grantee from the operation, use or ownership of the Project, calculated on an accrual basis, including rents, fees, deposits (other than tenant security deposits), reimbursements and other charges paid to Grantee by MOHCD in connection with the Project (other than Grant Funds), and any funds held in the Subsidy Reserve Account.

"Project Operating Account" means a checking account maintained by Grantee, which shall be held in a bank or savings and loan institution acceptable to MOHCD as a segregated account insured by the Federal Deposit Insurance Corporation or other comparable federal insurance program.

"Projected Shortfall" means the amount, if any, by which the Assisted Units Operating Costs (as defined in <u>Section 5.6</u>)] for any Business Year during the Term are projected to exceed the Project Income obtained from the Assisted Units for such Business Year.

"Qualified Minimal Debt Service Payment" means a minimal debt service payment that Grantee must make under the MOHCD Loan Agreement, the Senior Loan Documents or any additional affordable housing loan for the Project, provided that Grantee first obtains MOHCD's written consent to such additional loan, including any proposed repayments to be made to such additional loan.

"Real Property" shall mean the real property described on the attached Exhibit C.

"Referral" means HSH documentation of eligibility of LOSP client being referred for permanent supportive housing at the Project.

"Senior Loan Documents" means the following documents: the loan documents executed by Grantee in connection with a loan in the amount of \$26,824,338 from the fromer San Francisco Redevelopment Agency ("Agency"); the loan documents executed by Grantee in connection with a loan in the amount of \$37,650,000 from Union Bank of California N.A., related to the Agency Multifamily Housing Mortgage Revenue Bonds (Tenth and Mission Family Housing) 2007; the loan and grant documents executed by Grantee in connection with the loan and grant from MOHCD in the amount of \$1,888,891; the loan documents executed by Grantee in connection with the loan from the State of California's Housing and Community Development Department's Multifamily Housing Program in the amount of \$10,500,000; and the loan documents executed by the Grantee in connection with an Affordable Housing Program (AHP) Loan in the amount of \$680,000 from California Bank and Trust.

"Services Agreement" means the Contract for Services dated ______, and between Tenant Services Contractor and HSH for the provision of services to LOSP Clients at the Project.

"Subsidy Payment" means a payment made by MOHCD to Grantee pursuant to the terms of this Agreement, which shall be made in the manner and in the amount specified in <u>Article 5</u> below.

"Subsidy Reserve Account" means a checking account maintained by Grantee, which shall be held in a bank or savings and loan institution acceptable to MOHCD as a segregated account insured by the Federal Deposit Insurance Corporation or other comparable federal insurance program, and used only for the purposes specified in Section 4.3.

"Tenant" shall mean a LOSP Client who leases an Assisted Unit.

"Tenant-Paid Rent" means the annual amount charged to Tenants for rent, not including any applicable utility allowance, which must be included when calculating Gross Tenant Rent.

"Tenant Services Contractor" shall mean Catholic Charities CYO, a California non-profit public benefit corporation.

"Term" shall have the meaning given to in Section 3.

"Termination Notice Date" shall have the meaning given to in Section 4.1.

"Transition Plan" shall have the meaning given to in Section 2.5.

"Underlying Restricted Rent" is the maximum Gross Rent allowed under the MOHCD Loan Agreement or any other more-restrictive covenants under City-approved funding agreements.

"Vacancy Period" shall have the meaning given to in Section 4.1.

"15-Year Cash Flow" means the cash flow projection described in the attached Exhibit B.

1.2 Additional Terms. The terms "as directed," "as required" or "as permitted" and similar terms shall refer to the direction, requirement, or permission of MOHCD. The terms "sufficient," "necessary"

or "proper" and similar terms shall mean sufficient, necessary or proper in the sole judgment of MOHCD. The terms "approval," "acceptable" or "satisfactory" or similar terms shall mean approved by, or acceptable to, or satisfactory to MOHCD. The terms "include," "included" or "including" and similar terms shall be deemed to be followed by the words "without limitation". The use of the term "subcontractor," "successor" or "assign" herein refers only to a subcontractor ("subgrantee"), successor or assign expressly permitted under <u>Article 13</u>.

1.3 References to this Agreement. References to this Agreement include: (a) any and all appendices, exhibits, schedules, attachments hereto; (b) any and all statutes, ordinances, regulations or other documents expressly incorporated by reference herein; and (c) any and all amendments, modifications or supplements hereto made in accordance with Section 17.2. References to articles, sections, subsections or appendices refer to articles, sections or subsections of or appendices to this Agreement, unless otherwise expressly stated. Terms such as "hereunder," herein or "hereto" refer to this Agreement as a whole.

ARTICLE 2 APPROPRIATION AND CERTIFICATION OF GRANT FUNDS; LIMITATIONS ON CITY'S OBLIGATIONS

2.1 Risk of Non-Appropriation of Grant Funds. This Agreement is subject to the budget and fiscal provisions of the Charter. City shall have no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements or for other MOHCD expenditures. Grantee acknowledges that MOHCD's obligation to make Subsidy Payments under this Agreement is expressly conditioned on the (a) appropriation of sufficient funds to HSH for Subsidy Payments and transfer of such funds from HSH to MOHCD (or as MOHCD may direct such funds to be transferred directly by HSH to Grantee), which appropriation and transfer is subject to HSH's annual operating budget, or (b) appropriation of sufficient funds for Subsidy Payments to MOHCD's annual operating budget. If the funds appropriated for Program subsidy payments in a given year will be insufficient to fund the total Program subsidy payments MOHCD intended to make in such year, MOHCD shall have the right to reduce the amount of Program subsidy payments and to select the qualifying projects subject to such reduced payments.

Notwithstanding the foregoing, however, qualifying projects that are not financed with State Department of Housing and Community Development Multifamily Housing Program Supportive Housing Component funds ("HCD Funds") will be subject to such Program subsidy payment reductions before any such reductions are made to qualifying projects financed with HCD Funds.

If MOHCD determines that Subsidy Payments for any given period must be reduced due to a shortfall in appropriated Program funds (a "Non-Appropriation Event"), MOHCD shall notify Grantee that a Non-Appropriation Event has occurred. City's obligation to make any Subsidy Payments in excess of those for which sufficient funds have been appropriated shall automatically terminate as of such Non-Appropriation Event, except as may be required pursuant to Section 2.5 below. Grantee acknowledges that HSH's and MOHCD's annual operating budgets are each subject to the discretion of City's Mayor and Board of Supervisors and a Non-Appropriation Event may occur during the Term and, accordingly, that Subsidy Payments may subsequently not be made in the amounts projected pursuant to this Agreement. Grantee's assumption of such risks is part of the consideration for this Agreement.

- **2.2** Certification of Controller; Guaranteed Maximum Costs. No funds shall be available under this Agreement until prior written authorization certified by the Controller. In addition, as set forth in Section 21.10-1 of the San Francisco Administrative Code:
- (a) City's obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification, the current Controller certification for Grant Funds is only for the First Subsidy Payment, and Controller certification will be a condition precedent for all other Subsidy Payments to the extent that Project Transition Reserve Account funds are not available to fund such Subsidy Payments.

- (b) Except as may be provided by City ordinances governing emergency conditions, City and its employees and officers are not authorized to request Grantee to perform services or to provide materials, equipment and supplies that would result in Grantee performing services or providing materials, equipment and supplies that are beyond the scope of the services, materials, equipment and supplies specified in this Agreement unless this Agreement is amended in writing and approved as required by law to authorize the additional services, materials, equipment or supplies. City is not required to pay Grantee for services, materials, equipment or supplies provided by Grantee if they are beyond the scope of the services, materials, equipment and supplies agreed upon herein and were not approved by a written amendment to this Agreement lawfully executed by City.
- (c) City and its employees and officers are not authorized to offer or promise to Grantee additional funding for this Agreement that would exceed the maximum amount of funding provided for herein. Additional funding for this Agreement in excess of the maximum provided herein shall require lawful approval and certification by the Controller. City is not required to honor any offered or promised additional funding that exceeds the maximum provided in this Agreement, which requires lawful approval and certification of the Controller when the lawful approval and certification by the Controller has not been obtained.
- (d) The Controller is not authorized to make payments on any agreement for which funds have not been certified as available for such purposes in the budget of HSH or MOHCD or by supplemental appropriation.
- **2.3** Automatic Termination for Nonappropriation or Nontransfer of Funds. This Agreement shall automatically terminate, without penalty, liability or expense of any kind to City, at the end of the period of the City's Business Year that a Non-Appropriation Event occurs, except as otherwise set forth in Section 2.5.
- **2.4 SUPERSEDURE OF CONFLICTING PROVISIONS.** IN THE EVENT OF ANY CONFLICT BETWEEN ANY OF THE PROVISIONS OF THIS <u>ARTICLE 2</u> AND ANY OTHER PROVISION OF THIS AGREEMENT, THE APPLICATION DOCUMENTS OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, THE TERMS OF THIS <u>ARTICLE 2</u> SHALL GOVERN.
- 2.5 Program Transition Reserve Account. All LOSP subsidy payments, including the Subsidy Payments, are conditioned on the appropriation of sufficient funds therefor and the transfer of such funds to MOHCD's annual budget. MOHCD intends to establish a reserve account, as MOHCD deems appropriate and in its sole discretion, to fund all or a portion of selected LOSP subsidy payments in the event sufficient funds are not so appropriated or transferred (the "Program Transition Reserve Account"). If there is a Non-Appropriation Event, City shall use Program Transition Reserve Account funds to disburse such Subsidy Payments to the extent there are sufficient Program Transition Reserve Account funds for such disbursements.

If there is a Non-Appropriation Event, and City fully funds the following year's Subsidy Payment in the amount shown on Exhibit A (whether with Program Transition Reserve Account funds or otherwise), this Agreement shall remain in effect through the last day of the period for which such Subsidy Payment is made. In the event City continues to fully fund subsequent Subsidy Payments, this Agreement shall remain in effect through the last day of the period for which each such subsequent Subsidy Payment is made.

City shall have no obligation to replenish or supplement the Program Transition Reserve Account. City shall have the right to, at MOHCD's discretion, use Program Transition Reserve Account funds to make subsidy payments to LOSP grantees other than Grantee. The Program Transition Reserve Account shall remain the City's property at all times and any interest that accrues thereon shall remain the sole property of City and will be deemed part of the Program Transition Reserve Account. If any funds remain in the

Program Transition Reserve Account at the expiration of the Term or earlier termination of this Agreement, such funds shall remain with City and Grantee shall have no rights thereto.

Grantee agrees that it shall not make any distributions or payments of Residual Receipts, as defined in the MOHCD Loan Agreement, until City has approved the distribution or payment of such Residual Receipts.

ARTICLE 3 TERM

The term of this Agreement (the "**Term**") shall commence on the Effective Date and shall terminate on the thirty-first day of December, 2033.

ARTICLE 4 PERFORMANCE OF GRANT OBLIGATIONS

4.1 Lease of Assisted Units.

(a) Commencing on the Initial Leasing Date, Grantee shall lease all of the Assisted Units to the LOSP Clients it selects from Referrals supplied by the City.

If an Assisted Unit lease terminates at any time, Grantee shall deliver written notice of such termination to City within five (5) business days of such termination (the "Termination Notice Date"). City shall accordingly deliver a Referral to Grantee within fifteen (15) business days of receiving such Assisted Unit lease termination notice and Grantee shall lease such vacated Assisted Unit to the LOSP Client within the sixty (60) day period immediately following its receipt of such Referrals (each such additional lease up date shall be referred to as an "Additional Leasing Date"). The period of time between a Termination Notice Date and the corresponding Additional Leasing Date shall be referred to as a "Vacancy Period". After the Initial Leasing Date, an Assisted Unit may remain vacant during any Vacancy Period applicable to such Assisted Unit. If City fails to timely deliver the required Referrals at any time, until City delivers such Referrals, Grantee can submit a request to City to use a qualified candidate identified by Grantee that satisfies the requirements of Exhibit D, and such request shall not be unreasonably denied.

- (b) Grantee shall give preference in occupying all Assisted Units first to Certificate of Preference Holders in accordance with the Preferences Ordinance; provided that such applicants satisfy all other applicable eligibility requirements under the City Loan Documents and the Senior Loan Documents.
 - (c) Intentionally Omitted
- (d) Grantee shall have sole discretion in selecting the LOSP Clients that will be Tenants, provided that Grantee's decision not to rent an Assisted Unit to an LOSP Client referred to Grantee by City shall not be unreasonably withheld or conditioned, and provided further that Grantee shall not discriminate against or permit discrimination against any person or group of persons because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability, gender identity, height, weight, source of income or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC) in the leasing of the Assisted Units.
- (e) Grantee shall comply with the Tenant Selection Plan Policy set forth in the attached **Exhibit H** when selecting tenants for the Assisted Units.
- (f) Grantee shall comply with the Tenant Screening Criteria Policy set forth in the attached **Exhibit I** when screening tenants for the Assisted Units.

- (g) Grantee shall rent each Assisted Unit to a Tenant pursuant to a separate lease agreement that complies with this Agreement. Each Tenant lease shall provide for termination of such lease and such Tenant's consent to immediate eviction if the Tenant has made any material misrepresentation in the initial income certification made by Tenant to City or in any later income certification made by Tenant to Grantee. The lease agreement for each Assisted Unit must also contain the applicable Lease Addendum, which can be found in the **LOSP Policies and Procedures Manual**.
- (h) Grantee shall obtain each Tenant's recertification of his/her household income on an annual basis. Such income certifications shall be prepared pursuant to low income housing tax credit guidelines for household income and shall be maintained on file at Grantee's principal office for no less than five (5) years following the date of such certification, and Grantee must file or cause to be filed copies thereof with MOHCD promptly upon MOHCD's request therefor.
- (i) Security deposits may be required of Tenants only in accordance with applicable federal regulations, state law and this Agreement. Any security deposits collected must be segregated from all other funds of the Project in an account held in trust for the benefit of the Tenants and other tenants of the Project and disbursed in accordance with California law. The balance in such security deposit account must at all times equal or exceed the aggregate of all security deposits collected plus accrued interest thereon, less any security deposits or interest thereon returned to Tenants or any other tenants of the Project.

4.2 Rent Restrictions.

- (a) Gross Rent charged for any Tenant shall be the lower of thirty percent (30%) of a Tenant's gross monthly income, or the maximum rent allowed under the MOHCD Loan Agreement.
- (b) With the written approval of HSH, the Gross Rent charged to a Tenant may be increased as a result of a determination by HSH that such Tenant is no longer eligible under the Program, so long as the Gross Rent charged does not exceed the Underlying Restricted Rent. Notwithstanding the forgoing, Tenants deemed no longer eligible by HSH who remain occupants of the Project shall still be considered a LOSP Client and the Tenant's Unit shall still constitute an Assisted Unit for purposes of compliance with the requirements of this Agreement.
- (c) Grantee must provide MOHCD at least annually a report showing actual household income level and Gross Rent for each Tenant.
- **4.3 Operating Reserve Account; Subsidy Reserve Account.** Grantee shall comply with all of its requirements for the Operating Reserve Account under the MOHCD Loan Agreement. In addition, if the Subsidy Payment made to Grantee for a Business Year exceeds the Approved Shortfall for such Business Year, as determined pursuant to the reports delivered under Section 6.1, Grantee shall deposit such excess amount in the Subsidy Reserve Account. Grantee shall not use Subsidy Reserve Account funds, or any interest earned thereon, for any purpose other than as provided in this Agreement The only funds that shall be held in the Subsidy Reserve Account shall be the moneys deposited therein pursuant to this Section and the interest earned thereon.

If the Approved Shortfall for a Business Year exceeds the Subsidy Payment made to Grantee for such Business Year, Grantee shall first use Subsidy Reserve Account funds, to the extent available, to pay the Assisted Units Operating Costs that comprise such excess shortfall. If the Subsidy Reserve Account plus Subsidy Payment funds are insufficient to pay all of the Assisted Units Operating Costs in any given Business Year, Grantee shall use Operating Reserve Account funds, if any, to pay the remaining Assisted Units Operating Costs, subject to any approval Grantee must obtain from any lender under the Senior Loan Documents or Grantee's tax credit limited partner to so use the Operating Reserve Account funds.

4.4 [Intentionally Omitted]

4.5 Annual Operating Budget. The Annual Operating Budget attached hereto as **Exhibit B** sets forth Grantee's anticipated Operating Costs, Project Income and Projected Shortfall for the Term of the Agreement. Grantee shall pay Operating Costs in conformity with the approved Annual Operating Budget. MOHCD's prior written consent shall not be required before Grantee can spend funds on Operating Costs that differ in amount from the amounts in the Annual Operating Budget.

Grantee can submit requests to change the amount of the Annual Operating Budget and corresponding Subsidy Payment for any year during the term by supplying a written proposal to MOHCD. MOHCD will provide project-specific guidance about other materials required to required to analyze the requested change including but not limited to a variance analysis that includes a quantitative assessment of the difference between projected annual income and expenses and actual annual income and expenses, and explanations for the cause of any significant variances.

Any travel expenses incurred by Grantee must be reasonable and must comply with the following:

- (i) Lodging, meals and incidental expenses shall not exceed the then-current per diem rates set forth by the United States General Services Administration for the County of San Francisco found at: https://www.gsa.gov/portal/category/104711.
- (ii) Air transportation expenses must use fares for coach-class accommodations, provided that purchases for air travel must occur no less than one week before the travel day.
- (iii) If ground transportation is required, the City urges the use of public transit or courtesy shuttles if provided by a lodging. If courtesy transportation is not provided by a lodging, ground transportation expenses for travel to or from regional airports must not exceed Fifty Dollars (\$50.00) each way. Other ground transportation expenses must not exceed then-current San Francisco taxi rates found at: https://www.sfmta.com/getting-around/taxi/taxi-rates. Ground transportation shall not include any expenses for luxury transportation services, such as a limousine, or any expenses related to travel to or from Project site meetings by Borrower's employees.
- (iv) Miscellaneous travel expenses must not exceed Fifty Dollars (\$50.00) without prior written approval of the City.
- (v) Any Disbursement Request for travel expenses must include supporting documentation, including, without limitation, original itemized receipts showing rates and cost, air travel itinerary, proof of payment, and any written justification requested by the City.

For the purpose of this Section, the terms "lodging," "meals" and "incidental expenses" shall have the same meanings defined in 41 CFR Part 300-3; the term "coach-class" shall have the same meaning defined in 41 CFR Part 301-10.121(a); and the term "miscellaneous" means copying services, printing services, communication services, or other services reasonably related to travel for the Project and approved by the City.

4.6 Grantee's Board of Directors. Grantee's manager, if Grantee is a limited liability company, or Grantee's general partner or the sole member of the limited liability company general partner, if Grantee is a limited partnership, shall at all times be governed by a legally constituted and fiscally responsible board of directors. Such board of directors shall meet regularly and maintain appropriate membership, as established in such entity's bylaws and other governing documents and shall adhere to applicable provisions of federal, state and local laws governing nonprofit corporations. Such entity's board of directors shall exercise such oversight responsibility with regard to this Agreement as is necessary to ensure full and prompt performance by Grantee of its obligations under this Agreement.

4.7 [Intentionally Omitted]

4.8 Maintenance and Management of Project.

- (a) Grantee shall be responsible for ensuring all Project maintenance, repair and management functions, including the collection of rents, routine and extraordinary repairs and replacement of capital items, and for keeping the Project in a safe and sanitary manner and in good operating condition in accordance with all Applicable Laws, the City Loan Documents and the Senior Loan Documents (collectively, the "Maintenance Duties").
- (b) Grantee may contract with a management agent for the performance of the Maintenance Duties subject to MOHCD's prior written approval of both the management agent and the management contract, provided, however, that the arrangement will not relieve Grantee of responsibility for performance of those duties. A management contract must contain a provision allowing Grantee to terminate the contract without penalty upon no more than thirty (30) days' notice.
- (c) MOHCD will provide written notice to Grantee if MOHCD determines that the Maintenance Duties are not being performed in accordance with this Agreement. If Grantee is then in contract with a management agent pursuant to subsection (b) above, and such management agent fails to fully cure such failure within thirty (30) days of the date that MOHCD delivers such written notice, Grantee shall exercise such thirty (30) day termination right, terminate the management contract and make immediate arrangements for cure of such failure and for the continuous and continuing performance of the Maintenance Duties. If, at the time of such notice, Grantee is not in contract with a management agent pursuant to subsection (b) above, in addition to MOHCD's rights hereunder, MOHCD shall have the right to require that Grantee, at Grantee's sole cost, contract with a management agent to perform the Maintenance Duties, or to make other arrangements the City deems necessary to ensure full and timely performance of the Maintenance Duties.
 - (d) Grantee shall operate the Project in compliance with all Applicable Laws.

4.9 Services Agreement; Provision of Services.

- (a) Grantee hereby agrees to allow the Tenant Services Contractor (and any subsequent service provider) access to the Project at all reasonable times for the provision of services to the Project's LOSP Clients.
- (b) Grantee shall promptly provide written notice to MOHCD if Grantee obtains knowledge of any default, or event that with notice or the passage of time or both could constitute a default, under the Services Agreement.
- (c) In the event that the Services Agreement is terminated for any reason, or that MOHCD and/or HSH determines that the Tenant Services Contractor needs to be replaced, Grantee shall cooperate in good faith with MOHCD and HSH in obtaining a new service provider for the LOSP Clients in the Project. In such an event, the selection of the new service provider for the Project shall require Grantee's prior consent, which shall not be unreasonably delayed or denied. Grantee hereby agrees and acknowledges that nothing in this Agreement gives Grantee any right to consent to the MOHCD and/or HSH determination to terminate the Services Agreement or to replace the Tenant Services Contractor.

ARTICLE 5 USE AND DISBURSEMENT OF GRANT FUNDS

5.1 Maximum Amount of Grant Funds; Disbursement of Subsidy Payments. In no event shall the total amount of Grant Funds disbursed hereunder exceed Nine Million Seven Hundred Forty-One Thousand One Hundred Seventy-One Dollars (\$9,741,171) (the "**Grant Amount**"). Subject to Grantee's performance of its obligations under this Agreement and MOHCD's receipt of sufficient funds, as further set forth in Article 2, the Grant Funds shall be disbursed through Subsidy Payments.

Provided that Grantee is in compliance with all of the conditions for receipt of the First Subsidy Payment, City shall deliver the First Subsidy Payment to Grantee within sixty (60) business days immediately following the Agreement Date. For every subsequent year during the Term, provided that Grantee is in compliance with all of the conditions for receipt of a Subsidy Payment, City shall deliver the Subsidy Payment for such year to Grantee within sixty (60) business days immediately following the date when the funds have been made available for MOHCD for disbursement.

5.2 Subsidy Payment Amounts and Adjustments.

- (a) The 15-Year Cash Flow is the Parties' current expectations of Operating Costs and Projected Shortfalls during the Term. The Parties anticipate that the amount of the First Subsidy Payment and each subsequent Subsidy Payment shall be as shown on **Exhibit A**. The First Subsidy Payment amount reflects the Projected Shortfall for the period starting on the Effective Date. Notwithstanding the foregoing initial calculations of the 15-Year Cash Flow and the Subsidy Payment amounts, however, each Subsidy Payment (including the First Subsidy Payment) is subject to further adjustment pursuant to this Section and City's annual review and approval of the applicable Annual Operating Budget. The City shall reduce the subsequent Subsidy Payments by the amount of any funds held in the Subsidy Reserve Account.
- (b) The total amount of all Subsidy Payments made hereunder shall not exceed the Grant Amount. If the total amount of all Subsidy Payments made hereunder equals the Grant Amount at any time prior to the expiration of the Term, no further Subsidy Payments shall be made hereunder. If any Subsidy Payment would, if made, cause the total amount of all Subsidy Payments made hereunder to exceed the Grant Amount, such Subsidy Payment shall be accordingly reduced so the total amount of Subsidy Payments made hereunder equals the Grant Amount.
- **5.3 Use of Grant Funds**. Grantee shall use the Grant Funds only for Assisted Units Operating Costs and for no other purpose. Grantee shall expend the Grant Funds in accordance with the Annual Operating Budget.
- **5.4** Conditions Precedent to Payment of First Subsidy Payment. Grantee shall fully satisfy each of the following conditions prior to delivery of the First Subsidy Payment.
- (a) Grantee must have delivered to the City fully executed (and for documents to be recorded, acknowledged) originals of the following documents, in form and substance satisfactory to the City: (i) this Agreement (in triplicate); (ii) the Opinion; and (iii) the Authorizing Resolutions.
 - (b) Grantee must have delivered its Charter Documents to the City.
- (c) Grantee shall be in compliance with all of its obligations under City Loan Documents and the Senior Loan Documents.
- (d) Tenant Services Contractor shall be in compliance with all of its obligations under the Services Agreement, and no default, or event that with notice or the passage of time or both could constitute a default, shall exist and remain uncured under the Services Agreement; provided however that disbursement of the First Subsidy Payment shall not be withheld due to an uncured default under the Services Agreement if at the time of expected disbursement, Grantee provides City with sufficient evidence that it is cooperating in good faith with the City and HSH to diligently pursue a cure of said default, which may or may not include Grantee directly providing the required services under the Services Agreement.
- (e) No Event of Default, or event that with notice or the passage of time or both could constitute an Event of Default, shall exist and remain uncured as of the date of the Initial Subsidy Payment is to be disbursed hereunder.

- **5.5** Conditions Precedent to Payment of Subsequent Subsidy Payments. Grantee shall fully satisfy each of the following conditions prior to delivery of any Subsequent Subsidy Payment:
- (a) Grantee shall be in compliance with all of its obligations under the City Loan Documents and the Senior Loan Documents.
- (b) Tenant Services Contractor shall be in compliance with all of its obligations under the Services Agreement, and no default, or event that with notice or the passage of time or both could constitute a default, shall exist and remain uncured under the Services Agreement; provided however that disbursement of any Subsequent Subsidy Payment shall not be withheld due to an uncured default under the Services Agreement if at the time of expected disbursement, Grantee provides City with sufficient evidence that it is cooperating in good faith with the City and DPH to diligently pursue a cure of said default, which may or may not include Grantee directly providing the required services under the Services Agreement.
- (c) No Event of Default, or event that with notice or the passage of time or both could constitute an Event of Default, shall exist and remain uncured as of the date of such Subsidy Payment is to be disbursed hereunder.
- 5.6 Allocation of Grant Funds and Calculation of Assisted Unit Operating Costs. For the purposes of determining the Subsidy Payment and the Projected Shortfall, City and Grantee have agreed that the parties shall allocate thirty-two percent (32%) of the total Operating Costs to the Assisted Units ("Assisted Units Operating Costs") and sixty-eight percent (68%) of the total Operating Costs to the non-Assisted Units. For most budget line items, LOSP units are assigned a prorated share of the total project operating cost. There are some line items where alternative portions of the line item may be proposed. Exhibit B depicts the allocation of Operating Costs between the Assisted and non-Assisted Units, including and budget line items for which alternative portions have been allocated to the Assisted/non-Assisted units.

ARTICLE 6 REPORTING REQUIREMENTS; AUDITS; PENALTIES FOR FALSE CLAIMS

6.1 Regular Reports; Operating Statements. Grantee must file electronically with the City no later than one hundred fifty (150) days after the end of Grantee's calendar year annual report forms (the "Annual Monitoring Report") that include audited financial statements including any management letters; an income and expense statement for the Project covering the applicable reporting period "Operating Statement"; a statement of balances, deposits and withdrawals from all Accounts; and evidence of required insurance. The Annual Monitoring Report must be in substantially the form attached as **Exhibit G** or as later modified by MOHCD during the Term.

Such Annual Monitoring Report shall include a list of the Assisted Units Operating Costs paid by Grantee during such applicable prior Business Year and Grantee's certifications that (a) the total Grant Funds received by Grantee as of the end date of the applicable Business Year have been used only to pay Assisted Units Operating Costs, (b) all of Grantee's representations and warranties in this Agreement remain true and correct in all material respects as if made on the end date of such the applicable Business Year, (c) there is no Event of Default by Grantee as of the end date of the applicable Business Year, and (d) the party signing the Annual Monitoring Report is an officer of Grantee authorized to do so on Grantee's behalf.

6.2 Organizational Documents. Prior to the Effective Date, Grantee shall provide to City the following documents (collectively, the "**Charter Documents**"): a certified certificate of status and (a) if Grantee is a corporation, its bylaws, and a certified copy of its articles of incorporation; (b) if Grantee is limited partnership, its partnership agreement, a certified copy of its certificate of partnership, and the

organizational documents of its general partner; and (c) if Grantee is a limited liability company, its operating agreement, a certified copy of its certificate of limited liability company, and the organizational documents of its manager. All certified documents to be provided pursuant to this Section shall be certified by the California Secretary of State or, if the entity for which a certified document is to be provided was not organized in the State of California, certified by the Secretary of State of such entity's state of organization, no earlier than two (2) months prior to the Effective Date. The Charter Documents must be delivered to the City in their original form, as amended if applicable.

- **6.3 Notification of Defaults or Changes in Circumstances**. Grantee shall notify City immediately of (a) any Event of Default or event that, with the passage of time, would constitute an Event of Default; and (b) any change of circumstances that would cause any of the representations and warranties contained in Article 8 to be false or misleading at any time during the term of this Agreement.
- **6.4 Financial Statements.** As noted in <u>Section 6.1</u>, Grantee shall also deliver to City, no later than one hundred fifty (150) days following the end of any Business Year, an audited balance sheet and the related statement of income and cash flows for such Business Year, certified by a reputable accounting firm as accurately presenting the financial position of Grantee, including any management letters supplied by the auditors.
- 6.5 Books and Records. Grantee shall establish and maintain accurate files and records of all aspects of Operating Expenses and Project Income and the matters funded in whole or in part with Grant Funds during the term of this Agreement. Without limiting the scope of the foregoing, Grantee shall establish and maintain accurate financial books and accounting records relating to Operating Costs incurred and paid and Grant Funds received and expended under this Agreement, together with all invoices, documents, payrolls, time records and other data related to the matters covered by this Agreement, whether funded in whole or in part with Grant Funds. Grantee shall maintain all of the files, records, books, invoices, documents, payrolls and other data required to be maintained under this Section in a readily accessible location and condition for a period of not less than five (5) years after final payment under this Agreement or until any final audit has been fully completed, whichever is later. Grantee agrees to maintain and make available to MOHCD, during regular business hours, accurate books and accounting records relating to the Project and the Tenants. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon MOHCD by this Section. All financial reports must be prepared and maintained in accordance with GAAP as in effect at the time of performance.
- **6.6 Inspection and Audit.** Grantee shall make available to MOHCD, its employees and authorized representatives, during regular business hours all of the files, records, books, invoices, documents, payrolls and other data required to be established and maintained by Grantee under <u>Section 6.5</u>. Grantee shall permit MOHCD, its employees and authorized representatives to inspect, audit, examine and make excerpts and transcripts from any of the foregoing. The rights of MOHCD pursuant to this Section shall remain in effect so long as Grantee has the obligation to maintain such files, records, books, invoices, documents, payrolls and other data under this Article 6.
- 6.7 Submitting False Claims; Monetary Penalties. Grantee acknowledges and agrees that it is a "contractor" under and is subject to San Francisco Administrative Code Section 21.35. Under such Section 21.35, any contractor, subgrantee or consultant who submits a false claim shall be liable to City for three times the amount of damages which City sustains because of the false claim. A contractor, subgrantee or consultant who submits a false claim shall also be liable to City for the costs, including attorney's fees, of a civil action brought to recover any of those penalties or damages, and may be liable to City for a civil penalty of up to Ten Thousand Dollars (\$10,000) for each false claim. A contractor, subgrantee or consultant will be deemed to have submitted a false claim to City if the contractor, subgrantee or consultant: (a) knowingly presents or causes to be presented to an officer or employee of City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by City; (c) conspires to defraud City by getting a false claim allowed or paid by City; (d) knowingly makes, uses, or causes to be made or

used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to City; or (e) is a beneficiary of an inadvertent submission of a false claim to City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to City within a reasonable time after discovery of the false claim.

- 6.8 **Project Monitoring Generally.** Grantee understands and agrees that it will be monitored by the City from time to time to assure compliance with all terms and conditions in this Agreement and all Laws. Grantee acknowledges that the City may also conduct periodic on-site inspections of the Project. Grantee must cooperate with the monitoring by the City and ensure full access to the Project and all information related to the Project as reasonably required by the City.
- 6.9 **Notice Requirement for Changes in Director Positions**. Grantee must provide written notice of the replacement of its executive director, director of housing development, director of property management and/or any equivalent position within thirty (30) days after the effective date of such replacement.

ARTICLE 7 TAXES

- **7.1 Grantee to Pay All Taxes.** Grantee shall pay to the appropriate governmental authority, as and when due, any and all taxes, fees, assessments or other governmental charges, including possessory interest taxes and California sales and use taxes, levied upon or in connection with this Agreement, the Grant Funds or any of the activities contemplated by this Agreement.
- 7.2 Use of City Real Property. If at any time this Agreement entitles Grantee to the possession, occupancy or use of City real property for private gain, the following provisions shall apply:
- (a) Grantee, on behalf of itself and any subgrantees, successors and assigns, recognizes and understands that this Agreement may create a possessory interest subject to property taxation and Grantee, and any subgrantee, successor or assign, may be subject to the payment of such taxes.
- (b) Grantee, on behalf of itself and any subgrantees, successors and assigns, further recognizes and understands that any assignment permitted hereunder and any exercise of any option to renew or other extension of this Agreement may constitute a change in ownership for purposes of property taxation and therefore may result in a revaluation of any possessory interest created hereunder. Grantee shall report any assignment or other transfer of any interest in this Agreement or any renewal or extension thereof to the County Assessor within sixty (60) days after such assignment, transfer, renewal or extension.
- (c) Grantee shall provide such other information as may be requested by City to enable City to comply with any reporting requirements under applicable law with respect to possessory interests.
- **7.3 Earned Income Credit (EIC) Forms.** Administrative Code Section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found.
- (a) Grantee shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty (30) days following the date on which this Agreement becomes effective (unless Grantee has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Grantee; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement.

- (b) Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by Grantee of the terms of this Agreement. If, within thirty (30) days after Grantee receives written notice of such a breach, Grantee fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Grantee fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law.
- (c) Any Subcontract entered into by Grantee shall require the subgrantee to comply, as to the subgrantee's Eligible Employees, with each of the terms of this Section.
- (d) Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

ARTICLE 8 REPRESENTATIONS AND WARRANTIES

Grantee represents and warrants each of the following as of the date of this Agreement and at all times throughout the term of this Agreement:

- 8.1 Organization; Authorization. Grantee shall be a limited liability company or a limited partnership, and Grantee's manager, if Grantee is a limited liability company, or Grantee's general partner, or the general partner's sole member of the general partner (if general partner is a limited liability company), is a nonprofit corporation, duly organized and validly existing and in good standing under the laws of the jurisdiction in which it was formed, and which has established and maintains valid nonprofit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated thereunder. Grantee has duly authorized by all necessary action the execution, delivery and performance of this Agreement. Grantee has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of Grantee, enforceable against Grantee in accordance with the terms hereof.
- **8.2 Location**. Grantee's operations, offices and headquarters are located at the address for notices set forth in Section 15.
- **8.3** No Misstatements. No document furnished or to be furnished by Grantee to MOHCD in connection with the Application Documents, this Agreement, or any other document relating to any of the foregoing, contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.
- **8.4** Conflict of Interest. Through its execution of this Agreement, Grantee acknowledges that it is familiar with the provision of Section 15.103 of the City's Charter, Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code, and Section 87100 *et seq.* and Section 1090 *et seq.* of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify MOHCD if it becomes aware of any such fact during the term of this Agreement.

ARTICLE 9 INDEMNIFICATION AND GENERAL LIABILITY

9.1 Indemnification. Grantee shall indemnify, protect, defend and hold harmless each of the Indemnified Parties from and against any and all Losses arising from, in connection with or caused by:
(a) a material breach of this Agreement by Grantee; (b) a material breach of any representation or warranty of Grantee contained in this Agreement; (c) any personal injury caused, directly or indirectly, by any act or omission of Grantee or its employees, subgrantees or agents; (d) any property damage caused, directly or indirectly by any act or omission of Grantee or its employees, subgrantees or agents; (e) the

use, misuse or failure of any equipment or facility used by Grantee, or by any of its employees, subgrantees or agents, regardless of whether such equipment or facility is furnished, rented or loaned to Grantee by an Indemnified Party; (f) any tax, fee, assessment or other charge for which Grantee is responsible under Article 7; or (g) any infringement of patent rights, copyright, trade secret or any other proprietary right or trademark of any person or entity in consequence of the use by any Indemnified Party of any goods or services furnished to such Indemnified Party in connection with this Agreement. Grantee's obligations under the immediately preceding sentence shall apply to any Loss that is caused in whole or in part by the active or passive negligence of any Indemnified Party, but shall exclude any Loss caused solely by the willful misconduct or gross negligence of the Indemnified Party. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

- 9.2 Duty to Defend; Notice of Loss. Grantee acknowledges and agrees that its obligation to defend the Indemnified Parties under Section 9.1: (a) is an immediate obligation, independent of its other obligations hereunder; (b) applies to any Loss which actually or potentially falls within the scope of Section 9.1, regardless of whether the allegations asserted in connection with such Loss are or may be groundless, false or fraudulent; and (c) arises at the time the Loss is tendered to Grantee by the Indemnified Party and continues at all times thereafter. The Indemnified Party shall give Grantee prompt notice of any Loss under Section 9.1 and Grantee shall have the right to defend, settle and compromise any such Loss; provided, however, that the Indemnified Party shall have the right to retain its own counsel at the expense of Grantee if representation of such Indemnified Party by the counsel retained by Grantee would be inappropriate due to conflicts of interest between such Indemnified Party and Grantee. An Indemnified Party's failure to notify Grantee promptly of any Loss shall not relieve Grantee of any liability to such Indemnified Party pursuant to Section 9.1, unless such failure materially impairs Grantee's ability to defend such Loss. Grantee shall seek the Indemnified Party shares in liability with respect thereto.
- **9.3** Incidental and Consequential Damages. Losses covered under this Article 9 shall include any and all incidental and consequential damages resulting in whole or in part from Grantee's acts or omissions. Nothing in this Agreement shall constitute a waiver or limitation of any rights that any Indemnified Party may have under applicable law with respect to such damages.
- 9.4 LIMITATION ON LIABILITY OF CITY. CITY'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF GRANT FUNDS ACTUALLY DISBURSED HEREUNDER. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THIS AGREEMENT, THE APPLICATION DOCUMENTS OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE GRANT FUNDS OR ANY ACTIVITIES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

ARTICLE 10 INSURANCE

- **10.1 Types and Amounts of Coverage.** Without limiting Grantee's liability pursuant to Article 9, Grantee shall maintain in force, during the full term of this Agreement, insurance in the following amounts and coverages:
- (a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than One Million Dollars (\$1,000,000) each accident, injury, or illness.

- (b) Commercial General Liability Insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations.
- (c) Commercial Automobile Liability Insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.
- (d) Professional liability insurance for negligent acts, errors or omission with respect to professional or technical services, if any, required in the performance of this Agreement with limits not less than One Million Dollars (\$1,000,000) each claim.
- **10.2** Additional Requirements for General and Automobile Coverage. Commercial General Liability and Commercial Automobile Liability insurance policies shall:
- (a) Name as additional insured City and its officers, agents and employees. With respect to the Commercial Automobile Insurance the City and its officers, agents and employees shall only be additional insured as to liability arising out of the use, by Grantee's employees, of automobiles, whether owned, leased, hired or borrowed, in connection with the Project.
- (b) Provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to limits of liability.
- **10.3** Additional Requirements for All Policies. Contractor shall provide thirty (30) days' advance written notice to City of cancellation of policy for any reason, nonrenewal or reduction in coverage and specific notice mailed to City's address for notices pursuant to Article 15.
- 10.4 Required Post-Expiration Coverage. Should any of the insurance required hereunder be provided under a claims-made form, Grantee shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three (3) years beyond the expiration or termination of this Agreement, to the effect that, should occurrences during the term hereof give rise to claims made after expiration or termination of the Agreement, such claims shall be covered by such claims-made policies.
- 10.5 General Annual Aggregate Limit/Inclusion of Claims Investigation or Legal Defense Costs. Should any of the insurance required hereunder be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.
- 10.6 Evidence of Insurance. Before commencing any operations under this Agreement, Grantee shall furnish to City certificates of insurance, and additional insured policy endorsements, in form and with insurers satisfactory to City, evidencing all coverages set forth above, and shall furnish complete copies of policies promptly upon City's request. Before commencing any operations under this Agreement, Grantee shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement.
- **10.7 Effect of Approval**. Approval of any insurance by City shall not relieve or decrease the liability of Grantee hereunder.

EVENTS OF DEFAULT AND REMEDIES

- 11.1 Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Agreement:
- (a) **False Statement**. Any statement, representation or warranty contained in this Agreement, in the Application Documents, or in any other document submitted to City under this Agreement is found by City to be false or misleading when made.
- (b) Improper Use of Grant Funds; Failure to Perform Other Covenants and Obligations. Grantee uses Grant Funds for any purpose other than for the payment of Assisted Units Operating Costs (or reimbursement for its advance payment thereof), fails to use the Subsidy Payments it receives to pay Assisted Units Operating Costs (or reimbursement for its advance payment thereof), or otherwise fails to perform or breaches any other agreement or covenant of this Agreement to be performed or observed by Grantee as and when performance or observance is due and such failure or breach continues for a period of ten (10) days after the date on which such performance or observance is due, or if such breach can not be cured in ten (10) days, then City shall not exercise its remedies hereunder as long as Grantee continues to diligently pursue a cure of the breach; provided, however, that: (i) in the case of an improper use of Grant Funds, in no event shall such cure period extend beyond thirty (30) days after the date on which such performance or observance is due, and (ii) in the case of other defaults under this Section 11.1(b), in no event shall such cure period extend beyond ninety (90) days after the date on which such performance or observance is due.
- (c) **Default under City Loan Documents or Senior Loan Documents**. Grantee defaults under any City Loan Document or any of the Senior Loan Documents (after expiration of any grace period expressly stated in any such agreement).
- (d) **Voluntary Insolvency**. Grantee (i) is generally not paying its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Grantee or of any substantial part of Grantee's property or (v) takes action for the purpose of any of the foregoing.
- (e) **Involuntary Insolvency**. Without consent by Grantee, a court or government authority enters an order, and such order is not vacated within 60 days, (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Grantee or with respect to any substantial part of Grantee's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Grantee.
- (f) New Encumbrances. Any lien is recorded against all or any part of the Real Property or the Project without MOHCD's prior written consent, and the lien is not removed from title or otherwise remedied to MOHCD's satisfaction within thirty (30) days after Grantee's receipt of written notice from MOHCD to cure the default, or, if the default cannot be cured within a thirty (30) day period, Grantee will have sixty (60) days to cure the default, or any longer period of time deemed necessary by MOHCD, provided that Grantee commences to cure the default within the thirty (30) day period and diligently pursues the cure to completion.
- (g) **Damage or Destruction**. All or a substantial or material portion of the Project is damaged or destroyed by fire or other casualty or is condemned, seized or appropriated by any non-City governmental

agency or subject to any action or other proceeding instituted by any non-City governmental agency for any purpose with the result that the Project cannot be operated for its intended purpose.

- (h) **Dissolution**. Grantee or Grantee's general partners are dissolved or liquidated or merged with or into any other entity or ceases to exist in its present form and (where applicable) in good standing and duly qualified under the laws of the jurisdiction of formation and California for any period of more than ten (10) days, or all or substantially all of Grantee's assets are sold or otherwise transferred except as permitted.
- Assignment. Without MOHCD's prior written consent, Grantee assigns or attempts to (i) assign any rights or interest under this Agreement or encumber its interests hereunder, whether voluntarily or involuntarily, or voluntarily or involuntarily assigns or attempts to sell, lease, assign, encumber or otherwise transfer all or any portion of the ownership interests in Grantee or of its right, title or interest in the Project or the Real Property, other than: (a) leases, subleases or occupancy agreements to occupants of Units and/or Commercial Space in the Project; or (b) security interests for the benefit of lenders securing loans for the Project as approved by the City on terms and in amounts as approved by City in its reasonable discretion (c) transfers from Borrower to a limited partnership or limited liability company formed for the tax credit syndication of the Project, where Borrower or an affiliated nonprofit public benefit corporation is the sole general partner or manager of that entity; (d) transfers of the general partner's or manager's interest in Borrower to a nonprofit public benefit corporation approved in advance by the City; (e) transfers of any limited partnership or membership interest in Borrower to an investor pursuant to the tax credit syndication of the Project or any subsequent transfer of a limited partnership interest in Borrower by an investor limited partner in Borrower, or any direct or indirect transfer of a limited partnership interest or membership interest in any investor limited partner in Borrower; (f) any transfer permitted under the City Documents; or (g) the grant or exercise of an option agreement between Borrower and Borrower's general partner or manager or any of its affiliates in connection with the tax credit syndication of the Project. Any other transfer, assignment, encumbrance or lease without the City's prior written consent will be voidable and, at the City's election, constitute an Event of Default under this Agreement. The City's consent to any specific assignment, encumbrance, lease or other transfer will not constitute its consent to any subsequent transfer or a waiver of any of the City's rights under this Agreement.
- (j) Account Transfers. Without MOHCD's prior written consent, to the extent such consent is required pursuant to this Agreement, Grantee transfers, or authorizes the transfer of, funds in any account required or authorized under this Agreement.
- (k) **Changed Financing Condition**. Any material adverse change occurs in the financial condition or operations of Grantee, such as a loss of services funding or rental subsidies (excluding the reduction of any Subsidy Payment hereunder) that has a material adverse impact on the Project.

An Event of Default under this Agreement that remains uncured shall be a default under the City Loan Documents.

- **11.2** Remedies Upon Event of Default. Upon and during the continuance of an Event of Default, City may do any of the following, individually or in combination with any other remedy:
- (a) **Termination**. City may terminate this Agreement by giving a written termination notice to Grantee and, on the date specified in such notice, this Agreement shall terminate and all rights and obligations of Grantee hereunder shall be extinguished. In the event of such termination, the City will allow Grantee to use previously disbursed Subsidy Payment funds to pay for only Operating Costs incurred prior to the termination date. The remaining balance of any Subsidy Payment not used to pay for previously incurred Operating Costs must be returned to the City..

- (b) Withholding of Grant Funds. City may withhold all or any portion of Grant Funds not yet disbursed hereunder. Any Grant Funds withheld pursuant to this Section and subsequently disbursed to Grantee after cure of applicable Events of Default shall be disbursed without interest.
- (c) Offset. City may offset against all or any portion of undisbursed Grant Funds hereunder or against any payments due to Grantee under the MOHCD Loan Agreement or any other agreement between Grantee and City the amount of any outstanding Loss incurred by any Indemnified Party, including any Loss incurred as a result of the Event of Default.
- (d) **Return of Grant Funds**. City may demand the immediate return of any previously disbursed Grant Funds that have been claimed or expended by Grantee in breach of the terms of this Agreement, together with interest thereon from the date of disbursement at the maximum rate permitted under applicable law.
- 11.3 Remedies Nonexclusive. Each of the remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available under this Agreement, any other City Document and/or Applicable Laws. The remedies contained herein are in addition to all other remedies available to City at law or in equity by statute or otherwise and the exercise of any such remedy shall not preclude or in any way be deemed to waive any other remedy.

ARTICLE 12 DISCLOSURE OF INFORMATION AND DOCUMENTS

- 12.1 Proprietary or Confidential Information of City. Grantee understands and acknowledges that, in the performance of this Agreement or in contemplation thereof, Grantee may have access to private or confidential information that may be owned or controlled by City and that such information may contain proprietary or confidential information, the disclosure of which to third parties may be damaging to City. Grantee agrees that all information disclosed by City to Grantee shall be held in confidence and used only in the performance of this Agreement. Grantee shall exercise the same standard of care to protect such information as a reasonably prudent nonprofit entity would use to protect its own proprietary or confidential data.
- 12.2 Sunshine Ordinance. Grantee acknowledges and agrees that this Agreement and the Application Documents are subject to Section 67.24(e) of the San Francisco Administrative Code, which provides that contracts, including this Agreement, grantee's bids, responses to Requests for Proposals (RFPs) and all other records of communications between City and persons or entities seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in such Section 67.24(e) (as it exists on the date hereof) requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. All information provided by Grantee that is covered by such Section 67.24(e) (as it may be amended from time to time) will be made available to the public upon request.
- **12.3 Financial Projections**. Pursuant to San Francisco Administrative Code Section 67.32, Grantee has on or before the date hereof provided to City financial projections, including profit and loss figures, for the Project. The Grantee acknowledges and agrees that the financial projections and audited financial statements required under this Agreement shall be public records subject to disclosure upon request.

ARTICLE 13 ASSIGNMENTS AND SUBCONTRACTING

13.1 No Assignment by Grantee. Grantee shall not, either directly or indirectly, assign, transfer, hypothecate, subcontract or delegate all or any portion of this Agreement or any rights, duties or obligations of Grantee hereunder without the prior written consent of City. This Agreement shall not, nor shall any interest herein, be assignable as to the interest of Grantee involuntarily or by operation of

law without the prior written consent of City. A change of ownership or control of Grantee or a sale or transfer of substantially all of the assets of Grantee shall be deemed an assignment for purposes of this Agreement. Notwithstanding any provision of this Agreement to the contrary, this Section 13.1 shall not prevent transfers that are expressly permitted under the City Loan Documents.

- **13.2** Agreement Made in Violation of this Article. Any agreement made in violation of Section 13.1 shall confer no rights on any person or entity and shall automatically be null and void.
- **13.3 Subcontracting.** Grantee shall not subcontract or assign any portion of this Agreement to any other party without the prior written consent of City; notwithstanding the foregoing, Grantee may subcontract for property management and maintenance without the consent of the City.
- **13.4** Grantee Retains Responsibility. Grantee shall in all events remain liable for the performance by any assignee or subgrantee of all of the covenants terms and conditions contained in this Agreement.

ARTICLE 14 INDEPENDENT CONTRACTOR STATUS

- **14.1 Nature of Agreement.** Grantee shall be deemed at all times to be an independent contractor and is solely responsible for the manner in which Grantee uses the Grant Funds. Grantee shall at all times remain solely liable for the acts and omissions of Grantee, its officers and directors, employees and agents. Nothing in this Agreement shall be construed as creating a partnership, joint venture, employment or agency relationship between City and Grantee.
- **14.2 Direction**. Any terms in this Agreement referring to direction or instruction from MOHCD or City shall be construed as providing for direction as to policy and the result of Grantee's work only, and not as to the means by which such a result is obtained.

14.3 Consequences of Recharacterization.

- (a) Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Grantee is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Grantee which can be applied against this liability). City shall subsequently forward such amounts to the relevant taxing authority.
- (b) Should a relevant taxing authority determine a liability for past services performed by Grantee for City, upon notification of such fact by City, Grantee shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Grantee under this Agreement (again, offsetting any amounts already paid by Grantee which can be applied as a credit against such liability).
- (c) A determination of employment status pursuant to either subsection (a) or (b) of this <u>Section 14.3</u> shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Grantee shall not be considered an employee of City. Notwithstanding the foregoing, if any court, arbitrator, or administrative authority determine that Grantee is an employee for any other purpose, Grantee agrees to a reduction in City's financial liability hereunder such that the aggregate amount of Grant Funds under this Agreement does not exceed what would have been the amount of such Grant Funds had the court, arbitrator, or administrative authority had not determined that Grantee was an employee.

ARTICLE 15 NOTICES AND OTHER COMMUNICATIONS

15.1 Requirements. Unless otherwise specifically provided herein, all notices, consents, directions, approvals, instructions, requests and other communications hereunder shall be in writing, shall be addressed to the person and address set forth below and shall be (a) deposited in the U.S. mail, first class, certified with return receipt requested and with appropriate postage, (b) hand delivered, (c) sent by facsimile (if a facsimile number is provided below), provided that a copy of such notice shall be deposited in the U.S. mail, first class, or (d) deposited with a nationally-recognized overnight delivery service, provided that next business-day delivery is requested:

If to MOHCD or City: If to Grantee:	Mayor's Office of Housing and Community Development One South Van Ness, 5 th Floor San Francisco, CA 94103 Attn: Asset Manager Telephone No.: 415-701-5500 Facsimile No.: 415-701-5501
If to Grantee:	

San Francisco, CA 94102 Attention: Executive Director

With a copy to:

Attention: General Counsel

- 15.2 Effective Date. All communications sent in accordance with Section 15.1 shall become effective on the date of receipt. Such date of receipt shall be determined by: (a) if mailed, the return receipt, completed by the U.S. postal service; (b) if sent by hand delivery, a receipt executed by a duly authorized agent of the party to whom the notice was sent; (c) if sent by facsimile, the date of telephonic confirmation of receipt by a duly authorized agent of the party to whom the notice was sent or, if such confirmation is not reasonably practicable, the date indicated in the facsimile machine transmission report of the party giving such notice; or (d) if sent by nationally-recognized overnight delivery service, the next business day following deposit therewith, provided that next business-day delivery is requested.
- **15.3** Change of Address. From time to time any party hereto may designate a new address for purposes of this Article 15 by notice to the other party.

ARTICLE 16 COMPLIANCE

- 16.1 Reserved.
- 16.2 Nondiscrimination; Penalties.
- (a) **Grantee Shall Not Discriminate**. In the performance of this Agreement, Grantee agrees not to discriminate against any employee, City and County employee working with such grantee or subgrantee, applicant for employment with such grantee or subgrantee, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

- (b) **Subcontracts**. Grantee shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subgrantees to comply with such provisions. Grantee's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.
- (c) **Non-Discrimination in Benefits**. Grantee does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco or where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.
- (d) **Condition to Contract**. As a condition to this Agreement, Grantee shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.
- (e) Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Grantee shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including the remedies provided in such Chapters. Without limiting the foregoing, Grantee understands that pursuant to Sections 12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of Fifty Dollars (\$50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Grantee and/or deducted from any payments due Grantee.
- **16.3 MacBride Principles--Northern Ireland.** Pursuant to San Francisco Administrative Code Section 12F.5, City urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. City urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Grantee acknowledges and agrees that he or she has read and understood this Section.
- **16.4** Tropical Hardwood and Virgin Redwood Ban. Pursuant to Section 804(b) of the San Francisco Environment Code, City urges all grantees not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.
- **16.5 Drug-Free Workplace Policy**. Grantee acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. Grantee and its employees, agents or assigns shall comply with all terms and provisions of such Act and the rules and regulations promulgated thereunder.
- 16.6 Resource Conservation; Liquidated Damages. Chapter 5 of the San Francisco Environment Code (Resource Conservation) is incorporated herein by reference. Failure by Grantee to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract. If Grantee fails to comply in good faith with any of the provisions of Chapter 5, Grantee shall be liable for liquidated damages in an amount equal to Grantee's net profit under this Agreement, or five percent (5%) of the total contract amount, whichever is greater. Grantee acknowledges and agrees that the liquidated damages assessed shall be payable to City upon demand and may be offset against any monies due to Grantee from any contract with City.

16.7 Compliance with ADA. Grantee acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity to the public, whether directly or through a grantee or contractor, must be accessible to the disabled public. Grantee shall not discriminate against any person protected under the ADA in connection with its activities hereunder and shall comply at all times with the provisions of the ADA.

16.8 Requiring Minimum Compensation for Employees.

- a. Grantee agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at www.sfgov.org/olse/mco. A partial listing of some of Grantee's obligations under the MCO is set forth in this Section. Grantee is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.
- b. The MCO requires Grantee to pay Grantee's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Grantee is obligated to keep informed of the thencurrent requirements. Any subcontract entered into by Grantee shall require the subgrantee to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Grantee's obligation to ensure that any subgrantees of any tier under this Agreement comply with the requirements of the MCO. If any subgrantee under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Grantee.
- c. Grantee shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.
- d. Grantee shall maintain employee and payroll records as required by the MCO. If Grantee fails to do so, it shall be presumed that the Grantee paid no more than the minimum wage required under State law.
- e. The City is authorized to inspect Grantee's job sites and conduct interviews with employees and conduct audits of Grantee
- f. Grantee's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Grantee fails to comply with these requirements. Grantee agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Grantee's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.
- g. Grantee understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Grantee fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Grantee fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to

completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

- h. Grantee represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.
- i. If Grantee is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Grantee later enters into an agreement or agreements that cause Grantee to exceed that amount in a fiscal year, Grantee shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Grantee and this department to exceed \$25,000 in the fiscal year.
- 16.9 Limitations on Contributions. Through execution of this Agreement, Grantee acknowledges that it is familiar with Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Grantee acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Grantee further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Grantee's board of directors; Grantee's chairperson, chief executive officer, chief financial officer and chief operating officer: any person with an ownership interest of more than 20 percent in Grantee: any subgrantee listed in the bid or contract; and any committee that is sponsored or controlled by Grantee. Additionally, Grantee acknowledges that Grantee must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

16.10 First Source Hiring Program.

- a. Incorporation of Administrative Code Provisions by Reference. The provisions of Chapter 83 of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.
- **b. First Source Hiring Agreement.** As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the First Source Hiring Administrator ("**FSHA**"), the Contractor shall enter into a first source hiring agreement ("agreement") with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:
- (1) Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs maybe certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal,

or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

- (2) Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.
- (3) Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.
- (4) Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer's existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.
- (5) Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.
 - (6) Set the term of the requirements.
 - (7) Set appropriate enforcement and sanctioning standards consistent with this Chapter.
- (8) Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.
- (9) Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

- **c. Hiring Decisions.** Contractor shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is "qualified" for the position.
- **d. Exceptions.** Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

e. Liquidated Damages. Contractor agrees:

- (1) To be liable to the City for liquidated damages as provided in this section;
- (2) To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this section;
- (3) That the contractor's commitment to comply with this Chapter is a material element of the City's consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantity; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to \$5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor's failure to comply with its first source referral contractual obligations.
- (4) That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to \$10,000 for each entry level position improperly withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not exceed the financial and other damages that the City suffers as a result of the contractor's continued failure to comply with its first source referral contractual obligations;
- (5) That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this section is based on the following data:
- A. The average length of stay on public assistance in San Francisco's County Adult Assistance Program is approximately 41 months at an average monthly grant of \$348 per month, totaling approximately \$14,379; and
- B. In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level position is at least one year;

therefore, liquidated damages that total \$5,000 for first violations and \$10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm caused to the City by the failure of a contractor to comply with its first source referral contractual obligations.

(6) That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and

Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of \$5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

- **f. Subcontracts.** Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.
- 16.11 Prohibition on Political Activity with City Funds. In accordance with S. F. Administrative Code Chapter 12.G, no funds appropriated by the City and County of San Francisco for this Agreement may be expended for organizing, creating, funding, participating in, supporting, or attempting to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity"). The terms of San Francisco Administrative Code Chapter 12.G are incorporated herein by this reference. Accordingly, an employee working in any position funded under this Agreement shall not engage in any Political Activity during the work hours funded hereunder, nor shall any equipment or resource funded by this Agreement be used for any Political Activity. In the event Grantee, or any staff member in association with Grantee, engages in any Political Activity, then (i) Grantee shall keep and maintain appropriate records to evidence compliance with this Section, and (ii) Grantee shall have the burden to prove that no funding from this Agreement has been used for such Political Activity. Grantee agrees to cooperate with any audit by the City or its designee in order to ensure compliance with this Section. In the event Grantee violates the provisions of this Section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement and any other agreements between Grantee and City, (ii) prohibit Grantee from bidding on or receiving any new City contract for a period of two (2) years, and (iii) obtain reimbursement of all funds previously disbursed to Grantee under this Agreement.
- 16.12 Preservative-treated Wood Containing Arsenic. Grantee may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Grantee may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Grantee from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.
- **16.13 Supervision of Minors**. Grantee, and any subgrantees, shall comply with California Penal Code section 11105.3 and request from the Department of Justice records of all convictions or any arrest pending adjudication involving the offenses specified in Welfare and Institution Code section 15660(a) of any person who applies for employment or volunteer position with Grantee, or any subgrantee, in which he or she would have supervisory or disciplinary power over a minor under his or her care.

If Grantee, or any subgrantee, is providing services at a City park, playground, recreational center or beach (separately and collectively, "Recreational Site"), Grantee shall not hire, and shall prevent its subgrantees from hiring, any person for employment or volunteer position to provide those services if that person has been convicted of any offense that was listed in former Penal Code section 11105.3 (h)(1) or 11105.3(h)(3).

If Grantee, or any of its subgrantees, hires an employee or volunteer to provide services to minors at any location other than a Recreational Site, and that employee or volunteer has been convicted of an offense specified in Penal Code section 11105.3(c), then Grantee shall comply, and cause its subgrantees to comply with that section and provide written notice to the parents or guardians of any minor who will be supervised or disciplined by the employee or volunteer not less than ten (10) days prior to the day the employee or volunteer begins his or her duties or tasks. Grantee shall provide, or cause its subgrantees to provide City with a copy of any such notice at the same time that it provides notice to any parent or guardian.

Grantee shall expressly require any of its subgrantees with supervisory or disciplinary power over a minor to comply with this section of the Agreement as a condition of its contract with the subgrantee.

Grantee acknowledges and agrees that failure by Grantee or any of its subgrantees to comply with any provision of this section of the Agreement shall constitute an Event of Default.

- **16.14 Protection of Private Information.** Grantee agrees to comply fully with and be bound by all of the provisions of Chapter 12M of the San Francisco Administrative Code ("Protection of Private Information"), including the remedies provided. The provisions of Chapter 12M are incorporated herein by reference and made a part of this Agreement as though fully set forth. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12M. Consistent with the requirements of Chapter 12M, Grantee agrees to all of the following:
- (a) Neither Grantee nor any of its subgrantees shall disclose Private Information obtained from the City in the performance of this Agreement to any other subgrantee, person, or other entity, unless one of the following is true:
 - (1) The disclosure is authorized by this Agreement;
- (2) The Grantee received advance written approval from the Contracting Department to disclose the information; or
 - (3) The disclosure is expressly required by a judicial order.
- (b) Any disclosure or use of Private Information authorized by this Agreement shall be in accordance with any conditions or restrictions stated in this Agreement. Any disclosure or use of Private Information authorized by a Contracting Department shall be in accordance with any conditions or restrictions stated in the approval.
- (c) "Private Information" shall mean any information that: (1) could be used to identify an individual, including without limitation, name, address, social security number, medical information, financial information, date and location of birth, and names of relatives; or (2) the law forbids any person from disclosing.
- (d) Any failure of Grantee to comply with Chapter 12M shall be a material breach of this Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate this Agreement, debar Grantee, or bring a false claim action against Grantee.
- 16.15 Public Access to Meetings and Records. If the Grantee receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, the Grantee shall comply with and be bound by all the applicable provisions of that Chapter. By executing this Agreement, the Grantee agrees to open its meetings and records to the public in the manner set forth in Sections 12L.4 and 12L.5 of the Administrative Code. The Grantee further agrees to make good-faith efforts to promote community

membership on its Board of Directors in the manner set forth in Section 12L.6 of the Administrative Code. The Grantee acknowledges that its material failure to comply with any of the provisions of this paragraph shall constitute a material breach of this Agreement. The Grantee further acknowledges that such material breach of the Agreement shall be grounds for the City to terminate and/or not renew the Agreement, partially or in its entirety.

16.16 Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and County and its residents, and to prevent the further spread of graffiti.

Grantee shall remove all graffiti from any real property owned or leased by Grantee in the City and County of San Francisco within forty eight (48) hours of the earlier of Grantee's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This Section is not intended to require a Grantee to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. Sections 101 et seq.).

Any failure of Grantee to comply with this Section shall constitute an Event of Default of this Agreement.

16.17 Food Service Waste Reduction Requirements. Grantee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Grantee agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Grantee agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for subsequent breaches in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Grantee's failure to comply with this provision.

16.18 Slavery Era Disclosure.

(a) Grantee acknowledges that this Agreement shall not be binding upon the City until the Director receives the affidavit required by the San Francisco Administrative Code's Chapter 12Y, "San Francisco Slavery Era Disclosure Ordinance."

- (b) In the event the Director finds that Grantee has failed to file an affidavit as required by Section 12Y.4(a) and this Agreement, or has willfully filed a false affidavit, the Grantee shall be liable for liquidated damages in an amount equal to the Grantee's net profit on the Agreement, 10 percent of the total amount of the Agreement, or \$1,000, whichever is greatest as determined by the Director. Grantee acknowledges and agrees that the liquidated damages assessed shall be payable to the City upon demand and may be set off against any monies due to the Grantee from any Agreement with the City.
 - (c) Grantee shall maintain records necessary for monitoring their compliance with this provision.
- **16.19 Compliance with Other Laws**. Without limiting the scope of any of the preceding sections of this Article 16, Grantee shall keep itself fully informed of City's Charter, codes, ordinances and regulations and all state, and federal laws, rules and regulations affecting the performance of this Agreement and shall at all times comply with such Charter codes, ordinances, and regulations rules and laws.

ARTICLE 17 MISCELLANEOUS

- 17.1 No Waiver. No waiver by MOHCD or City of any default or breach of this Agreement shall be implied from any failure by MOHCD or City to take action on account of such default if such default persists or is repeated. No express waiver by MOHCD or City shall affect any default other than the default specified in the waiver and shall be operative only for the time and to the extent therein stated. Waivers by City or MOHCD of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by MOHCD or City of any action requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.
- **17.2 Modification**. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement.
- 17.3 Administrative Remedy for Agreement Interpretation. Should any question arise as to the meaning or intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to the director or president, as the case may be, of MOHCD who shall decide the true meaning and intent of the Agreement. Such decision shall be final and conclusive.
- 17.4 Governing Law; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California, without regard to its conflict of laws principles. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.
- 17.5 **Headings**. All article and section headings and captions contained in this Agreement are for reference only and shall not be considered in construing this Agreement.
- **17.6 Entire Agreement**. This Agreement and the Application Documents set forth the entire Agreement between the parties, and supersede all other oral or written provisions. If there is any conflict between the terms of this Agreement and the Application Documents, the terms of this Agreement shall govern. The following appendices are attached to and a part of this Agreement:

Exhibit A, Projected Project Subsidy Payments

Exhibit B, Annual Operating Budget for Initial Operating Period and 15-Year Cash Flow

Exhibit C, Real Property Legal Description

Exhibit D, LOSP Client Selection Criteria

Exhibit E, Intentionally Omitted

Exhibit F, Lobbying/Debarment Certification Form

Exhibit G, Annual Monitoring Report Exhibit H, Tenant Selection Plan Policy – LOSP Exhibit I, Tenant Screening Criteria Policy – LOSP

- 17.7 Certified Resolution of Signatory Authority. Upon request of City, Grantee shall deliver to City a copy of the corporate resolution(s) authorizing the execution, delivery and performance of this Agreement, certified as true, accurate and complete by the secretary or assistant secretary of Grantee.
- 17.8 Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.
- **17.9** Successors; No Third-Party Beneficiaries. Subject to the terms of Article 13, the terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their successors and assigns. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity (other than the parties hereto and their respective successors and assigns and, in the case of Article 9, the Indemnified Parties) any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.
- **17.10** Survival of Terms. The obligations of Grantee and the terms of the following provisions of this Agreement shall survive and continue following expiration or termination of this Agreement:

Section 6.4	Financial Statements.
Section 6.5	Books and Records.
Section 6.6	Inspection and Audit.
Section 6.7	Submitting False Claims; Monetary Penalties
Section 6.8	Ownership of Results.
Article 7	Taxes
Article 9	Indemnification and General Liability
Section 10.4	Required Post-Expiration Coverage.
Article 12	Disclosure of Information and Documents
Section 13.4	Grantee Retains Responsibility.
Section 14.3	Consequences of Recharacterization.
This Article 17	Miscellaneous

17.11 Further Assurances. From and after the date of this Agreement, Grantee agrees to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement and to carry out the purpose of this Agreement in accordance with this Agreement.

17.12 Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

GRANTEE:
By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.
I have read and understood Section 16.2, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.
Mercy Housing California XIV, a California limited partnership By: a California limited liability company, its General Partner By: a California nonprofit public benefit corporation, its Sole Member/Manager
Name: Its: a California nonprofit public benefit
By: Name: Its: Federal Tax ID #: City Vendor Number:

Exhibit A – Projected Project Subsidy Payments

MOHCD Proforma - Exhibit A

LOSP FUNDING SCHEDULE

Project Address:	10th and Mis	ssion
Project Start Date:	7/1/2018	

Exhibit A

EXNIBIT	A					
				Total		
				Disbursement	Estimated	
		Full Year	# Months	for	Disbursement	FY Budgeted
Calend	ar Year	Funding Amount	to Fund	Calendar Year	Date	(for Disbursement)
CY-1	2018	\$493,792	6	\$246,896	6/1/2018	FY2018/19
CY-2	2019	\$496,130	12	\$496,130	1/1/2019	FY2018/19
CY-3	2020	\$513,339	12	\$513,339	1/1/2020	FY2019/20
CY-4	2021	\$531,193	12	\$531,193	1/1/2021	FY2020/21
CY-5	2022	\$549,715	12	\$549,715	1/1/2022	FY2021/22
CY-6	2023	\$568,931	12	\$568,931	1/1/2023	FY2022/23
CY-7	2024	\$588,865	12	\$588,865	1/1/2024	FY2023/24
CY-8	2025	\$609,544	12	\$609,544	1/1/2025	FY2024/25
CY-9	2026	\$621,742	12	\$621,742	1/1/2026	FY2025/26
CY-10	2027	\$643,692	12	\$643,692	1/1/2027	FY2026/27
CY-11	2028	\$666,461	12	\$666,461	1/1/2028	FY2027/28
CY-12	2029	\$690,079	12	\$690,079	1/1/2029	FY2028/29
CY-13	2030	\$714,577	12	\$714,577	1/1/2030	FY2029/30
CY-14	2031	\$739,987	12	\$739,987	1/1/2031	FY2030/31
CY-15	2032	\$766,343	12	\$766,343	1/1/2032	FY2031/32
CY-16	2033	\$793,678	12	\$793,678	1/1/2033	FY2032/33
		Total Contrac	t Amount:	\$9,741,171		

Exhibit B – Annual Oper	ating Budget for I	nitial Operating Po	eriod and 15-Y	ear Cash Flow
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Application Date: Total # Units: 136 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2018 INCOME	LOSP Units 44 LOSP/non-LO 32% LOSP	non-LOSP	Total	Project Name: 10th and Mission Project Address: 1390 Mission Street Project Sponsor: Mercy Housing West Comments
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP) Residential - LOSP Tenant Assistance Payments Commercial Space	128,752 0 493,792	1,273,988 125,568	1,402,740 125,568 493,792 77,484	Links from Existing Proj - Rent Info Worksheet Links from Existing Proj - Rent Info Worksheet 0%
Residential Parking Miscellaneous Rent Insome Supportive Services Income	0	0 0 0	0	Links from 'Utilities & Other Income' Worksheef Links from 'Utilities & Other Income' Worksheet Links from 'Utilities & Other Income' Worksheet
nteres Income - Project Operations Laundry and Vending Tonant Charges Miscellaneous Residential Income	11,315 0	24,045 0	35,360 0	Links from 'Utilities & Other Income 'Worksheel Links from 'Utilities & Other Income' Worksheel
Other Commercial Income Withdrawal from Capitalized Reserve (deposit to operating account) Gross Potential Income	0 633,859	0 1,423,601	30,000 2,154,944	Links from 'Commercial Op. Budget' Worksheet
Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial EFFECTIVE GROSS INCOME	(6,438) 0 627,422	(63,699) (6,278) 1,353,623	(6,278)	Vacancy loss is 5% of Tenant Rents. Vacancy loss is 5% of Tenant Accistance Payments. Links from Commercial Op. Budget Worksheet PUPA: 15,328
OPERATING EXPENSES Management Management Foo	38,124	81,012	110 126	1st Year to be sel according to HUD schedule
Assel Management Fee Sub-total Management Expenses Salaries/Benefits	5,541 44,664	13,899 94,912	20,440 139,576	PUPA: 1,026
Office Salaries Manager's Salary Health Insurance and Other Benefits Other Salaries Reporter	75,749 44,126 40,481 0	93,767 55,902	137,893 96,383	2fte Asisstant Manager (LOSP alloc pro-rata), 3 fte Desk Clerks (LOSP alloc 50%) 1fte Senior Property Manager, 1fte Property Manager 11 fte, Please note participation varies per individual Please and a participation varies per individual Lectured in Heldth Insurance and Other
Other Salaries/Benefits Administrative Rent-Free Unit Sub-total Salaries/Benefits Administration	160,356	254,275	414,631	Please note participation varies per individual. Included in Helath Insuranceand Other Excluded since Rent is excluded in Revenue PUPA: 3,049
Advertising and Marketing Office Expenses Office Rent	707 16,696 0	1,503 35,480 0	2,210 52,176 0	
Logal Expense - Property	5,404 3,258 4,961 3,378	6,404 6,922 10,543	10,180 15,504	the control of the co
Viscoellaneous Sub-total Administration Expenses Utilities	3,378 0 35,405	3,378 0 64,230	99,635	PUPA: 733
Electricity (1980) in the manuscript and the second of the	15,797 26,594 18,318	33,569 56,511 38,927	83,105 57,245	updated 2017 number, 5% updated 2017 number, 7% updated 2017 number, 5%
Sewer Sub-total Utilities Taxes and Licenses	40,756 101,465	86,606 215,613	127,362 317,078	updated 2017 number: 14% PUPA: 2,331
Real Estate Taxes Payroll Taxes Miscellaneous Taxes, Licenses and Permits	20,280 10,680 3,829	43,094 22,695 8,137	33,376 11,966	updaled using 2017 number. Welfare exemption reduced. updaled using 2017 number updaled using 2017 number
Sub-total Taxes and Licenses insurance Property and Liability Insurance Fidelity Bond Insurance	34,789 34,627 0	73,926 73,583	108,715	PUPA: 799 updated using 2017 number.
Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance	8,795 0 43,422	18,689 0 92,272		updated using 2017 number
Maintenance & Repair Payroli Supplies (1801/18/19)	56,737 6,937	120,567 14,740	21,677	1 Maintenance Manager, 21te Maintenance Technician, 11te Janitor updated using 2017 number
Contracts Sarbage and Trash Removal Security Psyroll/Contract TVAC Repairs and Maintenance	54,502 24,579 28,276 7,885	115,817 52,231 28,276 16,755	76,810 56,551	updated using 2017 number updated using 2017 number, 44.2% updated using 2017 number, 50/50 split updated using 2017 number
Vehicle and Maintenance Equipment Operation and Repairs Miscollaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	0 0 178,916	0 0 348,386	0 0 527,302	ettitiin ja ja telekket jähetjäkkeittija. Liikeneeneen
Supportive Services Commercial Expenses	O Joyally Specifical	80,751	80,751 5,374	Links from 'Commercial Op. Budget' Workshoot
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees	599,017	1,224,365	1,828,756	PUPA: 13,447
Ground Lease Base Rent Sond Monitoring Fee Replacement Reserve Deposit	6,400 0 26,112	13,600 0 55,488	81,600	Ground lease with MOHCD Provide additional comments here, if needed.
Operating Reserve Deposit Other Required Reserve 1 Deposit Other Required Reserve 2 Deposit Required Reserve Deposit Required Reserve Deposits, Commercial	4,720 0 0	10,030 0 0	14,750 0 0 7,516	Links from 'Commercial Op. Budget Workshoot
Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	37,232 636,249	79,118	123,866	PUPA: 911 Min DSCR. 1.09 Mortgage Rate 5.00%. PUPA: 14,358 Term (Years): 30
·	(6,827)	50,140		PUPA: 971 Supportable 1st Mortgage Pmt. 121,131 PUPA: 971 Supportable 1st Mortgage Amt. 51,880,374 Proposed 1st Mortgage Amt. 51,0180,329
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans) Hard Debt - First Lender Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Le	13,022	27,673	40,695 0	CHCD Provide additional comments here, if needed.
Lard Debt - Third Lender (Other HCD Program; or other 3rd Lender) - Lard Debt - Fourth Londer Commercial Hard Debt Service TOTAL HARD DEBT SERVICE	0 0 13,022	0 0 27,673	0 0 0 40,695	Provide additional comments here, if needed. Provide additional comments here, if needed. Links from "Commercial Op. Sudget" Worksheet PUPA: 299
CASH FLOW (NOI minus DEBT SERVICE) Commercial Only Cash Flow	(21,849)	22,468	91,338 90,720	 -
Alocation of Commercial Surplus to LOPS/non-LOSP (residual Income) AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows: DSCR.) USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL	29,030 7,181	61,689 84,157	91,338 3.24	
Below-the-line" Asset Mgt fee (uncommon in new projects, see policy) Partnership Management Fee (see policy for limits) nvestor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	6,541 640	0 13,899 1,360	20,440 2,000	decidence 1 including the control of
Other Payments Non-amortizing Loan Pmnt - Lender 1 (select lender in comments held) Non-amortizing Loan Pmnt - Lender 2 (select lender in comments held) Deferred Developer Fee (Enter amt Max Fee from cell 1120)	0 0	0	0	0 Provide additional comments here, if needed. Provide additional comments here, if needed. Def. Develop. Fee split: 0% Provide additional comments here, if needed.
TOTAL PAYMENTS PRECEDING MOHCD	7.181	15.259	22,440	PUPA: 165
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS	LINE			
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD) Residual Receipts Calculation Does Project have a MOHCD Residual Receipt Obligation?	0	68,898	68,898 Yes	Project has MOHCD ground lease? Yes
PRECEDING MOHCD) Residual Receipts Calculation	0			Project has MOHCD ground lease? Yes
PRECEIDIN MOHCD) Residual Receipts Calculation Presidual Receipts Calculation Does Project Inve a MOHCD Residual Receipt Obligation? Will Project Delir Developer Fee Will Project Delir Developer Fee Key Comment of Receipts in Y1 1; Key of Residual Receipts available for distribution to soft debt lenders in Soft Calculation Soft Debt Lenders with Residual Receipts Obligations	0	63,898	Yes No 33% 67%	Distrib. of Soft webpogram homisorp.genti. Total Principal Amt Debt Loans
PRECEDION MOHCD) Residual Receipts Calcustrion Does Propoct have a MOHCD Residual Receipt Obligation? Were Propoct have to MOHCD Residual Receipt Obligation? Was Deferred Developer Feed Gerower of Residual Receipts in Yr 1: of Propoct have a weaklable for distribution to soft debt lenders in of Residual Receipts available for distribution to soft debt lenders in Soft Debt Landers with Residual Receipts Obligations MOHCD/COCI - Soft Debt Lanes MOHCD/COCI - Soft Debt Lanes (CC) (cold debt lear) - Lender 3 Home Soft Debt Lanes (CC) (cold debt lear) - Lender 3	0	63,898	Yes No 33% 67%	Distrits of Sort Color Principal Amt Distrits of Sort Color Colo
PRECEDING MOHOD) Residual Receipts Calculation Doespote have a MOHOD Residual Receipt Obligation? WE Project Date Incompage Fee? WE Project Date Incompage Fee? WE Design to the Compage Fee? WE Design to the Compage Fee Fee Fee Fee Fee Fee Fee Fee Fee F	0	63,898	Yes No 33% 67% Seinal leader dan HIMOHOD/OCH L Fround Lease PHOD	Distrib. of Soft Destrib. of Soft Destrib. of Soft
PRECEIDING MOHCD) Residual Receipts Calculation DOMP Propor have a MOHCD Residual Receipt Obligation? Was Proferted Developper Fee? Mas Deferred Developper Fee? Mas Deferred Developper Fee/Borrower % of Residual Receipts in Ys 1; Soft Debt Lenders with Residual Receipts Obligations MOHCDCOLL: Ground Lesses Value MOHCDCOLL: Ground Lesses Value Differ Soft Debt Lenders - Lenders 4 Differ Soft Debt Lenders - Lenders 4 Differ Soft Debt Lenders - Lenders 4 MOHCD RESIDUAL RECEIPTS DEBT SERVICE MOHCD RESIDUAL RECEIPTS DEBT SERVICE MOHCD Residual Receipts Amount to Lender Reprovement **Proposed MOHCD Residual Receipts Amount to Lender Lenger **Proposed MOHCD Residual Receipts Amount to Lender Genome Lender Lender **Proposed MOHCD Residual Receipts Amount to Residual Ground Lesses **Proposed MOHCD Residual Receipts Amount to Residual Ground Lesses **Proposed MOHCD Residual Receipts Amount to Residual Ground Lesses ***Proposed MOHCD Residual Receipts Amount to Residual Ground Lesses ****Proposed MOHCD Residual Receipts Amount to Residual Ground Lesses ********************************	0	63,898	Yes No 33% 67% Send lease case HMOHCD/OCH Lease HCD 35,623	Distrib. of Soft Debt Loans Distrib. of Soft Debt Loans Debt
PRECEIDING MOHCD) Residual Receipts Calculation Does Project have a MOHCD Residual Receipt Obligation? With Project Date in Compage Fee? Was Deferred Developer Feed Feed Feed Feed Feed Feed Feed Fe	0	63,898	Yes No 33% 67% 67% 18 MOHEDPOOR II 18 MOHEDPOOR II 25 623 35 623 33,274	Distrib. of Soft Debt Loans Debt
PRECEDION MOHCD) Residual Receipts Calcustrion Down Proport have a MOHCD Residual Receipt Obligation? Will Proport have to MOHCD Residual Receipt Obligation? Will Proport have to MOHCD Residual Receipts in Y1 17 Was Deferred Developer FeedSorrower % of Residual Receipts in Y1 17 Was Deferred Developer FeedSorrower % of Residual Receipts in Y1 17 Son Dabt Londors with Residual Receipts Obligations OHCDOROGIC Son Dods Loans OHCDOROGIC SON DODS OHCDOROGI	0	63,898	Yes No 33% 67% 67% 67% 67% 67% 67% 67% 67% 67% 67	Distrib. of Soft Debt Case Distrib. of Soft Debt Case Debt Debt Case Debt Debt Case Debt
PRECEIDING MOHCD) Residual Receipts Calculation Rose Project have a MOHCD Residual Roseipt Obligation? With Project Date Incompage Fee? Was Deferred Developer Feed Progress with office in the Compage Feed Part Seed Project Patricipal Receipts in Y1 11 Soft Debt Lenders with Residual Receipts Obligations MOHCD/CDICI - Soft Debt Loans MOHCD/CDICIC - Soft Debt Loans MOHCD/CDICI - Soft Debt Loans MOHCD/CDICIC - Soft Debt Loans MOHCD/CDICI - Loan	0	63,898	Yes No 33% 67% 67% 67% 67% 67% 67% 67% 67% 67% 67	Distrib. of Soft Debt Loans Debt

Application Date:
Total # Units:
First Year of Operations (provide data assuming that
Year 1 is a full year, i.e. 12 months of operations):
2018 INCOME
Readserial - Tenant Rents
Readserial - Tenant Rents
Readserial - Tenant Assistance Payments (Non-LOSP)
Readserial - Tenant Assistance Payments (Non-LOSP)
Readserial - Tenant Assistance Payments
Commercial Space
Readserial - Paring
Maceilanaous Rent Income
Supportins Services Income
Interest Income - Project Operations Alternative LOSP Split
Residential - Tenant Assistance Payments (No non-LOSP Approved By (regd)
0.00% 100.00% Alternative LOSP Spite | Approved By (mg) | Approve (only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system) ojected LOSP Split LOSP non-LOSP Niternative LOSP Split LOSP
Nitedrawal from Capitalized Reserve (deposit to operating account) non-LOSP Approved By (read) ommercial Income wal from Capitalized Reserve (deposit to operating account) Gross Potential Incom Gross Pote
Vacancy Loss - Residential - Tenant Rents
Vacancy Loss - Residential - Tenant Assistance Payments
Vacancy Loss - Commercial EFFECTIVE GROSS INCOME ternative LOSP Split ent Fee Salaries/Benefits
Office Salaries
Manager's Salary
Health Insurance and Other Benefits
Other Salaries/Benefits
Administrative Rent-Free Unit Alternative LOSP Split LOSP non-LOSP Approved By (regd) 42.00% 38 00% nice Salaries lenager's Salary lealth Insurance an ther Salaries/R 42.009 Administration
Advertising and Marketing
Office Expenses
Office Rent
Legal Expense - Property
Audit Expense non-LOSP (only acceptable if LOSP-specific expenses are being tracked

50.00% at entry level in the project is accounting systems LOSP Projected LOSP Spiri Projected LOSP Split non-LOSP (only acceptable if LOSP-specific exponses are being tracked 50 00% at entry level in the project's accounting system) 3 Sub-total Administration Exp Projected LOSP Split non-LOSP (only acceptable if LOSP-specific expenses are being tracked
32 00% (66 00%) at entry level in the project's accounting system) Taxes and Licenses Alternative LOSP Split LOSP non-LOSP Approved By (1003) Roal Estate Taxes:
Payrol Taxes
Miscollaneous Taxes, Licenses and Permis
Sub-total Taxes and Licenses leal Estate Taxes Insurance
Property and Liability Insurance
Fidelity Bond Insurance
Workor's Compensation
Director's & Officers' Liability Insurance LOSP пол-LOSP Sub-total Insuran non-LOSP (only acceptable if LOSP specific expenses are being tracked as easy level in the project's accounting system) Projected LOSP Split LOSP Contrads
Garbago and Trash Removal
Security Payvoll/Contract
HVAC Repairs and Maintenance
Vehicle and Maintenance Experient
Miscellaneous Operating and Maintenance Expenses
Sub-total Maintenance & Repair Ex
Sub-total Maintenance & Repair Ex non-LOSP ernative LOSP Split LOSP | non-LOSP | Approved By (regs) | 100 00% | Supportive Services

Commercial Expenses TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees
Ground Lease Base Rent
Bond Monitoring Fee
Replacement Reserve Depotal
Opturing Reserve Depotal
Opturing Reserve Depotal
Other Required Reserve L Depotal
Other Required Reserve R Depotal
Other Required R Depotal
Other Required R Depotal
Other Required R Depotal
Other Required R Depotal
Other R Depotal
O Alternative LOSP Split
Replacement Reserve Deposit
Operating Reserve Deposit
Other Required Reserve 1 Depos Approved By (regd) TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES) Approved By (mod) DEST SERVICE/MUST PAY PAYMENTS Chard debt*/amontized learns)

| New Debt. First Lender | Debt CASH FLOW (NOI minus DEBT SERVICE) CASH FLOW (NO! minus DEBT SERVICE)
Commercial Divide Cyclar Flow
Allocation of Commercial Surplus (s. LOPShinel-LOSP; (residual incomo) Ablocation of Commercial Surplus is LOPShinel
Allocation of Commercial Surplus is LOPShinel
AVAILABLE CASH FLOW BELLOW (This row also showe DSCR.)
USES OF CASH FLOW BELLOW (This row also showe DSCR.)
USES THAT PRECEDE MOHED OBEST SERVICE in WATERVALL
TOBOLINE COMMERCIAL DEBT SERVICE in the WATERVALL DEBT SERV 32 00% 88 00% RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD) PROCEDURA INSTITUTE

Book Project have a MOHEO Residual Receipt Obligation?

Will Project Date from John William (Receipt Obligation)

Will Project Date from Homeopar Fee?

Max Deferred Developer Fee?

Max Deferred Developer fee?

Max Deferred Developer fee?

Max Deferred Developer fee of distribution to sort debt tenders in Nation of Sum of DDF and concluded CON. #VALUE! Soft Debt Lenders with Residual Receipts Obligations
MOHED/OCII - Soft Debt Loans
MOHED/OCII - Ground Lesse 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 MOHCO 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-MOHCD Residual Receipts Debt Service REMAINMEN (MONO)

Owner Distributions/Incontive Management Fee
Other Distributions/Less
Final Balance (should be zero)

10th and Mission		Non-LOSP													
Total # Units 130		s Units 92			Year 1 2018			Year 2 2019			Year 3 2020			Year 4 2021	
INCOME Residenter - Tenant Rents	% annua inc LOSS 2.5%	l % annual	Comments (related to annual inc assumptions)	LOSP 128,752	non-LOSP 1,273,988	Total 1,402,740	LOSP 131,970	non-LOSP 1,305,838	Total 1,437,809	LOSP 135,270	non-LOSP 1,336 484	Total 1,473,754	LOSP 138,651	non-LOSP 1,371,946	Total 1,510,598
Readential - Tenant Assistance Payments (Non-LCSP) (1997)	n/a n/a n/a	25% n/a 25%		493,792	125 568	125,568 493,792 77,484	496 130	128 707	128,707 496,130 79,421	513 339	131,925	131,925 513,339 81,407	531,193	135,223	135,223 531,193 83,442
Residental Parlang Miscellaneous Rent Income Supportive Services Income	2.5% 2.5% 2.5%	2.5% 2.5% 2.5%	The second secon	 		-									
Interest Income - Project Operations Laundry and Vending Tonart Chargest Institution and Project Institution Miscellaneous Residented Income	25% 25% 25%	2.5% 2.5% 2.5%		11,315	24 045	35,360	11,598	24,646	36 244	11,888	25 262	37,150	12 185	25.894	38,079
Other Commercial Income Withdrawal from Capitalized Reserve (doposit to operating account)	r/a r/a	2.5% n/a	Link from Reserve Section below, as applicable	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	1.422.601	30,000	639,899	1,459,191	30,750	- 660,497	1,495,671	2,269,093	682,029	1,533,063	32,307
Gross Potential Income Vacancy Loss - Residential - Tenant Ronts Vacancy Loss - Residential - Tenant Ross Vacancy Loss - Commercial EFFECTIVE GROSS INCOMI	rva rva	n/a n/a n/a	Enter formular manually per relevant MOH policy, annual incrementing usually not appropriate	633,859 (6.438)	1,423,601 (63.699) (5,278) 1,353,623	2,164,944 (70,137) (6,278) (3,874) 2,084,655	(6,509)	1,459,191 (65,292) (6,435) 1,387,464	(71,890) (6,435) (3,971) 2,126,764	680,497 (6,763) 653,733		(73,658) (6,596) (4,070) 2,184,739	(6,933) 675,097	(68.597) (6.761)	(75,530) (8,761) (4,172) 2,244,378
OPERATING EXPENSES Management Management Fee	35%	35%	1st Year to be set according to HUO schedule.	38 124 6 541	81,012 13,899	119,136 20,440	39.458 6.770	83 848 14 385	123,306 21,156	40 839 7 007	85.783 14.889	127,621 21 896	42,268 7,252	89.820 15.410	132.088 22.662
Asset Management Fee Sub-total Management Expense: Salaries/Benefits Onico Salaries	35%	35%	jpe MANU Jelly	44,664 75,749	94,912	139,576 180,355	46,228 78,400	98,234 108,267	144,461 186,667	47,846 81,144	101,672	149,517 193,201	49,520 83,954	105,230 115,978	154,750
Manager's Solary Health Insurance and Other Benefits Other Solarce/Benefits Administrative Rent-Free Unit	35% 35% 35% 35%	35% 35% 35% 35%		44,126	93,767 55,902	137,893 96,383 414,631	45,670 41,898 - 165,968	97,049 57,859	142,719 99,757	47,269 43,364	100 446 59 864 	147,714 103,248 - - - -	48 923 44 882 - 177,789	103,951 51,980 281,920	152.884 109.862
Administration Sub-total Salaries/Benefit Advertising and Marketing	35%	35%		160,356 707 16,696	254,275 1,503 35,480	2,210 52,176	732 17,281	263,175 1,555 36,721	429,143 2,287 54 002	758 17.885	272,386 1,610 38 007	2,367 55,892	784 18 512	1,656 39,337	2,450 57,848
Office Expenses Office Rent Legal Expense - Property (19) Processes - Seminary (19) Property Audit Expense	35% 35% 35%	35% 35% 35%		6 404 3 258	5 404 6 922	12,806 10,180	6,628 3,372	6 628 7 165	13,256 10,536	6,860	6 860 7,415	13,720 10,905	7,100 3,612	7,100 7,675	14,201 11,267
Bookkeeping/Accounting Services Bod Dotte: Mecolisheous Sub-total Administration Expense:	35% 35% 35%	35% 35% 35%		4 961 3 378 - 35,405	10,543 3,378 54,230	15,504 6,756 99,635	5 135 3,496 - 36,644	10 912 3 496 66,478	16,047 6,993 103,122	5315 3,019 37,926	11,294 3,619 - 68,805	16,608 7,238 196,731	5,501 3,746 39,254	11.689 3,746 71,213	17,190 7,491 - 110,467
Utilities Bochoty 2525/2525/2525/2525/2525/2525/2525/252	35%	3.5%	The second second	15.797 26.594	33,569 56,511	49 367 83 105	16,350 27,524	34 744 58 489	51,096 86,013	16,923 28,488	35 960 60 536	52,863 89,024	17,515 29,485	37,219 62,655	54,734 92,140
Gus Sewa' Sub-total Utilitie	3.5% 3.5%	3.5%		18,318 40,756 101,465	38.927 86,606 215,613	57,245 127,352 317,078	18,950 42,182 105,016	40,289 89,637 223,160	59,249 131,820 329,176	19,623 43,659 108,692	41,699 92,775 230,970	61,322 136,433 339,662	20.310 45.187 112,496	43.159 96.022 239,054	53,468 141,208 351,551
Taxes and Licenses Red Extra Taxes Payrol Texes Alsocianeous Taxes, Licenses and Permis	35% 35% 35%	35% 35% 35%		20,280 10,680 3,629	43,094 22,695 8 1,37	63,374 33,376 11,966	6 242 11.054 3.963	13 265 23,490 8 421	19,506 34,544 12,384	5 461 11 441 4 102	13 730 24 312 8 716	20,190 35,753 12,818	6,687 11,841 4,245	14,210 25,163 9,021	20,897 37,004 13,267
Sub-total Taxes and License Insurance Property and Lisbility Insurance		35%		34,789	73,926	108,715	21,259	45,176 76,158	56,436 111,998	22,004 37,094	46,758 78,824	68,761 115,918	22,774	48,394 81,583	71,168
Fidely Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance	3 5% 3 5% 3 5%	35% 35% 35%		8,795	18 689	27,483	9.102	19,343	28,445	9.421	20,020	29.441	9,751	20,721	30,471
Sub-total Insurance Maintenance & Repair Payrol Deschor	35% 35%	35% 35%		43,422 56,737 6,937	92,272 120,567 14,740	135,694 177,304 21,677	58 723 7,179	95,501 124 787	140,443 183,510	46,515 60,778 7,431	98,844 129,154 15,790	145,358 189,932 23,221	48,143 62,906 7,691	102,303 133,674 16,343	150,446 196,580 24,034
Supples Control Removal Security Payroll/Contract	35% 35% 35%	35% 35% 35%		54 502 24 579 28 276	115.817 52,231 28.276	170,319 76,810 56,551	56 410 25 440 29 265	15 256 119 871 54,059 29 265	22,436 176,280 79,499 58,531	58 384 26 330 30 290	124 066 55,951 30,290	182,450 82,281 60,579	80.427 27,251 31,350	128,408 57,909 31,350	188 836 85,161 62,700
HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses	35% 35% 35%	35% 35% 35%	The second secon	7,885	16.755	24,640	8,161	17,342	25.503	8 446	17,949	26,396	8 742	18.577	27,319
Sub-total Maintenance & Repair Expense: Supportive Services Commercial Expenses	3.5%	3.5%	State of the state	178,916	348,386 80,751	527,302 80,751	185,178	360,579 83.577	545,757 83,577 5,562	191,659	373,200 86.502	564,859 86,502 5,757	198,367	386,262 89,530	584,629 89,530 5,958
TOTAL OPERATING EXPENSES PUPA (w/o Reserves/GL Base Rent/Bond Fees)			599,017	1,224,365	1,828,756 13,447	605,236	1,235,881	1,846,678	626,418	1,279,136	1,911,312	648,343	1,323,906	1,978,208
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit	}			6.400	13,600 - 55,488	20,000	6,400	13.600	20,000 81,600	6,400 26,112	13,600 55,488	70 updalet 20 000 81 600	6 400 - 26 112	13,600 55,488	20,000 81,600
Operating Reserve Deposit			A CONTRACTOR OF THE SECOND SEC	4,720	10,030	14,750	4 720	10,030	14,750	4 720	10,030	14,750	4,720	10,030	14.750
Required Reserve Depositis Commercial Sub-total Reserves/Ground Lease Base Rent/Bond Feet TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Feet				37,232 636,249	79,118	7,516 123,866 1,952,622	2.405 37,232 642,467	5,111 79,118 1,314,999	7,516 116,350 1,963,028	2,405 37,232 663,650	5.111 79,118 1,358,254	7,516 116,350 2,027,662	2,405 37,232 685,575	5,111 79,118 1,403,024	7,516 116,350 2,094,558
PUPA (w/ Reserves/GL Base Rent/Bond Fees NET OPERATING INCOME (INCOME minus OP EXPENSES))			(8,827)		14,358 132,033	(0,367)	72,465		(9,917)		157,077		54,680	149,820
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans) Hard Debt - First Lender Hard Debt - Second Lender (HCD Program 0 42% pyml) or other 2nd Lende Hard Debt - Third Lender (Other HCD Program, or other 3nd Lender)	28		Enter comments re annual increase, etc. Enter comments re annual increase, etc. Enter comments re, annual increase, etc.	13.022	27,673	40,695	13.022	27,673	Note: Hidden co 40,695	13,022	27,673	ms To updatett 40.695	13 022	27,673	40.695
Hard Debt - Fourth Lender Commercial Hard Debt Service TOTAL HARD DEBT SERVICE			Enter comments re; arrupal increase, etc	13,022	27,673	40,695	f3,022	27,673	40,695	13,022	- 27,673	40,695	13,022	27,673	40,695
CASH FLOW (NOt minus DEBT SERVICE) Commercial Only Cash Flow Allocation of Commercial Surplus to LOPSingn-LOSP (residual income)	95			(21,849)	22,468	91,338 90,720	(22,389)	44,793 63,323	123,041 93,122	(22,940) 30 586	36,224	116,382 95,582	(23,501)	27,008 66.700	109,125 98,102
AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDE MONCO DEBT SERVICE IN WATERFALL	oo4		DSCR	7,181	84,157	91,338 3.24	7,410	108,116	123,041 4.02 Note: Hidden co	7,647	101,219 tween total calu	116,382 3.86 mns. To updatet	7,892 Inlate values in ye	93,717	109,125 3.68 (Astro-each coli rai
"Below-the-line" Asset Mpt fee (uncommon in new projects, see policy) Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mpt Fee") (see policy for limits)	3.5%	35%	per MOHCD policy per MOHCD policy per MOHCD policy	6,541 640	13.899 1.360	20.440 2,000	6,770 640	14.386 1,360	21,155	7,007 640	14.889 1,360	21,896 2,000	7,252 640	15,410 1,360	22,662 2,000
Other Payments Non-amortizing Lean Print - Lender 1 Non-amortizing Lean Print - Lender 2			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.							:					
Deterred Developer Fee (Enter anti St. Max Fee from (ew 131). TOTAL PAYMENTS PRECEDING MONCO RESIDUAL, RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING M			L 200 10 10 10 10 10 10 10 10 10 10 10 10 1	7,181	15,259 58,896	22,440		15,746 92,370	23,156 99,8 9 6	7,647	16,249	23,896	7,892	16,770 76,947	24,667 84,463
Does Project have a MCHCD Residual Recept Obligation? Will Project Defer Developer Fee? Residual Receipts split for all years, - Lender/Owner		Yes No 67% / 33%]											
		Dist Sort]	Max Deferred Dev Cum. Deferred De		-						-			
MOHCD RESIDUAL RECEIPTS DEBT SERVICE MOHCD Residual Receipts Amount Due]	Debt Loans 77,56%	Allocation per pro-rate share of all soft debt loans, and MOHCD residual recepts policy]		35,623			51,648			47,820			43,671
Proposed MOHCD Residual Recepts Amount to Loan Replayment Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	1		Proposed Total MOHCD Amt Due less Loan Repayment			35,623			51,646			47,820			43,671
NON-MOHCO RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Due Lender 4 Residual Receipts Due Lender 5 Residual Receipts Due]	22:44% 0:00% 0:00%	Allecation per pro (ata share of all soft detil]		10,306			14,945			13,836			12,637
Total Non-MOHCD Residual Receipts Debt Service REMAINDER (Should be zero unless there are distributions below)	•					10,306 22,966		,	14,945			13,838			12,637
Owner Distributions/Incentive Management Fee Other Distributions/Uses Final Balance (should be zero)	}		The residence was	3		22,986			33,295			30,829		[28,154
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Balance Replacement Reserve Deposits Replacement Reserve Withdrawals (pleatly ted to CNA)	}			}		677,582 81,600		1	759,182 81,600			840,782 81,600			922,382 81,600
Replacement Reserve Interest RR Running Balance	7		RR Belance/Unit] '		759,182 \$5,582	l		840,782 \$6,182			922,382 \$6,782		1	1,003,982 \$7,382
OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Beance Operating Reserve Operatis Operating Reserve Withdrawais	3			3		556,266 14,750			571,016 14,750			585,766 14,750			600,516 14,750
Operating Reserve Interest OR Running Balance	,	OR Balance a	s a % of Prior Yr Op Exps + Debt Service			571,016	l		585,766 29 4%			600,516 30,0%		l	615,266 29.7%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE (Other Reserve 1 Starting Balance (Other Reserve 1 Other) (Other Reserve 1 Welthdrawalts				1											-
Other Reserve 1 Interest Other Required Reserve 1 Running Balance OTHER RESERVE 2 - RUNNing Balance	, 1			J _	1									I	
Other Reserve 2 Starting Botance Other Reserve 2 Deposits Other Reserve 2 Withdrawals									-						÷
Other Reserve 2 Interest Other Required Reserve 2 Running Balance	-1		L.,	L		-	ı								

10th and Mission		Non-LOSP			,										
Total # Units: 136	LOSP Units 44 32.00%	Units 92 68 00%			Year 5 2022			Year 6 2023			Year 7 2024			Year 8 2025	
INCOME Residential - Tenant Rents	% annual	% annual increase 25%	Comments (related to annual inclassumptions)	LOSP 142,118	non-LOSP 1,406,245	Total 1,548,362	LOSP 145.671	non-LOSP 1 441 401	Total 1,587,072	LOSP 149 312	non-LOSP 1,477,436	Total 1,626.748	LOSP 153,045	non-LOSP 1,514,372	Total 1,667,417
Residential - Terant Assistance Payments (Non-LOSP) Residential - LOSP Tenant Assistance Payments Commercial Space	n/a n/a n/a	2.5% rVa 2.5%		549,715	138 604	138 604 549 715 85 528	568,931	142.069	142.089 568.931 87,666	588 865	145 620	145,620 568,665 89,658	609 544	149 261	149,261 609,544 92,104
Residential Parking Miscalaneous Rent Income Supportive Services Income	2.5% 2.5% 2.5%	25% 25% 25%		÷			:				-				
Interest Income - Project Operations Laundry and Vending Tenant Charges (1995) 50 (199	25%	25% 25% 25%		12.490	26,541	39,031	12,802	27,204	40,007	13 122	27,885	41,007	13 450	28 582	42,032
Miscellaneous Residential Income Other Commercial Income Withdrawal from Capitalized Reserve (deposit to operating account)	2.5% n/a	2.5% 2.5%	Link from Reserve Section below, as applicable	75000 11101000	Survivania	33,114	08988/85544	(debatégoesex	33,942	WISSERS CO.	Visita in the control of the control	34,791	sies Wildele Briddiscon	oned designation	35.661
Gross Potential Income Vacancy Loss - Residential - Tenant Rents	rva rva nva	n/a rva rva	Enter formules instructly per relevent MOH policy, annual incrementing usually not	704,323	1,571,389 (70,312) (6 930)	2,394,354 (77,418) (6,030)	727,403 (7.284)	1,610,674 (72,070) (7,103)	2,459,686 (79,354) (7,103)	751,299 (7.456)	1,650,941 (73,872) (7,281)	2,526,889 (81,337) (7,281)	776,039 (7,652)	1,692,214 (75,719) (7,463)	2,596,018 (83,371) (7,463)
Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial EFFECTIVE GROSS INCOME OPERATING EXPENSES	n/a	rva	appropriate	697,217	1,494,147	(4,276) 2,305,730	720,120	1,531,501	(7,103) (4,383) 2,368,845	743,834	1,569,788	(7,281) (4,413) 2,433,777	768,387	1,609,033	(7, 483) (4, 605) 2,500,579
Management Management Fice Asset Management Fice	3.5% 3.5%	35%	Ist Year to be set according to HUD schedule. per MOHCO policy	43 748 7,506	92.964 15.950	136,711 23,455	45,279 7,768	95,217 16,508	141,496 24,276	46,864 8,040	99.585 17.085	146,449 25,126	48 504 8,322	103 070 17 694	151,574 26,005
Sub-total Management Expenses Salaries/Benefits Office Salaries	35%	3 5%	1	51,253 86 924	108,913	160,167	53,047 89,966	112,725	165,773 214,205	54,904 93 115	116,671 128 587	171,575	56,825 95,374	120,754	177,580
Manager's Salary Health Insurance and Other Benefits Other Salaries/Benefits	35% 35% 35%	35% 35% 35%		50,635 45,453	107.600 64.149	158,235 110,602	52,408 48,079	111.356 66,394	163,774 114,473	54,242 49,761	115 264 68 718	169,506 118,480	56 140 51,503	119,298 71,123	175,438 122,627
Administrative Reni-Free Unit Sub-total Salaries/Benefits Administration	35%	3.5%	Estar dispression and	184,012	291,787	475,799	190,452	307,000	492,452	197,118	312,569	509,688	204,017	323,509	527,527
Advertising and Marketing Office Expenses Office Rent	35% 35% 35%	3.5% 3.5% 3.5%		812 19.159 - 7.349	1,724 40,714	2.536 59,873	840 19.830 7,606	42,139	2,625 61,969 15,212	869 20 524 7,872	1,847 43,614 - 7,872	2,717 64 138 15,744	900 21,242 - 8 148	1,912 45,140	2,812 66,382
Logal Expense - Property August and August Expense - Bookkeeping/Accounting Services - Bookkeeping/Accounting Services - Bookkeeping/Accounting Services - Bod Outst (1988) and Books (1988) and	35% 35% 35%	35% 35% 35% 35%		3,738 5,693 3,877	7,349 7,944 12,098 3,877	14,698 11,682 17,791 7,753	3,869 5,892 4,012	7,606 6,222 12,521 4,012	15,212 12,091 18,414 8,025	4,004 6,099 4,153	8 509 12 960 4 153	12,514 19,058 8,305	6,312 4,298	8 148 8 807 13 413 4 298	16,296 12,952 19,725 8,596
Miscellaneous Sub-total Administration Expenses Utilities	35%	35%	and barrier.	40,628	73,705	114,333	42,050	76, 285	115,335	43,521	78,955	122,476	45,045	81,718	126,763
Bestroty decarded 80/10/20/20/20/20/20/20/20/20/20/20/20/20/20	35% 35% 35%	35% 35% 35%		18 128 30 517 21 021	38,522 64,848 44,669	56,650 95,365 65,690	18,762 31,585 21,756	39,870 67,118 46,233	58 632 98 702 67 989	19,419 32,690 22,518	41,265 69,467 47,851	60.684 102,157 70,389	20,099 33,834 23,306	42.710 71.898 49.525	62.808 105,732 72,832
Some Sub-total Utilities Taxes and Ucenses	35%	3.5%		45,768 116,434	29 383 247,421	146,151 363,855	48 405 120,509	102.861 256,081	151,266 376,590	50,099 124,727	105 451 265,044	156,560 389,770	51.853 129,092	110,187 274,320	162,040 403,412
Red Estate Taxes Payrol Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses	35% 35% 35%	35% 35% 35%		6,921 12,256 4,394 23,671	14,707 26,044 9,337	21,629 38,299 13,731	7 163 12 685 4 548 24,396	26.955 9.664	22,388 39,640 14,211	7,414 13,129 4,707 25,250	15 755 27 898 10 002	23,169 41,027 14,709	7 674 13,586 4 872 26,133	16,306 28,875 10,352 55,533	23 980 42 463 15,224 81,667
Sub-total Taxes and Licenses Insurance Property and Liability Insurance Fidety Bond Insurance	35%	3.5% 3.5%		39,736	50,088 84,438	73,659 124,174	24,396	51,841 87,394	76,237 128,520	25,250 42,566	53,655 90,452	78,905 133,018	26,133 44,056	55,533 93,618	137,674
Worker's Comparisation Director's & Officers' Liability Insurance Sub-total Insurance	35%	35% 35%	41.5	10,092	21,446	31,538 155,712	10 445 - 51,572	22 198	32.642	10 811 - 53,377	22,973	33,784 166,602	11,189 - 55,245	23,777	34,967 172,640
Maintenance & Repair Payroll Supplies to the months and an appropriate to the second of the second o	35% 35%	35% 35%	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	65 107 7,960	136,353 16,915	203,460 24,875	67,386 8,239	143 195	210,582 25,746	69 745 8,527	148 207 18 120	217,962 26,647	72 186 8,825	153 395 18 754	225,580 27,579
Contracts Garbage and Trash Removal Security Payeol/Contract	35% 35% 35%	35% 35% 35%		52,542 28,205 32,447	132,903 59,936 32,447	195,445 88,141 64,894	64 731 29 192 33 583	17,507 137,554 62,034 33,583	202,286 91,226 67,165	66,997 30,214 34,758	142 369 64 205 34 758	209,366 94,419 69,516	59.342 31,272 35,975	147,351 66,452 35,975	216,693 97,724 71,949
HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses	35% 35% 35%	35% 35% 35%		9.048	19,227	28,275	9.365	19,900	29,265	9,693	20.597	30,289	10,032	21,318	31,349
Sub-total Maintenance & Repair Expenses Supportive Services Commercial Expenses	35%	3.5%		205,310	399,781 92,663	92,663 6,167	212,496	413,773 95,907	95,907 6,383	219,933	428,256 99.263	648,189 99,263 6,606	227,631	443,244 102,737	670,875 102,737 6,837
TOTAL OPERATING EXPENSES PUPA (w/o Reserves/GL Base Rent/Bond Fees)				671,035	1,370,243	2,047,445	694,521	1,418,201	2,119,106	718,830	1,457,838	2,193,274	743,989	1,519,213	2,270,039
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monotring Fee Replacement Reserve Depost				6 400 26 112	13,600 55,488	20,000 81,600	6,400 - 26,112	13,600 55,488	20,000 81,600	6 400 - 26 112	13.600 55,488	20,000 81,600	6.400 - 26,112	13,600 - 55,488	20 000 E1 600
Operating Reserve Deposit Other Required Reserve 1 Deposit Other Required Reserve 2 Deposit			Section 1	4,720	10,030	14,750	4,720	10,030	14,750	4,720	10.030	14,750	4,720	10 030	14,750
Required Reserve Depositis, Commercial Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees				2,405 37,232 708,267	5.111 79,118 1,449,361	7,516 116,350 2,163,795	2 405 37,232 731,753	5 111 79,110	7,516 116,350	2,405 37,232 756,062	5.111 79,118	7,516 116,350	2,405 37,232	5 111 79,118 1,598,331	7,516 116,350 2,386,389
PUPA (w/ Reserved/GL Base Rent/Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES)	,			708,207		141,935		1,497,319 34,181	133,390	(12,228)	1,546,956	2,309,624 124,153 [781,221 (12,834)	10,702	114,190
DEBT SERVICE/MUST PAY PAYMENTS ("fruid debt"/amortized foans) Hard Debt - First Lender Hard Debt - Second Londer (HCD Program 0 42% pyrm), or other 2nd Lender	,		Enter comments re: annual increase, etc. Enter comments re: granual increase, etc.	ther than draggic 13,022	27,673	40,695	13,622	27,673	40,695	13,022	27,673	40,696	13,022	27,673	40,695
Hard Debt - Thard Lender (Other HCD Program, or other 3rd Lender) And Debt - Fourth Lender Commercial Hard Debt Service			Enter comments re annual increase, etc. Enter comments re annual increase, etc.	SCOSEDATIONS)	PROFESSION OF THE PROFESSION O		WELCONDON STATE	g/Net/tg/3/50/03	7 (1 () () () () () () () () ()	10000000000000000000000000000000000000	STRACH STARS	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(0.5003/5/0005.0)	-09000294150y	* * * * * *
TOTAL HARD DEBT SERVICE CASH FLOW (NOt minus DEBT SERVICE) Commercial Only Cash Flow				13,022 (24,073)	27,673 17,113	40,695 101,240 100,683	13,022 (24,656)	27,673 6,509	40,695 92,695 103,326	13,022 (25,250)	27,673 (4,841)	40,695 83,458 106,033	13,022 (25,856)	27,673 (16,971)	40,695 73,495 108,806
Alection of Commercial Surplus, to LOPS/mon-LOSP (residual income). AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:	32,219 8,146	65,464 85,578	101,240	33.064 8,408	70,252 76,770	92,695	33,931 8,680	72,103 67,262	83,458 2.05	34,818 8,962	73,988 57,018	73,495
USES THAT PRECEDE MONCO DEBT SERVICE IN WATERFALL Below-the-line' Asset Mgt fee (uncommon in new projects, see policy) Partnership Management Fee (see policy (or limits)	35%	3.5% 3.5%		ther than draggin 7,506	g across mutople 15,950		7,768	15 508	24,276	8,040	17,086	25,126	8 322	17,684	26,005
Investor Service Fee (alka "LP Asset Mg Fee") (see policy for irmits) Other Payments Non-amerizana Loan Print' - Lender 1	13	F9W175-0.0971-	per MOHCD policy no annual increase Enter comments re: annual increase, etc.	640	1,360	2,000	640	1,360	2,000	540	1,360	2,000	640 -	1,360	2,000
Non-amortizing Loan Pmint - Lender 2 Deletred Developes Fee (Enter anti ⊂ Max Fee from row 131) TOTAL PAYMENTS PRECEDING MOHCD			Enter comments re: annual increase, etc.	8,145	17,310	25,455	8,408	17,868	26,276	8,680	18,446	27,126	8,962	19,044	28,005
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MC Does Project have a MOHCO Residual Receipt Obligation? Will Project Defer Developer Fee?	HCD)	Yes No	1		68,268	75,784	(0)	58,903	66,419	0	46,816	56,332	(0)	37,974	45,490
Residual Recepts split for all years, - Lender/Owner		67%/33%													
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Dist. Soft Debt Loans	Allocation per per sets short of the sets	l	١	· .		i	· 		ı	· ·		Г	
MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Loan Repsyment		77.56%	Allocation por pro reta share of all soft debt losers, and MOHCD residual recepts policy Proposed Total MOHCD Amt Due less Loon			39,184 39,184			34,342 34,342			29,126 29,126			23,520 23,520
Proposed MOHCO Residual Recepts Amount to Residual Ground Lesse NON-MOHCO RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Recepts Amount Due		22 44%	Repayment Allocation per pro rate share of all soft debt) 1		11,339			99371		l	8 426		L	6806
Lender 4 Residual Receipts Due Lender 5 Residual Receipts Due Total Non-MOHCD Residual Receipts Debt Service	Ĺ	0.00% 0.00%				11,339			9,937			8,428		E	6,806
REMAINDER (Should be zero unless there are distributions below) Owner Detributions/Incentive Management Fee. Other Detributions/Uses. Final Balance (should be zero)					[25,261 25,261		[22,140 22,140			18,777		E	15,163 15,163
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Bulance Replacement Reserve Deposits Replacement Reserve Withdrawas (Ideathy bed to CNA) Replacement Reserve Withdrawas (Ideathy bed to CNA) Replacement Reserve (Internal			The state of the s			1,003,982 81,600			1,085,582 81,600			1,167,182 81,600		F	1,248,782 81,600
RR Running Balance OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Balance Operating Reserve Deposits			RR Balance-Unit]		1,085,582 \$7,982 615,266 14,750			1,167,182 \$8,582 630,016 14,750		,	1,249,782 \$9,182 644,765 14,750		F	1,330,382 \$9,782 559,516 14,750
Operating Reserve Withdrowds. Operating Reserve Withdrowds. Operating Reserve Interest OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE	QF	Bakenco as	s a % of Prior Yr Op Exps + Dobt Service]		630,016 29.5%			644,766 29.2%			659,516 29.0%		Ì	674,266 28.7%
Other Reserve 1 Sarting Basince Other Reserve 1 Sarting Basince Other Reserve 1 Whitchwals Other Reserve 1 Interest Other Reserve 1 Interest Other Reserve 1 Interest Other Reserve 1 Interest														E	-
OTHER RESERVE 2 - RUNNING BALANCE Other Reserve 2 Starting Balance Other Reserve 2 Deposits			The state of the s		ļ			ļ			ſ			F	
Other Reserve 2 Wardstawals Other Reserve 2 Windstawals Other Reserve 2 Interest Other Reserve 2 Running Balance								į						Ė	

10th and Mission		Non-LOSP													
Total # Units: 136	LOSP Units 44 32,00%	92 68,00%			Year 9 2026			Year 10 2027			Year 11 2028			Year 12 2029	
INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP) Residential - LOSP Tenant Assistance Payments	2.5% n/a n/a	2.5% 2.5%	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	156,871	1,552,231 152,992	1,709,102 152,992 621,742	160,793 643,692	1,591,037 156,817	1,751,830 156,817 643,692	164 813 666 451	1,630,813 160,738	1,795,626 180,738 666,461	168 933 	1,671,583 164,756	1,840,516 164,756 690,079
Commercial Space Residential Parking	n/a 2.5%	2.5% 2.5%		REPRESENTATION	anthisisi	94,407	eretterriktilt	Considerate	98,767	(Kystatapasota)	rantosenusn	99,186	gesmannel basco	esercental en	101,666
Missellaneous Rent Income Supports Services Income Interest Income - Project Operations	25% 25% 25%	2.5% 2.5% 2.5%				- :					<u>:</u>		-		
Laundry and Vending Tonart Charges trass processes and translation of the communication of th	25% 25% 25%	2.5% 2.5% 2.5%		13,786	29,296	43,083	14 131	30,029	44,160	14 484	30 779	45,264	14 847	31.549	46,395
Other Commercial Income Withdrawa from Capitalized Reserve (deposit to operating account)	n/a n/a	25% n/a	Lank from Reserve Section below, as applicable	E021074494599	entsetsperper	36,552	9.5spanifolist)	ESTREET	37,486	91/9501151193	20200220399940	38 403	30 variants22	\$1555 <u>(031</u> 444)	39,363
Gross Potential Income [Vacancy Loss - Residential - Tenant Rents	rva		Enter formulas manually per relevant MDH policy, annual incrementing usually not	792,400	1,734,520 (77,612)	2,657,878 (85,455)	818,616 (8,040)	1,777,883 (79,552)	2,730,732 (87,592)	845,758 (8.241)	1,822,330 (81,541)	2,805,677 (89,781)	873,859 (8,447)	1,867,888 (83,579)	2,882,775 (92,026)
Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial EFFECTIVE GROSS INCOME	rva n/a	rva rva	appropriate	784,556	1,649,250	(7,650) (4,720) 2,560,053	810,576	1,690,490	(7,841) (4,638) 2,630,461	837,518	(8 037) 1,732,762	(8,037) (4,959) 2,702,899	865,412	1,775,071	(8,238) (5,083) 2,777,428
OPERATING EXPENSES Management			List Year to be set according to 14.30				1	г							
Management Fee Asset Management Fee Sub-total Management Expenses	35% 35%	35% 35%	per MOHCO policy	50.201 8.613 58,814	105,678 18,303 124,981	156,879 26,916 183,795	51.958 8.914 50,873	110,412 18,943 129,355	162,370 27,858 190,228	53,777 9,276 53,003	114 276 19 606 133,882	168,063 28,833 196,886	55 659 9 549 65,209	118,276 20,292 138,568	173,935 29,842 203,777
Salaries/Benefits Office Salaries	35%	35%	1	99 747	137,746	237, 493	103 238	142 567	245,805	106.852	147,557	254, 409	110,591	152,721	263,313
Manager's Sitary Health insurance and Other Benefits Other Statres/Benefits	35% 35% 35%	35% 35% 35%		58,105 53,306	123,474 73,513	181,579 126,918	55 171	127,795 76,189	187,934 131,361	62,244 57,102	132,268 78,856	194,512 135,958	59,101 -	136,897 81,616	201,320 140,717
Administrative Runi-Free Unit Sub-total Salaries/Benefits	35%	35%	<u> </u>	211,158	334,832	545,990	218,549	345,551	565,100	226,198	358,681	584,878	234,115	371.234	605,349
Administration Advertising and Marketing Office Expenses	35% 35%	35%		931 21,986	1,979 46,720	2,910 68,706	964 22,755	2,048 48,355	3,012 71,111	998 23,552	2 120 50 048	3,117 73,599	1,032 24,376	2,194 51,799	3.227 76,175
Office Rent Logal Expense - Property III appropriate the state of the	3.5% 3.5% 3.5%	35% 35% 35%		8.433 4.290	8 433 9 115	16,866 13,405	8,728 4,440	8 728 9 435	17,456 13,874	9,034 4,595	9.034 9.765	18.067 14.360	9,350 4,756	9.350 10.106	18.699 14.862
Bookkeeping/Accounting Services Bod Debts in a service of the serv	3.5%	35%		6,533 4,448	13.883 4.448	20,416 8,897	6,762 4,604	14 369 4 604	21,130 9,208	6,998 4,765	14 872 4 765	21,870 9,531	7,243 4,932	15.392 4.932	22,635 9,864
Miscellaneous Sub-total Administration Expenses Utilities	35%	35%	The production	45,621	84,579	131,200	48,263	87,539	135,792	49,942	90,603	140,544	51,690	93,774	145,464
Becinety entrement and separate in the entrement of the entrement water Gas	35% 35% 35%	3.5% 3.5%		20 802 35 019 24 122	44,205 74,415 51,259	65,007 109,433 75,381	21,530 36,244 24,966	45,752 77,019 53,053	67,282 113,263 78,019	22,284 37,513 25,840	47, 353 79, 715 54, 910	69,637 117,227 80,790	23 064 38 826 26 744	49.010 82.505 56.832	72,074 121,330 83,576
Sewer Sub-total Utilities	35%	35%		53 668 133,610	51,259 114,044 283,922	75,381 167,711 417,532		118,035 293,859	78,019 173,581 432,145	57,490 143,127	122 166 304,144	179,657 447,270	59 502 148,136	126,442 314,789	185,945 462,925
Taxes and Licenses Real Estate Taxes Payroll Taxes	35%	35%	<u> </u>	7,942 14,064	16 877 29,886	24,819 43,949	8,220 14,556	17.468 30.932	25,688 45,488	8,508 15,065	18 079 32 014	26,587 47,080	8,806 15,593	18,712 33,135	27,518 48,727
Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses	3.5%	35%	202000000000000000000000000000000000000	5,042 27,048	10 714 57,477	15,756 84,525	5,219 27,995	11,089 59,489	16,306 87,483	5 401 28,975	11 478 61,571	16,679 90,545	5,590 29,989	11,879 63,726	17.469 93,714
Insurance Property and Liability Insurance Fidelity Bond Insurance	3.5%	35%		45.598	96.895	142,492	47,193	100,286	147,480	48,845	103 796	152,641	50,555	107.429	157,984
Worker's Compossation (IRPA and IRPA an	35% 35%	35%		11,581 - 57,178	24 609 - 121,504	36 190 176,683	11,986	125,757	37,457 184,937	12,406	26 362 130,158	38,768 191,409	12,840 - 63,395	27,285 134,714	40 125 196,109
Maintenance & Repair Payroll	35%	35%		74.712	158.763	233,476	77,327	164 320	241,647	80,034	170 071	250,105	82,835	176 024	258,858
Supplies with the Beauty of the Supplies of th	35% 35% 35%	35% 35% 35%	Control of	9,134 71,769 32,366	19,410 152,509 68,776	28,545 224,278 101,144	9,454 74,281 33,499	20 090 157,847 71,185	29,544 232,127 104,684	9,785 76,881 34,671	20 793 163 371 73 677	30,578 240,252 108,348	10,127 79,571 35,885	21,521 169,069 76,256	31,648 248,661 112,140
Security Payrol/Contract HVAC Repairs and Maintenance	35% 35% 35%	35% 35% 35%		37,234 10,353	37,234 22,064	74.467 32.446	38 537 10 745	38 537 22 836	77,074 33,582	39 886 11,122	39 886 23 635	79,771 34,757	41,282 11,512	41,282 24,462	82,563 35,974
Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	35%	35%	- Company of the control of the cont	235,598	458,758	694,356	243,844	474,814	718,658	252,378	491,433	743,811	261,212	508,633	769,845
Supportive Services Commercial Expenses	3.5%	35%	The second secon	308090920	106,333	105,333 7,077	102181800000	110.055	110,055 7,324	2003/06/05/04	113 907	113,907 7,581	Manda 27.047.0	117,894	117,894 7,846
TOTAL OPERATING EXPENSES PUPA (w/o Reserves/GL Base Ren/Bond Fees)				770,028	1,572,385	2,349,490	796,979	1,627,419	2,431,722	824,874	1,684,378	2,516,833	853,744	1,743,332	2,604,922
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee			Take to the second	6 400	13,600	20,000	6.400	13.600	20,000	6,400	13,600	20,000	6,400	13.600	20,000
Replacement Reserve Deposit Operating Reserve Deposit			TRANSPORTER	26,112 4,720	55,488 10,030	81,600 14,750	26,112 4,720	55.488 10.030	81,800 14,750	26.112 4.720	55,488 10,030	81.600 14,750	26 112 4 720	55,488 10,030	81,600 14,750
Other Regulard Reserve 1 Deposit Other Regulard Reserve 2 Deposit Regulard Reserve Deposits, Commorcial				2,405	5,111	7,516		5,111	7,516	2,405	5,111	7,516	2,405	5111	7,518
Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees				37,232 807,260	79,118 1,651,503	116,350 2,465,840	37,232 834,211	79,118 1,706,537	116,350 2,548,072	37,232 862,106	79,118 1,763,496	116,350 2,633,183	37,232 890,976	79,118 1,822,450	116,350 2,721,272
PUPA (w/ Reserves/GL Base Rent/Band Feas) NET OPERATING INCOME (INCOME minus OP EXPENSES)				(22,704)	(2,249)	94,213	(23,636)	(16,047)	82,389	(24,588)	(30,744)	69,717	(26,864)	(46,378)	56,156
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans) Hard Debt - First Lender Hard Debt - Second Lender (HCD Program D 42% pyrml, or other 2nd Lender	l n		Enter comments re prysual increase, etc. Enter comments re princial increase, etc.	13.022	27,673	40,695	13.022	27,673	40.695	13,022	27,673	40,695	13,022	27,673	40,695
Hierd Debt - Third Lender (Other HCC) Program, or other 3rd Lender) Commercial Hard Debt Service Commercial Hard Debt Service			Enter comments re annual increase, etc.		positina (nameno e		POARSUZEOUS	conscione del second			ESIMINOS (FRO		200000000000000000000000000000000000000	dodhousus 2m	
TOTAL HARD DEBT SERVICE CASH FLOW (NOI minus DEBT SERVICE)	,			13,022 (35,727)	27,673 (29,917)	40,695 53,518	13,022	27,673 (43,719)	40,695 41,694	13,022	27,673 (58,417)	40,695	13,022	27,673 (74,051)	40,696
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/hon-LOSP (residual income)	1			35,727	75,919	111,646	36,657	77,897	114,554	37,610	79,022	117,532	38 587	81,996	120,583
AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:	(0)	46,002	53,518 2.32		34,178	41,694 2.02	0	21,506	29,022 1.71	•	7,945	15,461 1.38
USES THAT PRECEDE MOHICO DEST SERVICE IN WATERFALL "Below-the-line" Asset Mgl fee (uncommon in new projects, see policy) Partnership Management Fee (see policy for funds)	35% 35%	3.5% 3.5%	per MOHCD policy per MOHCD policy	<u> </u>	-:-	100	<u> </u>	-:-			-: 1		1	- :-	
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP" Asset Mgt Fee") (see policy for limits) Other Payments		10000000000	per MOHCO policy no annual increase	-			-		2252.0		:				200 200
Non-amortzing Loan Print - Londer 1 Non-amortzing Loan Print - Lender 2 Deferred Developer Fee (Enter amil on May Fee from row 131)			Enter comments re: ennuel increase, etc. Enter comments re: ennuel increase, etc.				i								
TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FILOW minus PAYMENTS PRECEDING MO	OHCD)			(0)	46,002	53,518		34,178	41,694		21,506	29,022		7,945	15,461
Does Project have a MOHCO Residual Receipt Obligation? Will Project Defer Developer Fee? Residual Receipts split for all years, - Lender/Owner		Yes No 67%/33%													
residual rebajas spir (u. a. years, - Lastica/Juvilla]											
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Drst. Soft Debt Loans		1	г		ı	1	· ·		г	·		г	-
MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Loan Repayment		77.56%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			27,671 27,671			21,558 21,558		-	15,006 15,006			7,994
Proposed MOHCO Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amil Due less Loan Recomment]								-			7,994
NON-MOHOD RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Due Lender 4 Residual Receipts Due	l	22.44% 0.00%	Allocation per pro rata strate of all soft debt	}	F	8.007]		6.236		F	4342		F	2313
Lender 5 Residual Receipts Due Total Non-MOHCO Residual Receipts Debt Service	1	0 00%	I]		8,007]		6,238			4,342		[2,313
REMAINDER (Should be zero unless there are distributions below) Owner Distributions/incentive Management Fee	ı		300 0000	1	F	17,839 17,839			13,898		г	9,674 9,674		г	5,154
Other Detributions/Uses Final Balance (should be zero)				1	b						t			t	=
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Balance Development Reserve Decrete				}	E	1,330,382			1,411,982		ŗ	1,493,582		F	1,575,192
Replacement Reserve Deposits Replacement Reserve Withdrawals (ideally field to CNA) Replacement Reserve Interest]		81,600			81,600		Ė	81,600		E	81,600
RR Running Balance OPERATING RESERVE - RUNNING BALANCE			RR Balance/Unit			1,411,982 \$10,382			1,493,582 \$10,982			1,575,182 \$11,582			1,656,782 \$12,182
Operating Reserve Starting Balance Operating Reserve Deposits					E	574,266 14,750			689,016 14,750		E	703,766 14,750		E	718,516 14,750
Operating Reserve Withdrawas Operating Reserve Interest OR Running Balance	1			j	E	689,016	İ		703,766		t	718,516		t	733,266
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Starting Balance		OR Balance at	s a % of Prior Yr Op Exps + Debt Service	1	Г	28.4%			28.1%		г	27.6%		г	27.4%
Other Reserve 1 Deposits Other Reserve 1 Withdrawals				}	Ė						ļ			ŀ	
Other Reserve 1 Interest Other Required Reserve 1 Running Balance OTHER RESERVE 2 - RUNNING BALANCE	1		L en de	1	L			1			L	النب		L	لننسب
Other Reserve 2 Starting Batance Other Reserve 2 Deposits					E						E	- :-		E	:
Other Reserve 2 Withdrawals Other Reserve 2 Interest Other Required Reserve 2 Running Balance				1	=						E			E	<u> </u>

10th and Mission		Non-LOSP	ě												
Total # Units:	44	its Units 92			Year 13			Year 14 2031			Year 15			Year 16	
INCOME	% annux inc LOS	al % annual	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	2033 non-LOSP	Total
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP)	2.5% Na Na	2.5% 2.5% n/a		173,157	1,713,373 168 875	1,886,529 168,875 714,577	177,486	1,756,207 173,097	1,933,693 173,097 739,967	181,923 786,343	1,800,112 177,424	1,982,035 177,424 766,343	186 471 793 678	1 845 115 181 860	2,031,586 181,860 793,678
Commercial Space Residential Parliang Miscellaneous Rent Income	1Va 2.5% 2.5%	25% 25% 25%	e, Elan egaringanaa in	and a section of	500015518374 •	104,207	MARKA HER	decementari	106,813	1000411315W.E.	R120042243905	109.483	ishin alangi	(KIRCHESSEEN)	112,220
Supportive Services Income Interest Income - Project Operations	2.5% 2.5%	25% 25%					-						÷		
Laundry and Vending Tonant Charges. Miscellaneous Residential Income	25% 25% 25%	2.5% 2.5% 2.5%		15 218	32,338	47,556	15 596	33,146	48,744	15 988	33,975	49,963	16,388	34,824	51,212
Other Commercial Income Withdrawal from Capitalized Reserve (deposit to operating account)	n/a n/a	2.5% n/a	Link from Reserve Section below, as applicable	switzinini switzinini	is glood Barderije	40,347	elsoldinidesi •	sedtiarsking	41,355	mendenser	angganachai	42,389	Shaphturees	aridakoroan	43,449
Gross Potential Income Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments	n/a n/a	n/a n/a	Entir formulas manually per relevant MOH policy, armual incrementing usually hot appropriate	907,951	1,914,585 (85,569) (8,444)	2,962,091 (84,325) (8,444) (5,710)	933,071 (8.874)	1,962,450 (87,810) (8,655)	3,643,689 (96,685) (8,655) (5,341)	964,253 (9 (196)	2,011,511 (90,006) (8,871)	3,127,637 (99,102) (8,871) (5,474)	996,537 (9.324)	2,061,799 (92,256) (9.093)	3,214,005 (101,579) (9,093) (5,611)
Vacancy Loss - Commercial EFFECTIVE GROSS INCOME OPERATING EXPENSES		1	Japan San San San San San San San San San S	894,293	1,820,473	2,854,110	924,196	1,865,985	2,933,008	955,157	1,912,634	3,014,190	987,213	1,960,450	3,097,721
Management Management Fee	3.5%	35%	1st Year to be set according to PUID schedule.	57,607	122,415	180.023	59,624	126,700	186,323	61,710	131,134	192,845	63,870	135,724	199,594
Asset Management Fee Sub-total Management Expenses Salaries/Benofits	35%	35%	per MOHCO pelicy	67,491	21,003 143,418	30,886 210,909	10 230 69,853	21,738 148,438	31,967 218,291	72,298	153,633	33,086 225,931	10 958 74,828	23,286 S 159,010	34,244 233,838
Office Salancs Manager's Salary Health Insurance and Other Benefits	35% 35% 35%	35% 35% 35%		114,462 66,677 61,170	158 067 141 689 84 472	272,529 208,366 145,642	118 468 69 011 63,311	163 599 145,648 87 429	282,067 215,659 150,739	122.615 71,426 85.526	169 325 151 781 90 489	291,940 223,207 156,015	126,906 73,926 67,820	175.251 157.093 93.656	302,158 231,019 161,476
Other Salanes/Benefts Administrative Rent-Free Unit Sub-total Salanes/Benefts	35% 35%	3.5% 3.5%		242,309	384,228	626,536	250,790	397,676	648,465	259,557	411,594	671,161	268,652	425,000	694,652
Administration Advertising and Marketing	3.5%	3.5%	ee ar geraeger	1,069	2.271	3,339	1,106	2 350	3,456	1,145	2,433	3,577	1,185	2518	3,703
Office Expenses Office Rent Legal Expense - Property and the second and the annual second assessment and the second assessment and the second assessment assessment as a second as a second assessment as a second as a sec	35% 35% 35%	35% 35% 35%		25 229 9,677	53 612 9 677	78.842 19,354	26 112	55 489 10 016	81,601 20,031	27,026 - 10,366	57,431 10,366	84,457 - 20,732	27 972	59 441 10 729	87,413 - 21,458
Audit Expense Bookkeeping/Accounting Services Bod Dobts	35% 35% 35%	35% 35% 35%		4,922 7,497 5,105	10 460 15 931 5 105	15,383 23,428 10,210	5 095 7,759 5,283	10 826 16 488 5 283	15,921 24,248 10,567	5,273 8,031 5,468	11,205 17,065 5,468	16,478 25,098 10,937	5,458 8,312 5,650	11,597 17,663 5,660	17,055 25,975 11,319
Miscethneous Sub-total Administration Expenses Utilities	35%	35%	la Maria	53,499	97,056	150,555	55,371	100,453	155,824	57,309	103,969	161,278	59,315	107,607	166,923
Becmety amongs and seall as impled coordinate the seal answer. Water Gas	35% 35% 35%	3.5% 3.5% 3.5%		23,871 40,185 27,680	50,726 85,392 58,821	74,597 125,577 86,501	24,706 41,591 26,549	52 501 88 381 60 879	77,208 129,972 69,529	25,571 43,047 29,652	54,339 91,474 63,010	79,910 134,521 92,662	26,466 44,553 30,690	56,240 94,676 65,216	82,707 139,229 95,905
Sewer Sub-total Utilities	35%	35%		27,080 61,585 153,321	130,868 325,807	192,453 479,127	53,740 158,687	135,448 337,210	199,188 495,897	65,971 164,241	140,189 349,012	206,160 513,253	58,280 169,989	145,095 361,228	213,376 531,217
Taxes and Licenses Rical Estate Taxes Payroll Taxes	35%	35% 35%		9 114 16 139	19.367 34,294	28.481 50.433	9 433 16 703	20.045 35,495	29.477 52.198	9,763 17,288	20 746 36 737	30,509 54,025	10,105 17,893	21,472 38,023	31,577 55,916
Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance	3.5%	35%		31,038	12,295 65,956	15,081 96,994	5,988 32,125	12,725 68,265	18,714 100,389	5,198 33,249	13 171 70,654	19,369 1	5,415 34,413	13,632 73,127	20,047 107,539
Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation	35% 35%	35% 35% 35%		52,324 13,289	111,189 - 28,240	163,513 41,529	54 156 13 755	115,081 29,228	169,236 42,983	56,051 - 14,236	119 108 30 251	175,159 - 44,487	58.013 - 14.734	123,277 31,310	181,290 48,044
Director's 8 Officers' Liability Insurance Sub-total Insurance	35%	35%		65,614	139,429	205,042	67,910	144,309	212,219	70,287	149,360	219,647	72,747	154,587	227,334
Maintenance & Repair Pavroli Supples: 1995/1995/1995/1995/1995/1995/1995/1995	35%	35% 35%	E CARLES AND AND A	85 734 10 482	182,185 22,274	267,919 32,755	88,735 10,849	188 561 23,053	277,296 33,902	91,840 11,228	195 161 23 860	287,001 35,089	95.055 11,621	201,991 24,695	297,046 36,317
Contracts Garbage and Trash Removal Societity Payroll/Contract	35% 35% 35%	35% 35% 35%		82,356 37,141 42,726	175 007 78 924 42 726	257,364 116,065 85,453	85 239 35 441 44 222	181 133 81,687 44,222	266,371 120,128 85,444	88,222 39,786 45,770	187,477 84,546 45,770	275,694 124,332 91,539	91,310 41,179 47,372	194,034 87,505 47,372	285,344 128,684 94,743
HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses	35% 35% 35%	35% 35% 35%		11,915	25,319	37,233	12,332	26 205	38,536	12.763	27,122	39,885	13,210	28,071	41,261
Sub-total Maintenance & Repair Expenses Supportive Services	35%	3.5%	1	270,354	526,435 122,020	796,789 122,020	279,816	544,860 126,291	824,677 126,291	289,610	563,930 130,711	853,541 130,711	299,746	583,668 135,286	883,414 135,286
Commercial Expenses TOTAL OPERATING EXPENSES		(SUP N (SEC)		883,625	1,804,348	8,121 2,696,094	914,552	1,867,500	8,405 2,790,457	946,561	1,932,863	8,699 2,888,123	979,691	2,000,513	9,004 2,989,208
PUPA (w/o Reserves/GL Base Rent/Bond Fees) Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent	1		Designation in the Control of the Co	6,400	13,600	20,000	5,400	13,600	20,000	6,400	13.600	20,000	6,400	13,600	20,000
Bond Monitoring Fee Replacement Reserve Deposit Operating Reserver Deposit				26,112 4,720	55,488 10,030	81,600 14,750	26.112 4,720	55 488 10 030	81,600 14,750	26 112 4,720	55.488 10.030	81,600 14,750	26.112 4.720	55,488 10,030	81,600 14,750
Other Required Reserve 1 Deposit Other Required Reserve 2 Deposit Required Reserve Deposits. Commercial			La national interpretation in the contract	2,405	5111	7,516	2,405	5111	7,516	2.405	5,111	7,516	2,405	5.111	7,516
Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fee	: :s)			37,232 920,857	79,118 1,883,466	116,350	37,232 951,784	79,118 1,946,618	116,350 2,906,807	37,232 983,793	79,118 2,011,981	116,350	37,232 1,016,923	79,118 2,079,631	116,350 3,105,558
PUPA (w/ Reserves/GL Base Rent/Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES)	,			(26,564)			(27,688)			(28,636)		9,716		(119,181)	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans) Hard Debt - First Lender Hard Debt - Second Lender (HCD Program Q 42% ownt, or other 2nd Lende]		Enter comments re-arrival increase, etc. Enter comments re-arrival increase, etc.	13.022	27,673	40,695	13.022	27,673	40,605	13.022	27,673	40,696	13,022	27,673	40,695
Hard Dath - Second Lender (HCD Program 0.42% pyrnt, or other 2nd Lender Hard Dath - Third Lender (Other HCD Program; or other 3rd Lender) Hard Dath - Fourth Lender Commercial Hard Dath Service	1		Entier comments re, armuel increase, etc. Entier comments re, armuel increase, etc.	- Arden was 1000	aliferesi Stona		**************************************	SHormes Color		tioniouertion	(Askinsokara)		uckstalisticano	spirastinionid	
TOTAL HARD DEBT SERVICE CASH FLOW (NO! minus DEBT SERVICE)	ď		Land de la constant d	13,022 (39,586)	27,673 (90,666)	40,695 971	13,022 (40,610)	27,673 (108,306)	40,695 (14,494)	13,022 (41,658)	27,673	40,695	13,022 (42,732)	27,673 (146,853)	40,695 (48,531)
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/non-LOSP (residual income) AVAILABLE CASH FLOW	ê			39,586	84,121	123,707	40,610	86,296	126,906	41,658	88,524	130,183	42,732	90.806	133,538
USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDE MOHOD DEBT SERVICE IN WATERFALL			DSCR	:	10,343)	1.02	107	122,010)	0.64	·	(30,233)	0.24		(34,447)	-0,19
"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)	3.5%	35%	per MOHCD policy per MOHCD policy per MOHCD policy per MOHCD policy no annual increase												
Other Payments Non-amortzing Lean Pmnt - Lender 1 Non-amortzing Lean Pmnt - Lender 2		Listande	Enter comments re: envisal increase, etc. Enter comments re: envisal increase, etc.												
Deferred Developer Fee (Enter amt = Max Fee from row 131) TOTAL PAYMENTS PRECEDING MOHCO	1		Chief Curations ie artus arcesso, e.c.	<u> </u>											
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MI Does Project have a MCHCD Residual Recept Obligation?	OHCD)	Yes		(0)	(6,545)	971	(0)	(22,010)	(14,494)	•	(38,495)	(30,979)	•	(56,047)	(48,531)
Will Project Defer Developer Fee? Residual Recepts split for all years Lender/Owner		No 67% / 33%													
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Dist Soft Debt Loans]			-									
MOHCD Residual Receipts Amount Due		77.56%	Allocation per pro rata share of all soft debt loans, and MOHCO residual recepts policy		[502			.]					[
Proposed MOHCO Residual Receipts Amount to Loan Repayment Proposed MOHCO Residual Receipts Amount to Residual Ground Lease	1		Proposed Total MOHCO Amil Due less Loor Repayment	1		502					l			f	
NON-MOHCO RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Due	1	22.44%	Allocation per pro reta share of all soft debt	3	,	145			-		-				
Lender 4 Resultari Recepts Due Lender 5 Resultari Recepts Due Total Non-MOHCD Residual Receipts Debt Service	1	0 00%		1	ł	145					t			ŀ	
REMAINDER (Should be zero unless there are distributions below)	,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,	,	324			·		_				
Owner Destributions/Incentive Management Fee Other Distributions/Uses Final Balance (should be zero)	}		Telling are an interest and a second	1	ł	324					E			t	
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Balance]]	[1,656,782		1	1,738,382			1,819,982		[1,901,582
Replacement Reserve Deposits Replacement Reserve Withdrawals (ideally tied to CNA) Replacement Reserve Interest			2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	1		81,600			B1,600			81,600		ŀ	81,600
RR Running Balance OPERATING RESERVE - RUNNING BALANCE	-		RR Belance/Uni	:		1,738,382 \$12,782			1,819,982 \$13,382		_	1,901,582 \$13,982			1,983,182 \$14,582
Operating Reserve Surfing Balance Operating Reserve Deposits Operating Reserve Withdrawals	}		PART OF THE PART O	1	-	733,266 14,750			748,016 14,750		F	762,766 14,750		F	777,516 14,750
Operating Reserve Interest Operating Reserve Interest OR Running Balance	t			j	ŀ	748,016			762,766		b	777,516		ŀ	792,266
OTHER REQUIRED RESERVE 1 - RUNNING BALLANCE Other Reserve 1 Starting Balance]	OR Balance a	s a % of Prior Yr Op Exps + Debt Service]	Г	27.1%		ſ	26.7%		г	26.4%		r	26.0%
Other Reserve 1 Deposits Other Reserve 1 Withdrawals Other Reserve 1 Interest	1			1							F			ŀ	
Other Required Reserve 1 Running Balance OTHER RESERVE 2 - RUNNING BALANCE	-			-							_				
Other Reserve 2 Starting Belance Other Reserve 2 Deposés Other Reserve 2 Withdrawals	1			1	F						F			F	
Other Reserve 2 Interest Other Required Reserve 2 Running Balance	1		A REAL PROPERTY OF THE PARTY OF	3	į.			l			Ď	-		Ī	

10th and Mission Non-LOSP															
Total # Units: 136	44	Units 92			Year 17 2034			Year 18 2035			Year 19 2036			Year 20 2037	
INCOME	32 00% % annual inc LOSP	% annual	Comments [related to annual inc assumptions]	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Terrorit Rents Residential - Terrorit Assistance Payments (Non-LOSP) Residential - LOSP Terrorit Assistance Payments	2.5% r/a r/a	2.5% 2.5% Na	The state of the s	191,132 - 822,029	1.691.243 186.406	2,082,375 180,406 822,029	195,911	1,938,524 191,067	2,134,435 191,067 851,433	200,809 881,928	1,986,987 195,843	2,167,796 195,843 881,928	205,829 913,554	2.038,662 200,739	2,242,491 200,739 913,554
Commercial Space Residential Parking	r/a 2.5% 2.5%	2.5% 2.5% 2.5%	and the second s	rgantistrans	10/00/5/00/20	115,025	415/11/00/1995	d sadabtanni):	117,901	zolski bidelo	enimpetrials	120,849	DESCRIPTION :	Zirinka (colida	123,870
Miscellaneous Rent Income Supportive Services Income Interest Income - Project Operations	25%	25%					-							-	
Laundry and Vending Tenant Charges Windows and Bulletin Applications and Section 1999 Miscellaneous Residential Income	2.5% 2.5% 2.5%	2.5% 2.5% 2.5%	The second secon	16 797	35 695	52,492	17,217	36,587	53,804 -	17 648	37,502	55,150	18 089	38,439	56,528
Other Commercial Income Withdrawal from Capitalized Risserve (deposit to operating account)	n/a n/a	2.5% n/a	Link from Reserve Secsari below, as applicable	(S001)072625	anglespersor	44,535	-eccompage	0.0000000000000000000000000000000000000	45.649	- 199150cc-955	SERVED PROVE	46,790	950)86) E1000)	romanethyottap	47,960
Vacancy Loss - Residental - Tenant Bents	n/a	n/a .	Enter formulas manually per relevent MOH policy, around workenering usually not	1,029,959	2,113,344 (94,562)	3,302,864	1,064,561	2,166,178 (96,926)	3,394,289 (106,722)	1,100,385 (10,040)	2,220,332 (99,349)	3,488,355	1,137,472 (10,291)	2,275,840	3,585,141 (112,125)
Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial EFFECTIVE GROSS INCOME	r/a	n/a n/a	appropriate	1,020,403	(9,320)	(5,751) 3,183,674	1,054,766	(9,553) 2,059,698	(9,553) (5,895) 3,272,119	1,090,344	(9.792) 2.111,191	6 (42) 3,363,131	1,127,180	(10.037) 2,163,970	(10,037) (6,193) 3,456,786
OPERATING EXPENSES Management			Tail Year to be set according to HUD												
Management Fee Asset Management Fee Sub-total Management Expenses	35%	35%	schedule. per MOHCD policy	66 106 11,342 77,447	140,475 24,101 164,576	206,580 35,443 242,023	58,419 11,739 80,158	145,391 24 945 170,336	213,810 36,683 250,494	70 814 12 149 82,963	150,480 25,818 176,297	221,294 37,967 259,261	73.293 12.575 85,867	155,747 26,721 182,468	229,039 39,296 268,335
Salaries/Benefits Office Salaries	35%	35%		131,348	151,385	312 733	135 945	187 734	323,679	140,703	194,304	335,007	145 528	201,105	346,733
Managor's Salary (1994) and Sa	3.5% 3.5% 3.5%	35% 35% 35%		76,513 70,193	162.591 96.934	239,105 167,127	79,191 72,650	168 282 100,327	247,473 172,977	81,963 75,193	174,172 103,838	256,135 179,031	84 832 77 825	180 268 107 472	265,099 185,297
Administrative Rent-Free Unit Sub-total Salaries/Benefits Administration	3 5%	3.5%	10,5,4,2,2,4	278,055	440,910	718,965	287,787	456,342	744,129	297,859	472,314	770,173	306,284	488,845	797,129
Advertising and Marketing Office Expenses	3.5% 3.5%	3.5%		1,226 28 951	2,606 61,521	3,832 90,472	1,269 29,964	2,697 63,675	3,986 93,639	1,314 31,013	2,791 65,903	4,105 95,918	1,350 32,099	2,889 68,210	4,249 100,308
Ottoe Rant Ligal Expense - Proporty Audit Expense	35% 35% 35%	35% 35% 35%		71,105 5,649	11,105 12,003	22,209 17,652	11 493 5 846	11,493	22,986 18,270	11.895 6.051	11.895 12.858	23,791 18,909	12,312 6,263	12,312 13,306	24,624 19,571
Bookkeeping/Accounting Services Bad Octos - mining translation and a process of the process of t	35% 35% 35%	35% 35% 35%		8 603 5 658	18 281 5 858	26,884 11,716	8.904 6.063	18 921 6 063	27,825 12,126	9,216 6,275	19.583 6.275	28 799 12,550	9.538 6.495	20.268 6,495	29,806 12,989
Sub-Lotal Administration Expenses Utilities				61,391	111,374	172,765	63,540	115,272	178,812	65,764	119,306	185,070	68,066	123,482	191,548
Bectrety northwaters and appeared conclusive spring and careed. Water Gas	35% 35% 35%	35% 35% 35%	1227 1011 7 1011 1011 1011 1011	27,392 46,113 31,754	58,209 97,990 67,498	85,601 144,102 99,262	28,351 47,727 32,876	60,246 101,419 69,861	88,597 149,146 102,736	29,343 49,397 34,026	62,355 104,969 72,306	91,698 154,366 106,332	30,370 51,126 35,217	64,537 108,643 74,836	94,908 159,769 110,053
Sewer Sub-total Utilities	35%	35%		70.670 175,939	150 174 373,871	220,844 549,810	73 143 182,097	155,430 386,956	228,573 569,053	75 703 188,470	160,870 400,499	236,573 588,970	78,353 195,067	166,500 414,517	244,853 609,584
Taxes and Licenses Real Estate Texas Payrol Texas	35% 35%	35% 35%	teres as a second contract	10,458 18,519	22,224 39,354	32,682 57,873	10 824 19 168	23 002 40 731	33,826 59,898	11,203 19,838	23,807 42,157	35,010 61,995	11,595 20,533	24,640 43,632	36,235 64,165
Miscalianeous Taxes, Licenses and Permits Sub-total Taxes and Licenses	35%	35%	and development of the control of th	6,639 35,617	75,686	20,748 111,303	5,872 35,864	14 603 78,335	21,474 115,199	7,112 38,154	15,114 81,077	22,226 119,231	7,351 39,489	15,643 83,915	23,004 123,404
Insurance Property and Liability Insurance Eldelity Bond Insurance	35% 35%	35% 35%		60,043	127,592	187,635	62,145	132,058	194,202	64,320	136,680	200,999	66,571	141,463	208,034
Worker's Companiation Director's & Ottoers' Lublity Insurance Sub-total Insurance	3.5%	35% 35%		15,250 - 75,293	32,406 - 159,998	47,696 - 235,291	15.754 77.928	33.540 - 165.598	49,324 243,526	16,336 80,656	34,714	51,050 - 252,050	16,906	35,929 177,392	52,837 260,871
Maintenance & Repair Payroli	35% 35%	35%		98.382	209.061	307,443	101,825	216,378	318,203	105,389	223,951	329.340	109.077	231,790	340,867
Supples the Bridge in the Bridge seeds and the Bridge in t	35%	35% 35%		12,028 94,506 42,620	25,560 200,825 90,568	37,588 296,331 133,188	12 449 97 814 44 112	26,454 207,854 93,738	38,903 305,967 137,849	12,885 101,237 45,656	27,380 215,129 97,018	40,265 316,366 142,674	13,336 101,780 47,254	28,338 222,658 100,414	41,674 327,439 147,968
Security Payroll/Contract HVAC Repairs and Manitenance Vehicle and Maintenance Equipment Operation and Repairs	35% 35% 35%	35% 35% 35%		49 030 13 672	49 030 29 054	98,059 42,726	50,746 14,151	50,746 30,070	101,491 44,221	52,522 14,646	52,522 31,123	105,044 45,769	54.360 15.159	54 360 32 212	108,720 47,371
Misodianeous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	35%	35%		310,238	604,096	914,334	321,096	625,240	946,336	322,334	647,123	979,457	343,966	669,772	1,013,738
Supportive Services Commercial Expenses	3.5%	3.5%		evGlassaujas	140.021	140.021 9,319	- 	144,921	144,921 9,645	28885 Ü-M	149 994	149,994 9,983	(26.2), 1000yr	155,243	155,243 10,332
TOTAL OPERATING EXPENSES PUPA (w/o Reservas/GL, Base Rent/Bond Fees)				1,013,980	2,070,531	3,093,830	1,049,469	2,143,000	3,202,114	1,086,201	2,218,005	3,314,188	1,124,218	2,295,635	3,430,185
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitorina Fee			eser ever or end or establish	6,400	13.600	20,900	6,400	13 600	20,000	6,400	13 600	20,000	6.400	13 600	20,000
Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Deposit Operating Reserve Deposit Operating Reserve Deposit				26,112 4,720	55,488 10,030	81,600 14,750	26 112 4,720	55.488 10.030	81,600 14,750	26,112 4,720	55,488 10,030	81,600 14,750	26,112 4,720	55.488 10,030	81,600 14,750
Other Required Reserve 1 Deposit Other Required Reserve 2 Deposit Required Reserve Deposits, Commercial				2,405	5111	7,516	2.405	5111	7,516	2,405	5111	7,516	2,405	5111	7,516
Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees	s)			37,232 1,051,212	79,118 2,149,649	116,350 3,210,180	37,232 1,086,701	79,118 2,222,118	116,350 3,318,464	37,232 1,123,433	79,118 2,297,123	116,350 3,430,538	37,232 1,161,450	79,118 2,374,753	116,350 3,546,535
PUPA (w/ Reserves/GL Base Rent/Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES)				(30,809)	(140,189)	(26.506)	(31,939	(162,420)	(46,246)	(33,089)	(186,832)	(67,407)	(34,270)	(210,783)	(89,748)
DEBT SERVICEMUST PAY PAYMENTS ("hard debt"/amortized loans) Herd Debt - First Lender Hard Debt - Second Londer (HCD Program D 42% pyrnt, or other 2nd Lende	I		Enter comments re arriver increase, etc.	13.022	27,673	40.695	13,022	27,673	40,695	13.022	27,673	40,695	13.022	27,673	40,695
Herd Detri - Third Lender (Other HCD Program, or other 3rd Lender) Hard Detri - Fourth Lender	ĺ		Enter comments re, prousi increase, etc. Enter comments re, annual increase, etc.	-									-		
Commercial Hard Debt Service TOTAL HARD DEBT SERVICE CASH FLOW (NOI minus DEBT SERVICE)	ł		and the second second	13,022 (43,832)	27,673 (167,860)	40,695 (67,201)	13,022 (44,958)	27,673 (190,092)	40,695 (87,041)	13,022	27,673 (213,605)	40,695	13,022	27,673 (238,455)	40,695
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/non-LOSP (residual incorne)	i			43.632		136,975	44,958	95.536	140,494	46,111		144,097	47,292		147,788
AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:		(74,717)	(67,201) -0,86	(0)	(94,557)	(87,041) -1,14	(0)	(115,618)	(108,102) -1.66	(0)	(137,959)	(130,443) -2.21
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL Bedow-the-line* Asset Mol fee (uncommon in new proects, see policy) Partnership Man pound Fee (uncommon to new proects, see policy)	35% 35%		per MOHCO policy per MOHCO policy		· · ·						-				
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mot Fee") (see policy for limits) Other Payments	222	079Mg/S8400	per MOHCO policy no annual increase												10.00
Non-amortizing Loan Printi - Lender 1 Non-amortizing Loan Printi - Lender 2 Deletred Developer Fee (Enter ami <= Max Fee from row 131)			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	- :	-		:			- :					
TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MO	OHCD)				(74,717)	(67,201)		(94,557)	(87,041)		(115,618)	(108,102)		(137,959)	(130,443)
Does Project have a MCHCD Residual Receipt Obligation? Will Project Defer Developer Fee?	·	Yes No			, , ,		, ,	,							,,-
Residual Receipts split for all years Lender/Owner		67%/33%													
MOHCO RESIDUAL RECEIPTS DEBT SERVICE		Dist Soft Debt Loans		1	,			,							
MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Loan Repayment		77.56%	Allocation per pro-rate share of all soft debt loans, and MOHCD residual receipts policy												
Proposed MOHCO Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loen Repayment		ŀ									ľ	
NON-MOHCO RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amburi (bue Lender 4 Residual Receipts Due		22.44% 0.00%	Allocation per pro rata share of all soll debt	1	ļ			ļ			ŗ			ļ	
Lender 4 Residual Receipts Due Lender 5 Residual Receipts Due Total Non-MOHCD Residual Receipts Debt Service		a 00%		1	ŀ	-		ŀ	_==		ł			ŀ	=
REMAINDER (Should be zero unless there are distributions below)															
Owner Distributions/Incentive Management Fee Other Distributions/Uses Final Balance (should be zero)					[[1			[
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Balance	ı			1	г	1,983,182		r	2.064.782		r	2,146,382			2,227,962
Replacement Reserve Deposits Replacement Reserve Withdrawals (ideally lied to CNA)						81,600			81,600		ŀ	81,600		ŀ	81,600
Replacement Reserve Interest RR Running Balance	l		RR Balance/Unit	ı	I	2,064,782 \$15,182		[2,146,382 \$15,782		i	2,227,982 \$16,382		[2,309,582 \$16,982
OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Balance				l	Į	792,266		ŗ	807,016		ŗ	821,766		ļ	B36,516
Operating Reserve Deposits Operating Reserve Withdraways Operating Reserve Interest						14,750			14,750		ł	14,750			14,750
OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE		OR Balance as	a % of Prior Yr Op Exps + Debt Service			807,016 25 7%			821,766 25.3%		•	836,516 24.9%			851,266 24.5%
Other Reserve 1 Starting Batance Other Reserve 1 Deposits			**************************************		[{			E	:-		[
Other Reserve 1 Withdrawals. Other Reserve 1 Interest Other Required Reserve 1 Running Balance					ŀ			-			ł			-	
OTHER RESERVE 2 - RUNNING BALANCE	ı			l	Г	1		Г			ſ			Г	
Other Reserve 2 Starting Botance Other Reserve 2 Deposits Other Reserve 2 Withdrawals Other Reserve 2 Interest						1 2 2 2		}			Ī				
Other Required Reserve 2 Running Balance	•					•		ı			ı	 -			

Exhibit C – Legal Description of Real Property

Legal Description of the Site

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Assessor's Block 3508 Lot 53 (all of former Lots 26 and 27 and a portion of former Lot 51)

Beginning at the point of intersection of the northeasterly line of 10th Street with the southeasterly line of Jessie Street; thence northeasterly, along said line of Jessie Street 262.00 feet to a point distant thereon 148.00 feet from the southwesterly line of 9th Street, measured at right angle thereto; thence at a right angle southeasterly 70.00 feet; thence at a right angle southwesterly 47.00 feet; thence at a right angle southeasterly 15.00 feet; thence at a right angle southwesterly 85.00 feet; thence at a right angle southeasterly 22.50 feet; thence at a right angle southwesterly 30.00 feet; thence at a right angle southeasterly 87.50 feet to the northwesterly line of Mission Street; thence at a right angle southwesterly along said line of Mission Street 100.00 feet to said northeasterly line of 10th Street; thence at a right angle northwesterly along said northeasterly line of 10th Street 195.00 feet to the point of beginning, containing 33,240 square feet, more or less.

Being part of Mission Block No. 4

Exhibit D - LOSP Client Selection Criteria

Exhibit F -- Lobbying/Debarment Certification Form

The undersigned certifies, to the best of his or her knowledge and belief, that:

- 1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
- 2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This lobbying certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure.

3. Neither the undersigned nor its principals is listed by the General Services Administration as debarred, suspended, ineligible or voluntarily excluded from receiving the Funds on the Agreement Date. The undersigned will review the list to ensure that any contractor or subcontractor who bids for a contract in excess of \$100,000 is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities and will obtain the certification of each contractor or subcontractor whose bid is accepted that such contractor or subcontractor is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities.

BY:	
NAME:	
TITLE:	
DATE:	

Mercy Housing California XIV, a California limited partnership:

EXHIBIT G - ANNUAL MONITORING REPORT

Mayor's Office of Housing and Community Development

City and County of San Francisco



Mark Farrell
Mayor

Kate Hartley
Director

March 19, 2018

Notice of Availability of 2017 Annual Monitoring Report Form

(plus reminders of Serious Incident Protocol and marketing procedure)

MOHCD is pleased to announce the availability of the Annual Monitoring Report (AMR) forms for Reporting Year 2017 (RY2017). The forms are now available to be downloaded from the <u>Asset Management page</u> of the MOHCD web site. A training on how to complete the AMR will be held at MOHCD on April 12, 2018 from 9:30 a.m.-12:15 p.m. See below for more information.

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

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

Completion and Submission Instructions

The Annual Monitoring Report consists of the following four parts:

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

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

Provide all applicable information that is requested in worksheets 1-7. Use the Instructions to help you complete each form and the Completeness Tracker to help you to determine when each worksheet is complete.

Use Question #1 on the Narrative worksheet to explain any data that you provide that may be unclear or better understood with additional information. In addition, certain questions in this report prompt you to supply an explanation for your answers on the Narrative worksheet. Failure to supply the required explanation will render your submission incomplete.

Submit this report as an Excel file only; do not convert it to pdf or another file type. Changing the format of AMR_RY2017.xlsx without MOHCD's prior approval is not allowed. Do not

1 South Van Ness Avenue, Fifth Floor, San Francisco, CA 94103 Phone: (415) 701-5500 Fax: (415) 701-5501 TDD: (415) 701-5503 www.sfgov.org/moh overwrite any validations for any of the cells, alter any formulas or add or delete any rows or columns. If you need to revise the form in order to successfully complete the report, submit a request to moh.amr@sfgov.org.

- II. Owner Compliance Certification Form and Documentation of Insurance The certification form is a Microsoft Word document that must be completed, signed and dated by the Executive Director (or other authorized officer) of the entity that owns the project. Scan the form along with documentation of insurance and email it to MOHCD as a single document. For each project, you must provide certificates of liability insurance and property insurance that are current as of the date of submittal of the AMR.
- III. <u>Audited Financial Statements</u> Provide financial statements for the project for Reporting Year 2017. They must be prepared by a certified public accountant in accordance with generally accepted accounting principles, applicable regulations and laws and with the City's "<u>Audit Requirements for MOHCD-Funded Projects</u>" a copy of which is attached and posted on <u>MOHCD's Asset Management web page</u>. If the project is owned by a single asset entity, provide separate financial statements just for the project, otherwise provide audited statements for the parent corporation. Also include copies of any Management Letters and special notes from the auditor that pertain to the property and the financial statements.

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

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

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

IV. <u>Waiting List</u> – Submit a copy of the project's waiting list that is current as of the date of submittal. The waiting list must include the following information for each person or household who has applied to live at the project and is still waiting to be considered for an available unit:

- · name of head-of-household
- contact information
- date of application,
- · number of people in the household,
- · stated household income and
- desired unit size.

This requirement is not applicable to transitional housing projects, residential treatment programs, shelters, group homes or permanent supportive housing for homeless people that is leased through a closed referral system.

Completed AMRs must be submitted electronically, via <u>one email message per project</u> to <u>moh.amr@sfgov.org</u>, or if desired, for multiple projects, via flash drive or compact disc sent to Mike McLoone at MOHCD. If the documents that comprise the report are too large to attach to a single email, compress the files into a zip file and attach it to the email.

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

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

Notice of Availability of 2017 AMR and Reminder of Deadline March 19, 2018 Page 3

attend and to bring a Wi-Fi enabled lap top computer. Space is limited. Please RSVP to Ricky Lam at ricky.lam@sfgov.org or 415-701-5542.

Serious Incident Protocol

To ensure that MOHCD is kept informed of serious incidents that occur at projects financed by this office, we have established the following protocol for reporting serious, negative events such as accidents, criminal activity or equipment failure. The report should be filed only after emergency procedures have been followed and the situation has been stabilized.

The Mayor's Office of Housing and Community Development requests that owners of projects financed by this office notify us immediately if a serious incident occurs at their properties and meets one or more of the following parameters:

- · Involves serious injury or death
- Is a serious, violent crime that involves a major police action (e.g. shooting)
- · Causes the building or a significant number of units to be off-line
- Requires a resident to move out of a unit one month or longer
- · Damage to the building is significant enough to require the use of reserves

The owner should notify the MOHCD asset manager assigned to the project and provide the following information:

- The date of the incident
- A description of the incident
- · A description of what has been and is being done in response
- The name, phone and email of the staff that should be contacted if there are questions
- Confirmation that 1) the property insurance is current and 2) the insurance company has been contacted; a brief summary of their response, if available
- Statement of whether or not the organization plans to use the project's reserves to pay for corrective action

Marketing of Available Units and Waiting List Openings

Before advertising the availability of units for lease in a project or the opening of the waiting list, owners and property managers must notify MOHCD of this action by completing a Marketing Plan Template and submitting it to the assigned staff person on MOHCD's asset management and compliance monitoring team. The template is available on the Asset Management page of our web site, under "Marketing Requirements for MOHCD-Financed Multifamily Rental Projects." Once the marketing plan is approved, MOHCD will post information about the available units or opening of the wait list on this page of our web site. General information for people seeking affordable housing in San Francisco can also be found on our web site at this location

Asset Management and Compliance Monitoring Team

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

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

The instructions and definitions below are organized by the worksheets contained within this Annual Monitoring Report. Please review the instructions below and within each worksheet thoroughly as instructions may have changed.

Updated 1/25/2018

1A. Property & Residents

Please follow the instructions provided on the worksheet.

1B. Transitional Programs Only

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

1C. Eviction Data

MOHCD is required to collect this data by San Francisco Adminstrative Code Sections 20.500-20.508. Please follow the instructions provided on the worksheet.

2. Fiscal Activity

Income and Expenses

The purpose of the Income and Expenses form is to track actual income and expenses over the reporting period. In addition to the instructions below, please follow instructions provided on the worksheet.

INSTRUCTIONS:

Column B - "Description of Income Accounts" and "Description of Expense Accounts". A complete description of the Income Accounts and Expense Accounts are provided below. Refer to the descriptions when completing the Fiscal Activity Worksheet. The Chart of Accounts uses account categories prescribed by generally accepted accounting principles and closely follows accounts prescribed by HUD, the State of California's Housing and Community Development Department, and the City's Quarterly Program Income Worksheet.

Column D - "Account Number". Each number represents an account in the Chart of Accounts, see below for more info.

Column F - "Residential". This column is for the essential recurring income and expenses related to the operation of a rental housing property, group home, project serving special needs populations or a transitional housing program.

Column H - "Non-Residential". This column is used to report income and expenses related to commercial space or other non-residential space in a project.

Income

Rental Income

5120 Housing Units Gross Potential Tenant Rents. This account records gross rent payable by the tenant for all residential units. Offsetting debits to this account are Account 6331, Administrative Rent Free Unit.

<u>5121 Rental Assistance Payments.</u> This account records rental assistance payments received or earned by the project through the LOSP, HUD Section 8 program (project-based or tenant-based assistance), HUD Section 202/811 programs, Shelter Plus Care program, HOPWA program, Rent Supplement, HOME Tenant-Based Assistance and VASH.

5140 Commercial Unit Rents. This account records gross rental income from stores, offices, rented basement space, furniture and equipment or other commercial facilities provided by the property.

Vacancy Loss

5220 Rent Income - Residential Units Vacancy Loss. ENTER AS NEGATIVE NUMBER. This account records total loss of residential rental income due to vacant residential units.

5240 Rent Income - Commercial Units Vacancy Loss. ENTER AS NEGATIVE NUMBER. This account records total loss of commercial rental income due to vacant commercial units.

Other Income

5170 Garage and Parking Spaces. This account records the gross rental income from all garage and parking spaces.

5190 Miscellaneous Rent Income. This account records gross rental income expectancy not otherwise described above.

5300 Supportive Services Income. Accounts in this series are used primarily by group home projects or other projects restricted to a special needs population (e.g., group home for mentally disabled or senior apartments). These accounts record revenues received or payable (other than rents) for services provided to tenants (e.g., meal services, housekeeping, etc.). Supportive service-related expenses are charged to accounts in the 6900 series. Enter the total of all revenues received or payable, and identify the source(s) of the income in cell D39.

<u>5400 Interest Income - Project Operations.</u> This account records interest income received on accrued on the Project Operating Account/s; DO NOT RECORD interest earned on the Replacement Reserve or Operating Reserve here.

5910 Laundry and Vending. This account records project revenues received from laundry and vending machines owned or leased by the project.

<u>5920 Tenant Charges</u>. This account records charges collected from tenants for damages to apartment units and for fees paid by tenants for cleaning of an apartment unit (other than regular housekeeping services), any security deposits forfeited by tenants moving out of the project and charges assessed to tenants for rent checks returned for insufficient funds and for late payment of rents.

5990 Other Revenue. This account records project revenue not otherwise described in the above revenue accounts.

Expenses

Management

6320 Management Fee. This account records the cost of management agent services contracted by the project. This account does not include charges for bookkeeping or accounting services paid directly by the project to either the management agent or another third party.

Salaries/Benefits

6310 Office Salaries. This account records salaries paid to office employees whether the employees work on site or not. Front-line responsibilities include for example, taking applications, verifying income and processing maintenance requests. The account does not include salaries paid to occupancy, maintenance and regional supervisors who carry out the agent's responsibility for overseeing or supervising project operations and personnel: These salaries are paid from the management fee. This account also does not include the project's share of payroll taxes (Account 6711) or other employee benefits paid by the project.

6330 Manager's Salary. This account records the salary paid to property managers. It does not include the project's share of payroll taxes or other employee benefits or compensation provided to residents managers in lieu of residents managers' salary payments.

6723 Employee Benefits: Health Insurance & Disability Insurance. This account records the cost of employee benefits paid and charged to the project for health insurance and disability insurance.

XXXX Employee Benefits: Retirement & Other Salary/Benefit Expenses. This account records the cost of employee benefits paid and charged to the project for retirement and any other employee salary/benefits.

6331 Administrative Rent Free Unit. This account records the contract rent of any rent free unit provided to a resident manager which would otherwise be considered revenue producing.

Administration

6210 Advertising and Marketing. This account records the cost of advertising the rental property.

6311 Office Expenses. This account records office expense items such as supplies, postage, stationery, telephone and copying.

6312 Office Rent. This account records the rental value of an apartment, otherwise considered potentially rent-producing, but used as the project office or as a model apartment. The account is normally debited by journal entry.

6340 Legal Expense - Property. This account records legal fees or services incurred on behalf of the project (as distinguished from the borrower/grantee entity). For example, agents charge legal fees for eviction procedures to this account.

6350 Audit Expense. This account records the auditing expenses incurred by the project that are directly related to requirements for audited financial statements and reports. This account does not include the auditor's charge for preparing the borrower/grantee's Federal, State and local tax returns. This account does not include the cost of routine maintenance or review of the project's books and records.

6351 Bookkeeping Fees/Accounting Services. This account records the cost of bookkeeping fees or automated accounting services not included in the management fee but paid to either the agent or a third party.

6370 Bad Debts. This account records by journal entry the amount of tenant accounts receivable that the agent estimates uncollectible at the end of the accounting period.

6390 Miscellaneous Administrative Expenses. This account records administrative expenses not otherwise classified in the 6300 Series. If the project had miscellaneous administrative expenses greater than \$10,000, a detailed itemization of these expenses must be provided in the Narrative worksheet

Utilities

6450 Electricity

6451 Water

6452 Gas

6453 Sewer

Taxes and Licenses

- 6710 Real Estate Taxes. This account records payments made for real estate taxes of the project.
- 6711 Payroll Taxes (Project's Share). This account records the project's share of FICA and State and Federal Unemployment taxes.
- 6790 Miscellaneous Taxes, Licenses and Permits. This account records any taxes, licenses, permit fees or costs of insurance assessed to the property and not otherwise categorized in the 6700 Series.

Insurance

- 6720 Property and Liability Insurance. This account records the cost of project property and commercial general/auto liability insurance.
- 6721 Fidelity Bond Insurance. This account records the cost of insuring project employees who handle cash.
- 6722 Workers' Compensation. This account records the cost of workers' compensation insurance for project employees.
- 6724 Directors and Officers Liabilities Insurance. This account records the cost of insurance to cover financial protection for the directors and officers of the ownership entity in the event they are sued in conjunction with the performance of their duties as they relate to the property.

Maintenance and Repairs

- 6510 Payroll. This account records the salaries of project employees whose perform services including but not limited to janitorial/cleaning, exterminating, grounds, repairs, elevator maintenance and decorating. This account does not include the property's share of payroll taxes (FICA and Unemployment) or other employee benefits paid by the property.
- 6515 Supplies. This account records all cost of supplies charged to the property for janitorial cleaning, exterminating, grounds, repairs and decorating.
- 6520 Contracts. This account records the cost of contracts the owner or agent executes with third parties on behalf of the property for janitorial/cleaning, exterminating, grounds, repairs, elevator maintenance and decorating.
- 6525 Garbage and Trash Removal. This account records the cost of removing garbage and rubbish from the project. The account does not include salaries paid to janitors who collect the trash.
- 6530 Security Payroll/Contract. This account records the project's payroll costs attributable to the protection of the project or the costs of a protection contract that the owner or agent executes on behalf of the project.
- 6546 HVAC Repairs and Maintenance. This account records the cost of repairing and maintaining heating or air conditioning equipment owned by the project. Agents should capitalize repairs of significant amounts which extend the useful life of the equipment.
- 6570 Vehicle and Maintenance Equipment Operation and Repairs. This account records the cost of operating and repairing project motor vehicles and maintenance equipment. Motor vehicle insurance is not included in this account but is charged to account 6720.
- 6590 Miscellaneous Operating and Maintenance Expenses. This account records the cost of maintenance and repairs not otherwise classified in the 6400 and 6500 account Series. If the project had miscellaneous operating and maintenance expenses greater than \$10,000, a detailed itemization of these expenses must be provided in the Narrative worksheet.

Supportive Services

6900 Supportive Service Expenses. Accounts in this series are used primarily by group home projects and other projects restricted to a special needs population. The accounts record expenses directly related to special services provided to the tenants (e.g., food, housekeeping, case managers, social activity coordinator, etc.).

Reserve Account Activity

- 1320 Replacement Reserve Required Annual Deposits. This account records the required amount of deposits made to a segregated Replacement Reserve bank account from the project's Operating Account during the reporting period. See below for more guidance about data entry required for replacement reserve eligible expenditures.
- 1365 Operating Reserve Deposits. This account records amount of deposits made to a segregated Operating Reserve bank account from the project's Operating Account during the report period.
- XXXX Operating Reserve Account Withdrawals. Enter the total amount of withdrawals made from the Operating Reserve, which will be deposited into the project's Operating Account during the reporting period.
- 1330 Other Reserve Accounts Deposits. This account records amount of deposits made to segregated reserve bank accounts not identified above during the report period. Deposits are assumed to have been funded by the project's operating account and will decrease the surplus cash amount in row 136. You should provide the name of the account in cell D132.
- XXXX Other Reserve Accounts Withdrawals. This line is used to record the amount of withdrawals made from other segregated reserve bank accounts during the reporting period. Withdrawals entered are assumed to have been deposited into the project's operating account and will increase the surplus cash amount in row 136. You should provide the name of the account in cell D133.

3A. Occupancy & Rent Info

Accurate and complete household and tenancy data must be submitted on the Occupancy & Rent Info worksheet as evidence that the project complies with the income eligibility and rent affordability restrictions of MOHCD's funding agreements. Enter the data described below into the chart in Section 3a - Occupancy & Rent Info for the tenant population that occupied the project as of the end of the reporting period. For vacant units and manager's units, you must supply data in columns D, E, P, R and T. All other columns should be left blank.

COLUMN DESCRIPTION

- C. Row Number. Do not enter data in this column.
- D. Unit No. Enter the unit number (or bed number for transitional or group housing) for each unit/bed in the property.
- E. Unit Type. Use the drop down menu to select the unit type (also shown below):
 - Bed = (measurement for Group homes or transitional housing)
 - "SRO" = Single Room Occupancy unit
 - "Studio" = Studio unit
 - "1BR" = 1 Bedroom unit
 - "2BR" = 2 Bedroom unit
 - "3BR" = 3 Bedroom unit
 - "4BR" = 4 Bedroom unit
 - "5+BR" = 5 or more Bedroom unit
- Date of Initial Occupancy. Enter the date when the tenant occupied their *first unit in the project*. For tenants who have transferred to another unit in the project, this date will be different than the date when they moved into their current unit
- G. Household Annual Income at Initial Occupancy. Enter the tenant's annual household income from the initial income certification that was done before they moved into their *first unit in the project*. For tenants who have transferred to another unit in the project, this amount will be different than the amount from the rertification that was done when they moved into their current unit.
- Household Size at Initial Occupancy. Enter the number of people that was in the tenant's household when they occupied their first unit in the project. For tenants who have transferred to another unit in the project, this number may be different than it was when they moved into their current unit.
- Date of Most Recent Income Recertification. Enter date of most recent income recertification. Leave blank for vacant units
- Household Annual Income as of Most Recent Recertification within reporting period. Enter annual income of the household from the most recent recertification. OK to leave blank ONLY if ALL funders do not require annual income recertifications.
- K. Household Size as of Most Recent Recertification within reporting period. Enter the number of occupants in the unit from the most recent recertification within the reporting period.
- L. Minimum Occupancy for Unit Type. The data here is automatically entered from items 25-31 on Worksheet #1A.
- M. Maximum Occupancy for Unit Type. The data here is automatically entered from items 25-31 on Worksheet #1A.
- N. Overhoused or Overcrowded? The data here is automatically generated based on entries in column K and on items 26-32 on Worksheet #1A.
- Overhoused or Overcrowded Narrative A household is "Overhoused" if there are fewer people residing in the unit than the minumum occupancy. "Overcrowded" means that there are more people residing in the unit than the maximum occupancy. If the data in column N indicates that the household is overhoused or overcrowded, please describe any extenuating circumstances that justify the overhoused/overcrowded status and summarize efforts that you have made to transfer the tenant to a unit that is appropriate for the size of the household, if applicable.
- Rental Assistance. From the drop-down menu, select one code only to indicate the type of assistance, if any, being P. provided to the tenant (low-income units only). Select "None" if no rental assistance comes with the unit or none is provided to the tenant.
 - "Section 8 Project Based" = The unit comes with Section 8 subsidy that will remain with the unit after the tenant moves out.
 - "Section 8 Tenant Voucher" = Tenant is receiving assistance through the Section 8 Certificate or Voucher programs.
 - "PRAC 202" = The unit receives a subsidy through a Project Rental Assistance Contract from HUD's 202 program.

- "PRAC 811" = The unit receives a subsidy through a Project Rental Assistance Contract from HUD's 811 program.
- "S+C" = Tenant is receiving tenant-based assistance, or the unit has project-based assistance, from the Shelter Plus Care program.
- "HOPWA" = Tenant is receiving tenant-based assistance, or the unit comes with project-based rental assistance, from the Housing Opportunities for People With AIDS program.
- "VASH" = Tenant is receiving tenant-based assistance, or the unit comes with project-based rental assistance, from the Veterans Administration Supportive Housing program.
- "LOSP" = The unit receives a subsidy through the City's Local Operating Subsidy Program.
- "DAH (DPH)" = The unit receives a subsidy through the City's Direct Access to Housing Program of DPH.
- "HSA Master Lease" = The unit receives a subsidy through the City's Master Lease Program of the Human Services Agency.
- "HOME TBA" = Tenant receives assistance from a HOME-funded rental assistance program.
- "Rent Supplement" = Tenant receives a supplemental rent payment from an outside agency.
- "Other" = Tenant is receiving, or unit comes with, rental assistance through another Federal, State or local program.
- Q. Amount of Rental Assistance. Enter the dollar amount of rental assistance that is paid on behalf of the household/tenant.
- R. Amount of Maximum Gross Rent Allowed for Unit. Enter the maximum rent for the unit that is allowed by the most restrictive funder of the project.
- S. Amount of Tenant Paid Rent for Unit. Enter only the amount of rent that the tenant pays. Do not include any rental assistance paid on behalf of the tenant by another party.
- T. Utility Allowance. If the tenant pays for utilities, enter the Utility Allowance allowed for the unit. Enter zero (0) if the Utilities are paid by the project.
- U. Household Rent Burden. THIS IS A SELF-CALCULATING CELL ENTER NO DATA HERE. If the rent burden is 100% or greater, it is likely that the amount of tenant paid rent and/or the amount of HH income is incorrect, please review the data for accuracy. Typically, rent burdens should be 60% or less. If a unit has a rent subsidy, the typical requirement is for tenants to pay 30% of income toward rent.
- V. Date of Most Recent Rent Increase within the Reporting Period. ONLY FOR UNITS THAT DO NOT HAVE RENTAL ASSISTANCE OR SUBSIDY. Enter date of most recent rent increase for unit.
- W. Amount of Most Recent Rent Increase within the Reporting Period. ONLY FOR UNITS THAT DO NOT HAVE RENTAL ASSISTANCE OR SUBSIDY. Enter amount of most recent rent increase for unit.
- X. Percentage of Most Recent Rent Increase. THIS IS A SELF-CALCULATING CELL ENTER NO DATA HERE.

3B. Demographic

The two ethnic categories are defined below:

- Hispanic or Latino. A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term "Spanish origin" can be used in addition to "Hispanic" or "Latino."
- Not Hispanic or Latino. A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

The 10 racial categories are defined below:

- American Indian or Alaska Native. A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
- Asian. A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- Black or African American. A person having origins in any of the black racial groups of Africa.
- Native Hawaiian or Other Pacific Islander. A person having origins in any of the original peoples of Hawaii, Guam, Samoa or other Pacific Islands.
- White. A person having origins in any of the original peoples of Europe, the Middle East or North Africa.
- American Indian or Alaska Native and Black or African American. A person having these multiple race heritages as defined above.
- American Indian or Alaska Native and White. A person having these multiple race heritages as defined above.
- · Asian and White. A person having these multiple race heritages as defined above.
- · Black or African American and White. A person having these multiple race heritages as defined above.
- Other/Multi-Racial. For reporting individual responses for a person that is not included in any of the categories listed above.

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

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

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

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

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

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

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

Elderly Household. For each residential unit, enter "Yes" if the head of household is a person that is at least 62 years of age. Enter "No" if the head of the household is younger than 62.

Number of Children Under Age 18 in Household. Enter the number of occupants in the unit that were under age 18 as of the end date of the reporting period.

Disability (Physical/Visual/Hearing/None). If the unit is occupied by a tenant with any of the listed disabilities, select the disability from the drop-down menu. Select "None" if the unit is not occupied by a physically, visually, or hearing disabled tenant.

3C. Summary of Reported Household Demographics

No data entry required. Output based on information reported from Worksheets 3A and 3B.

4. Narrative

Please follow the instructions provided on the worksheet.

5. Project Financing

Supply the info requested about all current financing of the project. Lenders should be listed in lien order, i.e., with the most-senior lender in the first lien position, the most-junior lender in last lien position.

6. Services Funding

For each service that is provided based on your answers to questions 51-61 on Worksheet 1A, you must supply additional info about each service provider on Worksheet 6. Services Funding.

7. Supplementary Audit Information - Required by MOHCD

Use this template to satisfy the audit requirement for MOHCD-funded projects. Project Owners/auditors may enter data directly into this worksheet and then print it to create the required Supplemental Schedules in the Audited Financial Statement. Alternatively, the audit requirement may be satisified by using a form generated by the Sponsor's accounting system, as long as the form includes all the elements contained within MOHCD's template.

Completeness Tracker

Use this worksheet to track your work and to verify that you have completed all required data entry.

Links to Relevant Policies

Double click on the following web links to access the policy documents posted at SFGOV for your reference. The web address of the pages on the web are included for manual navigation as well.

MOHCD Forms Page at SFMOHCD.ORG

http://sfmohcd.org/documents-reports-and-forms

Program Income Overview

http://sfmohcd.org/sites/default/files/FileCenter/Documents/5141-MOH_ProglncomeOverview.pdf

MOHCD Residual Receipt Policy

http://sfmohcd.org/sites/default/files/Documents/CURRENTResidualRecPolicy%202016.pdf

MOHCD Insurance Requirements Policy

http://sfmohcd.org/sites/default/files/FileCenter/Documents/5140-INSURANCE%20EXHIBIT%20K_2014-05-21.pdf

MOHCD Operating Fees Policy

http://sfmohcd.org/sites/default/files/Documents/CURRENT%20OperatingFeesPolicy%202016.pdf

Annua	al Monitoring Report - Property & Residents - Reporting Year 2017 - Mayor's Office of Housing & Community Development
# IDENTIFYING INFO	
1	Reporting Period Start Date (m/d/yyyy)
2	Reporting Period End Date (m/d/yyyy)
3	Property Name (select from drop down)
4	Property Full Street Address (e.g. "123 Main Street")
CONTACT INFO	
5	Sponsor Executive Director Name
6	Sponsor Executive Director Phone Number
7	Sponsor Executive Director E-mail
8	Property Management Company
9	Property Manager Name
10	Property Manager Phone Number
11	Property Manager E-mail
12	Property Supervisor Name
13	Property Supervisor Phone Number
14	Property Supervisor E-mail
15	Property Owner Name
16	Property Owner Contact Person
17	Property Owner Contact Phone Number
18	Property Owner Contact E-mail
19	Property Asset Manager Name
20	Property Asset Manager Phone Number
21	Property Asset Manager E-mail
22	AMR Preparer's Name
23	AMR Preparer's Phone Number
24	AMR Preparer's E-mail

	PROPERTY/MARKETING INFO										
25		Is the project any of the following: Transitional Housing, Resident Treatment Program, Shelter or Transitional Group Home? (selection "no" from the drop-down menu to the left.) If you answer "skip questions 26 through 39 below, and continue with question 40. Also, you must complete worksheet "1B.TransitionalPatents"									
	What is the Unit Mix for the Property? Please	include any mar	nager's units in this ta	ally.							
	Unit Types	Number Of Units	Occupancy Standard: Minimum HH Size for this Unit Type*	Occupancy Standard: Maximum HH Size for this Unit Type*	*Occupancy Standards should be described in project's Approved Tenant Selection and Marketing Plan. If not defined there, supply the standards used organization-wide.						
26	Single Room Occupancy (SRO) Units		1								
27	Studio Units		1								
28	One-Bedroom (1BR) Units		1								
29	Two-Bedroom (2BR) Units										
30	Three-Bedroom (3BR) Units										
31	Four-Bedroom (4BR) Units										
32	Five- or More (5+BR) Bedroom Units										
33	TOTAL # Units	-> 0	L								
34		during the r report here	- How many vaca eporting period? (is not less than th d on worksheet 3.	Be sure that the number of value	ne number you						
35		reporting ye calculated f You must of transitional	How many eviction the data in from the data that complete workshe housing, a resident transitional group	this field is aut is entered on v et 1C, unless t ntial treatment	tomatically worksheet 1C. he project is						
36		Vacant Unit Rent-Up Time - (in DAYS) State the average vacant unit rent-up time. This is the period from the time a household moves out to when the unit is rented again. If this period exceeds 30 days, you must answer Question # 4 on the Narrative worksheet. (Click on # 4 at left to jump to Narrative worksheet.)									
37		Waiting Lis waiting list?	st - How many app	olicants are cu	rrently on the						
38		When was	the waiting list las	t updated? (m/							
39	1 1	the project of marketing of Question #5	Marketing - Did during the reporting during the reporting 5 on the Narrative to Narrative works	ng period? If yog g period, you r worksheet. ((ou conducted nust answer						

40		What is the date of the last Capital Needs Assessment? (m/d/yyyy)
41		What is the projected date of the next Capital Needs Assessment? (m/d/yyyy)
42	# 2	How many Health , Building or Housing Code Violations were issued against the property in the reporting year? (If there were no violations enter "0"). If the property was cited for code violations in the reporting year or has open, unresolved violations from prior years as indicated below, you must answer Question #2 on the Narrative worksheet. (Click on #2 at left to jump to Narrative worksheet.)
43		How many Health, Building or Housing Code Violations were open from <i>prior</i> years?
44		How many Health, Building or Housing Code Violations were cleared in the reporting year?
45	۳ *	Are there urgent Major Property Repairs needed on the property in the next two years? (Yes/No) If there are needed major repairs you must answer Question #3 on the Narrative worksheet. (Click on #3 at left to jump to Narrative worksheet.)
46		If the property has Immediate Capital Needs and lacks adequate funds in the Replacement Reserve (or elsewhere) to cover the costs, please supply the amount of funds needed to make up the difference, and supply additional explanation in question #3 of the Narrative report. (Click on # 3 at left to jump to Narrative worksheet.)
47		As of the last day of the reporting period, how many units were fully Accessible to Physically Impaired Tenants?
48		As of the last day of the reporting period, how many units were Adaptable for Physically Impaired Tenants?
49		As of the last day of the reporting period, how many units were fully Accessible to Visually Impaired Tenants?
50		As of the last day of the reporting period, how many units were fully Accessible to Hearing Impaired Tenants?

available to the resi	AN ANSWER IS REQUIRED FOR questions 51-61. Indicate below any services that were dents free of charge, on site or at another designated location within 1/4 mile of the project. You delitional information about each of the marked services below on Worksheet "6. Services"
51	్డ్రి క్లో After School Program/s (y/n)
52	ద్ది క్రి Licensed Day Care Service (participant fees are allowable for generally day care ONLY) (y/n)
53	్డ్రి క్లో Youth Program/s (y/n)
54	ഉ g Educational Classes (e.g. basic skills, computer training, ළ ≷ ESL) (y/n)
55	မြောင်း မေးကို မေးကြီး မေးကို မေးကြီး မေးကို မေးကြီး မေးကြီးမှာ
56	్లో క్లో Employment Services (y/n)
57	్ర్ క్లో Case Management, Information and Referrals (y/n)
58	മ ട്ര Benefits Assistance and Advocacy; Money Management; ദ് ≷ Financial Literacy and Counseling (y/n)
59	2 క్ష్మ Support Groups, Social Events, Organized Tenant Activities తి క (y/n)
60	င်္ဂ နီ Other Service #1 - Please specifiy in column G.
61	ြင့္မွဳ Other Service #2 - Please specifiy in column G.

POPULATION SERVED

Target / Actual Populations: As of the last day of the reporting period, what are the Actual and Target Populations (expressed as Number of Households) for the Project?

Under Target Population, enter the number of units at the project that, as a requirement of a specific funding source (e.g. 202, HOPWA, McKinney), are targeted to and set aside for the target populations shown in the table. Under Actual Population, enter the number of households at the project that, as of the end of the reporting period, contained at least one person who is a member of the populations shown in the table.

•	<u> </u>	Target Pop	ulation	Actual Population		
62	ii.	0	Families	0	Families	
63		0	Persons with HIV/AIDS	0	Persons with HIV/AIDS	
64		0	Housing for Homeless	0	Housing for Homeless	
65		0	Mentally or Physically Disabled	0	Mentally or Physically Disabled	
66		0	Senior Housing	0	Senior Housing	
67		0	Substance Abuse	0	Substance Abuse	
68		0	Domestic Violence Survivor	0	Domestic Violence Survivor	
69		0	Veterans	0	Veterans	
70		0	Formerly Incarcerated			
71		0	Transition- Aged Youth ("TAY")	0	Transition- Aged Youth ("TAY")	

Remember, SAVE YOUR WORK!

	Annual Mo	nitoring R	eport - Trai	nsitional Pro	grams -	Reporting Year 2017 - Mayor's Office of Housing & Community Development
ojeci	Address:					
		: What is	the target c	apacity of this	s project	(All blanks in this section must be filled with a number of "0" or greater in order for the
rks	heet to be c	B. Num	T 61 N	C2. Num	D. Num	
	A. Num Singles Not	Families	C1. Num Adults in	Children in	of Beds	
	in Families		Families	Families		
			 		1	
1						
2	ļ	0			Total W	seholds (Singles and Families) That Can Be Served
ersi		<u> </u>	necatina Ye	ear (All blank		ection must be filled with a number of "0" or greater in order for the worksheet to be
	lete.)					
	A. Num Singles Not	B. Num Families	C1. Num Adults in	C2. Num Children in		
	in Families	rannies	Families	Families		
3		<u> </u>	<u> </u>			e first day of operating year
5	 	0				ing the program during the operating year seholds (Singles and Families) Served
6		-			-	left the program during the operating year
7	0	0	0	0		program on the last day of the operating year
8	()				seholds in program on the last day of the operating year
9	L		<capacity< td=""><td>Utilization Ra</td><td>te (by Ho</td><td>sehold as of last Day of Operating Year)</td></capacity<>	Utilization Ra	te (by Ho	sehold as of last Day of Operating Year)
he (Capacity Utili	ization Rate	is <u>LESS</u> tha	n 75% you mu	st respon	to the following:
	N-01-2018011		a participation and the c	and expelled a product.	T	
10					1. Expla	the reason(s) why the capacity utilization rate is as low as it is; and
					1	
11					2 Descr	e plan/s to raise the capacity utilization rate to at least 75%, with specific timeline.
					2. 0000	. Planto to table the departity distribution rate to at reads 1000, with opening amounts.
		A DAN EARTHUR STORY	enderde servere en en en		*************	
	ı of Stay:					the operating year, how many were in the project for the following lengths of time? (Total in cell H2
nya	i oi oiay.	should mate	total of cell	s H14 + I14. Al	l blanks in	is section must be filled with a number of "0" or greater in order for the worksheet to be complete.)
12		Less than 1	month			
13		1 to 2 monti			1	
14		3 - 6 months	ş]	
15		7 months -1			4	
16		13 months -			-	
17 18	0	25 months -	IH's that left f		DE	
18	ananisisisisisisi	IUIAL# H	ns that left i	ine program	uenekania Lukarekania	
stin	ation:					gram during the operating year, how many left for the following destinations? (Total in cell H53
		should mate	total of cell	s H14 + I14. AI	i blanks in	is section must be filled with a number of "0" or greater in order for the worksheet to be complete.)
19		Rental - Ho	use or Apartm	ent (no subsid	()	
20		Public Hous				
21		Section 8 V				FERWANENT
22 23				e or apartment		
24		Homeowner	ith family or fr	ionde		ā
25	0		nt Housing S		kolumer Galler	- The state of the
						The state of the s
26		Transitional	Housing for I	nomeless perso	ns	Texas
		 				TRANSITIONAL
27		Moved in w	ith family or fr	iends TEMPO	RARILY	
28	10 min	Transition	ral Housing S	Subtotal	(montrelligg	partition that the Full district of Fulfich
29		Psychiatric	hospital			
30		Inpatient ald	cohol or other	drug treatment	facility	30
31		Jail/Prison				Nemturo da de la companya della companya della companya de la companya della comp
						□ 6万厘 970 I
		Medical Fac	cility			<u> </u>
32	0		cility	79/2/consession (%)	enter en en	· · · · · · · · · · · · · · · · · · ·
32		Institution	nal Subtotal	(Mission versions)	1200 (SE)	
32 33 34		Institution Emergency	Shelter	nan habitation	(e.g. stree	Proses
32 33 34 35		Institution Emergency	Shelter	nan habitation	(e.g. stree	Parises
32 33 34 35 36		Institution Emergency Places not r	Shelter	nan habitation	(e.g. stree	
32 33 34 35 36 37 38	0	Institution Emergency Places not r Unknown Other Other Subt	Shelter meant for hum	nan habitation	(e.g. stree	Parises

	Annu	al Monitoring Report - Eviction Data - Reporting Year 2017 - Mayor's Office of Housing & Community Development
Project	Address:	
This sect	on of the AMR mu	ust be completed for all projects, except for transitional housing or residential treatment services.
Number		to lived in the project during the reporting period:
1	<u> </u>	Number of households who lived in the project AT ANY TIME during the reporting period. Be sure to include all households that moved in during the reporting period.
		olds in the project who received Notices of Eviction during the reporting period for each of the following reasons:
		ason applies to a household, report only the primary reason.) You MUST answer every question (i.e., enter zero if applicable).
3		Breach of Lease Agreement Capital Improvement
4		Condo Conversion
5		Demolition
6 7		Denial of Access to Unit Development Agreement
8		Development Agreement
9		Failure to Sign Lease Renewal
10		Good Samaritan Tenancy Ends Habitual Late Payment of Rent
11 12		naontal tale Fayment of Rent.
13		Lead Remediation
14		Non-payment of Rent
15 16		NuisanceOther
17		Owner Move In
18		Roommate Living in Same Unit
19 20		Substantial Rehabilitation Unapproved Subtenant
21	0	Total number of households who received Notices of Eviction
a resident		
		I detainer actions filed in court by the owner against tenants in the project during the reporting period for each of the following reasons: ason applies to a household, report only the primary reason.) You MUST answer every question (i.e., enter zero if applicable).
22	l man one ro	Breach of Lease Agreement
23		Capital Improvement
24		Condo Conversion
25 26		Denial of Access to Unit
27		Development Agreement
28		Ellis Act Withdrawal
29 30		Failure to Sign Lease Renewal Good Samaritan Tenancy Ends
31		Habitual Late Payment of Rent
32		Illegal Use of Unit
33		Lead Remediation
35		Nuisance
36		Other
37 38		Owner Move In Roommate Living in Same Unit
39		Substantial Rehabilitation
40		Unapproved Subtenant
41	0	Total number of unlawful detainer actions filed
Numbe	er of househo	olds evicted from the project during the reporting period for the each of the following reasons:
(If more	e than one rea	ason applies to a household, report only the primary reason.) You MUST answer every question (i.e., enter zero if applicable).
42		Breach of Lease Agreement
43 44		Capital Improvement
45		Demolition
46		Denial of Access to Unit
47 48		Development Agreement Ellis Act Withdrawal
49		Eailure to Sign Lease Renewal
50		Good Samaritan Tenancy Ends
51 52		Habitual Late Payment of Rent Illegal Use of Unit
53		inegar 95e (J C III. Lead Remediation
54		Non-payment of Rent
55 56		Nuisance Other
57		
58		Roommate Living in Same Unit
59		Substantial Rehabilitation Unapproved Subtenant
60 61	0	Onapproved Subtenant Total number of households evicted (total also used to answer question #35 on Worksheet 1A)
		:

1	IE & EXPENSES		T T		l		REPORTING	disbursement form, will be pre-tilled by MOHD	O in cell P17. <<< Must match LOSP Disbursene
8	12 Month Report Period Number of Units→	Start Date	1/0/1900	End Date	1/0/1900	# LOSP Units	# non-LOSP Units	2b. If the project receives other sources of R	intal Assistance Payments, enter to
9		Account					tial Breakdown	amount in cell R20, and the source/s in cell R	n.
20	Description of Income Accounts	Number	Residential	Non-Residential	Total	LOSP 0%	non-LOSP 9%	Rental Assistance Pmts - OTHER - Amount Rental Assistance Pmts - OTHER - Source/s	
22 Rental I	псото							2c. If the project has been pre-authorized to u Rontal Assistance Paymont, enter the LOSP p	se an "alternative LOSP spir" to all
	j Units - Gross Potential Tenant Rents Assistanco Payments (identify ALL sources in row below if applicable, including LOSP	5120					\$0.00		Contract Con
4 Junding)		5121				\$0.00	\$0.00	Pre-authorized alternative LOSP split for OT	HER ROUTONS OF FORTING P
% Camma	Source/s>	5140						(.0SP	non-LOSP
27	sub-total Gross Rental Income:	3140	\$0.00	\$0,00		\$0.00	\$0.00	\$0.00	
8 Vacanc	y Loss - enter amounts as negative numbers!		T	Must click &	Vacuncy rate	Server contract		Columns L, N. P & R are used for LOSP-	5. Cells in Column G with light gr
				explain if Residential Vac		}		funded projects. If the project does not receive LOSP funding, ignore these solutions, otherwise please follow these data entry	highlighting: can be overriden, bu LOSP-specific expension are being entry level in the project's accoun-
29 Housing		5220		Rate is > 15%			\$0.00	Instructions for LOSP Projects: 1a. LOSP revenue for the reporting period is	6. Cells with pink highlighting ind ulternutive percentages can be us
0 Commer	sub-total Vacancies:	5240	\$0,00	\$0.00	0.00% \$0.00	\$0,00	\$0.00	1b-c, Enter Other Rontal Assistance Amount & Source in R20 & R21, Use P26 if the project	allocate LOSP/non-LOSP, but onl MOHCD written pre-approval; ent authorized "alternative percentag
13	NET RENTAL INCOME:		\$0.00	\$0.00	\$0.00	\$0,00	\$0.00	was approved to use an "atternative split".	approved MOHCD LOSP Budget i
5 Other In			1915 - Temperation			Santification and		allocated to LOSP, then F24 should be = L24.	1
7 Miscella	and Parking Spaces Inequa Rent Income	5170 5190				\$0,00 \$0.00	\$0.00	LOSP, then use a formula for F24 the amount	
separate	tive Services Income - Do not enter supportive services income if it is tracked in a e budget and not appropriate per MOHCD loan terms to be included in Residual s calculation.	5300				\$0.00	\$0.00	calculate.	
39	Supportive Services Income Source/s- identify program source(s) if applicable>		SECTION SECTIONS	2000/2010 PM pro1992		\$0.00	T	and some and dispersions	
11 Laundry	Income - Project Operations (From Operating Account Only) and Vending	5400 5910				\$0.00	\$0.00	Transport MAN AMERICAN AND THE NEXT PROPERTY.	non-LOSP
12 Tenant C	Charges	5920 5990	<u> </u>	-		\$0.00		Jacingongscom/gaddit/yaddit/	А _р 61 Оргарияны <u>н де</u> сте <u>т.</u>
43 Other Re 44	sub-total Other Income Received:	, 3890	\$0.00	\$0.00	\$0,00	\$0.00			
66 47 48 INCOM	TOTAL INCOME RECEIVED:	l.	\$0.00	\$0.00	\$0,00	\$0.00	\$0.00		
19 X	Description of Expense Accounts	Account Number	Residential	Hon-Residential	Total		ial Breakdown non-LOSP		
Manage Manager	ment Fee	6320		L		\$0.00	0%	Pre-authorized al 50.50	tornative LOSP spik
Above t 53 Fee Poli	the Line Asset Management Fee (amount allowable may be limited, see Asset Mgt scy)					\$0.00	\$0.00		
54 Salaries	sub-total Management Expense: SBenefits		\$0.00	\$0,00	\$0.00	\$0,00	\$0,00	COSP (12) SECURE OF THE CONTRACT OF THE CONTRA	non-LOSP
56 Office Si 57 Manager		6310 6330		-		\$0.00	\$0.00	50.00	4
	ee Benefits: Health Insurance & Disability Insurance	6723				\$0.00			
	re Benefits: Retirement & Other Salary/Benefit Expenses	6331	<u> </u>			\$0.00 \$0.00			
81 62 Adminis	sub-total Salary/Benefit Expense:		\$0.00	\$0.00	\$0,00	\$0.00	\$0,00		Process Carrie Banacas Company Control
	ang and Marketing	6210 6311			1	\$0.00		(089 w)	r colculation
85 Office Re	ent	6312 6340				\$0.00	\$0.00	ros.	non-LOSP
87 Audit Ex		6350			6.00000000	\$0.00	\$0.00		A Character Continues
69 Bad Deb		6351 6370			5000	\$0.00	\$0.00	and the second state of th	. name,
70 M-scellar 71 Utilities	necus Administrative Expenses (must click & explain if >\$10k) sub-total Administrative Expense:	6390	\$0.00	\$0.00	\$0.00	\$0.00 \$0.00			
73 Electricat		6450				\$0.00		jajay Parasi kang manggara masa	. Ceratikka kononen
74 Water 75 Gas		6451 6452				\$0.00 \$0.00			
76 Sewer 77	sub-total Utilities Expense:	6453	\$0,00	\$0.00	\$0,00	\$0.00 \$0.00	\$0.00		
78 Taxes at 79 Real Est	ind Licenses tate Taxes	6710		[\$0.00	\$0.00	Pre-authorized of	non-LOSP split
BO Payroll to	ixes	6711				\$0.00	\$0.00		100000000000000000000000000000000000000
82	neous Taxes, Licenses, and Permits sub-total Taxes and License Expense;	6719	\$0,00	\$0.00	\$0,00	\$0.00 \$0.00	\$0.00		
	and Liability Insurance	6720			AND ADDRESS OF	\$6.00			ernahve LOSP split
36 Workers'	Bond Insurance © Compensation	6721 6722				\$0.00 \$0.00	\$0.00 \$0.00		non-LOSP
98 [s & Officers Liabilities Insurance sub-total Insurance Expense:	6724	\$0.00	\$0.00	\$0.00	\$0.00 \$0.00	\$0.00		
IMPORTA	uance and Repairs ANT NOTE RE: TREATMENT OF CAPITAL AND NON-CAPITAL MAINTENANCE REPAIR EXP	ENSES ELICIBLE FOR	PAYMENT BY REPLA	CEMENT RESERVE: II p	ossible, exclude	LOSP	non-LOSP	egyegifellő kösserekő éstrebe	eerigiidikaasuu
AU SHOWNING	on this accision. If you do include these experiment here, he suite to record the amounts in re	6510	and 210 215 below (ca)	printl)		Market Street	l e e		t calculation
Payroll Supplies		6515			1000 100000	\$0.00 \$0.00	\$0.00 \$0.00		non-LOSP
3 Contract		6520 6525		-		\$0.00 \$0.00	\$0.00 \$0.00	Pro.authorgoid alternation	e LOSP split for contracts
6 Security	Payrol/Contract	6530				\$0,00	\$0.00	The second accordance and the second accordance accordance accordance and the second accordance accordance accordance accordance accordance accordance and the second accordance a	
	lepairs and Maintenance and Maintenance Equipment Operation and Repairs	6546 6570				\$0.00 \$0.00		*	
	neous Operating and Maintenance Expenses (must click & explain if >\$10kl sub-total Maintenance Repair Expense:	6590	\$0.00	\$0,00	\$0,00	\$0.00		Pre-autherred al	mmative LOSP split
Support	tive Services: do not enter supportive services expenses if tracked in separate	6900							
00 budget a	and not eligible to be counted against project exports for residual receipts calculation. SUB-TOTAL OPERATING EXPENSES:	LOSES AND BURG	\$0.00	\$0.00	\$0.00	\$0.00 \$0.00	\$0.00	LOSP	non-LOSP
Capital I	Maintenance Repains/Improvements eligible for payment by Replacement Lift capital costs were entered in amounts for Maintenance & Repairs section above								
and are e Replacer	eligible for payment by the Replacement Reserve, please enter details in ment Reserve-Eligible Expenditures below, beginning from row 207. Amounts								
Non-Cap	in F210.215 will be linked to cell F102 and netted out from operating expenses. prial Maintenance Repair Expenses eligible for payment by Replacement.		50 00			\$0.00	\$0.00		
Reserve & Repair	c. Only enter amounts here if they were included in amounts entered for Maintenance in section above and will be reimbursed by Replacement Reserve. Amount will be								
03 netted or	ut from operating expenses. Enter as positive number			wassesser State	n magaal (2009). C	\$0.00	\$0.00		
25	TOTAL OPERATING EXPENSES:	Name of Lesson	\$0.00	\$0,00	\$0.00	\$0.00	\$0,00	mony of the court	La anti-processing terror
1		Bond Monitoring Agency/ Reserve							100 mg
07 Ground L	Lease Base Rent/Bond Foes/Reserves Lease - Base Rent (provide Lessor name to the right)	Account			\$0.00	LOSP \$0.00	non-LOSP \$0.00	LOSP	non-LOSP
Replacer	ontoring Fee ment Reserve Required Annual Deposit (Source is Operating Account.) Enter as	48			50 00	20,00	\$0.00		
39 positive r	humber,	1320			\$0.00	\$0.00	\$0.00		
Operating	g Reserve Deposits (Source & Operating Account.) Enter as positive number, g Reserve Account Withdrawals (For deposits to Operating Account.) Enter as	1365			\$0.00	\$0.00	\$0.00		
Other Re	number. rquised Roserve Account Deposits (Source is Operating Account, Enter as positive Identity reserve account in next on) (1330)				\$0.00 \$0.00	\$0,00 \$0.00	\$0.00	estation transcription	t calculation
	Identify reserve account in next cot) (1330) squired Reserve Account Withdrawals (For deposit to Operating account, Enter as				\$0.00	\$0.00	\$0.00	LOS spi	
Other Re	number identity account in next col>							and the second s	
Other Re	number Identity account in next col> Sub-total Ground Lease Base Rent/Bond Fees/Reserves		\$0.00	50.00		\$0.00		LOSP	non-LOSP

	В	0	F	н	J.	L T	N .	Р	R
15	Annual Monitoring Report - Fiscal Activity - Report	ing Year 2017 - Mayor's Office of Ho	using & Communi	ty Development					
120	03. NET OPERATING INCOME;	Playersupplement.	\$0.00	\$0,00	\$0.00	\$0,00	\$0.00	Wali belanyi Payayan ing di	

pot Service (Principal and Interest) et 1. Principal Pard (priorde lexicles rains to the right) Interest Pard Cities Amount (Sersche to me right) Act 2. Principal Pard (priorde lexicle in one right) Netroet Pard Other Amount (Sersche to the right) Other Amount (Sersche to the right) Interest Pard Other Amount (Sersche to the right) Interest Pard Other Amount (Sersche to the right) Interest Pard Other Amount (Sersche to the right)	Name of Lender / Doscribe Other Arek Paid	Residential	Non-Residential	Total	LOSP	non-LOSP	roæ	non-LOSP
Intenses Pad Other Amount (Sesserine to the right) 402 - Phonopal Pad (provide lender naver to the right) Interest Pad Other Amount (Sessinite to the right) 403 - Phonopal Pad (provide lender naver to the right) Interest Pad Other Amount (Sessinite to the right) Other Amount (Sessinite to the right) Other Amount (Sessinite to the right)								
Cities Amount (Sessibles to the nght) Ace 2- Pranapal Paul (pravide lender name to the right) Interest Paul Other Amount (Sessibles to the nght) Ace 2- Pranapal Paul Interest Paul Content Paul Content Paul Content Paul Ace 2- Pranapal Paul			1		\$0.00	\$0.00 \$0.00		
Interest Pad Other Amount (describe to the right) no Primopal Pad (glovide lander name to the right) Interest Pad Other Amount (describe to the right) red Primopal Pad (grovide lander name to the right) red Primopal Pad (grovide lander name to the right)					\$0.00	\$0.00		Control de la ligitation de la control de la
Other Amount (describe to the right) of Principal Paid (provide lender name to the right) Interest Paid Other Amount (describe to the right) Other Amount (describe to the right)					\$0,00 \$0.00	\$0.00 \$0.00		
Interest Paxt Other Amount (describe to the right) er4 - Principal Paxt (provide lender name to the right)	#57.00-40-41.08 LD-00.08.08				\$0.00	\$0.00		
Other Amount (describe to the right) er4 - Principal Poid (provide lender name to the right)	202585407622808295				\$0.00 \$0.00	\$0.00 \$0.00		
er4 - Principal Payd (provide lender name to the right)	2007.0000000000				\$0.00	\$0.00		gradient de la company de la c
	navenavezeeltävistäve ti				\$0,00	\$0.00		
Interest Paid Other Amount (describe to the right)	Activities of conserve				\$0.00 \$0.00	\$0.00 \$0.00		Control of the Contro
Total Debt Service Payment	\$	\$0.00	\$0.00	\$0.00		\$0.00		ernative LOSP split
				5270x 10367-0041205	DS124076101864803015		SCIENCE AND RECEIVED AND RECEIV	Control of the second s
Surplus Cash, Detail (NO) minus Debt Service and Reserve Activity		\$0.00	\$0.00	\$0.00	Cells below allocate	any non-residential surplus	Pre-authorized alternative LC	Service continues and continues and
	Les established	STORY SERVENSES		Many Josephs	AND CHESTON OF THE	m H137.	LOSP	non-I OSP
ourit for Surplus Cash above is negative; u must provide a detailed explanation to quostion #8 on the Narrative worksheet		Go to v	es4 Narrative questio	n.#8				
u must NOT supply data for any of the fields for Uses of Surplus Cash below Surplus Cash, Total	S Constitution of the Cons	SHAMMAN SET SOMEONES	ageagastern agezeganta.	\$0.00	\$0.00 \$0.00	\$0.00 \$0.00		
ribution of Surplus Cash/Residual Receipts - (Response Required.) in the s	pace below, please p	rovide a detailed n	arrative summary of at	iowabie		erikétéses egé		
butions of Surplus Cash that accurately reflects the requirements under all MOH oments that govern, Please include the calciustion methodology, applicable anni	CD agreements as w al increases, etc. Fo	all as the requireme proposed distribut	ints of other funders a ion amounts entered ii	nd any other n column J,				
143-164, select the distribution priority for each of the uses of cash flow/suprlus ICD agreements or other funder agreements, enter N/A in the box below.								
or agreement of area minute agreements, enter two in are won peron.								
					Resident	µi Breakdown		
S OF SURPLUS CASH THAT ARE AUTHORIZED TO BE PAID PRIOR TO CALCULAT MENTS (IF APPLICABLE)	ON OF RESIDUAL RE	CEPTS	Distribution Priority (scloct below)	Larve cells below Mark it Suspice Cost				
na voje u baj rava na smitra j sa na dia dejan e ve na orieve a si jesa me a na dejan men e i jesa e je	les es	ASSESSMENT OF THE RESIDENCE OF T	(Sacross)	100 to ++ 30.	LOSP	non-LOSP	The second of the second will be recent	
rerating Reserve Replenishments (Deposits made out of surplus cash to satisfy num balance requirements).						\$0.00	Pre-authorized alternative LC	SP splt for Non-Rex Surplus
selow-the-line" Asset Mgt fee (prior written authorization from City/SFRA may be			-					
red, see Asset Mgt. Fee Policy). artnership Management fee due from this reporting period, if any (tax credit project					1000/06/15/05/5/19	\$0.00	roza	non-LOSP
not allowed if project is beyond 15-year compliance period). artnership Management (se accrued but unpaid from PRIOR reporting periods, if					\$0.00	\$0.60		minegergerical Addition
tax creds projects only, per City policy, not allowed if project is beyond 15-year filance period: I vestor Services Fee (aka L.P. Asset Management Fee) due from this reporting						\$0.00		- · · · · · · · · · · · · · · · · · · ·
 iii any (tax credit projects only, per City policy, not allowed it project is beyond 15-year 	,				associately.			
iliance period) ivestor Services Fee (aka LP Asset Management Fee) accrued but unpaid from					\$0,00	\$0.00	Manager and Salah St. St.	
R reporting periods, if any (tax credit projects only, per City policy, not allowed if ct is beyond 15-year compliance period).		100				\$0.00	Pre-authorized afternative LC	SP split for Non-Res Surplus
eferred Developer fee, if any					\$0.00	\$0.00		
Other payments: use question #1 on the Narrative (worksheet #4) to provide details	Gp.to.ws4							
any fees or other payments, including ground lease residual rent payments for a non- CD/OCII ground lease. Failure to provide details will result in disallowance of this	Narrative question. #1							
nse. You may only include payments that were approved by MOHCD at time of funding are also explicitly authorized by a Partnership Agreement or similar project document.					\$0.00	\$0.00		4.00
Debt Pmt to other lendert: Principal Paid (note lender name to right)	10.110.000.000				\$0.00	\$0.00		
Debt Pmt to other lender1; Interest Paid Debt Pmt to other lender2: Principal Paid (note lender name to right)					\$0.00 \$0.00	\$0.00 \$0.00		101001000000000000000000000000000000000
. Debt Pmt to other lender@ interest Paid	200 mg 1				\$0.00	\$0.00		
Total Payments preceding Residual Receipts Calculation		legister of the		\$0.00	\$0,00	\$0.00		
ESIDIAL SECTION				* In COMMONWEAR STORY	vario no destroye	and the second s		
ESIDUAL RECEIPTS	Annual Control		Distribution Priority	\$0.00 Laure ords below	\$0.00	\$0.00		
126			(seed below)	dark If Surplus Cod is 4a 30.	LOSP	non-LOSP	Pre-authorized alternative LC	ISP apin for Non-Res Surplus
MOHCD Residual Receipts Due for Loan Repayment	4	4/25/2014			\$0.00	\$0.00		Control of the Contro
MOHCD Residual Receipts Due for Ground Lease Residual Ront Payment					\$0.00	\$0.00	0.00%	
The state of the s	1				A1111111111111111111111111111111111111	30 00	000%	The state of the s
Subtotal Residual Receipts Payments to MOHCD	and an account of the		AND THE PROPERTY OF THE PARTY O	\$0.00	\$0.00	\$0.00		
Residual Receipts Dobt Pmt to other lender3 (note lender name to right)					\$0.00	\$0.00		
Residual Receipts Dobt Pmt to other lender4 (note lender name to right)	-				\$0.00	\$0.00		
Residual Receipts Debt Pmt to other lender5 (note lender name to right) Total Residual Recipts Payments	V-12-KCSS/ME-VALUERHO		00000000000000000000000000000000000000	\$0,00	\$0,00	\$0.00		
NOT SUBMIT YOUR PROPOSED RESIDUAL RECEIPT PAYMENT TO MOHO	Consumination of the Consumina	MOHCO PALL CO	NEW YOUR PROCES	SOUTHWISE SOUTH		ial Breakdown		
NOT SUBMIT TOUR PROPOSED RESIDUAL RECEIPT PATMENT TO MORE GENERATE AN INVOICE IF THE CALCULATION CAN BE VERIFIED AS APP CONTACT	ROPRIATE: IF THE	CALCULATION C	ANNOT BE VERIFIED	MOHED WILL			*	
aining Balance	rod.			\$0.00	LOSP \$0.00	100-LOSP \$0.00		
	terentaka njalajara uz		Company to be prosper		81 169 m >0 enter	(836) NEED INCOME PRODUCTION OF		
					that number in J172			
osed Owner Distributions (provide description in column D and enter amount in					amount will be treated as the LOSP]		
osed Owner Distributions (ployoe description in column C and enser amount in in J. If an amount is entered, a description is required.)	1				CY surplus	residentiales dues numero o o o		
						If N189 is >0, you may		
osed Other Distributions/Uses (provide description in column D and enter amount in						enter that amount in J171. & N171 above if your		
nn J. If an amount is entered, a description is required. If you had a Calendar Year LOSI us, please acknowledge that and note exact amount.)	1	-			I	LOSP budget allows an owner distribution	•	

\neg	В	D	F	Н	J J	L N	P	R
	Annual Monitoring Report - Fiscal Activity - Reporting Year 2017 - N	Mayor's Office	of Housing & Co	ommunity Develop	ment			
15		,		,p		Г	· · · · · · · · · · · · · · · · · · ·	
176	RESERVE ACCOUNT DETAILS PERATING RESERVE (Or not leave blanks for any questions asking for a number, enter zero in Minimum Required Balance: Recipioning Balance:	Cital Institution	SALAH CENGGENINAN	university of the second	istat e Utalov.	i		
177		Table 1 (co. mount)	Lateral Selection (College College Col	SHILL ELLEWAY OF THE SHIP WAS AND THE	916 92 9 10 COLUMN 11 TO THE COLUMN 12 T			
1//0	Minimum Required Balance:	TEMPO J						
179	B				Residence.	ı		
160	Beginning Balance: Actual Annual Deposit (don't eds - taken from page 1 account number 1365):							
181	Actual Annual Deposit (don't edit - taken from page 1 account number 1365):	\$0.00				İ		
182	Interest Earned: Annual Withdrawai Amount (enter as negative number)							
	Annual Withdrawal Amount (enter as negative number):							
83	Ending Balance (don't edit cell – calculated):					ĺ		
84	Ending Balance (don't edit cell – calculated): Required Annual Deposit:	\$0.00				ĺ		
es	Required Annual Deposit							
-	Total Operating Expenses plus debt service (don't edit cell – calculated)					ĺ		
86		\$0.00			KANDAN AND PAR	ļ		
-	If the calculated percentage shown to the right (Op Reserve Account Ending Balance divided by Total Op Expenses) is less than 23.5%, you must describe how							
١	the project will remedy the shortfall in the adjacent cell.					•		
1								
-	If the calculated percentage shown to the right is greater than 26.5%, you must explain why the Op Reserve balance exceeds MOHCO's requirement in the adjacent							
87	explain why the Cip Reserve balance exceeds MOHCO's requirement in the adjacent cell.	0 000%						
28		0000				İ		
P	REPLACEMENT RESERVE (Do not leave blanks for any questions asking for a number, enter the Minimum Required Balance:	ro indead)	230000000000000000000000000000000000000	0.16 (200.001)	MANAGEM AND			
1	Beginning Balance					l .		
2	Actual Annual Deposit:					i		
	Interest Earned:		abestruenignijaven	resultation from the Park Augus	MOURACOLUSION AS	İ		
1	Annual Withdrawal Amount (enter as negative number):					i		
اه						l		
1	Ending Balance (don't edit cell – calculated):	\$0.00				I		
١	Required Annual Deposit (do not edit - taken from page 1 account number 1320).	**				l		
e	Describe how the amount of annual deposit and the minimum required	\$0.00	A STATE OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF THE PARTY OF T	general REPRODUCTION SE	100445000000000000000000000000000000000	1		
1	balance is determined.							
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7						ĺ		
	HANGES TO REAL ESTATE ASSETS	and organization	SHAP EVEN CONTRACT	speed Secretary Control (SP17	280099A009437681	İ		
		tegories will auto	[I .	Balance,	ĺ		
9	ciner organisms and provide the plantifiers in each of the categories inseed before. Changes in assert or abblished Building & Improvements		Salance, 1/00/1900	Changes	1/00/1900	ł	•	
1	suraning a improvements		1	\$0.00				
٦	Offsite Improvements			243756000000000000000000000000000000000000	t	1		
z				\$0.00				
- 1	Sile improvements		1			ĺ		
4	and Improvements			\$0.00		•		
4	herent and description		1	\$0.00				
٦	urinture, Factures & Equipment			100000000000000000000000000000000000000	1	l		
5				\$0.00		ı		
- 1	Other				ļ			
06			1	50.00	i .			
-	Replacement Reserve-Eligible Expenditures: Provide details below about the Capital ar	orl non-Candal F	vneoditures that as	e Replacement Reser	ve elimible			
07	. La compression de la compressión del compressión de la compressión de la compressión de la compressi	Columbia de la colonia de la c	Party-respect		and Jakin	i		
	named Barratur and harmonic casts East and Santata and incompared casts provided with	h the recenting on	or Earnach enteners	in sour 200,206 show	that shows a			
ı	ostave change, an entry is required in each corresponding cateogry is rows 210-215. If the operat	ting account is us-	ed initially to fund the	repair, and is later rout	bursed by the			
į	Capital Repairs and improvements: Enter capital repairs and improvement costs associated will costwor change, an entry is required in each corresponding category is rows 210-215. If the operate oplacement reserve during the reporting year, show the repair cost under "Replacement Reserve the replacement reserve during the reporting year, show the repair cost under "Operating Account the replacement reserve during the reporting year, show the repair cost under "Operating Account and the properties of the reporting year.	if the operating	acount is used to fun	id the repair and was no excusion of the cantal	n reimbursed by			
	mprovements made.	diameter and	1000 000 000 000 000 000 000 000 000 00	and a Carlo November	destination.	i		
ē		Capital Repu	airs and Improveme	nts Funded By: 12 64	of mintrevillation	i		
		Replacement	airs and Improveme	605 Park 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				
4	Capital Repairs and Improvements - Categories	Reserve	Operating Account	Other Source	Total Amount	ł		
ď	Building & Improvements			I	20 00	l		
1			I	I	I	i		
				1		i		
4	Offsele Improvements		-		\$0.00	ł		
J	ingrovements		1		50 00	l		
ı					\$	ı		
4	and Improvements				\$0.00	1		
-				1		l		
ا	Furniture, Factures & Equipment				\$0.00			
			I	l -		l		
g	Other				\$0.00	į .		
7	Other Total Description of Cepital Repairs and Improvements	\$0.00	\$0.00	\$0.00	\$0.00	1		
1	A CONTRACTOR OF THE CONTRACTOR					i		
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9						İ		
	ion-Capital Replacement Reserve Eligible Expenditures (i.e., labor costs): Enter the amount	s used to fund no	n-capital replacement	t reserve eligiblie expen	dtures. Use	l		
ģ	ection below to supply explanations.		والمصادرة والمساورين	Vite er oets joonse goet	and the first of the second	j		
ŀ	Source	66(234)(1907)(3)			Amount			
2	Solution Paid out of Operating Budget, to be reimbursed by RR (shows the amount entered in row 103 abo	ove)			\$0.00	l		
Ì	Paid Directly from Replacement Reserve					İ		
i	Other Source				-	1		
i					1	ĺ		
ا						ı		
s	Optionation of Non-Capital Replacement Reserve Eligible Expenditures	sicaleopeirasiy.	KI ILYAYSA (USA) (USA)	Total	\$0.00	1		
1						l		
-						1		
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٦	TOTAL REPLACEMENT RESERVE ELIGIBLE EXPENDITURES: the Replacement Reserve		Γ	068802888888	r	ĺ		
-		RR Withdrawal		Total RR-Eligible	I	l		
ا,,	rowde more datasts above or an explanation below if the RR withdrawal amount exceeds the Total RR- Signific Expenditures.	RR Withdrawal	\$0.00	Total RR-Eligible Expenditures	\$0.00	l		
		PDS/wessesses/ukm	A STANDARD BENEVARIAN	nasenik@/kasaessk	30,00	i		
s	ides Aboul RR Withdraval Amount in cooss of Total RR-eligible Expenditures	WATER THE			網數學問題	1		
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Annual Monitoring Report - Fiscal Activity - Reporting Year 201	7 - Mayor's Offic	e of Housin	ng & Con	nmunity Devek	opment	•			•				
231 FEDERAL PROGRAM INCOME REPORT	icuses ingerralites inst	(4310) Taxay	5420 VIII (\$1)	segarusalmisilgaya)	21.000000000000000000000000000000000000	DOMESTIC STREET						*****	
This section must be completed if the project received any CDBG funding, even if the a 233 more information, use the following link or copy this web address for manual navigation of the complete of the comp	mount of CDBG pro	gram income	e during th	e reporting perio	d was zero	. For							
236 237 CDBG PROGRAM INCOME													
Proposed amounts to be used to fund eligible CDBS activities as described in the Federal CDBS Program Regulations at 24 CPR 570.201-205 and consistent with the City's 2015-2019 Consolidated Plan; 2017-2018 Action Plans as follows:	AMOUNT	DESCRIPT	10N										
Amount to be used for CDBG eligible activity#1 (provide amount in cell to the right, and activity description and regulation citation in column (urthest to the right):													
Amount to be used for COBG eligible activity#2 (provide amount in cell to the right, and activity description and regulation citation in column furthest to the right): 240													
Amount to be used for CDBG eligible activity#3 (provide amount in cell to the right, and activity description and regulation citation in column furthest to the right): 241													
Amount to be deposited for use on future eligible CDSG activities that will be undertaken by June 30, 2016 (provide amount in cell to the right, and activity description and regulation octation in column furthest to the right):													
Other (provide amount in cell to the right, plus activity description and regulation citation in column furthest to the right):													
Total CDBG Program Income Calculation(see instructions for guidance on how to 244 calculate)													
To ensure the eligible use of CDBG Program Income, the recipient of federal (and Community Development for the use of CDBG program income received in					Office of	Housing							_

												om the rent roll of the last month					1900	<u></u>	# Units:	<u> </u>	
		Identify units, pr For tena (within re For tena the proje Before u pasting	manager's unit ovide data in co ints who moved eporting period; ints who have to ect, i.e. when the ising the "paste	with the unit nu plumns D, E, P, I in during the re I, respectively. ransferred units ey first moved i. " function to en- the choices of the	mber, follow R and T <u>onlig</u> porting period within the part to the build ter data in co	by "- Mgr", Fo Y. od, the data e roject, report t sing. olumns E and	ntered in column the initial occupar P (Orange Highli	manager occ s F, G & H (a ncy data (occ ighting in Col	cupies Unit : t initial occu upancy date umn Heade	pancy) sho , income, l r), please c	mn D, enter "Si uid be the sam lousehold size) heck the drop-c	on - Mgr." For vacant units and to as the data entered in column for the first unit that the tenant lown-menus to ensure that the ms with invalid data will be refus	ns I, J & K Loccupied in data you are								
		100 E 100	Care at #120200	6	[assauces	Transport	longsey rooms	k	(Stray Street	38 4 60	especial Company		CARCONOUR (FESSEL) o various accessor i vario		Loss e		1000	l o	19 10 3	water	Lorent State
to≠ Num	Und No.	Unit Type (8ed / SRO / Studio / 18R / 28R / 38R / 48R / 5+8R)	Date of RHTIAL OCCUPANCY (mid/9999)	Household Aresus Income AT INITIAL OCCUPANCY	Household Size AT INITIAL OCCUPANCY (number)	Dafe Of Most Recent income Recentification WITHIN REPORTING PERIOD (mid/yyyy)	Household Arnual Income as of Most Record Recordification WITHIN REPORTING PERIOD	Household Size (number) as of Mork Recent Recent dation WITHIN REPORTING PERIOD	Min Occupancy for Unit Type (per dista entered on worksheet 1A)	Max Occupancy for Unit Type (per data entered on worksheet 1A)	is the Household Overhoused or Overcrowded?	Overhoused / Over crowded — Narrative (Espansion required for each row where explored in the explored in the explored in Colored in the explored in Colored in the explored in Colored in the explored in Colored in the explo	Rental Associance Type (select "noors" if norse)	Amount of Rental Assistance	Amount of Mannum Gross Real Allowed for Und (enter \$0 of n/a)	Amount Tenant Paid Rent for Unit	Utility Allowance (Enter 10 of all solities, are included.)	194 Rent Burden (senan) part rent plus staty allowance x 12 / th income): (30-10%, should never asseed 100%.	Date Of Most Recent Rent Increase WITHIN THE REPORTING PERIOD (mid/yyyy)	Amount of Most Recont Rest Increase WITHIN THE REPORTING PERIOD	Stage of Rer Increase (calcul do not erries
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					Annual Monitoring Report - Demo Mayor's Office of Hou	ographic Information - Resising & Community Deve		17 -				
Project A	Address:	Data supplied on this worksheet must be from the rent roll of the last month of the reporting period that was entered on worksheet 1A.						1/0/1900 # Units:				
		Select one Select one For legace Latino/His Select one	Provide the data requested for the tenant population that was residing in the project at the end of the Reporting Period. Select one Ethnicity category for the head of household. If unknown, manager's or vacant unit, select "Not Reported". Select one Race category for the head of household. If unknown, manager's or vacant unit, select "Not Reported". To legary race and entimicity data that propriat race and entiticity as a stiller field, an additional category of "Not Reported" should be used to categorize a head of household's race if it is listed as altitrofringants, in these cases, the percor's entimicity does listed as Lutinofringants and hinther trace would be field as "Not Reported". Elected one Gender's, one Sow and one Set succul constantionalities (selecting) to the head of the									
· c	0	E	F	G	H.		l sagera e la company		Last Control		N	
Row Num		Unit Type (Bed / SRO / Studio / 1BR / 2BR / 3BR / 4BR / 5+BR)		Ethnicity (solect from drop down menu)	Race (salect from drop down menu)	Gender (select from drop down menu) for Occupancies AFTER 6/30/2017	Sex at Birth (select from drop down menu) for Occupancies AFTER 6/30/2017	Sexual Orientation / Sexual Identity (select from drop down menu) for Occupancies AFTER 6/30/2017	Elderly House- hold (yes/no)	Number of Children under Age 18 in HH	Disability (select one)	
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2												
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Annual Monitoring Report - Summary of Reported Household Demographics - Reporting Year 2017 - Mayor's Office of Housing & Community Development

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

	# Reported Households	% of Total
One Person Household	0	
Two Person Household	0	
Three Person Household	0	
Four Person Household	0	
Five Person Household	0	
Six Person Household	0	
Seven or more Person Household	0	
TOTAL Households*	0	

TOTAL Residents
*Excludes 0 unit(s) reported as manager's or vacant unit(s).

Laad.	of Har	cahal	d Dag	o/Ethi	aiaite,

	# Reported	
	Head of HH	% of Total
Hispanic/Latino	0	
Not Hispanic/Latino		
American Indian/Alaskan Native	0	
Asian	0	
Black/African American	0	
Native Hawaiian/Other Pacific Islander	0	
White	0	
American Indian/Alaskan Native and Black/African American	0	
American Indian/Alaskan Native and White	0	
Asian and White	0	
Black/African American and White	0	
Other/Multiracial	0	
Not Reported	0	
Total Head of Households	0	

Gender	# Reported Head of HH	% of Total
Female	nead or fire	70 OI TOTAL
Male	0	
Genderqueer/Gender Non-binary	0	
Trans Female	0	
Trans Male	0	
Not listed	0	
Declined/Not Stated	0	
Question Not Asked	0	
Total Head of Households	0	

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

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

Other Household Demographics

	# Reported
Elderly Households	(
Households with Children Under 18	(
Number of Children Under 18	(
Households with Tenant with Physical Disability	(
Households with Tenant with Visual Disability	C
Households with Tenant with Hearing Disability	(
Households with Tenant with Mental/Devt Disability	C
Households with Tenant with Other Disability	0
Households with Tenant with More than One Disability	C
Households with Tenant with No Disability	(

Target and Actual Population Served

Talyer and A	ctual r opulation Serveu		
Tar	get Population	Ac	tual Population
0	Families	0	Families
0	Persons with HIV/AIDS	0	Persons with HIV/AIDS
0	0 Housing for Homeless		Housing for Homeless
0	Mentally or Physically Disabled	0	Mentally or Physically Disabled
0	Senior Housing	0	Senior Housing
0	Substance Abuse	0	Substance Abuse
0	Domestic Violence Survivor	0	Domestic Violence Survivor
0	Veterans	0	Veterans
0	Formerly Incarcerated	0	Formerly Incarcerated
0	Transition-Aged Youth ("TAY")	0	Transition-Aged Youth ("TAY")

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

P	ro	iect	Street	Address:
,	10		Oucci	Muuless.

Reporting Period - Start Date: 1/0/1900 Reporting Period - End Date: 1/0/1900

MOHCD created the questions below to allow project owners to supply additional information about a small number of measurements that may indicate that a project is having difficulties. By providing this information, project owners will help provide context for the conclusions that can be made about the measurements. MOHCD will use the measurements and the information below to prioritize the projects that need closer scrutiny and support. Please supply as much information as is readily available.

1	. Explanations & Comments
	Use this space to record notes about any peculiarities in the data entry process. For example, if you entered a formula instead of a single number for a field, make a note here re: for which question on which worksheet that was done, and describe the formula & underlying numbers. Also use this field to describe in detail any amounts entered for "Other payments" on the worksheet "2.Fiscal," item 10.

2. Code Violations

Provide the following for any violations or citations of Health or Building or Housing Codes that were issued during the reporting period, or were issued in a prior reporting period but remained open during any time of the current reporting period:

Violation or Citation #	Date Issued	Issued By	Description	Cleared? (y/n)
		The state of the s		

(add additional rows as needed)

** ONLY FOR ALL VIOLATIONS THAT WERE NOT RESOLVED by the end of the reporting period: You must also attach a SCANNED copy of each Violation/Citation to your AMR submittal. **

Violation or Citation #	Date Cleared	Issued By	Description of Remedy
			·

(add additional rows as needed)

** ONLY FOR ALL VIOLATIONS THAT WERE NOT RESOLVED by the end of the reporting period: You must also attach a SCANNED copy of each Violation/Citation to your AMR submittal. **

Describe any major repair or replacement needs that have been identified as being required within t 2 years, and any related plans to pay for whatever is needed.	he next
4. Vacant Unit Rent-Up Time	
If the project had an average VACANT UNIT RENT-UP TIME greater than 30 days for question 36 worksheet "1A.Prop&Residents," you must supply the following:	on the
 a. A description of the work done to analyze the cause/s of the high turnaround time, and what the identified causes are; and 	
 b. A description of the work done to identify means of reducing the turnaround time, and all viable remedies that have been identified; and 	
 c. A description of the plan to implement any remedies, including specific timelines for the implementation work. 	

marketing that was conducted, including a. when the marketing was conducte to apply for the project; b. any advertising, direct mailings, en	mailings and web postings that were done; and e waiting list prior to the marketing and how many were on it
6. Vacancy Rate> If the project had a VACANCY RATE gre Expense section of the worksheet "2.Fisc	eater than 15%, as may be shown above from the Income
•	analyze the cause/s of the vacancy rate, and what
	dentify means of reducing the vacancy rate, and all entified; and
 c. A description of the plan to implem the implementation work. 	nent any remedies, including specific timelines for

7. Miscellaneous Expenses: Administrative/Operating & Maintenance

If the project had miscellaneous administrative or miscellaneous operating & maintenance expenses greater than \$10,000 respectively, you must provide a detailed itemization of these individual expenses below. Total expenses must equal the total amount reported on the worksheet "2.Fiscal."

Misc. Admin Expenses			
		HUD	
Expense Description	Amount	Acct #	Notes
Total:	0.00		
Diff. from Fiscal Activity WS:		J	
Misc. Operating & Maintenance Exp	penses		<u>.</u>
		HUD	
Expense Description	Amount	Acct #	Notes
			447
			•
Total:	0.00		
	0.00		
Diff. from Fiscal Activity WS:		1	
8. Negative Cash Flow			
If the project had NEGATIVE CASI worksheet "2.Fiscal," you must sup		own above from	the Income Expense section of
 a. A description of the work do identified causes are; and 	ne to analyze the cause	s of the shortfal	l, and what the
 b. A description of the work do remedies that have been ide 		for the shortfall, a	and all viable
 c. A description of the plan to i the implementation work. 	mplement any remedies	, including speci	fic timelines for
 d. If the project has a Project-E please also supply the date project will submit the next whether the project has been 	of the last increase to t HAP contract rent increa	he HAP contract ase, and any rela	, the date when the ated comments about
			·.

	-		

	Annua	l Monitoring Report - Pr	roject Financing - Rep	orting Year 20	17 - Mayor's Office of	Housing & Community D	evelopment	
Provide in	formation about all current financing of	the project. Lenders sho	uld be listed in lien orde	er, i.e., with the	most-senior lender in th	e first lien position, the mo	st-junior lender in last lien posi	ion.
Project Add							,	
Current	Project Financing							
Lien Order	Lender (and Loan Program if applicable)	Loan Amount	Interest Rate	Maturity Date	Repayment Terms	Monthly Debt Service Payment	Outstanding Principal Balance As Of End of Prior Reporting Period	Accrued Interest As Of End of Prior Reporting Period
1								
2				+			-	
4		-1						
5								1
. 6								
7								
8								
9				4			 	
10	<u> </u>		L		1		1	1

u de la companya de la companya de la companya de la companya de la companya de la companya de la companya de	Annual Manhaira Basari	- Services Funding - Reporting Year 2017 - Ma	and the state of Hous	Tourston ment		
	Asindar Homeoning Report	- Sel vices Fullang S Reporting 1 car 2011 - ma	or some or rousing a community	Development		Paul Carrier (1911)
pletion of this page is required based grant, please repeat the data for ea	d on your answers to questions 51 thru 61 on worksh ach service provided.)	neet 1A.Prop&Residents. Supply one row of data f	or each service that is being provided. (If	more than one service is	being provided by the sa	me Provider under th
ect Address:						
rent Services Funding						dhistoideachan
ice Type	Service Provider Name	Street Address where Service is Provided	Name of Funder of this Service	Grant Amount	Grant Start Date	Grant End Date
						_
						+

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

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

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

Management	Total	LOSP	Non-LOSP
6320 Management Fee	\$0	\$0	\$0
"Above the Line" Asset Management Fee	0	0	0
Total Management Expenses:	\$0	\$0	\$0
Salaries/Benefits			
6310 Office Salaries	\$0	\$0	\$0
6330 Manager's Salary	0	0	0
6723 Employee Benefits: Health Insurance & Disability Insurance	0	0	0
Employee Benefits: Retirement & Other Salary/Benefit Expenses	0	0	0
6331 Administrative Rent Free Unit	0	0	0
Total Salary/Benefit Expenses: _	\$0	\$0	\$0
Administration			
6210 Advertising and Marketing	\$0	\$0	\$0
6311 Office Expenses	O	0	0
6312 Office Rent	0	0	0
6340 Legal Expense - Property	0	0	0
6350 Audit Expense	0	0	0
6351 Bookkeeping/Accounting Services	0	0	0
6370 Bad Debts	0	0	0
6390 Miscellaneous Administrative Expenses	0	0	0
Total Administrative Expenses: _	\$0	\$0	\$0
Utilities			
6450 Electricity	\$0	\$0	\$0
6451 Water	0	0	0
6452 Gas	0	0	0
6453 Sewer	0	00	0
Total Utilities Expenses:	\$0	\$0	\$0
Taxes and Licenses			
6710 Real Estate Taxes	\$0	\$0	\$0
6711 Payroll taxes	0	0	0
6790 Miscellaneous Taxes, Licenses, and Permits	0	0	0
Total Taxes and Licenses Expenses:	\$0	\$0	\$0
Insurance			
6720 Property and Liability Insurance	\$0	\$0	\$0
6721 Fidelity Bond Insurance	0	0	0
6722 Workers' Compensation	0	0	0
6724 Directors & Officers Liabilities Insurance	0	0	0
Total Insurance Expenses:	\$0	\$0	\$0

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

Maintenance and Repairs		Total	LOSP	Non-LOSP
510 Payroll		\$0	\$0	\$0
5515 Supplies		0	0	C
5520 Contracts		0	0	C
5525 Garbage and Trash Removal		0	0	C
5530 Security Payroll/Contract		0	0	0
6546 HVAC Repairs and Maintenan		0	0	C
5570 Vehicle and Maintenance Equ		0	0	C
6590 Miscellaneous Operating and		0	0	0
10	tal Maintenance and Repairs Expenses:	\$0	\$0	\$0
6900 Supportive Services		\$0	\$0	\$0
Capital and Non-Capital Exper	nditures to be			
Reimbursed from Replacemer	t Reserve	\$0	\$0	\$0
	Total Operating Expenses:	\$0	\$0	\$0
Financial Expenses				
	ed cells. Leave no cells blank. Enter "0" if applic	able.		
6820 Interest on Mortgage (or Bond	s) Payable			\$0
5825 Interest on Other Mortgages				0
6830 Interest on Notes Payable (Lo				C
6840 Interest on Notes Payable (Sh	1117			C
6850 Mortgage Insurance Premium				0
6890 Miscellaneous Financial Exper		\$0	90	0 \$0
	Total Financial Expenses:	- ΦU	\$0	<u>Φ</u> 0
Total Co	st of Operations before Depreciation:	\$0	\$0	\$0
5060	Operating Profit (Loss):	\$0	\$0	\$0
Depreciation & Amortization	Expenses			
Enter amounts in yellow highlight	ed cells. Leave no cells blank. Enter "0" if applic	able.		
6600 Depreciation Expense				\$0
6610 Amortization Expense				0
Operating Profit (Los	s) after Deprecieation & Amortization:	\$0	\$0	\$0
Net Entity Expenses				
the right.				
190				\$0
'190				0
7190				0
'190				0
'190				0
'190				0
'190				0
'190				0
'190				0
190				0
	Total Net Entity Expenses:	\$0	\$0	\$0
250 Change in Total Net Assets t	rom Operations (Net Loss)	\$0	\$0	\$0
		+ -	~~	

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

		Total	LOSP	Non-LOSP
Operating Revenue		\$0	\$0	\$0
Interest earned on restricted accounts		0	0	\$0_
	Adjusted Operating Revenue	\$0	\$0	\$0
Operating Expenses		\$0	\$0	\$0
Net Operating Income		\$0	\$0	\$0
Other Activity				
Ground Lease Base Rent		\$0	\$0	\$0
Bond Monitoring Fee		0	0	0
Mandatory Debt Service - Principal		0	0	0
Mandatory Debt Service - Interest		0	0	0
Mandatory Debt Service - Other Amount		0	0	0
Deposits to Replacement Reserve Account		0	0	0
Deposits to Operating Reserve Account		0	0	0
Deposits to Other Restricted Accounts per Regulatory Agree	ment	0	0	0
Withdrawals from Operating Reserve Account		0	0	0
Withdrawals from Other Required Reserve Account	Total Other Activity:	\$0	0 \$0	\$0
	Total Other Activity.	ΨΟ	ΨΟ	Ψ0
Allocation of Non-Residential Surplus (LOSP only)	<u> </u>		\$0	\$0
	ng Cash Flow/Surplus Cash:	\$0	\$0	\$0
Salast the Distribution Driegity number from Workshoot 2. Eig	and Antivity for navements to be paid	4		
Select the Distribution Priority number from Worksheet 2. Fis ahead of residual receipts payments.	cal Activity for payments to be paid	Total	LOSP	Non-LOSP
ahead of residual receipts payments.	cal Activity for payments to be paid		LOSP	Non-LOSP
ahead of residual receipts payments.	sidual Receipts Distribution:	Total		
ahead of residual receipts payments. Total Cash Available for Re Distribution of Residual Receipts Select the Distribution Priority number from Worksheet 2. Fis with remaining residual receipts.	sidual Receipts Distribution: cal Activity for payments to be paid	Total	\$0	\$0 Non-LOSP
ahead of residual receipts payments. Total Cash Available for Re Distribution of Residual Receipts Select the Distribution Priority number from Worksheet 2. Fis with remaining residual receipts.	sidual Receipts Distribution:	*0 Total	\$0 LOSP	\$0_
ahead of residual receipts payments. Total Cash Available for Re Distribution of Residual Receipts Select the Distribution Priority number from Worksheet 2. Fis with remaining residual receipts.	sidual Receipts Distribution: cal Activity for payments to be paid	*0 Total	\$0 LOSP	\$0 Non-LOSP

Project Street Address:

Summary of Replacement Reserve and Operating Reserve Activity For the Year Ended January 0, 1900

	Replacement Reserve	Operating Reserve
Balance, December 31, 1899	\$0	\$0
Actual Annual Deposit	0	0
Interest Earned	0	0
Withdrawals	0_	0
Balance, December 31, 1900	\$0	\$0

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

This checklist is a tool to help you track progress toward completion. NOTE: Do not submit the AMR until all items are "COMPLETED."

Reporting Start Date:	1/0/00	Project Address:
Reporting End Date:	1/0/00	

Submission Instructions:

Once all worksheets below are "COMPLETED", email the AMR, completed Owner Compliance Certification, along with the attachments required under the Insurance and Tax Certification per page 3 of the Owner Certification, waitlist, and audited financial statements to: moh.amr@sfgov.org.

The waiting list must include the following information for each person or household who has applied to live at the project and is still waiting to be considered for an available unit: name of head-of-household, contact information, date of application, number of people in the household, stated household income and desired unit size. Prior to submittal, the waiting list must be redacted to exclude any private information that should not be shared publicly, for example, Social Security numbers, ID numbers from other forms of identification, information related to disabilities or other health conditions. Please confer with legal counsel and let MOHCD know if you have any questions prior to submitting a copy of the project's waitlist. This requirement is not applicable to transitional housing projects, residential treatment programs, shelters, group homes or permanent supportive housing for homeless people that is leased through a closed referral system.

Worksheet 1A. Property & Residents	VPLETE
Questions 1 thru 4	incomplete
Questions 5 thru 24	incomplete
Questions 25 thru 39	Incomplete
Questions 40 thru 50 Questions 51 thru 61	incomplete incomplete
Worksheet 1B. Transitional Programs To Be D	etermined
Questions 1 thru 11	To Be Determined
Questions 12 thru 18 Questions 19 thru 39	To Be Determined To Be Determined
Worksheet 1C. Eviction Data To Be D	etermined
Question 1	To Be Determined
Questions 2 thru 21	To Be Determined
Questions 22 thru 41	To Be Determined
Questions 42 thru 61	To Be Determined
Worksheet 2. Fiscal Activity INCO	IPLETE incomplete
Rental Income - Housing Unit GPTR Vacancy Loss - Housing Units	incomplete Incomplete
Operating Expenses	incomplete
Surplus Cash/Residual Receipts (Rows 140 - 171)	Incomplete
Operating Reserve (Rows 177 - 186)	incomplete
Replacement Reserve (Rows 188 - 196) Changes to Real Estate Assets (Rows 198 - 205)	incomplete Incomplete
Replacement Reserve Eligible Expenditures (Rows 209 - 228)	Incomplete Incomplete
Program Income (Rows 230 - 243)	OK
entered on Worksheet 1A or the total households that can be served in Worksheet 1B?	To Be Determined
For each row with a Unit Number, was data entered in cells for Subsidy Type and Utility Allowance?	To Be Determined
Narrative Provided for All rows indicating Overhoused or Overcrowded?	To Be Determined
Worksheet 3B. Demographic Information To Be D	
is Ethnicity and Race selected for each household? Is Gender, Sex at Birth, and Sexual Orientation/Identity selected for each household?	To Be Determined To Be Determined
Worksheet 4. Narrative To Ee D	etermined
2	To Be Determined
3	To Be Determined
4	To Be Determined
5	To Be Determined
6 7	To Be Determined
8	To Be Determined To Be Determined
Worksheet 5, Project Financing INCO	APLETE
Worksheet 6. Services Funding To Be D	etermined
Worksheet 7. Supplementary Information Required Schedules required for August Month	If using AMR to generate uditied Financial Statement, e required data entry.

EXHIBIT H

Tenant Selection Plan Policy - LOSP

This policy is in addition to the obligations to comply with applicable federal, state and local civil rights laws, including laws pertaining to reasonable accommodation and limited English proficiency (LEP), and the applicable provision of the Violence Against Women Act, Pub. Law 109-62 (January 5, 2006), as amended.

Application Process

- **Application Materials**. The housing provider's written and/or electronic application materials should:
 - o outline the screening criteria that the housing provider will use;
 - o be in compliance with San Francisco Police Code Article 49 or the Fair Chance Ordinance,
 - outline how an applicant may request a modification of the admission process and/or a change in admission policies or practices as a reasonable accommodation:
 - o be written in language that is clear and readily understandable,
- **First Interview**. In accordance with the housing provider policies, an initial interview is required to assess each applicant's minimum eligibility requirements for housing units.
- **Second Interview**. Before issuing a denial, the housing provider should consider offering a second interview to resolve issues and inconsistencies, gather additional information, and assist as much as possible with a determination to admit the applicant.
- Confidentiality. All information provided will be kept confidential and be used only by the housing provider, the referring agency and the funding agency for the purpose of assisting and evaluating the applicant in the admission process. All applicant information shall be retained for 12 months after the final applicant interview.
- Delays in the Process. If delays have occurred or are likely to occur in the application and screening process or the process exceeds the housing provider's normal timeline for application and screening, the housing provider must immediately inform the referring agency and the funding agency, of the status of the application, the reason for the delay and the anticipated time it will take to complete the application process.
- **Problems with the Referring Agency**. If at any point the housing provider has difficulty reaching or getting a response from the applicant and referring agency, the housing provider must immediately contact the referring agency, if possible, and the funding agency, HSH.

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Agreement Date: July 1, 2018

¹See for e.g., Title VII of the Civil Rights Act of 1968 (Fair Housing Act), 42 U.S.C. §§ 3601, et seq.; 24 C.F.R. Part 100; Title VI of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000d-2000d-7; Executive Order 13,166, Improving Access to Services for Persons with Limited English Proficiency (August 11, 2000); Department of Housing and Urban Development Limited English Proficiency Guidance, 72 Fed. Reg. 2732 (Jan. 22, 2007); Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794; 24 C.F.R. Parts 8 and 9; Title II of the Americans with Disabilities Act of 1990, as amended; California Fair Employment and Housing Act, Gov't Code §§ 12,955-12,956.2; Unruh Civil Rights Act, Civil Code § 51; California Disabled Persons Act, Civil Code § 51.4; Dymally-Alatorre Bilingual Services Act, Gov't Code §7290-7299.8; San Francisco Language Access Ordinance, No. 202-09 (April 14, 2009)

• <u>Limited English Proficiency Policy</u>. Throughout the application process, the housing provider must comply with City policy for language access requirements for applicants with limited English proficiency.

Reasonable Accommodation and Modification Policy

Reasonable Accommodation: The application process should provide information about how an applicant may make a reasonable accommodation request. At any stage in the admission process, an applicant may request a reasonable accommodation, if the applicant has a disability and as a result of the disability needs a modification of the provider's rules, policies or practices, including a change in the way that the housing provider communicates with or provides information to the applicant that would give the applicant an equal chance to be selected by the housing provider to live in the unit.

Reasonable Modification: Applicant may request a reasonable modification if he or she has a disability and as a result of the disability needs:

- o a physical change to the room or housing unit that would give the applicant an equal chance to live at the development and use the housing facilities or take part in programs on site;
- o a physical change in some other part of the housing site that would give the applicant an equal chance to live at the development and use the housing facilities or take part in programs on site.

Response to Request: The housing provider shall respond to a request for reasonable accommodation or modification within ten (10) business days. The response may be to grant, deny, or modify the request, or seek additional information in writing or by a meeting with the applicant. The housing provider will work with the applicant and referring agency to determine if there are ways to accommodate the applicant.

The housing provider shall grant the request if the provider determines that:

- o the applicant has a disability;
- o reasonable accommodation or modification is necessary because of the disability; and
- o the request is reasonable (i.e., does not impose an undue financial or administrative burden or fundamentally alter the nature of the housing program.)

If the reasonable accommodation request is denied, the rejection must explain the reasons in writing. If the denial of the reasonable accommodation request results in the applicant being denied admission to the unit, the provisions of the section on Notice of Denial and Appeal Process apply.

Notice of Denial and Appeal Process

- The housing provider shall:
 - o Hold a comparable unit for the household during the entire appeal process.

Η

Agreement Date: July 1, 2018

- o promptly send a written and electronic notice (to the addresses provided) to each applicant denied admission with a written and/or electronic copy to the referring agency and the funding agency. The notice should:
 - list all the reasons for the rejection, including the particular conviction or convictions that led to the decision in cases where past criminal offenses were a reason for rejection;
 - explain how the applicant can request an in person appeal to contest the decision:
 - state that an applicant with a disability is entitled to request a reasonable accommodation to participate in the appeal;
 - inform the applicant that he or she is entitled to bring an advocate or attorney to the in person appeal;
 - provide referral information for local legal services and housing rights organizations;
 - describe the evidence that the applicant can present at the appeal;
- o give applicants denied admission a date within which to file the appeal, which shall be at least ten (10) business days from the date of the notice;
- o unless an extension is agreed to by the applicant and the housing provider, hold the appeal within ten (10) business days of the request for the appeal;
- o confine the subject of the appeal to the reason for denial listed in the notice;
- o give the applicant a chance to present documents and/or witnesses showing that he or she will be a suitable tenant;
- o have an impartial supervisor or manager from the housing provider, but who is not the person who made the initial decision or a subordinate of the person who made the initial decision, conduct the appeal;
- o within 5 business days of the in person appeal, provide the applicant with a written decision that states the reason for the decision and the evidence relied upon. A copy of the written decision must be sent (electronically or otherwise) to the referring agency and the funding agency.
- If the rejection is based on a criminal background check obtained from a tenant screening agency, the Fair Chance Ordinance imposes additional notice requirements.

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Agreement Date: July 1, 2018

EXHIBIT I

Tenant Screening Criteria Policy - LOSP

The City expects that housing providers will use maximum feasible efforts to ensure that those individuals and families who are referred are accepted for occupancy in a timely fashion. To that end, the City has adopted the following screening criteria for applicants with a criminal record. If a problem arises in the application and screening process that may cause unreasonable delay in screening outcome, the housing provider should immediately notify the referring agency and HSH to assist with an expeditious resolution.

The screening criteria and considerations outlined below encourage providers to "screen in" rather than "screen out" applicants. These requirements are also designed to satisfy the requirements of San Francisco Police Code Article 49, Sections 4901-4920 or the Fair Chance Ordinance. This policy describes a minimum level of leniency; providers are encouraged to adopt less restrictive policies and processes whenever appropriate. For example, providers may opt not to review or consider applicant criminal records at all.

Screening Criteria

- Housing providers shall not automatically bar applicants who have a criminal record² in recognition of the fact that past offenses do not necessarily predict future behavior, and many applicants with a criminal record are unlikely to re-offend.
- Housing providers shall not consider:
 - o arrests that did not result in convictions, except for an open arrest warrant;
 - convictions that have been expunged or dismissed under Cal. Penal Code § 1203.4 or 1203.4a;³
 - o juvenile adjudications.
- Housing providers shall consider:
 - o the individual circumstances of each applicant; and
 - o the relationship between the offense, and
 - (1) the safety and security of other tenants, staff and/or the property; and
 - (2) mitigating circumstances such as those listed below.
 - only those offenses that occurred in the prior 3 years, except in exceptional situations, which must be documented and justified, such as where the housing provider staff is aware that the applicant engaged in violent criminal activity against staff, residents or community members and/or that the applicant intentionally submitted an application with materially false information regarding criminal activity. As necessary, HSH will assess the justification for a longer look-back period and determine whether an exception is warranted. In these exceptional situations, the housing provider may consider offenses that occurred in the prior 5 years.

² The policy recognizes that some housing may be subject to mandatory laws that require the exclusion of an applicant based upon certain types of criminal activity.

³ The purpose of the statute is allow a petitioner to request a dismissal of the criminal accusations, a change in plea or setting aside of a verdict and to seek to have certain criminal records sealed or expunged and a release "from all penalties and disabilities resulting from the offense."

- o mitigating factors, including, but not limited to:
 - (1) the seriousness of the offense;
 - (2) the age and/or circumstances of the applicant at the time of the offense;
 - (3) evidence of rehabilitation, such as employment, participation in a job training program, continuing education, participation in a drug or alcohol treatment program, or letters of support from a parole or probation officer, employer, teacher, social worker, medical professional, or community leader;
 - (4) if the offense is related to acts of domestic violence committed against the applicant;
 - (5) if the offense was related to a person's disability.

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: Jackie Tsou

Loan Committee Date: April 20, 2018

Page 1 of 19

Loan Committee Date: April 20, 2018

Sponsor Name: Mercy Housing

Project Name: 10th & Mission Family Housing

Project Address (w. cross street): 1390 Mission Street at 10th Street, San Francisco, CA

94124

Number of Units/Beds (specify): 136 units, including 44 units set aside for homeless

families

Up to \$246,896 for a 6-month Year 1 Budget

Up to \$9,741,171 through 15-years and

6-months (including Year 1)

1. SUMMARY AND BACKGROUND

Mercy Housing California XIV, a California limited partnership ("Mercy"), an affiliate of Mercy Housing California ("MHC"), is requesting \$9,741,171 in General Funds from the Local Operating Subsidy Program ("LOSP") to subsidize continuing operations for 44 units set aside for formerly homeless families at 10th & Mission Family Housing (the "Project" or "10th and Mission") for a period of 15 years and six months.

10th & Mission, completed in September 2009, consists of 136 units of affordable family housing with 44 LOSP units, supportive housing targeted to formerly chronic homeless families referred by the Department of Homelessness and Supportive Housing ("HSH"). The Project is a 12 story high rise, with the units located on floors 2-12. The unit mix consists of 34 one-bedroom units, 42 two-bedroom units, 59-three bedroom units and 1 three bedroom manager's unit. The ground floor contains the offices for the on-site property management staff, enclosed garage for 24 cars, approximately 2,900 square feet of retail space, a youth activities center of approximately 5,400 square feet, and 7,200 square feet of secured outdoor space for recreation and bicycle storage. The second floor

contains a resident services office and a large multi-purpose room that opens out onto a 6,120 square feet landscaped outdoor courtyard with a play structure.

The Project serves very low-income families with incomes at or below 50% of Area Median Income ("AMI"), and as of the last annual reporting, for 2016, the average AMI of all households served was 43%, while the average across LOSP households was 18% AMI. Catholic Charities CYO is the service provider at the Project. The Project has a separate services contract from HSH, which funds the on-site supportive services, but the operating budget also calls for additional supportive services funding for one FTE Resident Services Coordinator.

The expiring LOSP Grant Agreement with the Project covers a 9-year term, beginning in July 2009 and ending in June 2018, for a total contract amount of \$3,764,871. Over the 9-year term, the Project has operated as forecasted financially and therefore will exhaust its current LOSP contract by the end of June 2018 and will need a new contract to begin in July 2018.

The amount of funds requested was determined by using the current calendar year's operating budget and then applying MOHCD's standard underwriting assumptions over a 15½-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 prior year. A total of \$246,896 in assistance is budgeted for the first 6 months of operations, or \$493,792 annualized, under the renewed contract. This equates to a monthly per unit subsidy of \$935. This subsidy amount will increase at approximately 3.5% 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, as is standard for LOSP contracts. Staff recommends approval of this request.

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

2.1. 2016 Operating Expenses

To evaluate the Project's financial performance, operating expenses from 2016, 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 2016, MOHCD's portfolio had a total of 102 supportive housing projects. Average total operating expenses for all 102 supportive housing projects (before replacement reserve deposits and hard debt service), averaged \$10,400 per unit per annum ("PUPA"). PUPA operating expenses varied by project size, with PUPA operating expenses higher for smaller buildings and lower for larger buildings.

Average Operating Expenses Per Unit Per Annum, Supportive Housing Projects, 2016

# Units	# Projects	Avg PUPA Operating Expenses, 2016
100+ units	20	\$9,700
50-99 units	48	\$10,900
1-49 units	34	\$12,300
All	102	\$10,400

Within MOHCD's LOSP portfolio of 27 projects, operating expenses PUPA ranged from a low of \$7,200k to a high of \$20,000k, and an average of \$11,800. 10th & Mission's 2016 operating expense PUPA, at \$10,700, was just below the LOSP portfolio average.



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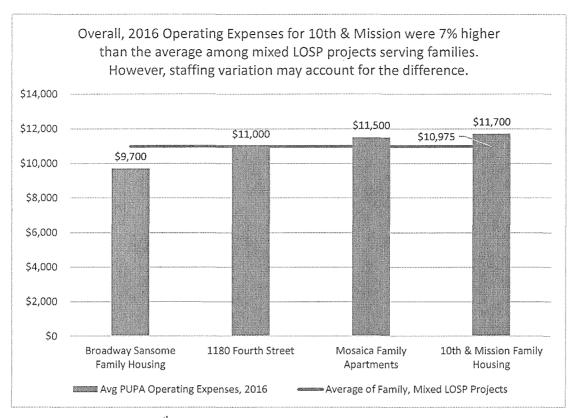
Within the LOSP portfolio, some projects have just 20% set aside for LOSP units, while others are 100% LOSP. Average PUPA operating expenses also varies by the percentage of LOSP units within the building. Buildings with a higher percentage of LOSP units were found to cost more to operate. For the purposes of summarizing data, projects that have 30% of fewer LOSP units are considered the LOSP projects with 20% set aside (20% of units within a project may not calculate out to a whole unit), and 80% or more LOSP units are considered to be 100% LOSP. (Projects typically have at least one manager's unit.)

Average Operating Expenses Per Unit Per Annum by % of LOSP Units, 2016

% of LOSP Units	# Projects	Average PUPA Operating Expenses
80% or more LOSP Units	10	\$12,700
31% - 79% LOSP Units	10	\$12,100
30% or less LOSP Units	7	\$10,200
All	27	\$11,800

Of the 136 units at 10th and Mission, 44 units, or 32% the units, are LOSP units; therefore, the Project's 2016 PUPA operating expenses at \$10,700 is within the average of LOSP projects with comparable percentage of LOSP units.

Further, 10th & Mission operating expenses were compared with the operating expenses of projects most comparable to it in terms of size and population service. (Note that supportive services funded through the operating budget was not included as not all these projects had supportive services costs funded through the operating budget). Compared with 1180 Fourth Street, Broadway Sansome and Mosaica Family Apartments, 10th & Mission operating expenses were approximately 7% higher in 2016. While this may be notable, staffing variation and economies of scale may explain why the average among the comparable projects are lower. For instance, as of 2016, Broadway Sansome and Mosaica Family did not have 24/7 front desk staffing. These positions are costly and not having them would result in lower operating costs. Mosaica Family is situated adjacent to Mosaica Senior, so economies of scale are likely realized when operating the Mosaica Family building.



In sum, operationally, 10th & Mission has been performing on par with the LOSP portfolio, and specific comparable projects as well.

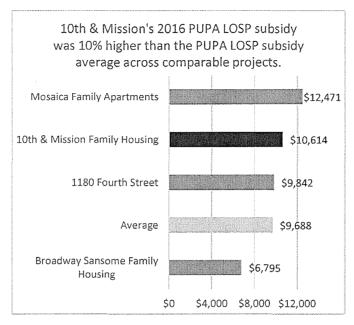
2.2. 2016 LOSP Subsidy

The level of LOSP subsidy needed is also a metric in which to evaluate how a project has performed. The annual LOSP subsidy is sized to create a break-even budget, therefore it is closely tied to several factors, such as: 1). operating costs, 2). how operating costs are allocated between LOSP vs non-LOSP units, 3) other subsidy funds available to the LOSP units.

In 2016, the City's LOSP portfolio consisted of 27 projects that varied in size and population served. Some projects are 100% LOSP, some have 20% units set aside as LOSP units, some are a combination of LOSP and other subsidy that results in a 100% permanent supportive housing project. Populations served range from adults, to families, to seniors to TAY. In 2016, the average per unit LOSP subsidy averaged just under \$9,400. Because 10th & Mission is a family project, with larger units and therefore higher operating costs, it's not surprising that the 2016 LOSP subsidy for 10th & Mission at \$10,600 was higher than the LOSP portfolio average.

Compared with the three other LOSP projects most comparable to 10th & Mission in terms of size and population served (1180 Fourth Street, Broadway Sansome and Mosaica Family), the 2016 LOSP subsidy needed at 10th & Mission was about 10% higher than the average of all four Projects combined. However, it should be noted that at Broadway Sansome, which reported the lowest LOSP subsidy has a substantially different staffing

model and did not have 24/7 front desk staffing now typical at LOSP properties. Therefore, the average LOSP subsidy across the Family projects with some LOSP units may be skewed to the low side.



In conclusion, based on reported operating costs and LOSP subsidy from the most currently available reports, 10th & Mission Family Housing has been operating on par with the LOSP portfolio and comparable projects.

3. PROJECT OPERATIONS UNDER THE PROPOSED CONTRACT RENEWAL

The Project is requesting a LOSP contract renewal for a 15-year and 6-month period. The sections below present the income and expense assumptions for the operating budget covering the proposed contract renewal period.

3.1. Allocation between LOSP/Non-LOSP Units

The LOSP program assumes that income and expenses are allocated pro-rata among LOSP/Non-LOSP units. 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. Sponsors must provide rationale for an alternative or project splits are proposed. At 10th & Mission, the pro-rata allocation is 32% LOSP units and 68% non-LOSP units. The sections below will further discuss alternative and proposed splits of specific income and expense line items.

3.2. Annual Operating Income Evaluation

<u>Tenant Rent</u>: Tenants rents are comprised of rents collected from the 84 non-subsidized units, targeted to families up to 50% AMI, the 44 LOSP households who pay 30% of their income on rent, and the 7 Section 8 Voucher tenants who pay 30% of their income on rent. 2016 gross rent was approximately \$1.345M.

Subsidy Type	Number of Units	Average Tenant Paid Rent	Average AMI Rent				
None	88	\$1,205	59% AMI				
Section 8 Voucher	7	\$323	50% AMI				
LOSP	41	\$275	16% AMI				

Tenant paid rents are projected to generate \$1,403,700 in 2018, during 2018, the first year of the new proposed LOSP contract. This is a 4% increase over the 2016 gross rent income reported, with LOSP tenant rents increasing at a higher rate than non-LOSP units. Anecdotally, Mercy staff believe that LOSP household incomes have been increasing due to increases to minimum wage.

Section 8 Voucher Rental Subsidy: Several of the non-LOSP units serve households with Section 8 Vouchers. The vouchers moves with tenants and so this subsidy can fluctuate over time as tenants move out. In 2016, the Project had six (6) households with Section 8 Vouchers and average contract rents were \$1,458 on the five (5) 1-bedroom units at \$1,515 on the one 2-bedroom unit. On average, these contract rents were just 70% of the 2016 FMR. The subsidy portion of the contract rents totaled \$84k in 2016. Since then, Mercy requested and received an increase to contract rents, effective September 2017 through March 2018, and the projected 1st year budget shows a significant 49% increase up to \$125k. Rental subsidy from the Section 8 Vouchers have been allocated entirely to the non-LOSP units in the past and the proposed operating budget proposes to do the same.

LOSP Subsidy: A total of \$246,896 in assistance is budgeted for the first 6 months of operations, or \$493,792 annualized, under the renewed contract (\$11,222/PUPA and \$932/PUPM) and is shown in the attached operating budget. This is a 5.7% increase in LOSP subsidy from 2016, a 1.9% above the 2017 LOSP subsidy, and is sized to fund a break-even budget, including operating expenses and replacement reserve deposits. Considering that Mercy is proposing to allocate some costs to LOSP units at a level higher than pro-rata (see Section 3.3), this increase is modest due to the increase in LOSP tenant rents since 2016.

<u>Commercial Income:</u> The Project generates income from three of the four commercial spaces on the ground floor of the property. Current tenants include:

- 1. Cumaica: Coffee shop, rent is \$2.26/SF/month, lease expires September 2019.
- 2. Back to the Picture: Frame store, rent is \$1.88/SF/month, lease expires September 2020.
- 3. Samitra Salon: Hair salon, rent is \$2.11/SF/month, lease expires February 2021.
- 4. Catholic Charities CYO: Child care services, does not pay rent, lease expires November 2019.

For Year One, commercial income is estimated at \$107,000 and is approximately 6% above 2016 commercial income. Commercial income is not allocated to the project until after determination of whether any cash flow remains from commercial operations. See the Allocation of Commercial Surplus Section below for additional details.

Other Income: The property also generates income from laundry and vending. Laundry revenues are estimated at \$35k and to be split pro-rata among the LOSP and non-LOSP units. In the past, the Project has also generated some interest income and income from various tenant charges. However since those sources generate little income and/or fluctuate, they were not included in the income assumptions.

<u>Vacancy</u>: The operating budget assumes a 5% vacancy on the LOSP and non-LOSP units. Historically, vacancy rates have been in the 1-2% range, but the proforma budgets 5% to be conservative and consistent with underwriting standards. Commercial vacancy is also assumed at 5%; however, since leases are in place for all four commercial spaces, vacancy loss would be 0% at least through the end of the lease terms.

Current tenants will be provided an opportunity to extend the lease for an additional five years (either through an option in existing leases or a lease renewal). However, new developments being constructed in the neighborhood and surrounding areas have brought increased competition from larger chains/businesses to the smaller businesses in the neighborhood, including the commercial tenants at the Project. (i.e. Peet's Coffee directly across from Cumaica; Steel & Lacquer across from Samitra Salon).

It is Mercy's desire to retain their existing commercial tenants. However, should they decide not to renew their leases, the current commercial market in the neighborhood is strong, and the spaces would likely garner interest among possible new tenants.

3.3. Annual Operating Expenses Evaluation

The annual operating expenses in Year One, before debt service and reserves, are projected at \$1,828,700 or \$13,400 PUPA. This is a 14.5% increase above 2016 operating expenses, largely driven by:

- Project taking an above the line asset management fee for the first time.
- 29% increase to salaries/benefits: No change in staffing occurred between 2016 and 2018. Rather, vacancy in senior property manager position and increase to the minimum wage resulted in the increase between 2016 actuals and 2018 budget.
- 16% increase to utilities: Utility costs have increased year over year in each of the last four years and rates provided by utility companies indicate further increases in 2018. Increases include: 5% to electricity, 7% to water, 14% to sewer, 5% to gas, 14% to garbage.
- 49% increase in taxes & licenses: Assessed value of the property increased dramatically due to households becoming over-income, which resulted in the loss of welfare tax exemption on some units. However, AB 1193 which was passed in 2017 raises the threshold of over-income households in tax credit projects to 140%. Real estate taxes are therefore expected to decline by 2019.

The sections below discuss the expense assumptions in more detail.

Allocation between LOSP/Non-LOSP Units: At the time the original LOSP contract was approved, costs were approved to be split pro-rata part during the 9-year contract period.

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Through their experience operating the property over the last 9 years, Mercy has identified several cost categories that have resulted in higher expenditure by the LOSP units. Therefore, Mercy has proposed alternative splits between the LOSP and non-LOSP units for the following expense categories:

Expense Category	Proposed Split	Reason for Alternative Split
Office Salaries (3 FTE Desk clerks)	50% to LOSP (since Assistant Mgr position shares same line item, overall spit is 42%)	 Non-LOSP units complete re-certifications annually while LOSP units complete 2-4 interim re-certifications annually. 50% of incidence reports are generated by LOSP units. 50% of interaction with desk clerks for assistance or other services, are generated by LOSP units.
Health Insurance & Other Benefits	Also assumes 42% to LOSP per allocation above	Benefits associated with front desk positions in Office Salaries.
Legal Expenses	50% to LOSP	Historical data from last 2 years confirm that LOSP units require at least half, if not a majority of legal expenses.
Bad Debts	50% to LOSP	Historical data from last 2 years confirm that LOSP units generated 100% of bad debts.
Security Payroll/Contract	50% to LOSP	 50% of work orders are generated by LOSP units. 50% of incidence reports are generated by LOSP units and require emergency response.

MOHCD has approved LOSP budgets with alternative split allocations, and Mercy has demonstrated that historical performance justifies the proposed alternative split. For bad debt and legal expenses, the Project may report actual expenses by LOSP or non-LOSP unit categories if Mercy's accounting system is able to track these expenses to the unit and program level.

Staffing: The originally approved LOSP budget included staffing for 10.5 FTE, including 24-hour front desk coverage. Positions have changed over time to meet the needs of the Project. Importantly, since the property manager position has been difficult to keep filled, Mercy has a Senior Property Manager that oversees the Project. Also the number of FTE Desk Clerks has decreased with the Assistant Property Manager assuming front desk clerk duties. The proposed staffing plan includes 11.0 FTE for 2018.

	Approved	Current	
Position	FTE	FTE	Notes
Senior Property			Not included in original LOSP budget; position is
Manager	0.0	1.0	currently vacant.
			Position was vacant for most of 2017 and filled in Q4
Property Manager	1.0	1.0	2017.
Assistant Property			1 FTE has dual role of Assistant Property manager and
Manager	2.0	2.0	day shift desk clerk.
			Current FTE count does not include the 1.0 FTE APM
			that serves as day shift desk clerk. PTO and holidays
Desk Clerk	4.5	3.0	covered by third party temporary contracts
Maintenance		ă.	
Manager	0.0	1.0	
Maintenance			
Technician	1.0	2.0	
Janitor	2.0	1.0	
			1 staff per 12.4 households (estimated 1:43
TOTAL	10.5	11.0	residents)

Management Fees: HUD's 2017 Management Fee Schedule, the most recent schedule available, sets a basic fee of \$52 for California, and allows certain add-on fees, with a maximum fee of \$78 PUPM. The 2016 management fee taken by the Project equaled \$67 PUPM. If the 2017 HUD Management Fee Schedule is used, the Year 1 PUPM management fee would be less than the actual 2016 management fee reported of \$67 PUPM. Therefore, Year One management fee of \$72 PUPM is calculated by inflating the 2016 fee by 3.5% annually, as allowed per MOHCD underwriting standards. The fee is estimated to increase 3.5% per year.

Asset Management Fee: The Project will be taking an above the line Asset Management Fee beginning in 2018 at \$20,440, the maximum allowed under MOHCD's Operating Fees Policy, effective April 1, 2016. This fee is estimated to increase 3.5% annually.

Salaries and Benefits: Salaries and benefits are budgeted at \$414,600 or \$3,000 PUPA, and covers the salary and benefits of the Senior Property Manager, Property Manager, 2 Assistant Property Managers and 3 Desk Clerks. As noted above, Mercy is requesting that the salaries and benefits of the Desk Clerk positions be allocated 50/50 between the LOSP and non-LOSP units. An administrative rent-free unit is excluded from expenses as the income is also excluded. The Year One budget is 28% higher than 2016 actuals due to vacancies in the Senior Property Manager position during part of 2016. Overall staffing has not changed since 2016.

Administration: Administration line items are budgeted at \$99,600, or \$730 PUPA, and cover typical functions such as legal, office expenses, bookkeeping, accounting, and audit expense, advertising and marketing, and any bad debt. Legal Expenses and Bad Debts are allocated directly to LOSP units and estimated at 50% of total costs based on historical data. All other Administration expenses are split pro-rata. Administrative expenses are 9% lower than 2016 expenses.

<u>Utilities</u>: Utilities (gas, water/sewer, common electric) are budgeted at \$317,000, or \$2,300k PUPA and are estimated to increase about 16% above 2016 actuals due to increases to utility rates. Mercy recently installed water aerators and LED lights through the Affordable Community Energy Services Company (ACE), which should result in lower water and electricity costs.

Taxes and Licenses: Taxes are budgeted at \$108,700, or \$780 PUPA. The largest component of this expense category is real estate taxes, which includes property taxes and the business improvement district tax. The 2018 budgeted amount is 49% higher than 2016 actuals due to assessed value at the property increasing substantially due to household becoming over-income and the property losing the welfare tax exemption on those units. As of the 2017-18 tax year, 13 households were over-income (over 80% AMI). As noted above, the passage of AB 1193 raises the threshold for over-income households at tax credit projects to 140%. No household was over 140% as of the March 2018 rent roll and so the Project is anticipated to see a large drop in real estate taxes beginning in 2019.

<u>Insurance</u>: Insurance is budgeted at \$135,000, or \$1.0k per unit per year, for property and liability and worker's compensation insurance. Budgeted figures are 1% less than 2016 actuals due to a reduction in rates realized by a recently negotiated insurance policy across the Mercy nation-wide portfolio.

Maintenance and Repair: Maintenance and repair costs in Year One are budgeted at \$527,300, or \$3,900 per unit per year. Maintenance payroll includes 1 FTE Maintenance Manager, 2 FTE Maintenance Technicians and 1 FTE Janitor. The Security Payroll/Contract includes costs for a 3rd party security firm to cover desk clerks when desk clerks are out of the office; this is budgeted 50/50 to LOSP and non-LOSP units consistent with the proposed allocation of the Desk Clerks. Other costs, such as Supplies, Contracts, Garbage Removal and HVAC Repairs and Maintenance are split pro-rata. Overall Maintenance and Repairs are budgeted to be 11% above 2016 actuals, this is due in large part to higher maintenance costs as the building ages.

<u>Supportive Services</u>: Supportive services is budgeted at \$80,700 in Year One and covers: one FTE Resident Services Coordinator, who provides on-site case management, crisis intervention services, and specialized services for families with children. This FTE will be paid by the non-LOSP units as HSH's supportive services budget is sized to cover the clinical services attributable to the LOSP units.

Ground Lease: The Project has a Ground Lease with the City which requires annual Base Rent payments of \$20,000. Residual Rent is \$704,500, and payable through available cash flow. Base rent is budgeted for years 1-20 and is allocated pro-rata between LOSP and non-LOSP units.

Replacement Reserve Deposits: Replacement reserve deposits are shown at \$600 per unit per year, or a total of \$81,600. The City requires \$350 PUPA per the 2005 Tax Increment Loan Agreement, but the Partnership Agreement requires the higher amount. Deposits are allocated pro-rata between LOSP and non-LOSP units. The balance of the replacement reserve as of January 2018 is \$1,738,382.

Operating Reserve Deposits: The City requires that the Project maintain an Operating Reserve with a balance of 25% of the prior year's operating expenses including debt

service. As of 2016, the Operating Reserve had a balance of 34% of the prior year's operating expenses and therefore is not required to continue deposits. However, the Project has additional State and investor requirements and is budgeted to continue annual deposits of \$14,750. Deposits are allocated pro-rata between LOSP and non-LOSP units. The operating reserve balance as of January 2018 is \$748,016.

<u>Debt Service</u>: The Project has a Multifamily Housing Program (MHP) loan from HCD, which requires a 0.42% annual debt service payment of \$40,700. This is the Project's only hard debt payment and is allocated pro-rata.

Allocation of Commercial Surplus: Previously, cash flow generated by the Project's commercial activities were allocated annually to LOSP units at whatever percentage needed in order for the Project to break even at the approved annual LOSP contracted amount. In 2016, for instance, 62% of the commercial cash flow, or approximately \$37,000 was allocated to the LOSP units.

One major variation in the proposed operating budget is that the Project would only allocate the pro-rata share of any commercial cash flow, which is consistent with LOSP program policy. The pro-rata allocation would result in 32% of any commercial cash flow generated annually to flow to the LOSP units. For 2018, 32% of commercial cash flow is projected at around \$29,000.

Given the location of the Project and the ongoing development in the mid-Market area, the commercial cash flow generated by the Project helps to subsidize the affordable housing, and especially non-LOSP units. At lease renewal, it has been Mercy's practice to raise rents by no more than 10-15%. Mercy's commercial asset managers indicate that current market lease rates range from \$3-\$4/SF/month, which is approximately 30-60% above current lease rates. Therefore, at lease renewal and at turnover, the commercial spaces would likely generate more income than it does currently.

Partnership Management and Investor Services Fees: A \$20,440 Partnership Management Fee is budgeted for Year one, increasing 3.5% annually through 2025, when the investor is anticipated to exit. A Limited Partner Asset Management Fee of \$2k is budgeted in Year One, and is not inflated annually per MOHCD underwriting standards. Both fees will be taken before the calculation of residual receipts, are split pro-rata between the LOSP and Non-LOSP units, and will end after the 15th year of the Partnership (2025).

3.4. 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 and 6-month grant period. The projection was made using MOHCD's standard underwriting guidelines, including income line items inflating 2.5% annually, and expense line items inflating 3.5% annually.

With the above assumptions, the proforma shows that the non-LOSP units will run a deficit by 2030, or Year 13 of the new grant contract. Since income increases slower than expenses annually, it can be expected that the Project will not pencil at some point. By Year 13, the project would have operated for 22 years. 2025 is Year 15 of the tax credit compliance period, and during that time, Mercy would likely re-syndicate, rehab the project and financially restructure.

Additionally, given the increased development in the area around 10th & Mission, the commercial spaces at the Project will likely generate income above what is forecasted in the attached budget.

4. SUPPORT SERVICES EVALUATION

Support Services at 10th & Mission Family Housing are provided through a contract between HSH and Catholic Charities. Services are provided to the 44 LOSP family units, as well as to the families who reside in the other 88 affordable housing units, as necessary. The current level of funding is \$296,906 per contract year and the positions funded are one full-time (1 FTE) Program Director, three full-time (3 FTE) Case Managers, one full-time (1 FTE) Employment Coordinator, one full time (1 FTE) Youth Coordinator, one part-time (0.2 FTE) Teacher. The funding provides for services such as: benefits advocacy and assistance, referrals to resources in the community, conflict resolution, and support groups and organized tenant activities that engage the whole family. The contract is monitored on an annual basis, and the program has received satisfactory results in recent years. The contract is currently in the final year of a four year contract, expiring on June 30, 2018, however, it will be renewed for two additional years from July 1, 2018- June 30, 2020.

In addition to the various services provided, monthly collaboration meetings are also held on-site, and attendees at this meeting include property management, services staff, and the HSH program manager. The meetings allow for discussion, brainstorming and planning for working with challenging family situations that may place a family at risk of losing their housing.

Case management has demonstrated active outreach and engagement with residents of the building. They work collaboratively and creatively with property management to engage tenants who appear to be struggling and need additional support to successfully reside in their housing. There has been a 98% housing retention rate amongst the LOSP family units thus far into FY 17-18, and this can be attributed to the strong support that families receive. Recent onboarding of new staff with language skills that reflect the languages spoken by the community have been intentional. As a result, the number of families engaging with services have increased significantly and the services staff have been able to support families even further. Case Management has been an integral and effective tool in keeping tenants housed and providing the support needed.

5. CONCLUSION

Staff recommends approval of the request in full. 10th & Mission Family Housing is a well-staffed, well-run, highly supportive housing project for 44 extremely low income, formerly homeless individuals and families. It is an important resource in the City's array of homeless services and programs, and under Mercy's ownership and management, it merits renewed LOSP funding so that it may continue to serve homeless people well into the future.

If the proposed new 15-year, 6-month LOSP contract is approved, the remaining LOSP subsidy requested for 2018 under the new contract, \$246,896, would be disbursed by August/September 2018, based on the underwriting done for this approval. Pending approval by the City's Budget Office, all disbursements moving forward would happen on a calendar year basis in January each year.

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6. RECOMMENDED CONDITIONS

As a condition of financing, MOHCD requires the following:

- 1. Mercy will make best efforts to bring commercial rents closer to market rents at turnover, or by at least 10-15% above current rates at the lease renewal for existing tenants.
- 2. In Year 7 of the LOSP contract and one year prior to the Year 15 limited partner investor exit, or 2024, Mercy will consult with MOHCD on their plan to restructure project financing, which may include re-syndication of low income housing tax credits, to address the anticipated shortfalls in the operating budget, beginning in Year 13 (2030).

7. LOAN COMMITTEE MODIFICATIONS

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LOAN COMMITTEE RECOMMENDATION

Approval indicates approval with modifications, when so determined by the Committee.
APPROVE. [] DISAPPROVE. [] TAKE NO ACTION.
Kate Hartley, Director Mayor's Office of Housing Date: 4/20/18
[APPROVE. [] DISAPPROVE. [] TAKE NO ACTION.
Kerry Abbott, Deputy Director for Programs U-20-18 Date:
Department of Homelessness and Supportive Housing
[] APPROVE. [] TAKE NO ACTION.
Natifa Sesay, 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 10th and Mission Family Housing. 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 and 6-month period, beginning in July 2018, when the initial 9-year contract is projected to run out, and for a full 15-year and 6-month period from July 2018 through 2032.

Pending approval by the City's Budget Office, contract periods for LOSP contract renewals will transition from a fiscal year basis to a calendar year basis.

Loan Committee Date: April 20, 2018 Page 17 of 19

Attachment B: 1st Year Operating Budget

Application Date: Total # Units: 136 First Year of Operations (provide data assuming that	LOSP Units	Non-LOSP Units 92		Project Address: 13	th and Mission 90 Mission Street
Year 1 is a full year, i.e. 12 months of operations): 2018 INCOME	LOSP/mon-LO 32%	SP Allocation 68% non-LOSP	Total	Project Sponsor: Me	ercy Housing West Comments
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP) Residential - LOSP Tenant Assistance Payments	128,752 0 493,792	1,273,988 125,568	1,402,740	Links from Existing Proj - Rent In Links from Existing Proj - Rent In	fo' Worksheel
Commercial Space Residential Parking	0	999900000000 0	77,484 0	Links from Utilities & Other Incon	no' Worksheet
Miscellaneous Rent Income Supportive Services Income Interest Income - Project Operations	0	0 0	0	Links from Utilities & Other Incom	a deligione in the entire and the contract of
Laundry and Vending Tenant Charges (A) (1) (1) (2) (2) (2) (3) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4	11,315	24,045 0	35,360 0	Links from "Utilities & Other Incom Links from "Utilities & Other Incom	ne' Worksheel
Miscellaneous Residential Income Other Commercial Income Withdrawal from Capitalized Reserve (deposit to operating account)	0	0	30,000	Links from 'Utilities & Other Incom Links from 'Commercial Op. Budg	of Worksheet
Gross Potential Incom- Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments	633,859 (6,438)	1,423,601 (63,699) (6,278)	2,164,944 (70,137 (6,278)	Vacancy loss is 5% of Tenant Re Vacancy loss is 5% of Tenant As	nts.
Vacancy Loss - Commercial EFFECTIVE GROSS INCOMI	HARRIST WAS BOOK	1,353,623	(3,874) 2,084,655	Links from 'Commercial Op. Budg PUPA: 15	el' Workshoot
OPERATING EXPENSES Management					
Management Fee Asset Management Fee Sub-total Management Excense	38,124 6,541 44,664	81,012 13,899 94,912	119,136 20,440 139,576	1st Year to be set according to Hi	Contact and a second se
Salaries/Benefits Office Salaries	75,749	104,606	180,355	2fte Asisstant Manager (LOSP all	oc pro-rata), 3 fte Desk Clerks (LOSP alloc 50%)
Manager's Salary Health Insurance and Other Benefits Other Salaries/Benefits	44,126 40,481 0	93,767 55,902 0	96,383 0	1fte Senior Property Manager, 1ft 11 fte. Please note participation v Please note participation varies p	aries per individual or individual. Included in Helath Insurancound Other
Administrative Rent-Free Unit Sub-total Salaries/Benefit Administration	0 d 5 160,356	254,275	414,631	Excluded since Rent is excluded in PUPA: 3,0	n Revenue 149
Advertising and Marketing Office Expenses	707 16,696	1,503 35,480 0	2,210 52,176		
Office Rent Legal Expense - Property	6,404 3,258	6,404 6,922	12,808 10,180		umber
Bookkeeping/Accounting Services Bad Debte Miscellaneous	4,961 3,378 0	10,543 3,378 0	15,504 6,756 0	50/50 split. Updated using 2017 n	umber
Sub-total Administration Expense: Utilities	35,405	64,230	99,635	PUPA: 73.	3
Electricity invariancement in the control of the co	15,797 26,594 18,318	33,569 56,511 38,927	83,105 57,245	updated 2017 number, 5% updated 2017 number, 7% updated 2017 number, 5%	1
Sewer Sub-total Utilitie Taxes and Licenses	40,756 5 101,465	86,606 215,613	127,362 317,078	updated 2017 number, 14% PUPA: 2,3	31
Real Estate Taxes Payroll Taxes	20,280 10,680	43,094	63,374 33,376	updated using 2017 number. Web updated using 2017 number	fare exemption reduced.
Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses	3,829	22,695 8,137 73,926	11,966 108,715	updated using 2017 number PUPA: 79	9
Insurance Property and Liability Insurance Fidelity Bond Insurance	34,627	73,583 0	108,210	updated using 2017 number.	Service of the servic
Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance	8,795 0	18,689 0 92,272		updated using 2017 number PUPA: 99	
Maintenance & Repair Payroll	56,737	120,567	177,304	1 Maintenance Manager, 2lle Mai	
Supplies Contracts Garbage and Trash Removal	6,937 54,502 24,579	14,740 115,817 52,231	170,319	updated using 2017 number updated using 2017 number updated 2017 numbr. 14.42%	
Security Psyrofi/Contract HVAC Repairs and Maintenance	28,276 7,885	28,276 16,755	56,551 24,640	updaeld using 2017 number, 50/5 updated using 2017 number	Ospilitus usus a disperimentali successorius un successorius un successorius anno anticologica del consultati d
Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	0 0 178,916	0 0 348,386	0 527,302		77
Supportive Services Commercial Expenses	0	80,751	80,751 5,374	Links from 'Commercial Op. Budg	ef Workshoet
TOTAL OPERATING EXPENSES	599,017			PUPA; 13.	
	***,-**	1,224,365	1,828,756		
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent	6,400	13,600	20,000	Ground lease with MOHCD Pro	ovide additional comments here, if needed.
Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Deposit				Ground lease with MOHCD Pro	
Ground Lease Base Rent Bond Moniforing Fee Replacement Reserve Deposit Operating Reserve Deposit Other Required Reserve 1 Deposit Other Required Reserve 1 Deposit	6,400 0 26,112	13,600 0 55,488	20,000 0 81,600 14,750 0		ovide additional comments here, if needed.
Ground Lease Base Rent Bond Montdering Fee Replacement Reserve Deposit Other Required Reserve Deposit Other Required Reserve Deposit Other Required Reserve 10 Deposit Required Reserve 10 Deposit Required Reserve 10 Deposit Required Reserve 10 Deposit Other Required Reserve 10 Deposit Other Required Reserve 10 Deposit Other Required Reserve 10 Deposit Other Required Reserve 10 Deposit Other Reserve 10 Deposit Other Reserve 10 Deposit Other Reserve 10 Deposit Other 10 Deposit 10 Deposit 10 Deposit 10 Deposit Other 10 Deposit	6,400 0 26,112 4,720 0	13,600 0 55,488 10,030 0	20,000 0 81,600 14,750 0 0 7,516	Ground lease with MOHCD Pro	ovide additional comments here, if needed.
Ground Lease Base Rent Bond Montiforing Expensed Registroment Reserve Deposit Registroment Reserve Deposit Operating Return Deposit Other Required Reserve 2 Deposit Registroment Registroment Registroment Sub-total Reserves/Ground Lease Base Rent/Bond Feet TOTAL OPERATING EXPENSES (or Reserves/GL Base Rent/ Bond Foos)	6,400 0 26,112 4,720 0 0 37,232	13,600 0 55,488 10,030 0 0 79,118	20,000 0 81,600 14,750 0 0 7,515 123,866 1,952,622	Links from Commercial Op. Budg PUPA: 911 PUPA: 14,358	yef Workshed Mn DSCR: 1.09 Morpupe Rise: 5.00% Supportable 1st Morpupe Prize: 12:131
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INCOME
Residential - Tenant Rents
Residential - Tenant Residential
Residential - Tenant Residential
Residential - Tenant Residence Payments (Non-LOSP)
Residential - LOSP Tenant Residence Payments
Commercial Space
Residential Parking
Residential Parking
Residential Parking
Interest Income
Interest Income
Interest Income
Interest Income
Tenant Charge
Mesosikanous Residential Income
Other Commercial Income Alternative LOSP Split | non-LOSP | Approved by [regt]
Resignation - Tenant Assistance Payments (Not 000%) Remarker LOSP Spiri LOSP mon-LOSP Approved By (regd) Projected LOSP Split Tenant Charges (only acceptable if LOSP specific expenses are being tracked at entry level in the project's accounting system) LOSP non-LOSP Miscolianous Commercial Income

Other Commercial Income

Withdrawai from Capitalized Reserve (deposit to operating account)

Gross Potential Income Alternative LOSP Split LOSP
Withdrawal from Capitalized Roserve (deposit to operating ac non-LOSP Approved By (recd) Vacancy Loss - Residential - Tenant Rents
Vacancy Loss - Residential - Tenant Assistance Payments
Vacancy Loss - Commercial EEEECTIVE CROSS INCOM OPERATING EXPENSES Management
Management Fee
Asset Management Fee Uternative LOSP Split non-LOSP Approved By (regd) Management Fee Asset Management Fee Sub-total Management Exper Salaries/Benefits
Office Salaries
Manogor's Salary
Health insurance and Other Benefits
Other Salaries/Benefits
Administrative Rent-Free Unit non-LOSP 42 00% Alternative LOSP Split Approved By (reed) 55 00% LOSP FOR A Attrinistative Rent-Free Unit 42.00% 58.00% Sub-total Salaries/Benefit Administration
Advertising and Marketing
Office Expenses
Office Polymore
Legal Expense - Property
Audit Expense
Bookkeeping/Accounting Services pon-LOSP [only acceptable I LOSP-specific expenses are being [only acc Projected LOSP Split Logal Expense - Property (only acceptable # LOSP-specific expenses are being tracked 20,00% at entry level in the project's accombing system) Projected LOSP Split Bad Debts LOSP non-LOSP 50 00% Sub-total Administration Exper non-LOSP (only acceptable if LOSP-specific expenses are being 68,00% at entry level in the project's accounting system) LOSP Projected LOSP Split Sub-total Itiliti Taxes and Licenses Alternative LOSP Split LOSP non-LOSP Approved By (regd) Real Estate Taxos Payroll Taxos es all invited and Permits ous Taxos, Licenses and Permits Sub-total Taxes and Li-Insurance
Property and Liability Insurance
Fidelity Bond Insurance
Worker's Compensation
Director's & Officers' Liability Insurance Attendative LOSP Split LOSP Mont-LOSP Mont-LOSP Mont-LOSP (1995) aintenance & Repair 00n-LOSP 32 00% Maintenance of the Payroll
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HVAC Regular, and Maintenance
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Mecollaneous Operating and Maintenance Enginee Projected LOSP Split (only acceptable if LOSP-specific expenses 68 00% at entry level in the project's accounting sys Approved By (requ) Atternative LOSP Split Reserves/Ground Lease Base Rent/Bond Fees
Ground Lease Base Rent
Bond Monitoring Fee
Replacement Reserve Deposit
Operating Reserve Deposit
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Other Required Reserve 2 Deposit
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Operating Reserve Deposit
Other Required Reserve 1 Deposit TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES) DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans) [Atternative LOSP Split | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | LOSP | Approved By (regd) TOTAL HARD DERT SERVICE CASH FLOW (NOI minus DEBT SERVICE) CASH FLOW (NOI minus DEBT SERVICE)
Commercial Only Cash Flow
Allocation of Commercial Surplus to LOPS/mon-LOSP (residual Income)
Allocation of Commercial Surplus to LOPS/mon-LOSP (residual Income)
Allocation of Commercial Surplus to LOPS/mon-LOSP (residual Income)
AVAILABLE CASH FLOW
USES OF CASH FLOW
USES OF CASH FLOW BELOW (This tow also shows DSCR)
USES THAT PRECEDE MOHAD DEBT SERVICE IN WATERFALL
Televorable-line* Asset Mig the Cuncernmon in new projects, see policy
Patronerish Management Fee (see policy for firmits)
Investor Service Free (size 12* Asset Mig For) (see policy for firmits)
Company of the Commercial Service In Commercial Service In Commercial Service In Commercial Service Incomercial Service In Commercial Service In Commercial Service Incomercial Service In Commercial L PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD) PRECEIONS MONICD)

Does Project have a MONICD Residual Receipt Obligation?

Does Project have a MONICD Residual Receipt Obligation?

Will Project Device Developer Feor Province Work of Receight Receipts in Yi 1.5um of DD From LOSP and non-LOSP.

What Deferred Developer analysis for distribution to soft detail knoters in Plant of Sum of DDF and calculated SNR.

So Principles Melecytic analysis for distribution to soft detail knoters in Plant of Sum of DDF and calculated SNR. #VALUE Soft Debt Lender's with Residual Receipts Obligations
MCHCD/CCI - Soft Debt Loans
MCHCD/CCI - Corund Loase Value
HCD (part debt boar) - Loaner Value
HCD (part debt boar) - Loaner 3
Chler Soft Debt Lender - Londer 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 RAANCE AFTER MONCO RESIDUAL RECEIPTS
DEST SERVICE
NON-MONCO RESIDUAL RECEIPTS DEBT SERVICE
HCD Residual Receipts Amount fou
Lender A Residual Receipt Due
Lender A Residual Receipt Due
Lender A Residual Receipt Due
Lender Service
Total Non-MONCO Residual Receipts Debt Service
REMAINDER (Nould be zero unless there are
distributions below)
Owner Charinburourlicentive Management Fee
Other DestributionsUsers
Trial Balance (should be zero)

Loan Committee Date: April 20, 2018 Page 18 of 19

Attachment C: 20-year Operating Proforma

10th and Mission															
Total # Units: 136		92		·	Year 1 2018			Year 2 2019			Year 3 2020			Year 4 2021	$\overline{}$
INCOME Residental - Tenant Rents	% annua inc LOSF 2.5%	% annual increase 2.5%	Comments (related to annual inc assumptions)	LOSP 128 752	non-LOSP 1,273,988	Total 1,402,740	LOSP 131,970	non-LOSP 1,305.838	Total 1,437,809	LOSP 135,270	non-LOSP 1,338,484	Total 1,473,754	LOSP 138 651	non-LOSP 1,371,946	Total 1,510,598
Residential - Toront Assistance Payments (Non-LOSP) and December 1 Residential - LOSP Terant Assistance Payments Commercial Space	n/a n/a n/a	2.5% n/a 2.5%		493,792	125.568	125,568 493,792 77,484		128 707	128.707 496.130 79.421	513 339	131,925	131,925 513,339 81,407	531,193	135 223	135,223 531,193 83,442
Residental Parland Miscollaneous Rent Income Supportive Services Income Interest Income - Project Operations	2.5% 2.5% 2.5%	2.5% 2.5% 2.5% 2.5%			===	- :									
Laundry and Vending Tenart Charges no military and the comment of	25% 25% 25%	2.5% 2.5% 2.5%	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	11,315	24,045	35,360	11 598	24,646	36,244	11,888	25 262	37,150	12 185	25,894	38 079
Other Commercial Income Withdrawal from Capitalized Reserve (deposit to operating account)	n/a n/a	2.5% rva	Link from Reserve Section below, as applicable	Keskisenink	*S49951948104	30,000	characteria	VARIATIONS	30,750	480888141	SOPPHICALIS	31,519		CHEROCHER CO.	32,307
Gross Potential Income Vaconcy Loss - Residential - Tenant Rents Vaconcy Loss - Residential - Tenant Assistance Payments Vaconcy Loss - Commercial	n/a n/a	n/a n/a n/a	Enter formulas monually per relevent MOH policy, etribusi incrementing usually not appropriate	633,859 (6,438)	1,423,601 (63,699) (6,278)	2,164,944 (70,137) (6,278) (3,874)	639,699 (6,599)	1,459,191 (65,292) (6,435)	2,209,061 (71,890) (6,435) (3,971)	660,497 (6,763)	1,495,671 (66,924) (6,596)	2,269,093 (73,688) (6,596) (4,070)	682,029 (6,933)	1,533,063 (68,597) (6,761)	2,330,841 (75,530) (6,761) (4,172)
OPERATING EXPENSES Management				627,422	1,353,623	2,084,655	633,100	1,387,464	2,126,764	653,733	1,422,151	2,184,739	675,097	1,457,704	2,244,378
Manapement Fee Asset Management Fee Sub-total Management Excesses	35% 35%	35% 3.5%	1st Year to be set according to HUD schedule. per MOHCD policy	38 124 6,541 44,664	81,012 13,899 94,912	119.136 20.440 139,576	39,458 6,770 46,228	83,848 14,386 96,234	123,306 21,156 144,461	40.839 7,007 47,846	86 783 14 889 101,672	127,621 21,896 149,517	42,268 7,252 49,520	89,820 15,410 105,230	132,068 22,662 154,750
Salaries/Benefits Office Salaries Manager's Salary	35%	35%		75 749 44 126	104.606	180,355 137,893	78 400 45 670	108 267	186,667 142,719	81,144 47,269	112.056	193,201	83,984 48,923	115 978	199,963
Health Insurance and Other Benefits Other Salance/Benefits Administrative Rent-Free Unit	35% 35% 35%	35% 35% 35%		40,481	55,902	96,383	41,898	57,859	99,757	43 364	59,884	103,248	14,882	61,980	106.862
Sub-total Salaries/Benefits Administration Advertising and Marketing	3 5%	35%	Landing to the second	160,356 707	254,275 1,503	414,631 2,210	165,968 732	263,175	429,143 2,267	171,777 758	272,386 1,610	444,163 2,367	177,789 764	281,920 1,666	459,709 2,450
Office Expenses Office Rent Lings Expense - Property instrustions and account of the property instrustions and account of the property instrustions and account of the property instrustions and account of the property instrustions and account of the property instrustions and account of the property instrustions and account of the property instru	35% 35% 35% 35%	3.5% 3.5% 3.5%		16 596 - 6,404 3 258	35,480 - 6,404 6,922	52,176 12,808 10,180	17,281 - 6,628 3,372	36,721 - 6 628 7,165	54,002 13,256 10,536	17.886 - 6,860 3,490	38,007 6,880 7,415	55,892 13,720 10,905	7,100 3,612	7,100 7,675	57,848 - 14,201 11,267
Bookleeping/Accounting Services Bad Debts in guinesses and grants	35% 35% 35%	3.5% 3.5% 3.5%		4 961 3,378	10,543 3,378	15,504 6,756	5 (35 3.496	10,912 3,496	16 047 6,993	5,315 3,819	11,294 3,619	16,608 7,238	5,501	11 659 3 746	17,190 7,491
Sub-total Administration Expenses Utilities Becinctly	35%	35%		35,405 15,797	64,230 33,569	99,635 49,367	36,644 16,350	66,478 34,744	103,122 51,096	37,926 16,923	58,805 35,960	106,731 52,883	39,254 17,515	71,213 37,219	110,467 54,734
Water Gas Sewar	35% 35% 35%	35% 35% 35%		26,594 18,318 40,756	56,511 38,927 85,606	83,105 57,245 127,362	27,524 18,960 42,182	58,489 40,289 89,637	86,013 59,249 131,820	28,488 19,623 43,659	60,536 41,699 92,775	89,024 61,322 136,433	29,485 20,310 45,187	62,655 43 159 96,022	92,140 63,468 141,208
Taxes and Licenses Real Estate Toxes Peyrol Toxes	35%	35%	- Company	101,465 20,280 10,680	215,613 43,094 22,695	317,078 63,374 33,376	105,016 6,242 11,054	223,160 13,265 23,490	328,176 19,508 34,544	6,461 11,441	230,970 13,730 24,312	20,190 35,753	112,496 6,687 11,841	239,054 14,210 25,163	351,551 20,697 37,004
Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance	3.5%	35%	<u> </u>	3,829 34,789	8 137 73,926	11,966 106,715	3 963 21,259	8,421 45,176	12,384 66,436	4 102	8 716 46,758	12,818 68,761	4,245 22,774	9,021 48,394	13,767 71,168
Property and Lability Insurance Fatesty Bond Insurance Wester's Companyation (1998) 2019 (1999) 350	3.5% 3.5% 3.5%	35% 35% 35%		34.627 8.795	73,583 - 18,689	108,210 - 27,483	35,839 - 9,102	76 158 - 19 343	111,998 - 26,445	37,094 9,421	78,824 - 20,020	115,918 - 29,441	38,392 - 9,751	#1,583 - 20,721	119,975 30,471
Director's & Officers' Liability Insurance Sub-total Insurance Maintenance & Repair	35%	35%	L	43,422	92,272	135,694	44,942 58 723	95,501	140,443	46,515	98,844	145,358	48,143 62,906	102,303	150,446
Payroll Supples Confincts Garbage and Trash Removal	35% 35% 35%	35% 35% 35%		54 502 24 579	14 740 11 817 115 817 52 231	21,677 170,319 76,810	7,179 58 410 25 440	124 787 15,256 119 871 54,059	183,510 22,436 176,280 79,499	7,431 58,384 26,330	15 790 15 790 124,066 55,951	23,221 182,450 82,281	7,691 60,427 27,251	16,343 128,408 57,909	196 580 24,034 188,836 85,161
Security Payroll/Contract HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs	35% 35% 35%	35% 35% 35%		28 276 7,885	28 276 16 755	56 551 24 640	29 265 8 161	29,265 17,342	58,531 25,503	30 290 8 446	30,290 17,949	60.579 26.396	31,350 8,742	31,350 18,577	62,700 27,319
Misodianeous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses Supportive Services	35%	3.5%		178,916	348,386 80.751	527,302 80,751	185,178	360,579 83.577	545,757 83.577	191,659	373,200 86,502	564,859 86,502	198,367	386,262 89,530	584,629 89,530
Commercial Expenses TOTAL OPERATING EXPENSES]	35.02.23.00		599,017	1,224,365	1,828,756	605,235	1,235,881	5,562 1,846,678	626,418	1,279,136	5,757	648,343	1,323,906	5,958
PUPA (wio Reserves/GL Base Rent/Bond Fees) Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Ground Lease Base Rent	1			6 400	13,600	13,447	6,400	13 500	Note Hidden co 20,000	umis are in be	ween total color 13,600	nns. To apdated	olete values in ye 6,400	llow cells, manipul	Sale each cell rat 20,000
Bord Monitoring Fee Replacement Resorve Deposit Operating Reserve Deposit Other Required Reserve 1 Deposit				26 112 4,720	55,488 10,030	81,600 14,750	26 112 4 720	55.486 10.030	81.600 14.750	26.112 4.720	55.488 10.030	81,600 14,750	26 112 4,720	55.488 10.030	81,600 14,750
Other Required Reserve 2 Deposit Required Reserve Deposits, Commercial Sub-total Reserves/Ground Lease Base Rent/Bond Fees	-			37,232	79,118	7,516 123,866	2,405 37,232	5,111	7,516 116,250	2,405 37,232	5,111 79,118	7,518 116,350	2.405 37,232	5 111	7,516 116,350
TOTAL, OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fee PLIPA (w/ Reserves/GL Base Rent/Bond Fees)				636,249 (8,827)	1,303,483 50,140	1,952,622 14,358 132,033	642,467	1,314,999	1,963,028	663,650	1,358,254 63,896	2,027,662	685,575	1,403,024 54,680	2,094,558
NET OPERATING INCOME (INCOME minus OP EXPENSES) DEBT SERVICEMIUST PAY PAYMENTS ("hard debt"/amortized loans) Flord Debt - First Lender	3		Enter comments re: annual increase, etc.	13.022	27,673	40,696	(9,367) 13,022	72,465	163,736 Note: Hidden co 40,695	(9,917) umas are in be 13,022		157,077 ms. To updated 40,695	(10,478) Helte values in ye 13,022	flow cets, manipul 27,673	149,820 fale each cell rat 40,695
Hard Dobt - Second Lender (HCD Program 0.42% pyrnt, or other 2nd Lender Hard Dobt - Third Lender (Other HCD Program, or other 3nd Lender) Hard Dobt - Fourth Lender	Î		Enter comments re princial increase, etc. Enter comments re, princial increase, etc. Enter comments re, princial increase, etc.				Loozaanii karii	w.1855.treasure				100 mg/s	ZRVICERION-BIS-	armlini Sana	
Commercial Hard Debt Service TOTAL HARD DEBT SERVICE CASH FLOW (NOX minus DEBT SERVICE)	,			13,022 (21,849)	27,673 22,468	40,695 91,338	13,022 (22,389)	27,573 44,793	40,696 123,041	13,022 (22,940)	27,673 36,224	40,695 116,382	13,022 (23,501)	27,673 27,008	40,695 109,125
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS(non-LOSP (residual income)) AVAILABLE CASH FLOW	4			29,030 7,181	51,589 84,157	90,720 91,339	29,799 7,410	63,323 108,116	93,122 123,041	30,586 7,647	64,996 101,219	95,582 116,382	31,393 7,892	55,709 93,717	96,102 109,125
USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL "Below-the-line" Asset Mgf fee (uncommon in new projects, see policy)	35%	3.5%	DSCR:	- 1		3.24		-	4.07 Mole Hattlen co	- 1			- 1	flow certs, manager	3,68 late each ceil rai
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mig Fee") (see policy for limits) Other Payments	3.5%	35%	per MOHCD policy per MOHCD policy no annual increase	6.541 640	13 899 1,360	20.440 2,000	6,770 640	14,385 1,360	21,155 2,000	7,007 640	14 889 1,360	21,896 2,000	7,252 640	15.410	22,662
Non-amortizing Loan Pmrtt - Lender 1 Non-amortizing Loan Pmrtt - Lender 2 Deletred Developer Fee (Enter am) Max Fee from row (31)			Enter commonts re: annual increase, etc. Enter commonts re: annual increase, etc.										_==1	$\equiv \pm$	
TOTAL PAYMENTS PRECEDING MONCO RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MI Does Project have a MOHCO Residual Receipt Obligation?		Yes	[15,259 68,698	22,440 68,898	7,410	<u>15,746</u> 92,370	23,156 99,886		16,249 84,970	23,896 92,496	7,892 0	76,947	24,662 84,463
Will Project Defer Developer Fee? Residual Recepts split for all years, - Lender/Owner		No 67% / 33%		Max Deferred Dev											
MOHCO RESIDUAL RECEIPTS DEBT SERVICE	1	Dist. Soft Debt Loans		Cum Deferred De-			ı	1	·		ſ	•		Г	· .
MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Loan Repayment		77.56%	Allocation per pro rate share of all soft debt loans, and MOHCD residual receipts policy			35,623			51,646 51,646			47,820 47,820			43,671 - 43,671
Proposed MOHCO Residual Receipts Amount to Residual Ground Lease NON-MOHCO RESIDUAL RECEIPTS DEBT SERVICE]		Proposed Total MOHCO Amt Due less Loan Repayment]	1	35,623					l			L	
HCD Residual Receigts Amount Due Lender 4 Residual Receigts Que Lender 5 Residual Receigts Due Total Non-MOHCD Residual Receigts Debt Service	1	22.44% 0.00% 0.00%	Allocation per pro rota share of all soft debt		l	10,306			14 945		ł	13,838		E	12,637
REMAINDER (Should be zero unless there are distributions below)					-	22,966			33,295			30,829			28,154
Owner Destrobutions/incontive Management Fee Other Destrobutions/Uses Final Balance (should be zero) REPLACEMENT RESERVE - RUNNING BALANCE	1				ł	22,966			33,296		ŀ	30,829		E	28,154
Resourcement Reserver Staffing Bullenice Replacement Reserver Deposits Replacement Reserver Withdrawats (ideally teed to CNA) Replacement Reserver Interest RR Running Balance RR Running Balance						677,582 81,600 - 759,182			759,182 81,600 - 840,782		[840,782 81,600 922,382		E	922,382 81,600 1,003,982
OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Sistence Operating Reserve Deposits	}		RR Balance/Unit	1	F	\$5,582 556,266 14,750			\$6,182 571,016 14,750		ſ	56,782 585,766 14,750		F	\$7,382 600,516 14,750
Operating Reserve Withdrawals Operating Reserve Interest OR Running Balance	}	00.0	- Mark Carta Carta		ŀ	571,016			585,766		Ì	600,516		E	615,266
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Starting Balance Other Reserve 1 Deposits]	OR Balance a	s a % of Prior Yr Op Exps + Debt Service		[1	29.4%		F	30.0%		E	29.7%
Other Reserve 1 Withdrawals Other Reserve 1 Interest Other Required Reserve 1 Running Balance	1				ŀ									Ē	
OTHER RESERVE 2 - RUNNING BALANCE Other Reserve 2 Starting Balance Other Reserve 2 Deposits]				ſ						{			E	
Other Reserve 2 Withdrawais Other Reserve 2 Interest Other Reserve 2 Running Balance	1			I	E									E	_

MOHCO Proforma - 20 Year Cash Flow 10th and Mission Total # Units: LOSP Units Units
136 44 92 5 44 92 00% 98 00% % annual inc LOSP 1 Annual inc LOSP 1 1 25% 1 25% 1 7 2 2 5% 1 7 2 2 5% 1 2 5% Year 6 2023 2025 LOSP non-LOSP Total 142 118 1,400 245 1,548 362 - 138 604 128,604 5-40,715 138 138 138 549,715 85 528 Comments related to annual inc ass LOSP non-LOSP 145,671 1,441,401 - 142,069 non-LOSP 1,477,436 145,620 non-LOSP 5 1,514,372 149,261 LOSP 149,312 LOSP 153 045 sodental - Tenant Rents sadental - Tenant Assistance Payments (Non-LOSP) sudential - LOSP Tenant Assistance Payments 145,620 588,865 89,858 12 490 26 541 39 031 12.802 27,204 40 007 13,122 27.885 41,007 13 450 28,582 42,032 35,661 34 791 n/a 2.5% n/a n/a thdrawol from Capitalized Reserve (deposit to operating account)

Gross Potential Vacancy Loss - Residential - Tenant Rests
Vacancy Loss - Residential - Tenant Assistance Payments
Vacancy Loss - Commercial FEEECTIVE GROSS INCO 43.748 92.964 136.711 45.279 96.217 7.506 15.980 23.455 7,768 16,508 51.253 198.913 190.167 53.047 112.725 ### 15% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35 to Salaries
super's Salary
dill insurance and Other Benefits
or Salaries/Benefits
ministrative Rent-Free Unit 124,239 111,366 66,394 128,587 115,264 68,718 96,374 56,140 51,503 229,462 175,438 122,627 201 757 475 799 190.452 202.000 A92 452 197 118 212 560 500 686 127 500 527 522 vertising and Marketing Ince Expenses Ince Rent 35% 35% 35% 35% 35% 35% 35% 35% 14,698 11,682 17,791 7,753 15,744 12,514 19,058 8,305 7,349 3,738 5,693 3,877 7,349 7,944 12,098 3,877 7 606 7,606 se - Property 8 148 cokkecping/Accounting Services ad Debta 3,869 5,897 4,012 4,012 16 414 8 025 4,153 40,628 73,705 114,333 126,763 58.632 98.702 67.989 151,286 376,590 39.870 67.118 70,369 156,560 39 736 84.438 124,174 41,126 87.394 128,520 42,566 90,452 133,018 44,056 93,618 137,674 10.092 21,446 31,538 10,445 22,196 32.642 10,811 22,973 33,784 11,189 23,777 34,957 55,245 172,640 105.884 155,712 51.572 109.590 161,162 113,425 166.802 117,395 49.828 53.377 217 952 26,647 209 366 94,419 69,516 30,289 153,395 18,754 147,351 66,452 35,975 21,318 225 580 27 579 216 693 97 724 71 949 31,349 7,950 62,542 28,205 32,447 9,048 18,120 142,359 64,205 33,583 19,900 34,758 9,693 34,758 20,597 35 975 10 032 605,09 212,496 413,773 626,269 219,933 428,255 648.18 35% 35% 92,663 95,907 99,263 102,737 TOTAL OPERATING EXPENSES
PUPA (w/o Reserves/GL Base Rent/Bond Fees)
Reserves/Ground Lease Base Rent/Bond Fees
Ground Lease Base Rent 1,370,243 2,047,445 1,467,838 743,989 1,519,213 serves/Groun-ound Lease Base Rent out Monitoring Fee calacomont Reserve Depost perating Reserve Depost Ditter Roquired Reserve 1 Depost Required Reserve 2 Depost - Depost/S. Comm 6 400 13 600 20,000 20,000 6,400 13.600 6.400 13,600 20,000 6.400 13.600 20.000 26.112 4.720 55,488 10,030 26.112 4.720 81,600 14,750 55,488 10,030 81,600 14,750 26 112 4 720 81,600 14,750 7,516 116,350 5,111 2 405 5 111 7,518 116,350 2,405 2,405 5,111 7,516 116,350 2,405 5,111 7,516 TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)
PUPA (w/ Reserves/GL Base Rent/Band Fees)
NET OPERATING INCOME (INCOME minus OP EXPENSES) 708,267 (,449,361 2,163,795 731,753 1,497,319 2,235,456 755,062 1,546,956 2,309,624 781,221 1,598,331 2,386,389 (11,050) 44,786 141,835 [11,634] 34,181 133,390 (12,228) 22,832 124,153 (12,834) 114,190 DEST SERVICEAMUST PAY PAYMENTS C'hard debt anotized learel, Hard Dest - First Lender . Hard Dest - Seard Lande (HCD Program 0 GPs prent or c'her 2nd Land Enter comments re' armuel increase, etc. Enter comments re' armuel increase, etc. Enter comments re, armuel increase, etc. Enter comments re, armuel increase, etc. 27,673 40.696 13,022 27,673 40.695 13.022 27,673 40,696 13.022 27,673 40,695 13,022 13,022 27,673 13,022 27,673 40,695 40,695 13,022 27,673 40,595 40,695 CASH FLOW (NO! minus DEBT SERVICE) (25,250) Commercial Only Cash Flow

Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)...

AVAILABLE CASH FLOW 32,219 68,464 8,146 85,578 70,262 33,931 72 103 67.262 34,818 73,988 8,962 57,018 33 064 8 408 3.5% 3.5% per MOHCD policy 3.5% 3.5% per MOHCD policy per MOHCD policy no annual increase normal research made (uncommon in new projects, see policy)
inership Management Fee (see policy for limits)
silor Service Fee (alka "LP Asset Mgt Fee") (see policy for limits)
or Designated. 7,506 640 7,768 640 24,276 2,000 8,040 640 17,086 1,360 15,950 1,360 23.455 2,000 16,506 1,360 nortzing Loan Pmint - Lender 2 od Developer Fee (Enter am I ⊂ Max Fee from row 131) 17,310 68,268 25,455 75,784 17,868 58,903 26,276 18,446 48,816 27,126 56,332 RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCO) Does Project have a MOHCD Residual Receipt Obligation?
Will Project Defer Developer Fee?
Residual Receipts split for all years, - Lendor/Owner Yes No 67% / 33% Dist. Soft Dabt Loans MOHCD RESIDUAL RECEIPTS DEBT SERVICE Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Loan Repayment 39,184 39,184 23,520 23,520 34,342 34,342 29,126 29,126 Proposed MOHCD Residual Recepts Amount to Residual Ground Lease NON-MOHOO RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receptis Amount (Que scalum per pro rata share of all soft debt Lender 4 Residual Recepts Due Lender 5 Residual Recepts Due Total Non-MOHCD Residual Receipts Debt Se REMAINDER (Should be zero unless there are distributions bel Owner Distributions/incentive Management Fee Other Distributions/Uses Final Balance (should be zero)

REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Balance

Replacement Reserve Deposits
Replacement Reserve Withdrawals (ideally ted to CNA)
Replacement Reserve Interest

OTHER REQUIRED RESERVE 1 - RUNNING BALANCE
[Other Reserve 1 Starting Balance
Other Reserve 1 Deposits
Other Reserve 1 Withdrawals
Other Reserve 1 Inforest

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 1 Running Balance

Other Required Reserve 2 Running Balan

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-

2 of 5

1,085,582 81,600 -1,167,182 \$8,582

630,016 14,750

1,003,982 81,600

1,085,582 \$7,982

615,266 14,750 1,167,182 81,600

1,248,782 \$9,182

644,766 14,750 659,516 29.0%

10th and Mission		Non-LOSP													
Total # Units: 136		92 68 00%			Year 9 2026			Year 10 2027			Year 11 2028			Year 12 2029	
INCOME Residential - Terant Rents	% annual inc LOSP 2.5%		Comments (related to annual inc assumptions)	LOSP 156,871	non-LOSP 1,552,231	Total 1,709 102	LOSP 160,793	non-LOSP 1,591,037	Total 1,751,830	LOSP 164,813	non-LOSP 1,630,813	Total 1,795,626	LOSP 168 933	non-LOSP 1,671,563	Total 1,840,516
Residential - Tenant Assistance Playments (Non-LOSP) Residential - LOSP Tenant Assistance Playments Commercial Space	n/a n/a n/a	2.5% ri/a 2.5%		621,742 Specialização	152,992	152,992 621,742 94,407	643,692	156 817	156.817 643.692 96,767	600,461	160,738	160.738 666,461 99,186	690,079	164,756	164,756 690,079 101,666
Residental Parlang Miscellaneaus Rent Income Supportive Services Income	2.5% 2.5% 2.5%	2.5% 2.5% 2.5%													
Interest Income - Project Operations Laundry and Vending Tenant Charges 100 x 500 (1957) 200 (1957) 100 (1957)	2.5% 2.5% 2.5%	25% 25% 25%		13 786	29 296	43 083	14 131	30 029	44,160	14 481	30 779	45,264	14.847	31,549	46,396
Miscellaneous Residential Income Other Commercial Income Withdrawal from Capitalized Reserve (deposit to operating account)	2.5% n/a n/a	2.5% 2.5% n/a	Link from Reserve Section below, as	oegythastice	Westsinson	36,552	central terriscis	nespekke	37,466	4800000000	SOUTH REPORTS	38,403	provincial:	95(99 <u>9</u> 78)	39,363
Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Rents	r/a r/a	r/a r/a	Enter formulas manually per relevent MOH policy, annual incrementing usually not	792,400 (7,844)	1,734,520 (77,612) (7,650)	2,657,878 (85,455) (7,650)	818,616 (8.040)	1,777,883 (79,552) (7,541)	2,730,732 (87,592) (7,841)	845,758 (8,241)	1,822,330 (81,541) (8,037)	2,805,677 (89,781) (8,037)	873,859 (8 447)	1,867,888 (83,579) (8,238)	2.882,775 (92.036)
Vacincy Loss - Commercial EFFECTIVE GROSS INCOME OPERATING EXPENSES	tva	i iva	appropriate	784,556	1,649,259	(4,720) 2,560,053	810,576	1,690,490	(4,536) 2,630,461	837,518	1,732,752	(4,959) 2,702,899	865,412	1,776,071	(8,236) (5,083) 2,777,428
Management Management Fee	3.5%	3.5%	1st Year to be ad according to HUD schedule.	50,201	106,678	156,879	51.958	110,412	162,370	53,777	114,276	168,053	55,659	118,276	173,935
Austet Management Fee Sub-total Management Expenses Salaries/Benefits	35%		per MOHCD policy	8,613 58,814	18,303 124,981	26,916 183,795	8,914 60,873	18 943 129,355	27,858 190,228	9,226 63,003	19,606 133,882	28,833 196,886	9,549 65,209	20,292 138,568	29,842
Office Salonts Manager's Solary Health Insurance and Other Benefits	35% 35% 35%	35% 35% 35%		99.747 58.105 53.306	137,746 123,474 73,613	237,493 181,579 126,918	103,238 60,139 55,171	142.567 127.795 76.189	245,805 187,934 131,361	106,852 62,244 57,102	147,557 132,268 78,856	254,409 194,512 135,958	110,591 64,422 59,101	152,721 136,897 81,616	203,313 201,320 140,717
Other Solaries/Benefits Administrative Rent-Free Unit Sub-total Salaries/Benefits	35%	35% 3.5%		211,158	334,832	545,990	218,549	346,551	565,100	226,198	358,681	584,878	234,115	371,234	605,349
Administration Advertising and Marketing Office Expenses	35% 35% 35%	3.5% 3.5% 3.5%		931 21.986	1 979 46 720	2,910 66,706	964 22,755	2,048 48,355	3 012 71,111	998 23,552	2 120 50 048	3,117 73,599	1,032 24,376	2 194 51 799	3.227 76,175
Office Rant Legal Expense - Property Audi Expense Bookkeepra/Accounting Services	35% 35% 35%	35% 35% 35%		8 433 4 290 6 533	8 433 9 115 13 883	16,866 13,405 20,416	8,728 4,440 5,762	8 728 9 435 14 389	17,456 13,874 21,130	9,034 4,595 5,995	9 034 9 765 14 872	18,067 14,390 21,870	9,350 4,756 7,243	9,350 10,106 15,392	18,699 14,862 22,635
Bod Dobts and the increase and a process of the pro	35% 35%	35% 35%		4,448 46,621	4 448 - 84.579	8,897 131,200	48,253	4,604 87,539	9,208	4,765	4,765 - 90,603	9,531	4,932 51,690	4,932 - 93,774	9,864
Utilities Bestreity Sastant nauling refuse confesse from consesses is sastant with the confesse of the confesse of the confesses of the confes	35%	35%		20 802 35 019	44,205 74,415	65,007 109,433	21,530 36 244	45.752 77.019	67,282 113,263	22,284 37,513	47,353 79,715	69.637 117,227	23.064 38.826	49,010 82,505	72,074 121,330
Gas Sower Sub-total Utilities	3.5% 3.5%	35% 35%		24 122 53 668 133,610	51,259 114,044 283,922	75,381 167,711 417,532	24 966 55 546 138,287	53,053 118,035 293,859	78,019 173,581 432,145	25,840 57,490 143,127	54 910 122 166 304,144	60,750 179,667 447,270	26,744 59,502 148,136	56,832 126,442 314,789	83,576 185,945 462,925
Taxes and Licenses Real Entate Taxes Playrull Taxes	3.5% 3.5%	35%		7,942 14,064	16 877 29 886	24,819 43,949	8 220 14 556	17,468 30,832	25,686 45,488	8,508 15,065	18 079 32,014	26,587 47,080	8,806 15,593	18 712 33 135	27,518 48,727
Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance	35%	35%		5,042 27,048	10.714 57,477	15,756 84,525	27,995	11,089 59,489	16,306 } 87,483	5,401 28,975	11,478 } 61,571	16,879 90,545	5,590 29,989	63,726	93,714
Property and Lebifty Insurance Fidelity Bond Insurance Worke's Compensation	3.5% 3.5% 3.5%	35% 35% 35%		45,598 11,581	96,895 24,609	142,492 36,190	47,193 11,986	100,286 - 25,471	147,480 37,457	48 845 12 406	103 796 - 26,362	152,641 - 38,768	50,555 12,840	107,429 - 27,285	157,984
Director's & Officers' Liability Insurance Sub-total Insurance Maintenance & Repair	3.5%	35%		57,178	121,504	178,683	59,180	125,757	184,937	61,251	130,158	191,409	63,395	134,714	196,109
Payroll Supples in more series and property in the control of the property in the control of the	35% 35% 35%	35% 35% 35%		74 712 9 134 71,769	158 763 19 410 152 509	233,476 28,545 224,278	77,327 9,454 74,281	164,320 20,090 157,847	241,647 29,544 232,127	80 034 9 785 76 881	170,071 20,793 163,371	250,105 30,578 240,252	82 835 10 127 79 571	176,024 21,521 169,089	258,858 31,648 248,661
Garbage and Trash Removal Security Payrot/Contract HVAC Repairs and Maintenance	35% 35% 35%	35% 35% 35%	Maria de la compania de la compania de la compania de la compania de la compania de la compania de la compania	32,366 37,234 10,383	58,778 37,234 22,064	101,144 74,467 32,446	33 499 38 537 10 746	71,185 38,537 22,836	104,684 77,074 33,582	34 671 39 886 11,122	73,677 39,886 23,635	108,348 79,771 34,757	35.885 41,282 11,512	76,256 41,282 24,462	112,140 82,563 35,974
Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	35% 35%	35%		235,598	458,758	694,356	243,844	474,814	718,658	252,378	491,433	743,611	261,212	508,633	769,845
Supportive Services Commercial Expenses	3.5%	3.5%	and the state of the control		106 333	106,333 7,077	·	110,055	110,055 7,324	(4,0),0,10,10	113,907	113,907 7,581	######################################	117,894	117,894 7,846
TOTAL OPERATING EXPENSES PUPA (w/o Reserves/GL Base Rent/Bond Fees) Reserves/Ground Lease Base Rent/Bond Fees				770,028	1,572,385	2,349,490	796,979	1,627,419	2,431,722	824,874	1,684,378	2,516,833	853,744	1,743,332	2,604,922
Ground Lease Base Rent Bond Mondonna Fee Roplacement Resorve Doposii				6,400 26,112	13,600 - 55,486	20,000 81,600	6,400 - 26,112	13,600 - 55,488	20,000 51,600	5,400 - 25,112	13,600 - 55,488	20,000	6,400 - 26,112	13,600 - 55,488	20,000
Other Required Reserve 1 Deposit Other Required Reserve 2 Deposit				4,720	10,030	14,750	4,720	10,030	14,750	4,720	10,030	14,750	4,720	10,030	14,750
Required Reserve Deposit/s, Commercial Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees	j =)		<u> </u>	2,405 37,232 807,260	5,111 79,118 1,651,503	7,516 116,350 2,465,840	2.405 37,232 834,211	5 111 79,118 1,706,537	7,516 116,350 2,548,072	2,405 37,232 862,106	5 111 79,118 1,763,496	7,516 116,350 2,633,183	2,405 37,232 890,976	5 111 79,118 1,822,450	7,516 116,350 2,721,272
PUPA (w/ Reserves/GL Base Rent/Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES)			I	(22,704)			(23,636)		82,389	(24,588)			(26,564)		56,156
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans) Hard Debt - First Lender Hard Debt - Second Lender (HCO Program 0.42% pymt. or other 2nd Lender	ļ P		Enter comments to armuel increase, etc. Enter comments re armuel increase, etc.	13.022	27,673	40,695	13.022	27,673	40,695	13.022	27,673	40,696	13,022	27,673	40,695
Hard Datri - Third Lender (Other HCD Program, or other 3rd Lender) Hard Datri - Fourth Londer Commercial Hard Debt Service TOTAL HARD DEBT SERVICE			Enter comments to, annual increase, etc. Enter comments to, advual increase, etc.	lasa Jawas	40000000		3200 (11500)	46/04/GESEL	Tanana an		Academia.	100 100 1000	SHARRASIS	S0277349.75	
CASH FLOW (NO! minus DEBT SERVICE) Commercial Crity Cash Flow				13,022 (35,727)	27,673 (29,917)	40,695 53,518 111,646	13,022 (36,657)	27,673 (43,719)	40,695 41,694 114,554	13,022 (37,610)	27,673 (58,417)	40,695 29,022 117,532	13,022 (38,587)	27,673 (74,051)	40,695 15,461 120,583
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income) AVAILABLE CASH FLOW	į		DSCR:	35,727 (0)	75.919 46,002	53,518	35,657	77,897 34,178	41,694	37,610	79,022 21,506	29,022	38,587	81,996 7,945	15,461
USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDIE MOHCD DEBT SERVICE IN WATERFALL. Boow-the-line* Asset Mgt les (uncommon in new projects, see policy) Partnership Minagement Fee (see policy for limits)	3.5% 3.5%	35%	per MOHCD policy			2.32		· ·	2.02			1.71		-	1.38
Investor Service Fee (aka "LP Asset Mgf Fee") (see policy for Imits) Other Payments Non-amortizing Lean Pmint - Londor 3	30%	remeduaters:	per MOHCD policy no annual increase Enter comments re: ennual increase, etc.												
Non-amortzing Loan Pmrit - Lender 2 Delerred Developer Fee (Enter anil - Max Fee from row 131) TOTAL PAYMENTS PRECEDING MOHCD			Enter comments re: ennual increase, etc.									2 20			
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MO Does Project have a MCHCD Residual Receipt Obligation?	онсв)	Yes		(0)	46,002	53,518		34,178	41,694	0	21,506	29,022		7,945	15,461
Will Project Defer Developer Fee? Residual Recepts split for all years Lender/Owner		No 67% / 33%													
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	_	Dist. Soft Debt Loans			_						_	•			•
MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Loan Repayment		77.56%	Allocation per pro reta strare of all soft debt leans, and MOHCD residual receipts policy			27,671 27,671			21,568 21,568			15,006 15,006			7,994
Proposed MOHCO Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amit Due less Loan Repayment			27,071		ĺ			į			ľ	7,994
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Dun Lender 4 Residual Receipts Due	1	0.00%	Allocation per pro rate share of all soft debt		F	8,007		[6,238		E	4,342		F	2,313
Lender 5 Residual Recepts Due Total Non-MOHCD Residual Receipts Debt Service	i	0.00%			i	8,007		l	6,238		L	4,342		ι	2,313
REMAINDER (Should be zero unless there are distributions below) Owner Detributions/incontive Management Fee Cother Detributions/Lives Final Balance (should be zero)					F	17,839 17,839		[13,898 13,898		E	9,674 9,674		[5,154 5,154
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Stating Bullance Replacement Reserve Deposits Replacement Reserve Withdrawals (doally laid to CNA) Replacement Reserve Interest						1,330,382 81,600			1,411,982 81,600			1,493,582 81,600			1,575,182 81,600
RR Running Balance OPERATING RESERVE - RUNNING BALANCE Operating Reserve Stating Balance Operating Reserve Departs Operating Reserve Departs]		RR Balanca/Unit		F	1,411,982 \$10,382 674,266 14,750		,	1,493,582 \$10,982 689,016 14,750		F	1,575,182 \$11,582 703,765 14,750		. ,	1,656,782 \$12,162 718,516 14,750
Operating Reserve Withdrawas Operating Reserve Withdrawas Operating Reserve Interest OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE]	OR Balance a	a % of Prior Yr Op Exps + Debt Service		ł	689,016 28 4%		į	703,766		t	718,516 27.8%		ŀ	733,266
Other Reserve 1 Starting Batance Other Reserve 1 Deposts Other Reserve 1 Withdrawals Other Reserve 1 Interest					[<u>.</u>			<u> </u>			-
Other Required Reserve 1 Running Balance OTHER RESERVE 2 - RUNNING BALANCE Other Reserve 2 Starting Balance Other Reserve 2 Deposts					[•		[Γ	· ———
Other Reserve 2, Deposits Other Reserve 2 Withdrawals Other Reserve 2 Interest Other Reserve 2 Running Balance					[[E			[

10th and Mission		Non-LOSP													
Total # Units 134	- 44	ts Units 92		[Year 13			Year 14		<u> </u>	Year 15		Year 16 2033		
INCOME	% annua	f % annual	Comments	LOSP	2030 non-LOSP	Total	LOSP	2031	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	*
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP)	2.5%	2.5% 2.5%	(related to annual inc assumptions)	173 157	1,713,373 168,875	1,886,529 1,886,529	177,486	non-LOSP 1,756,207 173,097	1933,693 173,097	181,923	1,800,112 177,424	1,982,035 177,424	186,471	1,845,115 181,860	Total 2,031,586 181,860
Residential - LOSP Tenant Assistance Payments Commercial Space	r/a r/a	n/a 2.5% 2.5%		714,577		714,577 104,207	7.19 987	0.000 W/Feb 930 [2023][2025][]	739,987 106,813	765 343	ntikog undged Heitergrander	766.343 109.463	793,678	appasiister Isiasifaaja	793,678 112,220
Residential Parking Misodianeous Rent Income Supportive Scritics Income	2.5% 2.5% 2.5%	25% 25% 25%	11. 11. 11. 11. 11. 11. 11. 11. 11. 11.	<u> </u>				=	- :	-			÷		- -
Interest Income - Project Operations Laundry and Vending	2.5% 2.5%	25%		15,218	32,338	47,556	15 598	33 146	48,744	15,986	33,975	49,963	16,388	34,824	51,212
Tenant Charges Miscellaneous Residential Income	2.5%	2.5% 2.5% 2.5%			- :	40.347	-		41.355			42,389		NAME OF THE OWNER OWNER O	43 449
Other Commercial Income Withdrawol from Copitalized Reserve (deposit to operating account)	n/a n/a	r/a	Link from Reserve Section below, as applicable			0.00	initial salves as	SILK PRESIDENT	eta a	-		4,450%	CHARACTERIES		91.00
Gross Potential Income Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments	n/a . rva	n/a n/a	Enter formulat manually per relevant MOHI policy, annual incrementing usually not	902,951	1,914,585 (85,669) (8,444)	2,962,091 (94,326) (8,444)	933,071 (8,874)	1,962,450 (87,810) (8,655)	3,043,689 (96,685) (8,655)	964,253 (9,096)	2,011,511 (90,005) (8,871)	3,127,637 (99,102) (8,871)	996,537 (9.374)	2,061,799 (92,256) (9,093)	3,214,005 (101,579) (9,093)
EFFECTIVE GROSS INCOME	rva	ī/a	appropriate	894,293	1,820,473	(5,210) 2,854,110	924,196	1,865,985	(5,341) 2,933,008	955,157	1,912,634	(5.474) 3,014,190	987,213	1,960,450	(5,611) 3,097,721
OPERATING EXPENSES Management	ar		Tist Year to be set according to HUD	, ,						,					
Management Fee Asset Management Fee	35% 35%	3.5%	schools.	57,607 9,884	122,415 21,003	180,023 30,886	59 624 10 230	126 700 21,738 148,438	186,323 31,967	61,710 10,588	131, 134 22,499	192,845 33,086	63,870 10,958	135 724 23 286	199,594 34,244
Sub-total Management Expenses Salaries/Benefits Office Salanes			,	67,491	143,418	210,909	69,853		218,291	72,298	163,633	225,931	74,828	159,010	233,838
Manage's Salary Health Insurance and Other Benefits	35% 35% 35%	35% 35% 35%		114 452 66 677 61 170	158 067 141 689 84 472	272,529 208,366 149,642	118 468 69 011 63 311	163 599 146 648 87 429	282,067 215,659 150,739	122,615 71,426 65,526	169 325 151,761 90,469	291,940 223,207 156,015	73 926 67 520	175 251 157 093 93 656	302,158 231,019 161,476
Other Salaries/Bendits Administrative Rent Free Unit	3.5% 3.5%	3.5% 3.5%		:		-						- :	- :	-	
Sub-total Salaries/Benefit Administration Advertising and Marketing	35%	3.5%	1 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	242,309	384,228 2.271	626,536 3,339	250,790 1,106	397,676 2,350	648,465 3,456	259,567 1,145	411,594	671,161 3,577	268,652 1.185	426,000 2,518	3,703
Office Expenses Office Rent	35%	35%		25 229	53,612	76,842	25 112	55 489	61,601	27,026	57,431	84,457	27,972	59 441	87,413
Logal Expense - Property Audit Expense	35%	35%		9 677 4 922	9,677 10,460	19,354 15,383	10 016 5 095	10 016 10 826	20,031 15,921	10 366 5,273	10,366 11,205	20,732 16,478	10 729 5 458	10 779 11 597	21,458 17,055
Bookkeenry/Accounting Services Bisd Debts - Franchis Franchis Bisd Debts - Bisd Bisd Bisd Bisd Bisd Bisd Bisd Bisd	3.5% 3.5%	35% 35% 35%		7,497 5,105	15,931 5,105	23,428 10,210	7,759 5,283	16 488 5 283	24,248 10,567	8 031 5 458	17,065 5,468	25,096 10,937	8 312 5 660	17.663 5.660	25,975 11,319
Sub-total Administration Expense: Utilities				53,499	97,056	150,555	55,371	100,453	155,824	57,309	103,969	161,278	59,315	107,607	166,923
Bestnety susispendent sessi significant process session mission or process water	35%	35%		23 871 40 185	50,726 85,392	74,597 125,577	24,706 41,591	52,501 88,381	77,208 129,972	25.571 43,047	54,339 91,474	79,910 134,521	26,466 44,553	56,240 94,676	82.707 139,229
Gas Sewer Sub-total Utlifite	35%	35%		27,680 61,585 153,321	58,821 130,868 325,807	86,501 192,453 479,127	28 649 63 740 158,687	50.879 135.448 337,210	89,529 199,188 495,897	29,652 65,971 164,241	63,010 140,189 349,012	92,662 206,160 513,253	30 690 68 280 169,989	65.216 145.095 361,228	95.905 213,376 531,217
Taxes and Licenses Rool Estate Toxes	35%	35%		9 114	19,367	28,481	9,433	20 045	29,477	9.763	20,748	30,509	10 105	21,472	31,577
Payrofi Taxee Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Ucenses	35% 35%	35%		16,139 5,786	34 294 12 295	50,433 18,081	16 703 5 988	35,495 12,725	52,196 18,714	17,288 6,198	36,737 13,171	54.025 19,369	17,893 6,415	38,023 13,632	55,916 20,047
Sub-total Taxes and Ucenses Insurance Property and Liability Insurance	35%	3.5%		31,038 52,324	65,956	96,994	32,125 54,156	68,265 115,081	169,236	33,249 56,051	70,654	103,903	34,413 58,013	123,277	181,290
Fidelity Bond Insurance Worker's Compensation	3.5%	35%		13,289	28 240	41,529	13,755	29,228	42,983	14,236	30,251	44.467	14.734	31.310	46,044
Director's & Officers' Liabitity Insurance Sub-total Insurance	3.5%	35%		65,614	139,429	205,042	67,910	144,309	212,219	70,287	149,360	219,647	72,747	154,587	227,334
Maintenance & Repair Payroll Supplies and dealing a second and a second a second and a second and a second and a second and a second an	35%	35%		85 734 10 482	182 185 22 274	267,919 32,756	8E 735 10 849	188 561 23 053	277,296 33,902	91 840 11 228	195,161 23,860	287,001 35,089	95,055 11,621	201,991	297 046 36 317
Contracts Garbage and Trash Removal	35% 35%	3.5% 3.5%		82,356 37,141	175,007 78,924	257,364 116,065	85,239 38,441	181 133 81 687	266,371 120,128	88 222 39 786	187 472 84 546	275,694 124,332	91,310 41,179	194,034 57,505	265,344 128,684
Security Payrel/Contract WHAC Repairs and Maintenance Vehode and Maintenance Equipment Operation and Repairs	35% 35% 35%	35% 35% 35%		42,726 11,915	42,726 25,318	85,453 37,233	44,222 12,332	44 222 26 205	88,444 38,536	45 770 12 763	45 770 27 122	91,539 39,885	47,372 13,210	47,372 28,071	94,743 41,281
Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	3.5%	3.5%		270,354	526,435	796,789	279,816	544,860	824,677	289,610	563,930	853,541	799,746	583,668	883,414
Supportive Services Commercial Expenses	35%	35%		STREET, STREET	122.020	122,020		126,291	126,291 8,405	3.021 (4.24.00.A	130,711	130,711	- LEV-co-en u ra/o-	135.286	135,286
TOTAL OPERATING EXPENSES	_			883,625	1,804,348	2,696,094	914,552	1,867,500	2,790,457	946,561	1,932,863	2,888,123	979,691	2,000,513	2,989,208
PUPA (w/o Reserves/GL Base Rent/Bond Fees) Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Ground Lease Base Rent	1				47 4m l	20.000	£ 400 l	12.00	20.000	5 400	42.00	m mm I	e ron [12 500 1	00.000
Bond Monitoring Fee Replacement Reserve Decosit and provide the release of the reserve personal and the release of the release	1		2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	6.400 26.112	13 600 55 488	20,000	6,400 26 112	13 600 55 488	20,000 81,600	6,400 26,112	13,600 55,488	20.000 81,600	6.400 26.112	13.600 55.488	20,000
Operating Reserve Deposit				4,720	10,030	14,750	1,720	55,488 10,030	14,750	4,720	10 030	14,750	4,720	10,030	14,750
Cther Required Reserve 2 Deposit Required Reserve Deposit Sub-total Reserves/Ground Lease Base Rent/Bond Fees	1			2.405 37,232	5111	7,516 116,350	2,405 37,232	5 111	7,516 116,350	2,405 37,232	5111 79,118	7,516 116,350	2 405 37,232	5111	7,516 116,350
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fee	rs)			920,857	1,883,456	2,812,444	951,784	1,945,618	2,906,807	983,793	2,011,981	3,004,473	1,016,923	2,079,631	3,105,558
PUPA (w/ Reserves/GL Base Rent/Band Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES)				(26,664)	(62,993)	41,666	(27,688)	(80,634)	26,201	(28,636)	(99,346)	9,716	(29,710)	(119,181)	(7,836)
DEBT SERVICEMUST PAY PAYMENTS ("hard debt"/amortized loans) Hard Debt - First Lender Hard Debt - First Lender Hard Debt - First Lender Hard Debt - First Lender	2		Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	13,022	27,673	40,695	13,022	27,673	40,695	13.022	27,673	40,695	13,022	27,673	40,695
Hard Door - Second Londer (HCD) Program 0.42% pyml , or other 2nd Lende Hard Debt - Third Lender (Other HCD) Program, or other 3nd Lender) Hard Debt - Fourth Lender	Ĭ		Enfor comments re, annual increase, etc. Enfor comments re, annual increase, etc.				- :			-			<u>:</u>		
Commercial Hard Debt Service TOTAL HARD DEBT SERVICE]		the state of the s	13,022	27,673	40,695	13,022	27,673	40,695	13,022	27,673	40,695	13,022	27,673	40,695
CASH FLOW (NOI minus DEBT SERVICE) Commercial Only Cash Flow				(39,586)	(90,656)	971 123,707	(40,610)	(108,306)	(14,494) 126,906	(41,658)	(127,019)	(30,979) 130,183	(42,732)	(146,853)	(48,531) 133,538
Allocation of Commercial Surplus to LOPS/hen-LOSP (residual income). AVAILABLE CASH FLOW	2			39.586 (0)	84,121 (6,545)	971	40,610 (P)	86,296 (22,010)	(14,494)	41,658	88,524 (38,495)	(30,979)	42,732	90,606 (56,047)	(48,531)
USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDE MONCO DEBT SERVICE IN WATERFALL.			DSCR:			1,02			0.64		ĺ	0.24		Į.	-0,19
"Below-the-line" Asset Mgf fee (uncommon in new projects, see policy) Partnership Management Fee (see policy for limits) Investor Service Fee (alsa "LP" Asset Mgf Fee") (see policy for limits)	35%	35%	per MOHCD policy per MOHCD policy							<u>:</u>	-:	11,774		\equiv	3.3
Other Payments Non-amortizing Loan Print - Lender 1	1	Tripological Co.	per MOHCD policy no annual increase Enter consents re: annual increase, etc.	- :		100	- :	_:							
Non-amortizing Loan Pmrt - Lender 2 Deferred Developer Fee (Enter am) = Max Fee from row 131) > (2.13)]		Enter comments to annual increase, etc.	-:	- :				2011 ST.		-				77077
TOTAL PAYMENTS PRECEDING MONCO RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING M					(6,545)	971		(22,010)	(14,494)		(38,495)	(30,979)		(56,047)	(48,531)
Does Project have a MCHCD Residual Recept Obligation? Will Project Defer Developer Fee?		Yes No		"	1-1		1-7	(()	1		(,,	,,,		()	(
Residual Receipts split for all years Lender/Owner		67% / 33%													
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Dist. Soft Debt Loans	Ī												
]	77.56%	Allocation per pro reta share of all soft dobt loans, and MOHCO residual recepts policy		[[Γ	
MOHCO Residual Receipts Amount Due Proposed MOHCO Residual Receipts Amount to Loan Repayment	1	//.36%	Proposed Total MOHCD Amt Due less Loan			502 502								F	
Proceed MOHCD Residual Recepts Amount to Residual Ground Lesse NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE]		Repayment	1	L						Į.			L	-
HCD Residual Receipts Ambunt Due Lender 4 Residual Receipts Due	}	0.00%	Allocation per provata share of all soft debt		[145			<u>;</u>		F	- :		F	-
Lender 5 Residual Receipts Due Total Non-MOHCD Residual Receipts Debt Service	3	0.00%		l	[145									-:-
REMAINDER (Should be zero unless there are distributions below) Owner Distributions/incentive Management Fee Other Cestributions/Uses Final Balance (should be zero)	}				[324 324		1	ä		Е			Е	Ė
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Balance Replacement Reserve Deposts Replacement Reserve Wethdrawals (ideally led to CNA)					F	1,656,782 81,600		ļ	1,738,382 81,600		F	1,819,982 81,600		F	1,901,582 81,600
Replacement Reserve Interest RR Running Balance	1		RR Balancockins		t	1,738.382 \$12,782		l	1,819,982 \$13,382		t	1,901,582 \$13,962		E	1,983,182 \$14,582
OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Balance Operating Reserve Deposits Operating Reserve Withdrawals					-	733,266 14,750		Į	748,016 14,750		E	762,766 14,750		E	777,516 14,750
Operating Reserve Interest OR Running Balance	j			l	t	748,016		l	762,766		b	777,516		E	792,266
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE	,	OR Balance a	s a % of Prior Yr Op Exps + Debt Service			27.1%			26.7%		_	26 4%		_	26 0%
Other Reserve 1 Starting Balance Other Reserve 1 Deposits Other Reserve 1 Warbdrawals					Į.	_=		}			F			F	-
Other Reserve 1 Interest Other Required Reserve 1 Running Balance	1				ŀ	==		t			t			E	
OTHER RESERVE 2 - RUNNING BALANCE	1			l	г			r			F	- : -		_	
Other Reserve 2 Storting Balance Other Reserve 2 Deposits Other Reserve 2 Withdrawals Other Reserve 2 Withdrawals	1				ŀ			į			Ė			E	-
Other Reserve 2 Interest Other Required Reserve 2 Running Balance	1			l	Ł			ı			L				

10th and Mission Non-LOSP Total # Units: LOSP Units: Units															
Total # Units. 136		ets Units 92			Year 17 2034		_	Year 18 2035			Year 19 2036			Year 20 2037	
INCOME	% annua	al % annual	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP) 11888/000000000000000000000000000000000	2.5% Na n/a	2.5% 2.5% nva		191,132 827,029	1,891,243 186,406	2,082,375 166,406 822,029	195.911	1,938,524 191,067	2,134,435 191,067 851,433	200,809 881,928	1,986,987 195,843	2.187,798 195,843 881,928	205,829 913,554	2,036,662 200,739	2,242,491 200,739 913,554
Residential - LOSP Tenant Assistance Payments Commercial Space Residential Parling	r/a 25%	2.5% 2.5%	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	es en la comp	Addisortine	115,025	2000	19000000000	117,901		Wales Sales	120.849	20 utosse	AND DESIGNATES	123,870
Miscellaneous Rent Income Supportive Services Income Interest Income - Project Operations	2.5% 2.5% 2.5%	2.5% 2.5% 2.5%		-			-	-	-			- :	-	<u>:</u>	
Laundry and Vending Tonant Charges and recommendation of the philipse	25% 25%	25%		16.797	35,695	52,492	17,217	35,587	53,804	17,648	37,502	55 150	18 089	38,439	56,528
Miscellaneous Residential Income Other Commercial Income	2.5% n/a	2.5% 2.5%	Link from Heserve Sociator below, as	30000000000	new preseller	44,535	nacementar	1050 00001 1000	45,649	TERRORES	Potogogogoe	46,790	AUSTANIE	GONOMOTO	47,960
Withdrawal from Capitalized Reserve (deposit to operating account) Gross Potential Income Vacancy Loss - Residential - Tenant Rents	n/a n/a	n/a	applicable Enter formulas manually per relevant MOH	1,029,959	2,113,344 (94,562)	3,302,864	1,064,561	2,166,178	3,394,269	1,100,385	2,220,332	3,488,355	1,137,472	2,275,840	3,585,141 (112,125)
Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial EFFECTIVE GROSS INCOME	n/a rva	n/a n/a	policy, annual incrementing usually not appropriate	1,020,403	(9.320) 2,009,462	(9,320) (5,751) 3,183,674	1,054,766	(9.553) 2,059,698	(9.553) (5.895) 3,272,119	1,090,344	(9.792) 2,111,191	(9,792) (6 (42) 3,363,131	1,127,180	(10,037) 2,163,970	(10.037) (6.193) 3,456,786
OPERATING EXPENSES Management	•			1,020,403	2,009,462	3,183,674	1,054,766	2039,898	3,2/2,119	1,050,344	2,111,191	3,000,131	1,127,180	2,163,970	3,400,700
Management Fac Asset Management Fee	35%	35%	1st Year to be set according to HUD schedule.	66 106 11 342	140,475 24,101	205.580 35.443	58,419 11,739	145 391 24 945	213,810 36,683	70,814	150 480 25,818	221,294 37,967	73 293 12 575	155,747 26 721	229,039 39,296
Sub-total Management Expenses Salaries/Benefits				77,447	164,576	242,023	80,158	170,336	250,494	82,963	176,297	259,261	85,867	182,468	268,335
Office Salans Manapar's Salary Health Insurance and Other Benefits	35% 35% 35%	35% 35% 35%		131,348 76,513 70,193	181,385 182,591 96,934	312,733 239,105 167,127	135,945 79 191 72,650	187,734 168,282 100,327	323,679 247,473 172,977	140,703 81,963 75,193	194,304 174,172 103,838	335,007 256,135 179,031	145,628 84,832 77,825	201,105 180,268 107,472	346,733 265,099 185,297
Other Salanes/Benefits Administrative Rent-Free Unit	35%	35% 35%				-	-			797,859			308,284	498,845	- :
Sub-total Salaries/Benefits Administration Advertising and Marketing	35%	3.5%		278,055 1,226	440,910 2,506	718,965 3,832	287,787	456,342 2.697	744,129 3,968	1,314	472,314 2,791	770,173 4.105	1,360	2,889	797,129
Office Expenses Office Rent	35% 35%	35% 35%	AND THE RESERVE OF THE PERSON	28 951	61.521	90,472	29 964	63,675	93,639	31,013	65 903 - 11 895	96 916 23,791	32 099	68,210	100,308
Legal Expense - Property - Colorad Resolution (Colorad Resolution	35% 35%	3.5% 3.5% 3.5%		11,105 5,649 8,603	11,105 12,003 18,281	22,209 17,652 26,884	11 493 5,846 8,904	11,493 12,423 18,921	22,986 18,270 27,825	11 895 6,051 9,216	12,858 19,583	18,909 26,799	12,312 6,263 9,538	12,312 13,308 20,268	29,806
Bod Debts Miscellaneous Sub-total Administration Expenses	35%	35%		5.858	5.858	172,765	6,063	6,063 - 115,272	12.126	6,275	8,275 119,306	12,550	6,495	6.495	12,989
Unities Demoty General/Apacasas allocations confined as appropriate and the confined as a second confined as a se	35%	3.5%		27,392	58,209	85.601	28 351	60,246	88,597	29,343	62.355	91,698	30 370	64,537	94,908
Water Ges Sewer	35% 35% 35%	3.5% 3.5% 3.5%	And the green of the late of the	46,113 31,764 70,670	97,990 67,498 150,174	144,102 99,262 220,844	47,727 32,876 73,143	101,419 69,861 155,430	149,146 102,736 226,573	49,397 34,026 75,703	104,969 72,306 160,870	154,366 106,332 236,573	51,126 35,217 78,353	106,643 74,836 166,500	159,769 110,053 244,853
Sub-total Utilities Taxes and Licenses				175,939	373,871	549,810	182,097	386,956	569,053	188,470	400,499	588,970	195,067	414,517	609,584
Roal Estate Times Payroli Taxes Miscellaneous Taxes, Licenses and Permits	35% 35% 35%	35% 35%	2 20 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	10.458 18.519 6.639	22,224 39,354 14,109	32,682 57,673 20,748	10.624 19.168 6.872		33 826 59 898 21 474	11,203 19,638 7,112	23 807 42 157 15 114	35,010 61,995 22,226	11 595 20 533 7 361	24,640 43,632 15,643	36,235 64,165 23,004
Sub-total Taxes and Licenses Insurance				35,617	75,686	111,303	36,864	78,335	115,199	38,154	81,077	119,231	39,489	83,915	123,404
Property and Leibity Insurance Fidelity Bond Insurance Worker's Compensation	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		60,043 15,250	127,592 - 32,406	187,635 47,656	52,145 15,784	132,058	194,202 - 49,324	64 320 - 16 336	136,680 - 34,714	200,999 51,050	66,571 16 908	141,463 	206,034
Director's & Officers' Liability Insurance Sub-total Insurance	35%	35%		75,293	159,998	235,291	77,928	165,596	243,526	80,656	171,394	252,050	83,479	177,392	260,871
Maintenance & Repair Payroll Supplies an appropriate complete acquire page user and a repair to the complete acquire a	35%	35% 35%		98 382 12 028	209,061 25,560	307,443 37,588	101,825	216,378 26,454	318,203 38,903	105,389 12,885	223,951 27,380	329 340 40 265	109,077	231 790 28,338	340,967 41,674
Contracts Garbage and Trash Removal	35%	3.5%	the state of the s	94,506 42,620	200,825 90,568	295,331 133,188	97,814 44,112	207,854 93,738	305,667 137,849	101,237 45 656	215,129 97,018	316 366 142 674	104 780 47,254	222,658 100,414	327,439 147,668
Security Payrid/Contract HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs	35% 35% 35%	35% 35% 35%		49.030 13.672	49,030 29,054	98,059 42,726	50,746 14,151	50,746 30,070	101,491 44,221	52,522 14,546	52,522 31,123	105,044 45,769	54 360 15 159	54,360 32,212	108,720 47,371
Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	35%	35%	and also a second for	310,238	604,096	914,334	321,096	625,240	946,336	332,334	647,123	979,457	343,966	669,772	1,013,738
Supportive Services Commercial Expenses	35%	3.5%		Ji kangasarana	140.021	140,021 9.319	80709349 yest5	144,921	144,921 9,645	ayating.	149,994	149.994 9,983	20020000	155,243	155,243 10,332
TOTAL OPERATING EXPENSES PUPA (w/o Reserves/GL Base Rent/Bond Fees)			1,013,980	2,070,531	3,093,830	1,049,469	2,143,000	3,202,114	1,086,201	2,218,005	3,314,188	1,124,218	2,295,635	3,430,185
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent	7			6,400	13,600	20,000	6,400	13,500	20.000	6,400	13,600	20,000	6.400	13,600	20,000
Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Deposit				26,112 4,720	55 488 10 030	81,600 14,750	26,112 4,720	55,486 10,030	81,600 14,750	26,112 4,720	55 488 10 030	81 600 14 750	26.112 4,720	55 488 10 030	81,600 14,750
Other Required Reserve 1 Deposit Other Required Reserve 2 Deposit Required Reserve Depositis, Commercial	3		20 - 10 - 10 - 10 - 10 - 10 - 10 - 10 -	2.405	5111	7,516	2 405	5111	7,516	2,405	5111	7,516	2.405	5111	7,516
Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fee	\ \			37,232 1,051,212	79,118 2,149,649	116,350 3,210,180	37,232	79,118 2,222,118	116,350 3,318,464	37,232 1,123,433	79,118 2,297,123	116,350 3,430,538	37,232 1,161,450	79,118 2,374,753	116,350 3,546,535
PUPA (w/ Reserves/GL Base Rent/Bond Fees NET OPERATING INCOME (INCOME minus OP EXPENSES))			(30,809		(26,506)									(89,748)
DEBT SERVICEMUST PAY PAYMENTS ("hard debt"/amortized loans)	3		Enter comments to annual increase, etc.	13,022	27,673	40,695	13,022	27,673	40,695	13,022	27,573	40,695	13.022	27,673	40.695
Hard Debt - Second Lender (HCD Program 0 42% pymt; or other 2nd Lende Hard Debt - Thrid Lender (Other HCD Program; or other 3nd Lender)	7		Enter comments re, annual increase, etc. Enter comments re, annual increase, etc. Enter comments re, annual increase, etc.					-		:			- :		
Hard Dobt - Fourth Lender Commercial Hard Debt Service TOTAL HARD DEBT SERVICE	1		ground destriction of the section, or	13,022	27,673	40,695	13,022	27,673	40,695	13,072	27,673	40,695	13,022	27,673	40,695
CASH FLOW (NOI minus DEBT SERVICE) Commercial Only Cash Flow				(43,832)	(167,860)	(67,201) 136,975	(44,958)	(190,092)	(87,041) 140,494	(46,111)	(213,605)	(108,102) 544,097	(47,292)	(238,455)	(130,443) 147,788
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income) AVAILABLE CASH FLOW	Ħ			43 832	93,143 (74,717)	(67,201)	44,958	95,536 (94,557)	(87,041)	46,111 (0)	97,986 (115,618)		47,292 (D)	100.496 (137,959)	(130,443)
USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			DSCR:			-0,56			1.14)			-1,66			-2.21
"Below-the-line" Asset Mgf fee (uncommon in new projects, see policy) Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgf Fee") (see policy for limits)	35%	3.5%	per MOHCD policy per MOHCD policy per MOHCD policy no annual increase									1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	-		
Other Payments Non-amortizing Loan Print - Lender 1	1		Enter comments re: annual increase, etc.	·											
Non-amortzing Loan Pmrti - Lender 2 Deletred Developer Fee (Enter am) TOTAL PAYMENTS PRECEDING MONCO	4		Enter comments re annual increase, etc.	L		- 27 -					<u> </u>			-	
RESIDUAL RECEIPTS (CASH PLOW minus PAYMENTS PRECEDING M Does Project have a MOHCD Residual Receipt Obligation?					(74,717)	(67,201)	(0)	(94,557)	(87,041)	(0)	(115,618)	(105,102)	(0)	(137,959)	(130,443)
Does Project have a MOHOD Residual Recept Obligation? Will Project Defer Developer Fee? Residual Recepts split for all years, - Lender/Owner		Yes No 67% / 33%													
		Dist. Soft		I											
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	7	Debt Loans	Allocation per emission object of all soft soft	l	1		ì	1							
MOHCD Residual Receipts Amount Dua Proposed MOHCD Residual Receipts Amount to Loan Repayment	1	77.56%	ionns, and MOHCD residual receipts policy									<u> </u>			
Proposed MOHCO Residual Receipts Amount to Residual Ground Lease]		Proposed Total MOHCD Amil Due less Loan Repayment	l								لـــا			
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE HCD Residua Receipts Amount Due Lender 4 Residual Receipts Due	7	22.44%			1	· ·	}								
Lender 5 Residual Receipts Due Total Non-MOHCD Residual Receipts Debt Service]	0.00%		I		:	l	ı				-		ļ	
REMAINDER (Should be zero unless there are distributions below)	,			ı			,								
Owner Destrobsons/Incentive Management Fee Other Destrobsons/Uses Final Balance (should be zero)	1														
REPLACEMENT RESERVE - RUNNING BALANCE	7			ı	1	1,983,182	1		2,064,782			2,146,382			2,227,962
Replacement Reserve Starting Balance Replacement Reserve Deposits Replacement Reserve Withdrawals (ideally ted to CNA)	1					81,600			81,600			81,500			81,600
Replacement Reserve Interest RR Running Balance	,		RR Balanco-Und	I	ŧ	2,064,782 \$15,182	J	ı	2,146,382 \$15,782			2,227,982 \$16,382			2,309,582 \$16,982
OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Balance	3			l		792,266]	1	807,016			821,766		1	836,516
Operating Reserve Deposits Operating Reserve Withdrawals Operating Reserve Interest	1					14,750			14,750			14,750			14,750
OR Running Balance	•	OR Balance	as a % of Prior Yr Op Exps + Debt Service			807,016 25 7%			821,766 25.3%			836,516 24.9%			851,266 24 5%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE OTHER Reserve 1 Starting Balance Other Reserve 1 Deposits	}				-]	Į							- :
Other Reserve 1 Withdrawals Other Reserve 1 Interest Other Reserve 1 Running Balance	}													j	
OTHER RESERVE 2 - RUNNING BALANCE	,			1		-	1	,	<u>.</u>						
Other Reserve 2 Starting Balance Other Reserve 2 Deposits Other Reserve 2 Withdrawals	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			:									<u>:</u> -
Other Reserve 2 Interest Other Required Reserve 2 Running Balance	ļ			l	I	· ·	i	Ī				لنيننا		ļ	-

Loan Committee Date: April 20, 2018 Page 19 of 19

Attachment D: LOSP Funding Schedule A

MOHCD Proforma - Exhibit A

LOSP FUNDING SCHEDULE

Project Address:	10th and Mission	
Project Start Date:	7/1/2018	

Exhibit A

EXHIBIT A								
				Total				
1				Disbursement	Estimated			
		Full Year	# Months	for	Disbursement	FY Budgeted		
Calendar Year		Funding Amount	to Fund	Calendar Year	Date	(for Disbursement)		
CY-1	2018	\$493,792	6	\$246,896	6/1/2018	FY2018/19		
CY-2	2019	\$496,130	12	\$496,130	1/1/2019	FY2018/19		
CY-3	2020	\$513,339	12	\$513,339	1/1/2020	FY2019/20		
CY-4	2021	\$531,193	12	\$531,193	1/1/2021	FY2020/21		
CY-5	2022	\$549,715	12	\$549,715	1/1/2022	FY2021/22		
CY-6	2023	\$568,931	12	\$568,931	1/1/2023	FY2022/23		
CY-7	2024	\$588,865	12	\$588,865	1/1/2024	FY2023/24		
CY-8	2025	\$609,544	12	\$609,544	1/1/2025	FY2024/25		
CY-9	2026	\$621,742	12	\$621,742	1/1/2026	FY2025/26		
CY-10	2027	\$643,692	12	\$643,692	1/1/2027	FY2026/27		
CY-11	2028	\$666,461	12	\$666,461	1/1/2028	FY2027/28		
CY-12	2029	\$690,079	12	\$690,079	1/1/2029	FY2028/29		
CY-13	2030	\$714,577	12	\$714,577	1/1/2030	FY2029/30		
CY-14	2031	\$739,987	12	\$739,987	1/1/2031	FY2030/31		
CY-15	2032	\$766,343	12	\$766,343	1/1/2032	FY2031/32		
CY-16	2033	\$793,678	12	\$793,678	1/1/2033	FY2032/33		
		Total Contract						

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED BOARD OF SUPERVISORS SAN FRANCISCO

2018 MA Tim 5 stamp 4: 28

or meeting date I hereby submit the following item for introduction (select only one): 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment). 2. Request for next printed agenda Without Reference to Committee. 3. Request for hearing on a subject matter at Committee. 4. Request for letter beginning: "Supervisor inquiries" 5. City Attorney Request. 6. Call File No. from Committee. 7. Budget Analyst request (attached written motion). 8. Substitute Legislation File No. 9. Reactivate File No. 10. Question(s) submitted for Mayoral Appearance before the BOS on Please check the appropriate boxes. The proposed legislation should be forwarded to the following: Small Business Commission ☐ Youth Commission Ethics Commission Building Inspection Commission Planning Commission Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form. Sponsor(s): Kim Subject: [Grant Agreement – Mercy Housing California XIV, L.P. - Local Operating Subsidy Program Contract - 10th & Mission Family Housing, 1390 Mission Street - Not to Exceed \$9,741,171] The text is listed: Resolution authorizing the Director of the Mayor's Office of Housing and Community Development to execute a Local Operating Subsidy Program Grant Agreement with Mercy Housing California XIV, L.P., a California limited partnership, to provide operating subsidies for formerly homeless families at 10th & Mission Family Housing, 1390 Mission Street, for a term of 15-years and six-months to commence following Board approval, in an amount not to exceed \$9,741,171.

Signature of Sponsoring Supervisor: