Public Meeting Agenda

California Housing Finance Agency Board of Directors
Thursday, December 11, 2025
10:00 a.m.

Meeting Location:
Tsakopoulos Library Galleria
West Meeting Room
828 I Street
Sacramento, CA 95814

This meeting will be open to the public pursuant to Government Code Sections 11120-11132.

It can be viewed on both YouTube and Zoom. Please note that public comments may only be made through Zoom; commenting is not available when watching on YouTube.

Click here to view on YouTube:
California Housing Finance Agency (CalHFA) - YouTube

Click here to register on Zoom:
https://events.zoom.us/ev/AqMzxmPimuaw21HK5cDdodJtEvtoGv3lZAcO66ACCC4vo0DTDc6t~ApKGEZfegFKgaiHOjuiyAt6uocVrp5uPDogX5ce2gLaySD_aYqRqgEbzCg

NOTES:

PARKING INFORMATION
Public parking is available at 849 J Street (entrance via J Street between 8th and 9th Street)

The map below shows the Metropolis parking garage (red star) and arrows around the building to get to the main Galleria entrance indicated by the green star

Parking is managed via the Metropolis Parking App:

1. Visit metropolis.io or download the Metropolis Parking app.
2. Create an account.
3. Add your license plate number and payment method.

Cameras will automatically scan your license plate upon entry and exit - no tickets or kiosks needed. Your payment will be processed automatically.

ADDITIONAL PARKING OPTIONS:

Limited metered street parking is available nearby.
Other private parking facilities are also located in the area (rates may vary).

REFRESHMENTS: Available at La Cosecha and Temple Coffee Roasters.

MINUTES

California Housing Finance Agency (CalHFA)
Board of Directors Meeting
October 16, 2025
Meeting noticed on October 6, 2025

1. Roll Call

The California Housing Finance Agency Board of Directors meeting was called to order at 10:17 a.m. by Chair Cervantes. A quorum of members was present.

MEMBERS PRESENT:	Cervantes, Kergan (for Moss), Hardeman, Henning (for Ma), Prince, Feigles (for Sin), Seeger (for Velasquez), White, Williams, Franklin
MEMBERS ARRIVING AFTER ROLL CALL:	None
MEMBERS ABSENT:	Assefa, Cabildo, Limon, Russell, Sotelo, Stephenshaw
STAFF PRESENT:	Marc Victor, Courtney Pond, Steve Gallagher
EARLY DEPARTURES:	None
GUEST SPEAKER:	Iman Novan, President, Novin Development

2. Approval of the Board meeting and Board workshop minutes – September 18, 2025

On a motion by Henning, the minutes were approved by unanimous consent of all members in attendance.

3. Chairperson/Executive Director comments

Chairperson's comments:

- Chair Cervantes announced Tony Sertich, a former long-term CalHFA leader, will be sworn in as the new Executive Director next week and formally introduced at the next meeting.

Executive Director comments:

- Chief Deputy Director Franklin announced that CalHFA received three awards from the National Council of State Housing Agencies, recognizing the Dream For All portal for excellence in technology, the agency's long-term financial strategy in management and financing, and its enhanced financial transparency in internal operations.

- CalHFA staff actively participated in multiple events this month, including the NCSHA Annual Conference, Rural Housing Summit, and the California Tribal Business Alliance policy roundtables, sharing best practices, highlighting state leadership in housing and disaster recovery, and strengthening partnerships across California communities.

- CalHFA is in the process of reviewing the California Dream For All Shared Appreciation Loan Program waitlist and anticipates launching a new pre-registration round next year with the remaining program funds.

- CalAssist has helped nearly 400 disaster-impacted homeowners. CalHFA is considering expanding eligibility based on ongoing feedback and data.

4. <u>Closed session pursuant to Government Code section 11126(c)(7) regarding 520 Capitol Mall, Mark Hefner with Marcus and Millichap</u>

Closed session convened at 10:34 a.m. Upon the conclusion of the closed session, the Board returned to the open meeting at 11:02 p.m.

5. <u>Report from closed session</u>

Chair Cervantes reported that no action was taken during the closed session.

6. <u>Discussion, recommendation, and possible action to approve a final loan commitment for 831 Water Street, Project No. 24012, for 140 units in Santa Cruz County</u>

Presented by Steve Gallagher, Director of Multifamily Programs, with guest speaker Iman Novin

On a motion by Prince, the Board approved **<u>Resolution No. 25-25.</u>** The votes were as follows:

AYES:	Cervantes, Kergan (for Moss), Hardeman, Henning (for Ma), Prince, Feigles (for Sin), Seeger (for Velasquez), White, Williams
NOES:	None
ABSTENTIONS:	None
ABSENT:	Cabildo, Limon, Russell, Sotelo

7. Informational written reports

Chair Cervates asked if there were any questions regarding the informational written reports and there were none.

8. Other Board matters

Chair Cervantes asked if there were any additional matters and Board members called for future discussion on partnering with local housing authorities to support affordable housing through project-based vouchers.

9. Public comment

Chair Cervantes invited public comment. No members of the public requested to speak.

10. Adjournment

As there was no further business to be conducted, Chair Cervantes adjourned the meeting at 11:29 am.

Cal HFA℠

MEMORANDUM

To: Board of Directors **Date:** December 11, 2025

From: Rebecca Franklin, Chief Deputy Director
California Housing Finance Agency

Subject: Agenda Item 4 – Discussion, recommendation, and possible action to appoint and set salary for a Director of Multifamily Programs – Resolution No. 25-26

Background

Following Stephanie McFadden's exit, CalHFA began the search for new Director of Multifamily Programs. CalHFA re-engaged ThinkingAhead, an executive search firm that has been in business for over 35 years and specifically Courtney Rice, a partner with ThinkingAhead who specializes in recruiting for multifamily lending.

Courtney identified and reached out to over 75 candidates and posted the role on CalHFA and ThinkingAhead's websites, which resulted in an additional two candidates that applied for the position. A short list of 17 possible candidates was established which was winnowed down to four outstanding candidates who interviewed. The targeted candidate profile for calling effort was affordable housing lending professionals at banks, CDFIs, affordable housing developers, and local housing authorities. She intentionally focused initial calling efforts on possible candidates in the local Sacramento area commutable to the CalHFA office.

A panel of four, that included three of CalHFA's top leadership (Director of Financing, General Counsel, Director of Administration, and Courtney Rice) interviewed the four candidates and ranked them on core competencies and cultural fit.

A single finalist was invited back for a second interview with Executive Director Tony Sertich, Board Chair Jim Cervantes, and BCSH Deputy Secretary of Housing and Consumer Relations, Sasha Kergan. The finalist was invited back for a third interview with Executive Director Tony Sertich and Chief Deputy Director, Rebecca Franklin. After these interviews, all of the panels agreed with this recommendation. ThinkingAhead then conducted extensive reference checks, verified education, and ran a thorough background check.

After this exhaustive search, staff will present the top candidate to the Board in closed session as the recommendation for the new CalHFA Director of Multifamily Programs. Following the Board's review and discussion in closed session, staff will make a recommendation in open session that said candidate be appointed and their salary established via the approval of Resolution 25-26.

BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION 25-26

RESOLUTION APPOINTING DIRECTOR OF MULTIFAMILY PROGRAMS

WHEREAS, the position of Director of Multifamily Programs of the California Housing Finance Agency ("Agency") is currently vacant; and

WHEREAS, the Agency Board of Directors is authorized to appoint an employee pursuant to California Constitution Article VII, Section 4(e); and

WHEREAS, a copy of the duty statement for the position of Director of Multifamily Programs, which may be revised from time to time at the discretion of the Executive Director, is attached hereto; and

WHEREAS, it is the intent of the Board of Directors that the Director of Multifamily Programs shall serve under the general direction of the Chief Deputy Director; and

WHEREAS, the Board of Directors is authorized pursuant to Health and Safety Code Section 50909 to set a salary for the position of Director of Multifamily Programs; and

WHEREAS, Applicant (name withheld to protect privacy) is well qualified for the position of Director of Multifamily Programs; and

WHEREAS, the Board of Directors wishes to appoint Applicant (name withheld to protect privacy) to the position of Director of Multifamily Programs of the California Housing Finance Agency.

NOW, THEREFORE, BE IT RESOLVED by the members of the Board of Directors as follows:

1. Applicant (name withheld to protect privacy) is hereby appointed to the position of Director of Multifamily Programs of the California Housing Finance Agency, serving under the general direction of the Chief Deputy Director, effective upon the administration of the Oath of Office at an annual salary of $210,000.

SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, Secretary of the Board of Directors of the California Housing Finance Agency, hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 25-26 duly adopted at the meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 11th day of December, 2025, of which meeting all said board members had due notice; and that at said meeting said Resolution was adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have executed this certificate hereto this 11th day of December, 2025.

Claire Tauriainen
Secretary of the Board of Directors of the
California Housing Finance Agency

DUTY STATEMENT
DIRECTOR OF MULTIFAMILY PROGRAMS

OUR VISION
All Californians living in homes they can afford
OUR MISSION
Investing in diverse communities with financing programs that help more Californians have a place to call home

EMPLOYEE INFORMATION

Employee Name		Effective Date	
Classification **Director of Multifamily Programs**		Position Number **693-001-5826-901**	
Division/Section/Unit **Multifamily Programs Division**		Location **Sacramento, CA**	
CBID **E99**	Work Week Group **E**	Tenure **Permanent**	Time Base **Full-Time**
Immediate Supervisor **Rebecca Franklin**		Supervisor Classification **Chief Deputy Director**	

POSITION DESIGNATED CONFLICT OF INTEREST

This position is designated under the Conflict-of-Interest Code. The position is responsible for making or participating in the making of governmental decisions that may potentially have a material effect on personal financial interests. The appointee is required to complete Form 700 within 30 days of the appointment. Failure to comply with the Conflict-of-Interest Code requirements may void the appointment.

CONDUCT, ATTENDANCE, AND PERFORMANCE EXPECTATIONS

This position requires the incumbent to maintain acceptable, consistent, and regular attendance; communicate effectively orally and in writing in dealing with the public and/or other employees; develop and maintain knowledge and skills related to the position's specific tasks, methodologies, materials, tools, and equipment; complete assignments in a timely and efficient manner; and adhere to the Agency's policies and procedures regarding attendance, leave, and conduct. Must maintain regular and acceptable attendance at such level as is determined at the Agency's sole discretion. Must be regularly available and willing to work the hours the Agency determines are necessary or desirable to meet its business needs.

2 CCR § 172 – General Qualifications, states in pertinent part:
The incumbent is expected to possess the general qualifications of integrity, honesty, sobriety, dependability, industry, thoroughness, accuracy, good judgment, initiative, resourcefulness, courtesy, ability to work cooperatively with others, willingness and ability to assume responsibilities and to conform to the conditions of work characteristic of the employment, and a state of health, consistent with the ability to perform the assigned duties of the class.

DIVISION DESCRIPTION

The Multifamily Programs Division is responsible for the financing and ongoing management of the Agency's multifamily lending portfolio and subsidy programs. The division is comprised of two sections – Multifamily Lending and Asset Management. Multifamily Lending provides loans that facilitate the development, rehabilitation, and preservation of affordable housing projects by partnering with localities as well as for-profit and nonprofit developers. The Multifamily division also leverages, or increases the purchasing power of, other funding sources, including funds from other state agencies, allocations from the California Debt Limit Allocation Committee (CDLAC) and the California Tax Credit Allocation Committee (TCAC).

Employee's Name	
Classification **Director of Multifamily Programs**	Division/Section/Unit **Multifamily Programs Division**

POSITION DESCRIPTION
Under administrative leadership and direction of the Chief Deputy Director, the Director of Multifamily Programs plans, organizes, and directs all Agency programs that provide financing for the acquisition, rehabilitation, and preservation or new construction of rental housing that includes the affordable rents for low- and moderate-income families and individuals. The Director of Multifamily Programs is responsible for developing and implementing the Agency's underwriting procedures and for the selection of projects to be financed, as well as overseeing the multifamily housing portfolio via the Asset Management Division. The Director of Multifamily Programs leads and oversees CalHFA's Multifamily Lending and Asset Management functions and administers the Multifamily Rental Housing Programs.
The duties contained in this job description reflect general details a necessary to describe the principal functions of this job. It should not be considered an all-inclusive listing of work requirements. The incumbent of this position may perform other duties, commensurate with this classification, as assigned, including work in other functional areas to cover during absences, to equalize peak work periods or to otherwise balance the workload. The duties and responsibilities include, but are not limited to the following:

PERCENTAGE OF TIME	**ESSENTIAL FUNCTIONS**
25%	**<u>Leadership, Supervision, and Guidance</u>** Provides supervision and guidance regarding the Agency's Multifamily Lending & Asset Management functions; in partnership with various outside entities, works to develop or refine the Agency's product delivery systems. These liaisons include non-profit organizations, for-profit developers, officials with commercial banks, savings and loans, realtors, mortgage bankers, local entities such as housing and redevelopment authorities, other state agencies, and numerous federal agencies.
25%	**<u>Business Development</u>** Develops and maintains relationships with local housing agencies, affordable housing developers, and private lenders to expand CalHFA's lending footprint. Represents CalHFA at conferences and industry gatherings.
20%	**<u>Program Policy</u>** Responsible for Agency policy formulation as it relates to multifamily lending and subsidy programs, including documents and manuals. Formulates policy with regard to new CalHFA multifamily programs and in response to a changing business environment.
15%	**<u>Project Review and Presentations</u>** Responsible for approving all multifamily projects prior to presentation at Senior Loan Committee and CalHFA's Board. Ensures that all projects meet CalHFA's standards prior to closing. Provides oral and written reports to the Executive Director, Chief Deputy Director, and senior staff of the Agency, as well as to the Board of Directors, regarding projects that are recommended for funding and other policy matters.
10%	**<u>Strategic Planning</u>** Advises the Executive Director, Chief Deputy Director, and senior staff with regard to all Program matters and strategic business decisions. This includes establishing Program goals and strategies for the Agency's 5-Year Business Plan.

PERCENTAGE OF TIME	**MARGINAL FUNCTIONS**
5%	Participates in senior management and staff meetings, attends training, handles special projects, and performs other duties as required.

Employee's Name	
Classification **Director of Multifamily Programs**	Division/Section/Unit **Multifamily Programs Division**

PERSONAL CONTACTS

- Daily contact with the public, all levels of departmental staff, and representatives from other State, Federal, and county agencies, and regular contact with multifamily developers.

SPECIAL REQUIREMENTS

- N/A

WORK ENVIRONMENT

- Prolonged sitting
- Works in a high-rise building
- Uses a computer keyboard and reads from computer screens several hours a day

PHYSICAL ABILITIES

- Ability to transport up to 20 lbs.

TRAVEL

- Occasional travel may be required within and/or outside the state of California via private or public transportation (i.e., automobile, airplane, etc.)
- Travel will/may include overnight stay.

EMPLOYEE ACKNOWLEDGEMENT

I have read and understand the duties listed above and I certify that I possess essential personal qualifications including integrity, initiative, dependability, good judgment, and ability to work cooperatively with others; and a state of health consistent with the ability to perform the assigned duties as described above with or without reasonable accommodation. (If a reasonable accommodation is necessary, discuss your concerns with the hiring supervisor. If unsure of a need for reasonable accommodation, inform the hiring supervisor, who will discuss your concerns with Human Resources.)

Employee Name	Employee Signature	Date

SUPERVISOR ACKNOWLEDGEMENT

I certify this duty statement represents a current and accurate description of the essential functions of this position. I have discussed the duties of this position with the employee and provided the employee with a copy of this duty statement.

Supervisor Name	Supervisor Signature	Date
Rebecca Franklin		

MEMORANDUM

To: Board of Directors **Date:** December 11, 2025

From: Steve Gallagher, Deputy Director of Multifamily Programs
California Housing Finance Agency

Subject: Agenda Item 7 – Permanent Loan Increase for Alamo Street Apartments,-
Project No. 21-016

Action: CalHFA Senior Loan Committee has recommended that Executive Director, Anthony Sertich, seek Board approval for a permanent loan increase for the Alamo Street Apartments development by approving Resolution Number 25-27.

Development Information:

- On April 21, 2022, the CalHFA Board of Directors approved a $48,700,000 permanent tax-exempt loan and an $7,000,000 Mixed Income Program ("MIP") subsidy loan for Alamo Street Apartments.

- Both the permanent loan (35-year amortization) and MIP subsidy loan (residual receipts) have terms of 30 years.

- Construction Financing closed June 2022. Construction has been completed, and the development is stabilized and prepared to close its permanent financing this this month.

- During construction, the development experienced cost increases, which have resulted in a financing gap that is being partially mitigated by the proposed permanent loan increase of $12,300,000 (25.3% increase).

- Any permanent loan increase above 7% of the previously approved amount requires a new approval by the CalHFA Board.

State of California

M E M O R A N D U M

To: Senior Loan Committee

Date: November 12, 2025

From: Steve Beckman, Housing Finance Officer
Paul Steinke, Attorney

Subject: REQUEST TO INCREASE THE PERMANENT LOAN AMOUNT
Alamo Street Apts. ("Project")
Borrower: Simi Valley Pacific Associates, a California Limited Partnership
Total Units: 271
City/County: Simi Valley, Ventura County
Developer: Pacific West Communities, Inc.
Construction Lender: US Bank
Investor: US Bank
Permanent Lender: CalHFA
CalHFA # 21-016-A/X/S

Summary of Request

CalHFA secured a tax-exempt bond allocation for the project in the amount of $74,000,000 from the California Debt Limit Allocation Committee (CDLAC) on December 8, 2021. The Project has also received an award of $67,595,110 of 4% Federal tax credits and $10,250,000 of 4% State tax credits set-aside for CalHFA's MIP. On April 21, 2022, the CalHFA Board ("Board") approved the issuance of a final commitment letter for a $48,700,000 CalHFA first lien permanent loan and a $7,000,000 CalHFA Mixed-Income Program ("MIP") loan to finance the Project. After CalHFA Board approval, Senior Loan Committee approved on May 10, 2022, a 6.8% increase to the CalHFA permanent loan to $52,000,000 and CalHFA issued a Final Commitment Letter on May 20, 2022. The construction loan closed on June 3, 2022. The project was completed and the developer received an extension of the permanent loan closing deadline from June 16, 2025, to December 13, 2025. The extension was needed to finalize the increase in tax credit equity and obtain investor approval for the permanent loan increase. The project is leased up and stabilized, and is expected convert to permanent financing in December 2025.

The Developer has requested a $12,300,000 (25.3%) increase in the CalHFA board approved permanent loan from $48,700,000 to an amount not to exceed $61,000,000, as the 6.8% increase to $52,000,000 was not sufficient. The purpose of the loan increase is to maximize the permanent loan amount which helps cover net aggregate cost escalation of approximately $15.1M (10.6% increase to total cost) attributed to increased construction costs ($12,512,167), construction loan interest ($6,808,505), insurance costs ($1,054,000), and other increased fees. These cost increases shown below are included with the decrease (full utilization of) in the hard cost contingency of $6.2MM which nets to an aggregate cost increase of

$15.1MM. US Bank indicated that even though final approval will not be available until 10/31/25, their current underwriting supports the loan increase.

The remaining funding gap is anticipated to be covered by an increase in tax credit equity as outlined in the comparison of the original vs. the current Permanent Sources of Funds below:

Permanent Financing Sources (In Order of Lien Priority)	**Board Approval 4/21/22**	**Proposed Amount**	**Difference**	**Percent Change**
CalHFA Perm Loan	$48,700,000	$61,000,000	$12,300,000	25.3%
Bonneville B Bonds*	$8,000,000	$8,000,000	$0	0.0%
CalHFA MIP Subsidy Loan	$7,000,000	$7,000,000	$0	0.0%
Deferred Developer Fee	$8,880,000	$9,485,737	$605,737	6.8%
Tax Credit Equity	$69,541,194	$71,723,602	$2,182,408	3.1%
Total Permanent Sources	**$142,121,194**	**$157,209,339**	**$15,088,145**	10.6%
* The Bonneville B bonds are tax exempt and recycled and will be senior to the MIP loan pursuant to the FCL dated 5/20/22.				

Total Development Costs	**Board Approval 4/21/22**	**Proposed Amount**	**Difference**	**Percent Change**
Acquisition Costs	$4,905,000	$4,000,000	($905,000)	-18.5%
Construction Costs	$99,087,835	$111,600,002	$12,512,167	12.6%
Architectural Fees	$900,000	$671,085	($228,915)	-25.4%
Engineering Fees	$415,000	$1,274,844	$859,844	207.2%
Contingency	$6,230,522	0*	($6,230,522)	-100.0%
Construction Period Costs	$8,980,316	$17,283,371	$8,303,055	92.5%
Permanent and Other Loan Costs	$681,835	$1,050,000	$368,165	54.0%
Legal Fees	$225,415	$142,559	($82,856)	-36.8%
Operating Reserves	$1,049,801	$1,356,020	$306,219	29.2%
Third Party Reports	$55,000	$16,300	($38,700)	-70.4%
Other Costs	$4,790,470	$5,015,158	$224,688	4.7%
Developer Fee	$14,800,000	$14,800,000	$0	0.0%
Total Development Costs	**$142,121,194**	**$157,209,339**	$15,088,145	10.6%
* Current development budget based on cost certification which shows all contingencies utilized.				

Increases in the income limits by the Department of Housing and Urban Development (HUD), during the construction period, makes the recommendation of this increase to the loan amount supportable. The underwriting NOI is supported by a current appraisal dated August 17, 2025.

Based on the proposed $61,000,000 loan amount, the debt service coverage ratio ("DSCR") currently begins at 1.16 and remains above 1.16 for the term of the loan. The exit analysis shows that the Project still can repay the balance of the MIP loan at maturity in year 30. Therefore, the loan increase does not have any adverse effect on the Project economics and underwriting over the term of the loan. The updated appraisal with the loan increase produces a permanent loan LTV of 82% and combined LTV of 91%.

The changes to underwriting assumptions between final commitment and this current recommendation are outlined on the chart below and include the following adjustments based on the proposed loan amount; interest rate adjustments based on current MMD index and CalHFA spread, increased loan fee and DSCR adjustments, and updated total development costs which will cover increased construction costs and eligible developer fee. The updated financial analysis summaries are outlined below and reflect that CalHFA's there will still be adequate proceeds to repay both principal and interest of the CalHFA permanent and MIP loans at refinance:

Underwriting/Operating Assumptions	Board Approval 4/21/22	Revised	Difference	Percent Change
Permanent Loan Interest Rate*	4.73%	5.15%	0.42%	8.88%
Effective Gross Income	$4,757,556	$6,008,148	$1,250,592	26.29%
Total Operating Expense & Replacement Reserves	$1,349,669	$1,659,444	$309,775	22.95%
Net Operating Income	$3,407,887	$4,348,704**	$940,817	27.61%
Operating Expense Reserves (3-months)	$1,049,801	$1,356,020	$306,219	29.17%
Initial DSCR at Year 1	1.20	1.16	-0.04	-3.33%
DSCR at Year 17	1.70	1.63	-0.07	-4.12%
Unpaid MIP Loan Principal Balance (UBP) at Refi	$0	$0	$0	0.00%
Restricted Value	$67,890,000	$74,840,000	$6,950,000	10.24%
Capitalization Rate	4.0%	6.0%	2.00%	50.00%
Permanent Loan-to-Value	72%	82%	10.00%	13.89%
Combined Loan-to-Value	82%	91%	9.00%	10.98%

* Initial perm loan interest rate locked 5/26/22 at 4.97% for $52,000,000 committed permanent loan amount. Revised rate blended and issued 10/21/25.

**Underwriting NOI is based on the developer's projections which are 4% lower than the appraised NOI of $4,490,643.

Recommendation:

Pursuant to Board resolution No. 22-14 any loan increase more than 7% requires Board approval. Since the proposed permanent loan increase is 25.3%, the Board must approve the permanent loan increase as outlined herein.

Recommendation is made to approve a permanent loan increase from the original board approved amount of $48,700,000, which was subsequently increased by Senior Loan Committee to $52,000,000, to the lesser of a loan amount not to exceed $61,000,000 or a permanent loan amount that supports a DSCR of 1.15 (not to exceed 1.20), at the time of permanent loan closing.

Recommended approval by Senior Loan Committee

Erwin Tam
Director of Financing & Senior Loan Committee Chairperson

Approved By: Digitally signed by Anthony Sertich
DN: OU="Executive Office ", O=CalHFA, CN="Anthony Sertich ", E=tsertich@calhfa.ca.gov
Location:
Foxit PDF Editor Version: 2025.2.0

Anthony Sertich
Executive Director

cc: Steve Gallagher, Deputy Director of Multifamily Programs
Erwin Tam, Director of Financing
Marc J. Victor, Assistant General Counsel

Attachments:

- CalHFA Board Approval dated 4/21/22

CalHFA MULTIFAMILY PROGRAMS DIVISION

Final Commitment Staff Report & Request for Loan Approval of Permanent Take-Out Loan for Tax Exempt financing with Mixed Income Program Subsidy Financing

Senior Loan Committee "Approval": April 6, 2022 for Board Meeting on: April 21, 2022

Project Name, County:	Alamo Street Apartments, Ventura	
Address:	2804 Tapo Street, 4415 & 4473 Alamo Street, Simi Valley, CA 93063	
CalHFA Project Number:	21-016-A/X/S	**Total Units: 271 (Family)**
Requested Financing by Loan Program:	$74,000,000	**Tax-Exempt Bond – Conduit Issuance (Series A)**
	Up to $44,000,000	**Taxable Bond- Conduit Issuance (Series A-S) (includes 10% cushion)**
	Up to $9,000,000	**Tax-Exempt Recycled Bond- Conduit Issuance (Series B) (includes 10% cushion)**
	$48,700,000	**Tax-Exempt Permanent Loan with HUD Risk Sharing**
	$7,000,000	**Subsidy GAP Loan funded by MIP funds**

DEVELOPMENT/PROJECT TEAM

Developer:	Pacific West Communities, Inc.	**Borrower:**	Simi Valley Pacific Associates
Permanent Lender:	CalHFA/ Bonneville Multifamily Capital	**Construction Lender:**	Citibank/ Bonneville Multifamily Capital
Equity Investor:	U.S. Bancorp Community Development Corporation	**Management Company:**	ConAm Management Corporation
Contractor:	Sinanian Development, Inc.	**Architect**	Architects Orange
Loan Officer:	Kevin Brown	**Loan Specialist:**	N/A
Asset Manager:	Jessica Doan	**Loan Administration:**	Ashley Carroll
Legal (Internal):	Paul Steinke	**Legal (External):**	N/A
Concept Meeting Date:	4/5/21	**Approval Expiration Date:**	180 days from Approval

1.		**CONDUIT ISSUANCE (Citibank- A & A-S)**	**CONDUIT ISSUANCE (Recycled – Bonneville- Series B)**	**PERMANENT LOAN (CalHFA)**	**MIP (GAP) LOAN**

	Total Loan Amount	$74,000,000 (t/e) $39,381,561 (taxable)	$8,000,000	$48,700,000	$7,000,000
	Loan Term & Lien Position	36 months- interest only. One six-month extension available.; 1st and 2nd Lien Position during construction	36 months - Interest only - 3rd Lien Position during construction. 30 years from permanent conversion – Residual Receipts - 2nd lien position during permanent loan term	35 year – partially amortizing due in year 30 1st Lien Position during permanent loan term	30 year - Residual Receipts; 3rd Lien Position during permanent loan term
	Interest Rate (subject to change and locked 30 days prior to loan closing)	Underwritten at 4.00%, Fixed Rate	10-year Treasury + 1.5% Underwritten at 6.50% During construction loan term: 5.00% to 8.00% variable, interest only paid quarterly During permanent loan term: 5.00% to 8.00% variable, compounding interest, paid quarterly from residual receipts	30 Year MMD + 2.09% Underwritten at 4.73% that includes a .25% cushion* Estimated rate based on a 36 month forward commitment.	Greater of 1.00% simple interest or the applicable federal rate (AFR) at the time of MIP closing Underwritten at 2.00%
	Loan to Value (LTV)	97% (Loan to Investment Value)	6%	72%	N/A
	Loan to Cost	81%	7%	34%	N/A

**CalHFA spreads locked on* <u>*5/29/2021*</u> *(after CalHFA Initial Commitment Approval). Cushion is to account for MMD fluctuations prior to Construction Loan Close. Final CalHFA rate will be locked 30 days prior to construction loan closing.*

PROJECT SUMMARY

2.	**Legislative Districts**	**Congress:**	#25 Mike Garcia	**Assembly:**	#38 Suzette Valladares	**State Senate:**	#27 Harry Stern
	Brief Project Description	**Alamo Street Apartments** (the "Project") is a 271 unit new construction family, mixed income Project. It consists of one, three-story residential, over podium (total of 4-story), elevator served apartment building. The Project will have 268 affordable units consisting of 135 2BRs (854 SF), 91 3BRs (1,107 SF) and 42 4BRs (1,218 SF). 3 2BRs unrestricted units will					

		be reserved for onsite property managers. The site is to be 5.87 acres and is currently improved with a non-residential retail shopping center in average condition that will be razed during site preparation. The Project is not in a governor declared disaster area. **Financing Structure:** The Project's financing structure includes tax-exempt bonds, taxable bonds, subordinate Series B (Bonneville) via recycled tax-exempt bonds, 4% federal tax credits, state tax credits, Agency's tax-exempt loan program with HUD Risk Share, and mixed-income loan program. The project will be income averaged, pursuant to TCAC regulations. **Tax Credits and/or CDLAC Status:** The developer received an allocation of 4% federal tax credits, state tax credits, and bond cap on December 8, 2021. **Ground Lease:** Not applicable. **Project Amenities:** The Project includes a leasing office, community room, fitness room, and central laundry rooms. There will be a total of 611 parking spaces reserved for tenants, guests, and staff. 550 of the parking spaces will be located under the podium and the remaining 61 parking spaces will be surface parking. The site will also be improved with a picnic area and playground. Unit amenities will include central heating, central air, dishwasher, and garbage disposal. **Local Resources and Services:** The Project is located in a Moderate Resource Area per TCAC/HCD's Opportunity Area Map. The Project is in close proximity to the following local amenities and services: • Grocery stores – 0.56 miles • Schools – 0.57 miles • Public Library – 0.6 miles • Public transit – 0.07 miles • Retail - 0.05 miles • Park and recreation – 0.5 miles • Hospitals – 2.06 miles **Non-displacement <u>and</u> No Net Loss:** To the extent feasible, it is the Agency's priority to mitigate the overall effects upon affordable housing availability that may arise from multifamily developments that may result in permanent displacement of existing affordable housing residents and/or net loss of existing affordable housing units. The Project is a new construction project, with no related demolition of existing affordable housing, hence no existing affordable housing units will be lost nor will existing residential households be displaced as a result of the Project. **Commercial Space:** There will be no commercial Space at the property.

MISSION

3.	**CalHFA Mission/Goals**	
This Project and financing proposal provide 268 units of affordable housing with a range of restricted rents between 30% AMI and 80% of AMI which will support much needed rental housing that will remain affordable for 55 years.		

ANTICIPATED PROJECT MILESTONES & SCHEDULE

4.	CDLAC/TCAC Closing Deadline:	6/6/2022	Est. Construction Loan Closing:	5/2022

	Estimated Construction Start:	6/2022	Est. Construction Completion:	6/2024
	Estimated Stabilization and Conversion to Perm Loan(s):		5/2025	

SOURCES OF FUNDS

5.

Construction Period Financing				
SOURCE	**AMOUNT**	**LIEN POSITION**	**INTEREST RATE**	**DEBT TYPE**
Citibank Construction Loan - Tax Exempt (Series A)	$74,000,000	1st	4.00%	Interest Only
Citibank Construction Loan – Taxable (Series A-S)	$39,381,561	2nd	4.00%	Interest Only
Bonneville Multifamily Capital - Recycled T.E. Bonds (Series B)	$8,000,000	3rd	6.50%	Interest Only
Deferred Developer Fee	$14,029,364	N/A	N/A	N/A
Deferred Costs	$1,762,573	N/A	N/A	N/A
Tax Credit Equity	$3,477,060	N/A	N/A	N/A
TOTAL	**$140,650,558**	**$519,006**	**Per Unit**	
Permanent Financing				
SOURCE	**AMOUNT**	**LIEN POSITION**	**INTEREST RATE**	**DEBT TYPE**
CalHFA Permanent Loan	$48,700,000	1st	4.73%	35 years partially amortized, due in 30 years
Bonneville Multifamily Capital – Recycled T.E Bonds (Series B)	$8,000,000	2nd	6.50%	Residual Receipts
CalHFA MIP	$7,000,000	3rd	2.00%	Residual Receipts
Deferred Developer Fee	$8,880,000	N/A	N/A	N/A
Tax Credit Equity	$69,541,194	N/A	N/A	N/A
TOTAL DEVELOPMENT COST:	**$142,121,194**	**$524,432**	**Per Unit**	

Subsidy Efficiency: $7,000,000 ($26,119 per MIP restricted units).

Tax Credit Type(s), Amount(s), Pricing(s), and per total units:
- 4% Federal Tax Credits: $67,595,110 ($249,294 per total units).
- State Tax Credits (certificated): $10,250,000 ($37,823 per total units).

Rental Subsidies: The Project will not be subsidized by project-based vouchers.

Other State Subsidies: The Project will not be funded by other state funds.

Other Locality Subsidies: The Project will not be funded by locality funds.

Cost Containment Strategy: The developer, **Pacific West Communities, Inc.**, is employing a collaborative effort with its finance team, equity investor and GC, **Sinanian Development, Inc.** to conduct preemptive feasibility and cost reviews to ensure project efficiency. The developer is also working with the GC to develop a master/base line

	schedule as well as utilizing the GC's expertise to prepare an in-house construction estimate, select qualified subcontractors and value engineer solutions for the project. The developer has worked with the GC on ten affordable housing projects totaling over 2,000 units and is familiar with and can attest to the quality of the GC.
6.	Equity – Cash Out (estimate): Not Applicable

TRANSACTION OVERVIEW

7.	**Proposal and Project Strengths**

- The Project has received 4% federal tax credits and state tax credits from TCAC, which is projected to generate equity representing 48% of total financing sources.
- The developer/sponsor has extensive experience in developing similar affordable housing projects and has experience with CalHFA.
- The Project will serve low-income families ranging between 30% to 80% of AMI.
- The locality has invested in the success of the Project as demonstrated by non-monetary concessions towards the development of the Project as stated in the Affordable Housing Agreement. These concessions include increased building height to 55 feet, reduction of commercial component from 25% to 2.6% (commercial component is not part of this project) and reducing property line setbacks from 28ft to 25ft. The locality has also granted nine waivers in the Affordable Housing Agreement to requirements related to design and property line setback.
- The projected portion of the developer's fee that will be collected at or prior to permanent loan conversion is $5,920,000, which could be available to cover cost overruns and/or unforeseen issues during construction.
- The exit analysis assumes 6% cap rate and 3% increase of the underwriting interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of Agency's permanent and subsidy loans at maturity.

8.	**Project Weaknesses with Mitigants:**

- A subsurface ESA (Phase II) was completed in March 2021 and the results of the Phase II recommend that a soils management plan is necessary prior to construction. Cost for groundwater mitigation and possible soil remediation are included in the construction budget for the residential portion only.
- The community opposed the Project in general, despite the project being designed in accordance with the City's General Plan, Municipal Code, and State Density Bonus Law. Despite the community oppositions, the City has approved entitlements for the Project. Please see section 36 for further detail.

9.	**Underwriting Standards or Term Sheet Variations**

- Pursuant to the CalHFA Underwriting Standards and Reference Manual, MIP loans may be recorded behind amortizing debt in second lien priority. The project will be financed by Series B (Bonneville) via tax-exempt recycled bonds which will be required to be in 2nd lien position at permanent loan closing. The developer is proposing, and Multifamily staff is recommending the MIP Deed of Trust be recorded in 3rd lien position, however, the MIP affordability restrictions will still be recorded ahead of all foreclosable debt. This variation is necessary to facilitate the proposed financing structure and project feasibility.
- The Project's operating expenses are 7% below TCAC minimums. The developer has submitted operating budgets of three comparable properties substantiating the operating expenses. The investor has issued a letter of interest that supports the reduction of the operating expenses. TCAC approval of the operating expense minimums has been received as evidenced by a TCAC Reservation Letter dated December 8, 2021. Approvals of the final proposed operating expenses from the investor and all lenders are required.

10.	**Project Specific Conditions of Approval**

Approval is conditioned upon

- No further site work or construction commenced prior to the issuance of a HUD Risk Share Firm Approval Letter.

- Subject to CalHFA, construction lender(s), other lenders, and equity investor approvals of the final mitigation action plans and budget outlined in the soils' management plan dated March 12, 2021 prior to construction loan closing. In addition, the final mitigation action plans must be implemented and completed on the residential portion prior to permanent loan closing.
- The Project's proposed operating expenses do not meet TCAC minimums, therefore, Borrower must provide evidence that the proposed operating expenses are sufficient to operate the project via an appraisal report and/or other supporting documentation acceptable to CalHFA. In addition, approvals of the final proposed operating expenses from the investor and all lenders are required.
- CalHFA requires that MIP affordability covenants be recorded in senior position of all foreclosable debt.
- The CalHFA subsidy will be, in the Agency's sole discretion, the lesser of 1) the principal amount as stated herein, or 2) an amount as determined by the Agency in the event the financial assumptions change prior to construction loan closing and/or permanent loan closing. For instance, if the permanent loan interest rate decreased, then the subsidy may be reduced due to additional debt generated by the lower interest rate. The debt service coverage ratio ("DSCR") shall be a maximum of 1.20. An increase of the subsidy loan will not be allowed and will be subject to Agency's approval.
- Receipt of Lien Priority/Position Estoppel in form and substance acceptable to CalHFA, City of Simi Valley, and Bonneville Multifamily Capital Subordinate B Bonds.
  The City is requiring the Borrower to encumber the Property by recording an Affordable Housing Agreement that includes density bonus requirements. Prior to construction loan closing and closing of the CalHFA loans, the Affordable Housing Agreement is subject to CalHFA review and approval in accordance with Agency underwriting standards, which may require a Standstill Agreement to be entered into with the City.
- Confirmation from construction lender of Loan-To-Cost in excess of 80% and loan-to-investment value in excess of 90%, if applicable.
- Recordation of parcel map to merge parcels and subdivide commercial portion of the site to be completed prior to or at construction loan closing.
- Subject to CalHFA's review and approval of Phase I update including CalHFA reliance dated within 180 days prior to construction loan closing.
- The Borrower has requested that 100% of surplus cash be allowed towards the repayment of the deferred developer's fee (DDF) for up to 15 years or until DDF has been fully repaid, whichever is sooner. Thereafter, the surplus cash split shall be 50% to Borrower and 50% to Residual Receipt lender(s). As a condition of this approval, the Borrower must provide evidence that the DDF repayment structure is required pursuant to the Limited Partnership Agreement (LPA). In addition, the owner must provide evidence of investor and all residual receipt lender(s) approvals of the total deferred developer's fee structure and residual receipt split. Residual receipt lenders must also agree to defer the payments on their loans.

11.	**Staff Conclusion/Recommendation:**

The Multifamily Lending Division supports approval of the described financing in the amount(s) requested, subject to the above proposed terms and conditions.

AFFORDABILITY

12.	**CalHFA Affordability & Occupancy Restrictions**

The CalHFA Permanent Financing Regulatory Agreement will restrict a minimum of 30% of the total units (82 units) at or below 60% AMI and 10% of the total units (28 units) at 50% of AMI for 55 year(s).

The CalHFA MIP Subsidy Regulatory Agreement will restrict 10% of the total units (28 units) at or below 50% of AMI and 10% of total units (28 units) between 60% and 80% of AMI with a minimum average of 70% of AMI, not to exceed 80% of AMI, and 79% of the total units (214 units) at or below 120% of AMI for a term of 55 years. Typically, the proposed rents are required to be sized based on the maximum target occupancy levels, unless lower rents are supported by market study or appraisal report. In addition, TCAC regulations, Section 10325 (9)(f)(1)(B)(i) requires that the proposed tenant paid rents for each affordable unit type in the proposed development must be at least ten percent (10%) below the weighted average rent for the same unit types in comparable market rate rental properties. For the 80% of AMI occupancy target level, per the appraisal report dated 2/7/2022, the Project can only support rents based on approximately 72% of AMI and still comply with the TCAC requirements that rents be 10% below the weighted average market rents. Therefore, while the target occupancy is 80% of AMI, the rents are based on 72% of AMI. For underwriting purposes, the initial rents at permanent loan closing must be no less than the underwriting rent levels outlined on the "Unit Mix and Rent Summary" enclosed.

In addition, the Project will be restricted by the following jurisdictions as described below:

- The City of Simi Valley Affordable Housing Agreement and Density Bonus Agreement will restrict 27 units at or below 30% AMI, 27 units at or below 50% AMI, 162 units at or below 60% AMI, and 52 units at or below 80% AMI (268 units total) for a period of 55 years from the issuance of a Certificate of Occupancy.

Rent Limit Summary Table

Restrictions @ AMI	Total	Studio	1-bdrm	2-bdrm	3-bdrm	4-bdrm	% of Total
30%	27	-	-	14	9	4	10%
50%	27	-	-	14	9	4	10%
60%	162	-	-	81	55	26	59.8%
80%	52	-	-	26	18	8	19.2%
Manager's Unit	3	-	-	3	-	-	1.1%
Total	271	0	0	138	91	42	100.0%

The average affordability restriction is 59.9% of AMI.

NUMBER OF UNITS AND AMI RENTS RESTRICTED BY EACH AGENCY

Regulatory Source	Recordation Priority if Recorded Document	Term of Agrmt (years)	Number of Units Restricted for Each AMI Category								
			30% AMI	50% AMI	60% AMI	80% AMI *(60% to 80% Tranche)	80% AMI	<= 120% AMI	Mgrs. Unit	Total Units Regulated	% of Regulated Units
CalHFA Bond/Risk Share	1st	55		28	82				3	108	40.6%
CalHFA MIP Subsidy	2nd	55		28		28		212	3	268	98.9%
City of Simi Valley AHA/DBA	3rd	55	27	27	162		52		3	268	98.9%
Tax Credits	4th	55	27	27	162		52		3	268	98.9%

13.	**Geocoder Information**		
Central City:	No	Underserved:	No
Low/Mod Census Tract:	Moderate	Below Poverty line:	10.15%
Minority Census Tract:	34.85%	Rural Area:	No

FINANCIAL ANALYSIS SUMMARY

14.	**Capitalized Reserves:**	
	Replacement Reserves (RR):	N/A
	Operating Expense Reserve (OER):	$1,012,573 OER amount is size based on 3 months operating expenses, debt service, and annual replacement reserves deposits. The CalHFA will hold this reserve for the term of the permanent loan and in the event the OER is drawn down during the term of the loan, the OER must be replenished over a 12 months period to the original level.
	Transitional Operating Reserve (TOR):	N/A

15.	**Cash Flow Analysis**			
	1st Year DSCR:	1.20	**Project-Based Subsidy Term:**	N/A
	End Year DSCR:	2.23	**Annual Replacement Reserve Per Unit:**	$250/unit
	Residential Vacancy Rate: **Subsidy Vacancy Rate:**	5% N/A	**Rental Income Inflation Rate:** **Subsidy Income Inflation Rate:**	2.50% N/A
	Non-residential Vacancy Rate:	N/A	**Project Expenses Inflation Rate:** **Property Tax Inflation Rate:**	3.50% 1.25%

For purposes of CalHFA's DSCR covenant, the Project is required to maintain a minimum of 1.15 DSCR for the term of the permanent loan.

16. Loan Security

The CalHFA loan(s) will be secured by a First Deed of Trust against the above-described Project site.

17. Balloon Exit Analysis **Applicable:** ☒ **Yes** ☐ **No**

The exit analysis assumes 6% cap rate and 3% increase of the underwriting interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of Agency's permanent and subsidy loans.

APPRAISAL AND MARKET ANALYSIS

18. Appraisal Review **Dated: 3/2/22**

- The Appraisal prepared by Pacific Real Estate Appraisal, values the land at $6,300,000.
- The cap rate of 4% and projected $2,715,566 of net operating income, which is approximately 10.8% lower than developer's current projections. Subsequent to ordering the appraisal, the developer was able to increase the rents on the 60% and 80% AMI units which accounts for an additional $400k in rental income.
- The proposed operating expenses per unit in the appraisal is $6,082 which is approximately 12% higher than developer's proposed operating expenses per unit. The operating expenses per unit in the appraisal is based on market rate comparable projects, hence it is expected to be higher than the operating expenses per unit for an affordable project. The appraisal is therefore using a more conservative NOI to determine the appraised value.
- The as-restricted stabilized value is $67,890,000, which results in the Agency's permanent first lien loan to value of 72%. The capture rate is 28% and the absorption period is 10 months, which is generally consistent with the market study.

	Market Study:	Kinetic Valuation Group, Inc	**Dated: March 12, 2021**

Regional Market Overview

- The Primary Market Area consists of the adjacent cities of Simi Valley (population of 128,000) and Moorpark and the Secondary Market Area ("SMA") is Ventura County (population of 823,318)
- The general population in the PMA has increased from 2010 to 2020 and is anticipated to increase by 1.7% by 2025.
- Unemployment in the PMA was 6.3% in December 2020, which is 3.4% higher than 2019 due to the COVID-19 pandemic. The market study was unable to comment on future unemployment trends for the local economy. However, prior to the COVID-19 pandemic, unemployment was at a decade low of 2.9%. Per the recent appraisal, the unemployment rate in Ventura County in December 2021 was 4.2%. The county has generally experienced a lower unemployment rate compared to other areas of California.
- Per the appraisal, median home value within a mile of the property is $500,000-$749,000 for 60.1% of homeowners and 52.9% within five miles.

Local Market Area Analysis

- **Supply:**
  - There are currently 4 family project(s) in Simi Valley and they are 0.5% vacancy.
  - The nearest LIHTC property in proximity is 100% occupied with a long waiting list.
  - There are 0 affordable family project(s) under construction at this time.
- **Demand/Absorption:**
  - The project will need to capture 17.4% of the total demand for family units in the PMA. The affordable units are anticipated to lease up at a rate of 27 to 40 units per month and reach stabilized occupancy within 10 months of opening.

DEVELOPMENT SUMMARY

19.	**Site Description**	**Requires Flood Insurance:** ☐ **Yes** ☒ **No**

- Location: The property is located on the east side of Tapo Street and the north side of Alamo Street, in the City of Simi Valley, Ventura County.
- Site History: The site is currently a portion of a 5 parcel merger which will constitute a total of 6.87 acres. The parcels are currently owned by Allenby, LLC, a California limited liability company (parcel 1) and Altapo-Bellwood Building LLC, a California limited liability company (parcels 2 through 5) (Sellers). The combined parcels will be purchased in their totality by the Borrower and then subdivided into two separate parcels. The first parcel totaling 5.87 acres (Site A) will be the site of the subject development. The second parcel (Site B) which totals 1 acre will be retained by the seller.
- Common Area Agreement: There will be a Common Area Operating and Maintenance Agreement encumbering both parcels, and that agreement specifies the rights and obligations of the owner of each respective property as to certain commons areas of the properties. The common areas include trash staging facility easements, utility, fire and drainage easements, roadway access, and parking easements. The parking easement is for commercial parking spaces associated with Site B only and will allow tenants and guests to utilize 33 commercial parking spaces between the hours of 11:00pm and 6:00am. Commercial tenants and patrons will not be allowed to use residential parking located on Site A.
- Site A:
  - Currently improved with a retail shopping center in average condition that will be razed during site preparation.
  - Measures approximately 5.87 acres with generally level topography at street grade and is rectangular in shape.
  - Zoned Commercial Planned Development - MU, with permitted multifamily residential use.
  - Located in Flood Zone X (area of minimum flood hazard). Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood, therefore the Project will not be subject to flood insurance.

20.	**Form of Site Control & Expiration Date**

The Sellers, Allenby, LLC, a California limited liability company (parcel 1) and Altapo-Bellwood Building LLC, a California limited liability company (parcels 2 through 5), and the Borrower, Simi Valley Pacific Associates, a California Limited Partnership, entered into a Purchase and Sale Agreement dated March 1, 2021, for a purchase amount of $4,000,000. The agreement includes subdividing the total site into two parcels. A 1-acre commercial parcel will be retained by the Seller, and a 5.87 acre parcel will be acquired by the Borrower for the subject development.

21.	**Current Ownership Entity of Record**

Title is currently vested with a portion of the Project owned by Allenby, LLC (parcel 1) and the remainder of the Project owned by Altapo-Bellwood Building LLC (parcels 2 through 5), each as the fee owner of their respective portion.

22.	**Environmental Review Findings**	**Dated: March 12, 2021**

- A Phase I Environmental Site Assessment was performed by KCE Matrix dated March 12, 2021, covering all 5 parcels which are part of the P&S Agreement. Based on the Phase 1 ESA, a Recognized Environmental Condition (REC) was identified on the subject residential site. The REC was identified as a result of a former dry-cleaning operation that was on site from at least 2001-2016.
- A subsurface ESA (Phase II) was completed in March 2021. The results of the Phase II indicated: 1) the subsurface soil has not been impacted by the contaminants of concern and therefore, further subsurface assessment work or implementation of remedial action is not warranted, and 2) the sub- slab and soil-gas have been impacted and further implementation of remedial action is warranted. A soils management plan has been provided by the developer and is subject to CalHFA, other lenders, and equity investor's approvals prior to construction loan closing. In addition, the final mitigation action plans must be implemented and completed on the residential portion prior to permanent loan closing
- A NEPA review has been initiated and will be completed concurrently with submission to HUD for Firm Approval, prior to construction loan closing.

23.	**Seismic**	**Requires Earthquake Insurance:** ☐ **Yes** ☒ **No**

This new Project will be built to State and City of Simi Valley Building Codes so no seismic review is required.

24.	**Relocation**	**Requires Relocation:** ☐ **Yes** ☒ **Not Applicable**

Not applicable.

PROJECT DETAILS

25.	**Residential Areas:**				
		Residential Square Footage:	269,745	**Residential Units per Acre:**	39.3
		Community Area Sq. Ft:	7,941	**Total Parking Spaces:**	611
		Supportive Service Areas:	2,410	**Total Building Sq. Footage:**	185,408
26.	**Mixed-Use Project:** ☐ **Yes** ☒ **No**				
		Non-Residential Sq. Footage:	60,543 sf	**Number of Lease Spaces:**	N/A
		Master Lease:	☐ **Yes** ☒ **No**	**Number of Parking Spaces:**	611
27.	**Construction Type:**	The building will be constructed of steel and wood frame, and covered with stucco, laminated wood, metal cladding and fiber cement board siding on a podium over a ground level parking garage. The roof will be a flat and covered with built-up composition. The units will be accessed from outside walkways and interior hallways with three multi-stop elevators and steel and concrete stairs leading to the upper floors.			
28.	**Construction/Rehab Scope**	**Requires Demolition:** ☒ **Yes** ☐ **No**			

- The subject site consists of an existing commercial shopping center that is currently occupied with one remaining tenant. The tenant has an agreement in place with the developer to relocate prior to demolition at no extra cost to the project. The development budget includes $900,000 to account for the cost of demolition.

- Environmental remediation of contaminants outlined in section 22 above is included in the development budget in the estimated amount of $50,000.

29.	Construction Budget Comments:

- CalHFA will require an independent review of the costs by a 3rd Party consultant prior to construction loan closing.
- The developer has established cost containment strategies, which are outlined in Section 5 above.

ADDITIONAL DEVELOPMENT/ PROJECT TEAM INFORMATION

30.	Borrower Affiliated Entities

- Managing General Partner: Central Valley Coalition for Affordable Housing, a California Nonprofit Public Benefit Corporation; 0.005% interest
- Administrative General Partner: TPC Holdings IX, LLC (TPC Holdings) an Idaho limited liability company; 0.005% interest
  - Manager: Pacific West Communities, Inc., an Idaho Corporation
    - President & CEO: Caleb Roope
- Investor Limited Partner: U.S. Bancorp Community Development Corporation; 99.99% interest

31.	Developer/Sponsor

Pacific West Communities, Inc. (PWC) is a vertically integrated for-profit developer that has extensive experience developing and constructing affordable housing projects similar to this Project, across the western United States. The company has developed 169 affordable multifamily projects since its inception in 1998. There are currently 18 projects under construction, including 2 CalHFA projects that are progressing as expected. PCW has 4 projects in CalHFA's portfolio that are operating as expected and 3 projects (including this one) being processed through CalHFA's pipeline. The administrative general partner, TPC Holdings, has five or more projects in service more than 3 years, including 1 in service more than 5 years and 2 California LIHTC projects. TPC Holdings is owned by Pacific West Communities, Inc. The company currently has 27 properties (1,820 units) under development, of which 20 properties are slated for completion in 2022. PWC has partnered with Central Valley Coalition for Affordable Housing (CVCAH) on over 70 projects. CVCAH is a nonprofit public benefit corporation and is included in the Project ownership as the Managing General Partner for the sole purpose of providing tax-exempt status to the project in order to obtain an allocation of tax-exempt bonds and property tax exemption.

32.	Management Agent

The Project will be managed by ConAm Management Corporation, which has extensive experience in managing similar affordable housing projects in the area and manages several projects in CalHFA's portfolio.

33.	Service Provider	Required by TCAC or other funding source? ☒ Yes ☐ No

The Borrower has elected to provide a Service Coordinator (Central Valley Coalition for Affordable Housing) to meet CTCAC requirements for a term of 15 years and the expense of these services is currently within the approved line item operating budget. Services will include items such as 84 hours per year Instructor-led educational and skill building classes and 60 hours per year per 100 bedrooms of health and wellness services and programs.

34.	Contractor	Experienced with CalHFA? ☒ Yes ☐ No

The general contractor is Sinanian Development, Inc. which has extensive experience in constructing similar affordable housing projects in California and is familiar with CalHFA.

There is an identity of interest between the Seller Allenby, LLC/Altapo-Bellwod Building, LLC and the general contractor.

35.	Architect Experienced with CalHFA? ☒ Yes ☐ No
The architect is Architects Orange, which has extensive experience in designing and managing similar affordable housing projects in California. Architects Orange has provided architectural services for at least 3 completed projects in CalHFA's portfolio.	
36.	**Local Review via Locality Contribution Letter**
The locality, City of Simi Valley, returned the local contribution letter stating they have "no position" with regards to the support of the project. The City commented, "This project garnered considerable opposition in the community and was approved by the City under threat of litigation by the California Department of Housing and Community Development (HCD). Absent California laws that mandate the City's approval and the threat of litigation from HCD, the City would have had the opportunity to work cooperatively with the original developer to design a project that could be supported by the community." The community opposed the project citing tall building height, traffic congestion, and increased risk of spreading COVID due to the large number of units. However, the project was designed in accordance with the City's General Plan, Municipal Code, and State Density Bonus Law. The developer has agreed to reducing the height from 4-story over podium to 3-story over podium and including traffic flow improvements such as an additional driveway signal lights. HCD threatened litigation against the City of Simi Valley for not complying with the Housing Accountability Act unless the City agreed to approve entitlements for the project. The City has since approved the entitlements and the statute of limitations has expired, therefore HCD litigation is no longer a concern. While there has been no specific community outreach, the developer has been working closely with the Home-Owner Associations to the immediate north and east of the project to coordinate construction and landscape designs.	

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

PROJECT SUMMARY — Final Commitment

Acquisition, Rehab, Construction & Permanent Loans — **Project Number 21-016-A/X/S**

Project Full Name	Alamo Street Apartments	**Borrower Name:**	Simi Valley Pacific Associates
Project Address	2804 Tapo Street, 4415 & 4473 Alamo	**Managing GP:**	Central Valley Coalition for Affordable Housing
Project City	Simi Valley	**Developer Name:**	Pacific West Communities, Inc.
Project County	Ventura	**Investor Name:**	Boston Financial
Project Zip Code	93063	**Prop Management:**	ConAm Management Corporation
		Tax Credits:	4
Project Type:	Permanent Loan Only	**Total Land Area (acres):**	5.87
Tenancy/Occupancy:	Individuals/Families	**Residential Square Footage:**	269,745
Total Residential Units:	271	**Residential Units Per Acre:**	46.17
Total Number of Buildings:	1		
Number of Stories:	4	**Covered Parking Spaces:**	550
Unit Style:	Flat	**Total Parking Spaces:**	611
Elevators:	4		

Acq/Construction/Rehab Financing	Loan Amount ($)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
Conduit Citibank T/E Construction Loan	74,000,000	1.000%	36	--	4.000%
Citibank Taxable	39,381,561	1.000%	36	--	4.000%
Bonneville Recycled T/E Series B	8,000,000	--	36	--	6.500%
Deferred Developer Fee	14,029,364	NA	NA	NA	NA
Deferred Costs	1,762,573	NA	NA	NA	NA
Investor Equity Contribution	3,477,060	NA	NA	NA	NA
Total	**140,650,558**	NA	NA	NA	NA

Permanent Financing	Loan Amount ($)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
Perm	48,700,000	1.000%	30	35	4.730%
MIP	7,000,000	1.000%	30	NA	2.000%
Bonneville Recycled T/E Bonds	8,000,000	--	45	45	6.500%
Deferred Developer Fees	8,880,000	NA	NA	NA	NA
Investor Equity Contributions	69,541,194	NA	NA	NA	NA
Total	**142,121,194**	NA	NA	NA	NA

Appraised Values Upon Completion of Rehab/Construction

Appraisal Date:	2/7/22	**Capitalization Rate:**	4.00%
Investment Value ($)	74,390,000	**Restricted Value ($)**	67,890,000
Construct/Rehab LTC	81%	**CalHFA Permanent Loan to Cost**	34%
Construct/Rehab LTV	108%	**CalHFA 1st Permanent Loan to Value**	72%
		Combined CalHFA Perm Loan to Value	82%

Additional Loan Terms, Conditions & Comments

Construction/Rehab Loan

Payment/Performance Bond	Required	
Completion Guarantee Letter of Credit	N/A	

Permanent Loan

Operating Expense Reserve Deposit	$1,049,801	Cash
Initial Replacement Reserve Deposit	$0	Cash
Annual Replacement Reserve Per Unit	$250	Cash

Date Prepared: 3/29/22 — Senior Staff Date: 4/6/22

UNIT MIX AND RENT SUMMARY — **Final Commitment**

Alamo Street Apartments — **Project Number 21-016-A/X/S**

PROJECT UNIT MIX					
Unit Type of Style	**Number of Bedrooms**	**Number of Baths**	**Average Size (Sq. Ft.)**	**Number of Units**	**Est. No. of Tenants**
Flat	2	2	854	138	414
-	3	2	1,107	91	409.5
-	4	2	1,218	42	252
-	-	-	-	-	0
-	-	-	-	-	0
-	-	-	-	-	0
				271	1075.5

NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY							
Agency	**Number of Units Restricted For Each AMI Category**						
	30%	**40%**	**50%**	**60%**	**80%**	**100%**	**120%**
CalHFA Bond/RiskShare	0	0	28	82	0	0	0
CalHFA MIP	0	0	28	0	28	0	212
Tax Credit	27	0	27	162	52	0	0
City of Simi Valley AHA/DBA	27	0	27	162	52	0	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0

COMPARISON OF AVERAGE MONTHLY RESTRICTED RENTS TO AVERAGE MARKET RENTS							
Unit Type	**Restricting Agency**	**% of Area Median Income**	**Average Restricted Rents Number of Units**	**Average Restricted Rents Unit Rent**	**Average Market Rents**	**Average Monthly Savings**	**% of Market Rents**
Studios	**CTCAC**	**30%**	-	-	-	-	-
	CTCAC	**50%**	-	-		-	-
	CTCAC	**60%**	-	-		-	-
	CTCAC	**80%**	-	-		-	-
	CTCAC	**80%**	-	-		-	-
	CTCAC	**100%**	-	-		-	-
	CTCAC	**120%**	-	-		-	-
1 Bedroom	**CTCAC**	**30%**	-	-	-	-	-
	CTCAC	**50%**	-	-		-	-
	CTCAC	**60%**	-	-		-	-
	CTCAC	**80%**	-	-		-	-
	CTCAC	**80%**	-	-		-	-
	CTCAC	**100%**	-	-		-	-
	CTCAC	**120%**	-	-		-	-
2 Bedrooms	**CTCAC**	**30%**	14	$697	$2,350	$1,653	30%
	CTCAC	**50%**	14	$1,202		$1,148	51%
	CTCAC	**60%**	81	$1,454		$896	62%
	CTCAC	**80%**	26	$1,800		$550	77%
	CTCAC	**80%**	-	-		-	-
	CTCAC	**120%**	-	-		-	-
	CTCAC	**-**	-	-		-	-
3 Bedrooms	**CTCAC**	**30%**	9	$799	$2,950	$2,151	27%
	CTCAC	**50%**	9	$1,382		$1,568	47%
	CTCAC	**60%**	55	$1,674		$1,276	57%
	CTCAC	**80%**	18	$1,995		$955	68%
	CTCAC	**80%**	-	-		-	-
	CTCAC	**100%**	-	-		-	-
	CTCAC	**120%**	-	-		-	-
4 Bedrooms	**CTCAC**	**30%**	4	$881	$3,250	$2,369	27%
	CTCAC	**50%**	4	$1,532		$1,718	47%
	CTCAC	**60%**	26	$1,857		$1,393	57%
	CTCAC	**80%**	8	$2,295		$955	71%
	CTCAC	**80%**	-	-		-	-
	CTCAC	**100%**	-	-		-	-
	CTCAC	**120%**	-	-		-	-
5 Bedrooms	**CTCAC**	**30%**	-	-	-	-	-
	CTCAC	**50%**	-	-		-	-
	CTCAC	**60%**	-	-		-	-
	CTCAC	**80%**	-	-		-	-
	CTCAC	**80%**	-	-		-	-
	CTCAC	**100%**	-	-		-	-
	CTCAC	**120%**	-	-		-	-
Date Prepared:	3/29/22					Senior Staff Date:	4/6/22

SOURCES & USES OF FUNDS					Final Commitment
Alamo Street Apartments			Project Number		21-016-A/X/S
SOURCES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT SOURCES OF FUNDS		
	$	$	SOURCES ($)	PER UNIT ($)	%
Conduit Citibank T/E Construction Loan	74,000,000				0.0%
Citibank Taxable	39,381,561				0.0%
Bonneville Recycled T/E Series B	8,000,000				0.0%
-	-				0.0%
					0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Deferred Costs	1,762,573				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	14,029,364				0.0%
Developer Equity Contribution	-				0.0%
Investor Equity Contribution	3,477,060				0.0%
Perm		48,700,000	48,700,000	179,705	34.3%
MIP		7,000,000	7,000,000	25,830	4.9%
-		-	-	-	0.0%
-		-	-	-	0.0%
Bonneville Recycled T/E Bonds		8,000,000	8,000,000	29,520	5.6%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
-		-	-	-	0.0%
Construct/Rehab Net Oper. Inc.		-	-	-	0.0%
Deferred Developer Fees		8,880,000	8,880,000	32,768	6.2%
Developer Equity Contribution		-	-	-	0.0%
Investor Equity Contributions		69,541,194	69,541,194	256,610	48.9%
TOTAL SOURCES OF FUNDS	**140,650,558**	**142,121,194**	**142,121,194**	**524,432**	**100.0%**
TOTAL USES OF FUNDS (BELOW)	**140,650,558**	**142,121,194**	**142,121,194**	**524,432**	**100.0%**
FUNDING SURPLUS (DEFICIT)	**-**	**(0)**	**(0)**		

USES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT USES OF FUNDS		
	$	$	USES ($)	PER UNIT ($)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		**140,650,558**			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	4,000,000	-	4,000,000	14,760	2.8%
Demolition Costs	900,000	-	900,000	3,321	0.6%
Legal & Other Closing Costs	5,000	-	5,000	18	0.0%
Escrow & other closing costs	-	-	-	-	0.0%
Verifiable Carrying Costs	-	-	-	-	0.0%
Existing Improvements Value	-	-	-	-	0.0%
Delinquent Taxes Paid @ Closing	-	-	-	-	0.0%
CalHFA Yield Maintenance Paid @ Closing	-	-	-	-	0.0%
Existing Replacement Reserve	-	-	-	-	0.0%
Broker Fees Paid to Related Party	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL ACQUISITION COSTS	**4,905,000**	**-**	**4,905,000**	**18,100**	**3.5%**
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	-	-	-	-	0.0%
Environmental Remediation (Hard Costs)	50,000	-	50,000	185	0.0%
Site Work (Hard Cost)	5,370,000	-	5,370,000	19,815	3.8%
Structures (Hard Cost)	82,674,208	-	82,674,208	305,071	58.2%

SOURCES & USES OF FUNDS					Final Commitment
Alamo Street Apartments			Project Number		21-016-A/X/S
General Requirements	3,523,768	-	3,523,768	13,003	2.5%
Contractor Overhead	1,832,360	-	1,832,360	6,761	1.3%
Contractor Profit	4,580,899	-	4,580,899	16,904	3.2%
Contractor Bond	-	-	-	-	0.0%
Contractor Liability Insurance	1,056,600	-	1,056,600	3,899	0.7%
Personal Property	-	-	-	-	0.0%
HVAC/Resident Damage	-	-	-	-	0.0%
TOTAL CONSTRUCT/REHAB COSTS	**99,087,835**	**-**	**99,087,835**	**365,638**	**69.7%**
USES OF FUNDS	**CONST/REHAB $**	**PERMANENT $**	**TOTAL PROJECT USES OF FUNDS USES ($)**	**PER UNIT ($)**	**%**
RELOCATION COSTS					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	**-**	**-**	**-**	**-**	**0.0%**
ARCHITECTURAL FEES					
Design	700,000	-	700,000	2,583	0.5%
Supervision	200,000	-	200,000	738	0.1%
TOTAL ARCHITECTURAL FEES	**900,000**	**-**	**900,000**	**3,321**	**0.6%**
SURVEY & ENGINEERING FEES					
Engineering	415,000	-	415,000	1,531	0.3%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	-	-	-	-	0.0%
TOTAL SURVEY & ENGINEERING FEES	415,000	-	415,000	1,531	0.3%
CONTINGENCY RESERVES					
Hard Cost Contingency Reserve	4,800,000	-	4,800,000	17,712	3.4%
Soft Cost Contingency Reserve	1,430,522	-	1,430,522	5,279	1.0%
TOTAL CONTINGENCY RESERVES	6,230,522	-	6,230,522	22,991	4.4%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
Conduit Citibank T/E Construction Loan	5,766,184	-	5,766,184	21,277	0.040572
Citibank Taxable	-	-	-	-	0
Bonneville Recycled T/E Series B	-	-	-	-	0.0%
-	-	-	-	-	0.0%
	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees					
Conduit Citibank T/E Construction Loan	740,000	-	740,000	2,731	0.5%
Citibank Taxable	393,816	-	393,816	1,453	0.3%
Bonneville Recycled T/E Series B	-	-	-	-	0.0%
-	-	-	-	-	0.0%
	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	0.0%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Owner Paid Bonds/Insurance	-	-	-	-	0.0%
CalHFA Inspection Fees	18,000	-	18,000	66	0.0%
Real Estate Taxes During Rehab	50,000	-	50,000	185	0.0%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Preva	-	-	-	-	0.0%
Insurance During Rehab	1,000,000	-	1,000,000	3,690	0.7%
Title & Recording Fees	100,000	-	100,000	369	0.1%
Lender Costs	70,000	-	70,000	258	0.0%

SOURCES & USES OF FUNDS					Final Commitment
Alamo Street Apartments			Project Number	21-016-A/X/S	
Post Construction Interest	750,000	-	750,000	2,768	0.5%
Bond Issuer Fee	88,191	-	88,191	325	0.1%
Cost of Issuance	4,126	-	4,126	15	0.0%
TOTAL CONST/REHAB PERIOD COSTS	**8,980,316**	**-**	**8,980,316**	**33,138**	**6.3%**

USES OF FUNDS	CONST/REHAB $	PERMANENT $	TOTAL PROJECT USES OF FUNDS USES ($)	PER UNIT ($)	%
PERMANENT LOAN COSTS					
Loan Fees					
CalHFA Application Fee	-	-	-	-	0.0%
Perm	243,500	243,500	487,000	1,797	0.3%
MIP	35,000	35,000	70,000	258	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Bonneville Recycled T/E Bonds	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Permanent Loan Funding Fee	-	110,000	110,000	406	0.1%
Credit Enhancement & Application Fees (balance)	-	-	-	-	0.0%
Title & Recording (closing costs)	-	-	-	-	0.0%
Year 1 - Taxes & Special Assessments and Insura	-	-	-	-	0.0%
CalHFA Fees	-	14,835	14,835	55	0.0%
Tax Exempt Bond Allocation Fee	-	-	-	-	0.0%
CalHFA Perm Loan & MIP Fees	-	-	-	-	0.0%
TOTAL PERMANENT LOAN COSTS	**278,500**	**403,335**	**681,835**	**2,516**	**0.5%**
LEGAL FEES					
CalHFA Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
Other Construction/Rehab Loan Legal Fees	50,000	-	50,000	185	0.0%
CalHFA Permanent Loan Legal Fees	17,500	17,500	35,000	129	0.0%
Other Permanent Loan Legal Fees	-	-	-	-	0.0%
Sponsor Legal Fees	-	-	-	-	0.0%
Organizational Legal Fees	-	-	-	-	0.0%
Syndication Legal Fees	-	-	-	-	0.0%
Borrower Legal Fee	70,000	-	70,000	258	0.0%
CalHFA Bond Counsel	70,415	-	70,415	260	0.0%
TOTAL LEGAL FEES	**207,915**	**17,500**	**225,415**	**832**	**0.2%**
OPERATING RESERVES					
Operating Expense Reserve Deposit	-	1,049,801	1,049,801	3,874	0.7%
Initial Replacement Reserve Deposit	-	-	-	-	0.0%
Transition Operating Reserve Deposit	-	-	-	-	0.0%
-	-	-	-	-	0.0%
HOME Program Replacement Reserve	-	-	-	-	0.0%
Investor Required Reserve	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL OPERATING RESERVES	**-**	**1,049,801**	**1,049,801**	**3,874**	**0.7%**
REPORTS & STUDIES					
Appraisal Fee	10,000	-	10,000	37	0.0%
Market Study Fee	10,000	-	10,000	37	0.0%
Physical Needs Assessment Fee	-	-	-	-	0.0%
Environmental Site Assessment Reports	13,687	-	13,687	51	0.0%
HUD Risk Share Environmental / NEPA Review F	21,313	-	21,313	79	0.0%
CalHFA Earthquake Waiver Review Fee	-	-	-	-	0.0%
Relocation Consultant	-	-	-	-	0.0%
Soils Reports	-	-	-	-	0.0%
Acoustical Reports	-	-	-	-	0.0%
Termite/Dry Rot	-	-	-	-	0.0%

SOURCES & USES OF FUNDS					Final Commitment
Alamo Street Apartments			Project Number	21-016-A/X/S	
Consultant/Processing Agent	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL REPORTS & STUDIES	**55,000**	**-**	**55,000**	**203**	**0.0%**
USES OF FUNDS	**CONST/REHAB $**	**PERMANENT $**	**TOTAL PROJECT USES OF FUNDS**		
			USES ($)	**PER UNIT ($)**	**%**
OTHER COSTS					
TCAC Application, Allocation & Monitor Fees	181,381	-	181,381	669	0.1%
CDLAC Fees	39,684	-	39,684	146	0.0%
Local Permits & Fees	600,000	-	600,000	2,214	0.4%
Local Impact Fees	3,737,444	-	3,737,444	13,791	2.6%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	60,000	-	60,000	221	0.0%
Accounting & Audits	10,000	-	10,000	37	0.0%
Advertising & Marketing Expenses	161,961	-	161,961	598	0.1%
Financial Consulting	-	-	-	-	0.0%
Miscellaneous Administrative Fees	-	-	-	-	0.0%
HUD Risk Share Insurance (First Year Prepaid)	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL OTHER COSTS	**4,790,470**	**-**	**4,790,470**	**17,677**	**3.4%**
SUBTOTAL PROJECT COSTS	**125,850,558**	**142,121,194**	**127,321,194**	**469,820**	**89.6%**
DEVELOPER FEES & COSTS					
Developer Fees, Overhead & Profit	14,800,000	-	14,800,000	54,613	10.4%
Consultant Processing Agent	-	-	-	-	0.0%
Project Administration	-	-	-	-	0.0%
Syndicator Consultant Fees	-	-	-	-	0.0%
Guarantee Fees	-	-	-	-	0.0%
Construction Oversight & Management	-	-	-	-	0.0%
Other Adminstration Fees	-	-	-	-	0.0%
Other (Specify) correction to balance	-	-	-	-	0.0%
CASH EQUITY OUT TO DEVELOPER	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	**14,800,000**	**-**	**14,800,000**	**54,613**	**10.4%**
TOTAL PROJECT COSTS	**140,650,558**	**142,121,194**	**142,121,194**	**524,432**	**100.0%**

PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET			Final Commitment
Alamo Street Apartments	**Project Number**		**21-016-A/X/S**
INCOME	**AMOUNT**	**PER UNIT**	**%**
Rental Income			
Restricted Unit Rents	$ 4,980,756	$ 18,379	104.69%
Unrestricted Unit Rents	-	-	0.00%
Commercial Rents	-	-	0.00%
Rental & Operating Subsidies			
Project Based Rental Subsidy	-	-	0.00%
Other Project Based Subsidy	-	-	0.00%
Income during renovations	-	-	0.00%
Other Subsidy (Specify)	-	-	0.00%
Other Income			
Laundry Income	27,198	100	0.57%
Parking & Storage Income	-	-	0.00%
Miscellaneous Income	-	-	0.00%
GROSS POTENTIAL INCOME (GPI)	**$ 5,007,954**	**$ 18,480**	**105.26%**
Less: Vacancy Loss	**$ 250,398**	**$ 924**	**5.26%**
EFFECTIVE GROSS INCOME (EGI)	**$ 4,757,556**	**$ 19,404**	**100.00%**
OPERATING EXPENSES	**AMOUNT**	**PER UNIT**	**%**
Administrative Expenses	$ 160,850	$ 594	$ 0
Management Fee	153,669	567	3.23%
Social Programs & Services	24,000	89	0.50%
Utilities	229,000	845	4.81%
Operating & Maintenance	428,200	1,580	9.00%
Ground Lease Payments	-	-	0.00%
CalHFA Monitoring Fee	7,500	28	0.16%
Other Monitoring Fees	24,800	92	0.52%
Real Estate Taxes	32,300	119	0.68%
Other Taxes & Insurance	221,600	818	4.66%
Assisted Living/Board & Care	-	-	0.00%
SUBTOTAL OPERATING EXPENSES	**$ 1,281,919**	**$ 4,730**	**26.94%**
Replacement Reserve	$ 67,750	$ 250	1.42%
TOTAL OPERATING EXPENSES	**$ 1,349,669**	**$ 4,980**	**28.37%**
NET OPERATING INCOME (NOI)	**$ 3,407,887**	**$ 12,575**	**71.63%**
DEBT SERVICE PAYMENTS	**AMOUNT**	**PER UNIT**	**%**
Perm	$ 2,849,535	$ 10,515	59.89%
-	$ -	-	0.00%
-	$ -	-	0.00%
Bonneville Recycled T/E Bonds	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
-	$ -	-	0.00%
MIP Annual Fee (applicable for MIP only deals)	$ -	-	0.00%
TOTAL DEBT SERVICE & OTHER PAYMENTS	**$ 2,849,535**	**$ 10,515**	**59.89%**
EXCESS AFTER DEBT SERVICE & MONITORING FEES	**$ 558,351**	**$ 2,060**	**11.74%**
DEBT SERVICE COVERAGE RATIO (DSCR)	**1.20**	**to 1**	
Date: 3/29/22		Senior Staff Date:	04/06/22

PROJECTED PERMANENT LOAN CASH FL0WS										Alamo Street Apartments				
Final Commitment										Project Number	21-016-A/X/S			
	YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13
RENTAL INCOME	CPI													
Restricted Unit Rents	2.50%	4,980,756	5,105,275	5,232,907	5,363,729	5,497,823	5,635,268	5,776,150	5,920,554	6,068,568	6,220,282	6,375,789	6,535,183	6,698,563
Unrestricted Unit Rents	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	2.50%	27,198	27,877	28,574	29,289	30,021	30,772	31,541	32,329	33,138	33,966	34,815	35,686	36,578
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		**5,007,954**	**5,133,152**	**5,261,481**	**5,393,018**	**5,527,844**	**5,666,040**	**5,807,691**	**5,952,883**	**6,101,705**	**6,254,248**	**6,410,604**	**6,570,869**	**6,735,141**
VACANCY ASSUMPTIONS	Vacancy													
Restricted Unit Rents	5.00%	249,038	255,264	261,645	268,186	274,891	281,763	288,807	296,028	303,428	311,014	318,789	326,759	334,928
Unrestricted Unit Rents	7.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	3.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	5.00%	1,360	1,394	1,429	1,464	1,501	1,539	1,577	1,616	1,657	1,698	1,741	1,784	1,829
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		**250,398**	**256,658**	**263,074**	**269,651**	**276,392**	**283,302**	**290,385**	**297,644**	**305,085**	**312,712**	**320,530**	**328,543**	**336,757**
EFFECTIVE GROSS INCOME (EGI)		**4,757,556**	**4,876,495**	**4,998,407**	**5,123,367**	**5,251,452**	**5,382,738**	**5,517,306**	**5,655,239**	**5,796,620**	**5,941,535**	**6,090,074**	**6,242,326**	**6,398,384**
OPERATING EXPENSES	CPI / Fee													
Administrative Expenses	3.50%	184,850	191,320	198,016	204,946	212,120	219,544	227,228	235,181	243,412	251,932	260,749	269,875	279,321
Management Fee	3.23%	153,669	157,511	161,449	165,485	169,622	173,862	178,209	182,664	187,231	191,912	196,709	201,627	206,668
Utilities	3.50%	229,000	237,015	245,311	253,896	262,783	271,980	281,499	291,352	301,549	312,103	323,027	334,333	346,035
Operating & Maintenance	3.50%	428,200	443,187	458,699	474,753	491,369	508,567	526,367	544,790	563,858	583,593	604,018	625,159	647,040
Ground Lease Payments	3.50%	-	-	-	-	-	-	-	-	-	-	-	-	-
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Other Agency Monitoring Fee	0.00%	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800
Real Estate Taxes	1.25%	32,300	32,704	33,113	33,526	33,946	34,370	34,799	35,234	35,675	36,121	36,572	37,030	37,492
Other Taxes & Insurance	3.50%	221,600	229,356	237,383	245,692	254,291	263,191	272,403	281,937	291,805	302,018	312,589	323,529	334,853
Required Reserve Payments	1.00%	67,750	68,428	69,112	69,803	70,501	71,206	71,918	72,637	73,364	74,097	74,838	75,587	76,342
TOTAL OPERATING EXPENSES		**1,349,669**	**1,391,820**	**1,435,381**	**1,480,402**	**1,526,931**	**1,575,021**	**1,624,724**	**1,676,096**	**1,729,193**	**1,784,075**	**1,840,803**	**1,899,440**	**1,960,051**
NET OPERATING INCOME (NOI)		**3,407,887**	**3,484,675**	**3,563,026**	**3,642,965**	**3,724,520**	**3,807,717**	**3,892,582**	**3,979,143**	**4,067,427**	**4,157,460**	**4,249,271**	**4,342,886**	**4,438,333**
DEBT SERVICE PAYMENTS	Lien #													
Perm	1	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Recycled T/E Bonds	2	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**
CASH FLOW AFTER DEBT SERVICE		**558,351**	**635,140**	**713,490**	**793,430**	**874,985**	**958,182**	**1,043,047**	**1,129,608**	**1,217,891**	**1,307,925**	**1,399,735**	**1,493,350**	**1,588,798**
DEBT SERVICE COVERAGE RATIO		**1.20**	**1.22**	**1.25**	**1.28**	**1.31**	**1.34**	**1.37**	**1.40**	**1.43**	**1.46**	**1.49**	**1.52**	**1.56**
Date Prepared:	03/29/22									Senior Staff Date:	4/6/22			
		1	2	3	4	5	6	7	8	9	10	11	12	13
LESS: Asset Management Fee	3%	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
LESS: Partnership Management Fee	3%	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100
net CF available for distribution		**521,251**	**598,040**	**676,390**	**756,330**	**837,885**	**921,082**	**1,005,947**	**1,092,508**	**1,180,791**	**1,270,825**	**1,362,635**	**1,456,250**	**1,551,698**
Developer Residual Receipts Payment	*100%*	**521,251**	**598,040**	**676,390**	**756,330**	**837,885**	**921,082**	**1,005,947**	**1,092,508**	**1,180,791**	**1,270,825**			
Deferred developer fee repayment	8,880,000	8,880,000	8,358,749	7,760,709	7,084,318	6,327,988	5,490,103	4,569,022	3,563,075	2,470,567	1,289,775	18,951		
		521,251	598,040	676,390	756,330	837,885	921,082	1,005,947	1,092,508	1,180,791	1,270,825			
		8,358,749	7,760,709	7,084,318	6,327,988	5,490,103	4,569,022	3,563,075	2,470,567	1,289,775	18,951	18,951		
Payments for Residual Receipt Payments		0%										**50%**		
RESIDUAL RECEIPTS LOANS	*Payment %*		-	-	-	-	-	-	-	-	-	681,318	728,125	775,849
MIP	*46.67%*	-	-	-	-	-	-	-	-	-	-	317,948	339,792	362,063
0		-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Recycled T/E Bonds	*53.33%*	-	-	-	-	-	-	-	-	-	-	363,369	388,333	413,786
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments	**100.00%**	-	-	-	-	-	-	-	-	-	-	681,318	728,125	775,849
Balances for Residual Receipt Payments														
RESIDUAL RECEIPTS LOANS	*Interest Rate*													
MIP---Simple	*2.00%*	7,000,000	7,140,000	7,280,000	7,420,000	7,560,000	7,700,000	7,840,000	7,980,000	8,120,000	8,260,000	8,400,000	8,540,000	8,680,000
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Recycled T/E Bonds---Simple	*6.50%*	8,000,000	8,520,000	9,040,000	9,560,000	10,080,000	10,600,000	11,120,000	11,640,000	12,160,000	12,680,000	13,200,000	13,356,631	13,488,297
0---Simple	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0---	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
0---	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments		**15,000,000**	15,660,000	16,320,000	16,980,000	17,640,000	18,300,000	18,960,000	19,620,000	20,280,000	20,940,000	21,600,000	21,896,631	22,168,297

PROJECTED PERMANENT LOAN CASH FL0WS — **Alamo Street Apartments**

Final Commitment — Project Number 21-016-A/X/S

	YEAR	14	15	16	17	18	19	20	21	22	23	24	25	26	27
RENTAL INCOME	CPI														
Restricted Unit Rents	2.50%	6,866,027	7,037,678	7,213,620	7,393,960	7,578,809	7,768,280	7,962,487	8,161,549	8,365,587	8,574,727	8,789,095	9,008,823	9,234,043	9,464,894
Unrestricted Unit Rents	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	1.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	2.50%	37,492	38,429	39,390	40,375	41,384	42,419	43,479	44,566	45,681	46,823	47,993	49,193	50,423	51,683
Parking & Storage Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	2.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS POTENTIAL INCOME (GPI)		**6,903,519**	**7,076,107**	**7,253,010**	**7,434,335**	**7,620,194**	**7,810,698**	**8,005,966**	**8,206,115**	**8,411,268**	**8,621,550**	**8,837,088**	**9,058,016**	**9,284,466**	**9,516,578**
VACANCY ASSUMPTIONS	Vacancy														
Restricted Unit Rents	5.00%	343,301	351,884	360,681	369,698	378,940	388,414	398,124	408,077	418,279	428,736	439,455	450,441	461,702	473,245
Unrestricted Unit Rents	7.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rents	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Based Rental Subsidy	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Project Based Subsidy	3.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income during renovations	20.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry Income	5.00%	1,875	1,921	1,970	2,019	2,069	2,121	2,174	2,228	2,284	2,341	2,400	2,460	2,521	2,584
Parking & Storage Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROJECTED VACANCY LOSS		**345,176**	**353,805**	**362,650**	**371,717**	**381,010**	**390,535**	**400,298**	**410,306**	**420,563**	**431,077**	**441,854**	**452,901**	**464,223**	**475,829**
EFFECTIVE GROSS INCOME (EGI)		**6,558,343**	**6,722,302**	**6,890,359**	**7,062,618**	**7,239,184**	**7,420,164**	**7,605,668**	**7,795,809**	**7,990,705**	**8,190,472**	**8,395,234**	**8,605,115**	**8,820,243**	**9,040,749**
OPERATING EXPENSES	CPI / Fee														
Administrative Expenses	3.50%	289,097	299,216	309,688	320,527	331,746	343,357	355,374	367,812	380,686	394,010	407,800	422,073	436,846	452,135
Management Fee	3.23%	211,834	217,130	222,559	228,123	233,826	239,671	245,663	251,805	258,100	264,552	271,166	277,945	284,894	292,016
Utilities	3.50%	358,146	370,681	383,655	397,083	410,981	425,365	440,253	455,662	471,610	488,116	505,200	522,882	541,183	560,125
Operating & Maintenance	3.50%	669,686	693,125	717,384	742,493	768,480	795,377	823,215	852,028	881,849	912,713	944,658	977,721	1,011,942	1,047,359
Ground Lease Payments	3.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Other Agency Monitoring Fee	0.00%	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800
Real Estate Taxes	1.25%	37,961	38,436	38,916	39,402	39,895	40,394	40,899	41,410	41,927	42,452	42,982	43,519	44,063	44,614
Other Taxes & Insurance	3.50%	346,573	358,703	371,257	384,251	397,700	411,620	426,026	440,937	456,370	472,343	488,875	505,986	523,695	542,024
Required Reserve Payments	1.00%	77,106	77,877	78,656	79,442	80,237	81,039	81,849	82,668	83,495	84,329	85,173	86,025	86,885	87,754
TOTAL OPERATING EXPENSES		**2,022,703**	**2,087,467**	**2,154,415**	**2,223,621**	**2,295,164**	**2,369,122**	**2,445,580**	**2,524,621**	**2,606,336**	**2,690,816**	**2,778,155**	**2,868,452**	**2,961,808**	**3,058,328**
NET OPERATING INCOME (NOI)		**4,535,640**	**4,634,835**	**4,735,944**	**4,838,997**	**4,944,020**	**5,051,041**	**5,160,088**	**5,271,188**	**5,384,368**	**5,499,657**	**5,617,079**	**5,736,663**	**5,858,435**	**5,982,421**
DEBT SERVICE PAYMENTS	Lien #														
Perm	1	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535	2,849,535
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Recycled T/E Bonds	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**	**2,849,535**
CASH FLOW AFTER DEBT SERVICE		**1,686,105**	**1,785,299**	**1,886,409**	**1,989,462**	**2,094,485**	**2,201,506**	**2,310,553**	**2,421,653**	**2,534,833**	**2,650,121**	**2,767,544**	**2,887,128**	**3,008,900**	**3,132,886**
DEBT SERVICE COVERAGE RATIO		**1.59**	**1.63**	**1.66**	**1.70**	**1.74**	**1.77**	**1.81**	**1.85**	**1.89**	**1.93**	**1.97**	**2.01**	**2.06**	**2.10**
Date Prepared:	03/29/22					Senior Staff Date:		4/6/22							

		14	15	16	17	18	19	20	21	22	23	24	25	26	27
LESS: Asset Management Fee	3%	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
LESS: Partnership Management Fee	3%	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100
net CF available for distribution		**1,649,005**	**1,748,199**	**1,849,309**	**1,952,362**	**2,057,385**	**2,164,406**	**2,273,453**	**2,384,553**	**2,497,733**	**2,613,021**	**2,730,444**	**2,850,028**	**2,971,800**	**3,095,786**
Developer Residual Receipts Payment	*100%*														
Deferred developer fee repayment	8,880,000														

Payments for Residual Receipt Payments															
RESIDUAL RECEIPTS LOANS	*Payment %*	824,502	874,100	924,655	976,181	1,028,692	1,082,203	1,136,726	1,192,276	1,248,867	1,306,511	1,365,222	1,425,014	1,485,900	1,547,893
MIP	*46.67%*	384,768	407,913	431,505	455,551	480,056	505,028	530,472	556,396	582,804	609,705	637,104	665,007	693,420	722,350
0		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Recycled T/E Bonds	*53.33%*	439,735	466,186	493,149	520,630	548,636	577,175	606,254	635,881	666,062	696,806	728,118	760,007	792,480	825,543
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments	**100.00%**	824,502	874,100	924,655	976,181	1,028,692	1,082,203	1,136,726	1,192,276	1,248,867	1,306,511	1,365,222	1,425,014	1,485,900	1,547,893

Balances for Residual Receipt Payments															
RESIDUAL RECEIPTS LOANS	*Interest Rate*														
MIP---Simple	*2.00%*	8,820,000	8,575,232	8,307,319	8,015,814	7,700,263	7,360,206	6,995,178	6,604,609	6,180,306	5,721,108	5,225,825	4,693,238	4,122,096	3,511,118
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonneville Recycled T/E Bonds---Simple	*6.50%*	13,594,511	13,674,777	13,728,590	13,755,441	13,754,811	13,726,175	13,669,000	13,582,746	13,466,866	13,320,803	13,143,998	12,935,879	12,695,872	12,423,392
0---Simple	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0---Compounding	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0---	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0---	*0.00%*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Residual Receipts Payments		22,414,511	22,250,009	22,035,909	21,771,255	21,455,074	21,086,381	20,664,178	20,187,356	19,647,171	19,041,911	18,369,823	17,629,117	16,817,968	15,934,510

PROJECTED PERMANENT LOAN CASH FL0WS				Alamo Street Apartments
Final Commitment			Project Number	21-016-A/X/S
	YEAR	28	29	30
RENTAL INCOME	CPI			
Restricted Unit Rents	2.50%	9,701,517	9,944,055	10,192,656
Unrestricted Unit Rents	2.50%	-	-	-
Commercial Rents	2.00%	-	-	-
Project Based Rental Subsidy	1.50%	-	-	-
Other Project Based Subsidy	1.50%	-	-	-
Income during renovations	0.00%	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-
Laundry Income	2.50%	52,975	54,300	55,657
Parking & Storage Income	2.50%	-	-	-
Miscellaneous Income	2.50%	-	-	-
GROSS POTENTIAL INCOME (GPI)		**9,754,492**	**9,998,354**	**10,248,313**
VACANCY ASSUMPTIONS	Vacancy			
Restricted Unit Rents	5.00%	485,076	497,203	509,633
Unrestricted Unit Rents	7.00%	-	-	-
Commercial Rents	50.00%	-	-	-
Project Based Rental Subsidy	5.00%	-	-	-
Other Project Based Subsidy	3.00%	-	-	-
Income during renovations	20.00%	-	-	-
Other Subsidy (Specify)	0.00%	-	-	-
Laundry Income	5.00%	2,649	2,715	2,783
Parking & Storage Income	50.00%	-	-	-
Miscellaneous Income	50.00%	-	-	-
TOTAL PROJECTED VACANCY LOSS		**487,725**	**499,918**	**512,416**
EFFECTIVE GROSS INCOME (EGI)		**9,266,767**	**9,498,437**	**9,735,898**
OPERATING EXPENSES	CPI / Fee			
Administrative Expenses	3.50%	467,960	484,339	501,291
Management Fee	3.23%	299,317	306,800	314,469
Utilities	3.50%	579,729	600,019	621,020
Operating & Maintenance	3.50%	1,084,017	1,121,958	1,161,226
Ground Lease Payments	3.50%	-	-	-
CalHFA Monitoring Fee	0.00%	7,500	7,500	7,500
Other Agency Monitoring Fee	0.00%	24,800	24,800	24,800
Real Estate Taxes	1.25%	45,172	45,737	46,308
Other Taxes & Insurance	3.50%	560,995	580,630	600,952
Required Reserve Payments	1.00%	88,631	89,517	90,413
TOTAL OPERATING EXPENSES		**3,158,121**	**3,261,299**	**3,367,979**
NET OPERATING INCOME (NOI)		**6,108,646**	**6,237,137**	**6,367,918**
DEBT SERVICE PAYMENTS	Lien #			
Perm	1	2,849,535	2,849,535	2,849,535
-	-	-	-	-
-	-	-	-	-
Bonneville Recycled T/E Bonds	2	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
MIP Annual Fee (applicable for MIP only deals)	-	-	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		**2,849,535**	**2,849,535**	**2,849,535**
CASH FLOW AFTER DEBT SERVICE		**3,259,111**	**3,387,602**	**3,518,383**
DEBT SERVICE COVERAGE RATIO		**2.14**	**2.19**	**2.23**
Date Prepared:	03/29/22		Senior Staff Date:	4/6/22
		28	**29**	**30**
LESS: Asset Management Fee	3%	10,000	10,000	10,000
LESS: Partnership Management Fee	3%	27,100	27,100	27,100
net CF available for distribution		**3,222,011**	**3,350,502**	**3,481,283**
Developer Residual Receipts Payment	*100%*			
Deferred developer fee repayment	8,880,000			
Payments for Residual Receipt Payments				
RESIDUAL RECEIPTS LOANS	*Payment %*	1,611,006	1,675,251	1,740,641
MIP	*46.67%*	751,803	781,784	812,299
0		-	-	-
Bonneville Recycled T/E Bonds	*53.33%*	859,203	893,467	928,342
0	*0.00%*	-	-	-
0	*0.00%*	-	-	-
0	*0.00%*	-	-	-
0	*0.00%*	-	-	-
Total Residual Receipts Payments	**100.00%**	1,611,006	1,675,251	1,740,641
Balances for Residual Receipt Payments				
RESIDUAL RECEIPTS LOANS	*Interest Rate*			
MIP---Simple	*2.00%*	2,858,990	2,164,368	1,425,871
0---Compounding	*0.00%*	-	-	-
Bonneville Recycled T/E Bonds---Simple	*6.50%*	12,117,849	11,778,646	11,405,179
0---Simple	*0.00%*	-	-	-
0---Compounding	*0.00%*	-	-	-
0---	*0.00%*	-	-	-
0---	*0.00%*	-	-	-
Total Residual Receipts Payments		14,976,840	13,943,014	12,831,050

California Housing Finance Agency

MIXED-INCOME LOAN PROGRAM

The California Housing Finance Agency ("CalHFA" or "Agency") Mixed-Income Program ("MIP") provides competitive, long-term, subordinate financing for new construction multifamily housing projects restricting units (tax credit or CalHFA) between 30% and 120% of county Area Median Income ("AMI").

The MIP must be paired with CalHFA's Conduit Bond Issuance Program and a CalHFA Mixed-Income Qualified Construction Lender (defined below). Additionally, the program must be paired with CalHFA's Permanent Loan product. The MIP resources will take the form of a subordinate loan to incentivize newly developed multifamily housing projects that serve a range of extremely low to moderate income renters. Eligible projects must create newly constructed regulated units that meet the income and occupancy requirements reflected below.

Qualifications

APPLICATION:

Sponsors/developers must submit a complete application package which includes all items listed on the application, the application addendum and the checklist. Incomplete application packages will not be considered. The application and checklist can be found at www.calhfa.ca.gov/multifamily/mixedincome/. If the sponsor/developer is not able to meet the readiness timeline referenced below, MIP funds may be rescinded and reallocated. If the sponsor/developer is not able to meet the readiness timeline referenced below, MIP funds may be rescinded and reallocated.

AVAILABILITY:

Available to for-profit, nonprofit, and public agency sponsors. Development teams must meet CalHFA experience requirements, as defined in the CalHFA Development Team Qualifications section below.

USES:

MIP Subsidy loans must be used in conjunction with CalHFA's Conduit Bond Issuance Program and a construction loan from a CalHFA Mixed-Income Qualified Construction Lender. MIP Subsidy loans must also be used in conjunction with CalHFA's permanent first-lien mortgage financing. CalHFA Mixed-Income Qualified Construction Lender is defined in the CalHFA Lender Qualifications section below.

FINANCING STRUCTURE:

Projects accessing the MIP Subsidy loan funds must be structured as one of the following:

1. Tax-exempt Bond and 4% tax credit project where at least 51% of the units in the project must be tax credit financed, OR
2. Qualified mixed-income project through income averaging pursuant to Internal Revenue Code Section 42 (g)(1)(C).

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Qualifications (continued)

READINESS:

Projects must have site control and be prepared to submit for a bond and tax credit allocation and will only receive funds if bonds are issued within the issuance timeframes specified in the California Debt Limit Allocation Committee's (CDLAC) Regulations Section 5100.

1. **Site:** The site must be ready for construction (all potential environmental issues have been identified, mitigation plan is in place, and costs associated with the mitigation plan have been incorporated in the development budget). Environmental issues may include, but not be limited to, receipt of clearances for CEQA, NEPA, and applicable tribal land environmental reviews. Pursuant to HUD-Risk Sharing requirements, sponsor is expected to start the NEPA process shortly after CalHFA verifies application completeness and determines that the project is ready to move forward with an initial commitment ("notification date"). The NEPA clearance and HUD's firm approval letter will be required prior to construction loan closing.
2. **General Contractor and/or Third Party Construction Services Engagement:** At the time of application, Applicant must provide evidence that the applicant or developer has engaged a general contractor or third-party construction services company to provide construction services including, but not limited to, value engineering, bid/budget services, and constructability review of plans and designs. In addition, the proposed construction budget is based on the general contractor's or third-party construction services company's preliminary bid estimates pursuant to the current plans and designs.
3. **Disposition and Development Agreement:** Applicant must provide a copy of the disposition and development agreement, if applicable.
4. **Construction Start:** All projects must commit to begin construction 180 days from the earlier of the date of the tax-exempt bond allocation or 4% federal/state tax credit reservation, unless an extension has been approved by California Tax Credit Allocation Committee (CTCAC), CDLAC, and CalHFA, as applicable. Within the 180-day period, the following items must be submitted to CalHFA in their final form:
    a. A complete updated application form along with a detailed explanation of any changes from the initial application,
    b. An executed construction contract,
    c. Recorded deeds of trust for all construction financing (unless a project's location on tribal trust land precludes this),
    d. Binding commitments for any other financing required to complete project construction,
    e. Copy of a limited partnership agreement executed by the general partner/sponsor and the investor limited partner/equity provider,
    f. Payment of all construction lender fees,
    g. Copies of buildings permits (a grading permit does not suffice to meet this requirement, except that in the event that the city or county as a rule does not issue building permits prior to the completion of grading, a grading permit shall suffice; if the project is a design build project in which the city or county does not issue building permits until designs are fully complete, the city or county shall have approved construction to begin) or the applicable tribal documents,
    h. Copy of the notice to proceed delivered to the contractor,
    i. If no construction lender is involved, evidence must be submitted within 180 days, as applicable, that the equity partner has been admitted to the ownership entity, and that an initial disbursement of funds has occurred,
    j. Other documentation and information required by CalHFA to close construction financing.

Qualifications (continued)

MIP ALLOCATION LIMITS:
(Exceptions may be considered by Agency in its sole discretion)

1. **Project Cap:** No project may receive more than the lesser of $8 million or the aggregate MIP loan amount calculated based on up to $50,000 per MIP regulated units or up to $60,000 per MIP regulated units for a Project located within the Highest or High Resource areas designated on the CTCAC/HCD Opportunity Area Map.
2. **Sponsor Cap:** No sponsor (any individual, entity, affiliate and related entity) may receive more than the lesser of funding of 2 projects or 20% of total MIP allocation for the respective year.
3. **County Cap:** No one county may receive more than 33% of total MIP allocations for the respective year.
4. **Age-Restricted Cap:** No more than 25% of total MIP funds for the respective year may be received by age-restricted projects (units that are restricted to residents who are 62 years of age or older under the applicable provisions of California Civil Code Section 51.3 and the federal Fair Housing Act), unless a waiver of the minimum age requirement has been granted by U.S. Department of Housing and Urban Development ("HUD").

EVIDENCE OF COST CONTAINMENT:

A Cost Containment Certification must be provided at the time of Construction Loan Closing in a form acceptable to CalHFA in its sole discretion. The certification acceptable to CalHFA may be found at www.calhfa.ca.gov/multifamily/mixedincome/forms/closing-cost-containment-certification.pdf.

The developer/sponsor must certify that cost containment measures have been implemented to minimize construction costs. These measures should include, but are not limited to, 1) competitively bidding out all major subcontractor and self-performing trades and 2) engaging value engineer/consultant during the design process.

EVIDENCE OF SUBSIDY EFFICIENCY:

A Subsidy Efficiency Analysis will be completed as part of the Application review. The analysis will be completed again prior to closing the MIP Subordinate Loan and the MIP Loan amount may be reduced based on the final analysis. Parameters of the analysis may include but are not limited to the following:

- A maximum of 1.20 Debt Service Coverage Ratio ("DSCR"). CalHFA may allow an initial DSCR higher than 1.20 on a case by case basis, if deemed necessary,
- A project cash flow that supports the residential component of the project based on the required CalHFA permanent first lien annual debt service coverage ratio,
- A separate project cash flow that supports any commercial component of a mixed-use project,
- A cash flow after debt service that is limited to the higher of 25% of the anticipated annual must pay debt service payment or 8% of gross income, during each of the first 3 years of project operation,
- Inflation factors and vacancy rates consistent with the Agency's Underwriting Standards,
- Developer Fee requirements matching those required under the 4% federal and/or state tax credit reservation,
- Capitalized reserves subject to approval by Agency for reasonableness consistent with the Agency's Underwriting Standards and the Investor Limited Partnership Agreement (ILPA),

Qualifications (continued)	• Review of Excess Sources over final Uses as approved by CalHFA resulting from any of the following: · An increase in tax credit equity, · An increase in permanent loan debt due to a combination of permanent loan rate reduction and/or reduction to operating expense assumptions; • Construction Cost Savings as evidenced by final cost certification, funds shall be used to reduce the MIP loan prior to CalHFA MIP loan closing or if required by other subordinate lenders, funds may be split on a pro rata basis between CalHFA and other subordinate lenders. • State tax credit request is expected to be within a range of \$50,000 to \$75,000 per unit. The projects that evidence the most efficient use of state tax credits and MIP per adjusted unit shall be prioritized for MIP funding considerations. The state tax credits and MIP per adjusted unit calculation shall be consistent with CDLAC Regulation Section 5231(g)(1) and 5231(g)(2). MIP final commitment shall be subject to the project's receipt of CDLAC's preliminary tax-exempt bond allocations and CTCAC's tax credits reservations, • Acquisition cost shall be the lesser of 1) the purchase price pursuant to a current purchase and sales agreement between unrelated parties, 2) the purchase price of an arm's length transaction executed within the past 10 years plus reasonable carrying costs, or 3) the appraised "as-is" value based on an Appraisal acceptable to CalHFA in its sole discretion. The appraised value of the real estate may be considered if the arm's length transaction exceeds 10 years.
CalHFA Mixed-Income Qualified Construction Lender	A CalHFA Qualified Construction Lender is defined as a Construction Lender that has closed at least five (5) construction loans using tax-exempt bonds and 4% federal and/or state tax credits in California within the last three (3) years and satisfies the requirement set forth within the application.
CalHFA Mixed-Income Development Team Qualifications	The **Developer/Co-Developer/General Partner** must be registered to do business and in good standing in the state of California. A CalHFA Qualified Developer/Co-Developer/General Partner must have developed at least three (3) comparable projects within the past five (5) years or meet the requirements to receive a minimum of 7 points under the CDLAC General Partner Experience category pursuant to CDLAC Regulations Section 5230(f). The proposed **Project Manager** must have personally managed the development of at least two (2) comparable projects within the past five (5) years **Financial Consultants** hired to assist the Developer in meeting the minimum experience requirements must be able to provide details regarding at least three (3) comparably financed projects over the last five (5) years. **Architects** new to CalHFA must provide information for three (3) comparable projects they designed that were built and occupied within the past five (5) years in the State of California. **General Contractor (GC)** must be licensed by the State of California. GCs new to CalHFA must provide information related to three (3) comparable (in design) projects built in the past five (5) years. Similar information will be required for the proposed on-site construction supervisor. The on-site construction supervisor must have overseen three (3) comparable projects built in the past five (5) years, and they must have overseen the projects from construction start to final completion.

CalHFA Mixed-Income Development Team Qualifications (Continued)	**Management Company** must have a local presence or a field office in Northern or Southern CA (depending on the location of the Project) and have experience managing at least ten (10) low to moderate income rent restricted Comparable (size and tenant types) Projects. Also required is a resume for the proposed on-site Property Manager, reflecting prior experience during the past five (5) years managing onsite project operations and compliance with rent restricted units or meet the requirements to receive a minimum of 3 points under the CDLAC Management Company Experience category pursuant to CDLAC Regulations Section 5230(f).
Permanent First Lien Loan	Must be provided by CalHFA. The permanent loan must meet an initial minimum DSCR of at least 1.15 and must maintain a DSCR of 1.0 or higher for the term of the permanent first lien loan.
Construction First Lien Loan	Provided by a CalHFA Mixed-Income Qualified Construction Lender. All parties shall permit the Agency to, in its sole and absolute discretion, recycle all or a portion of any Bond volume cap related to a paydown of the Bond financed loans, at the conversion of the construction financing to permanent financing and payoff of the Construction Loan, pursuant to the authority provided in Section 146(i)(6) of the Internal Revenue Code of 1986 and CDLAC Regulation Section 5060 (the "Bond Recycling"). The Bond documents, loan documents and any other documents related to the financing of the Development shall contain any necessary approvals and permit all actions necessary to accomplish a Bond Recycling.
Limitations	1. MIP cannot be combined with the CTCAC 9% program. 2. MIP cannot be combined with other state subordinate debt and/or subsidy programs (this does not include state tax credits) with the exception of the Infill Infrastructure Grant, contingent upon restrictions that are compatible with the MIP program requirements. Inclusion of other subordinate debt and subsidy will be allowed at CalHFA's discretion so long as any restrictions of subordinate debt or subsidy are compatible with MIP program requirements outlined herein. 3. Projects that have a below market rate component as a result of an inclusionary obligation or are 100% below market as a result of an inclusionary obligation must demonstrate master developer commitment through a dollar-for-dollar match of CalHFA's resources. Match can be obtained through a monetary match or equivalent in-kind contributions (e.g., land donation, land use fee concessions.) 4. At the time of MIP application to CalHFA, a project must not have already received an allocation of 4% federal and/or state tax credits from CTCAC or a tax-exempt bond allocation from CDLAC. 5. Projects will not be eligible for other subsidy resources from CalHFA in addition to MIP.
Mixed-Income Project Occupancy Requirements	**BOND REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):** Must maintain either (a) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI with adjustments for household size ("20% @ 50% AMI"), OR (b) 40% or more of the units must be both rent restricted and occupied by individuals whose incomes are 60% or less of AMI with adjustments for household size ("40% @ 60% AMI"): in the latter case, CDLAC requires a minimum of 10% of the unit types must be at 50% or less of AMI ("10% @ 50% AMI").

Mixed-Income Project Occupancy Requirements (Continued)	**MIXED INCOME REGULATORY AGREEMENT REQUIREMENTS (ALL PROJECTS):** **Affordability Requirements:** 1. To qualify, a project must meet the following affordability restrictions, based on the HUD or locality (as applicable) income and rent limits which are current at the time of MIP application, for a term of 55 years: a. 10% of total units at or below 50% of AMI, b. 10% of total units between 60% to 80% of AMI with an average of 70% of AMI or greater, subject to the Maximum Allowable Rents outlined below, and c. Remaining 80% of total units at or below 120% of AMI with the exception of the non-restricted manager's unit(s) OR at the affordability restrictions consistent with CTCAC requirements. (Deviations from the average unit affordability levels of 70% AMI will only be considered if Market Study supports such deviations.) 2. Projects must be tax credit transactions that are income-averaged and must not exceed an average affordability of 60% of AMI across all restricted units.
Mixed-Income Project Occupancy Requirements (Continued)	**MAXIMUM ALLOWABLE RENTS:** Rents for all restricted units must be at least 10% below market rents as evidenced by a current Market Study or an Appraisal. This threshold will be analyzed at time of application and again at CalHFA's final commitment approval. The report shall be current within 180 days of Agency's final commitment and may be subject to required updating if the report expires prior to construction loan closing. Any proposed rent adjustments above 5% of the approved rents subsequent to construction loan closing may be considered if supported by a recent or updated Market Study or Appraisal that is dated within 180 days from MIP loan closing, at CalHFA's sole discretion.
Mixed-Income Subordinate Loan	1. Maximum loan amount for each project shall not exceed the lesser of $8 million or the aggregate MIP loan amount calculated based on up to $50,000 per MIP regulated units, unless an exception is approved by Agency in its sole discretion. a. Maximum loan per restricted (tax credit or CalHFA) units between 30%-120% AMI shall be up to $50,000. b. Projects located within the Highest or High Resource areas designated on the CTCAC/HCD Opportunity Area Map shall be eligible for an additional amount up to $10,000 per MIP regulated unit. Opportunity Map Home Page: www.treasurer.ca.gov/ctcac/opportunity.asp 2. Loan size based on project need but cannot be more than 50% of the permanent loan amount.

Mixed-Income Subordinate Loan Rates & Terms	1. **Interest Rate**: Greater of 1% simple interest or the applicable federal rate (AFR) at time of MIP closing. 2. **Loan Term**: The MIP loan term shall be coterminous with the CalHFA permanent first lien loan. 3. **Loan Payment**: Residual receipt repayment based on cash flow analysis and split 50% to Owner and 50% to CalHFA and other residual receipt lenders. Residual receipt is defined as 50% of surplus cash which is determined as net operating income minus total debt service and other Agency approved payments. Payments shall be applied to the current and/or accrued interest and then principal of the MIP loan. Deviation from the net cash flow split may be granted 1) to meet equity investor's deferred developer's fee requirement as evidence by the limited partnership agreement, and 2) is subject to approval(s) by other residual receipt lender(s), as applicable. 4. **Affordability Term**: 55 years. 5. **Prepayment**: May be prepaid at any time without penalty. 6. **Subordination**: A subordination and/or extension of MIP maturity request in conjunction with a re-syndication, refinance, or ownership transfer ("capitalization event(s)") will be considered. If MIP loan is outstanding at time of the capitalization event(s) and requires subordination at the time of such event, the surplus cash split between borrower and CalHFA and other residual receipt lenders may be altered to reflect an increased percentage of residual receipts to CalHFA out of Borrower's share until such time as the MIP loan is paid in full. The remaining residual receipts may be split between other residual receipt lenders. 7. **Funded**: Only at permanent loan conversion.
CalHFA Conduit Bond Program	For more information on CalHFA's Conduit Issuer Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf
CalHFA First Lien Permanent Rates & Terms (subject to change)	For more information on CalHFA's Permanent Loan Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf
Fees (subject to change)	**Loan Fee:** 1.00% of the loan amount (50% due at final commitment and 50% due at CalHFA MIP loan closing). **Conduit Bond Program Fees:** Refer to CalHFA Conduit Bond Program www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf **CDLAC Fees:** Refer to CDLAC regulations for all applicable fees. CalHFA First Lien Permanent Rates & Terms for first mortgage loan fees, credit enhancements, trustee fees, legal fees, inspection fees, administrative fees. www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf

Last revised: 01/2021

California Housing Finance Agency

TAX-EXEMPT PERMANENT LOAN PROGRAM

CalHFA's Tax-Exempt Permanent Loan Program ("Perm Loan") provides competitive tax-exempt long-term financing for affordable multifamily rental housing Projects. Eligible projects include newly constructed or acquisition/rehabilitation developments that provide affordable housing opportunities for individuals, families, seniors, veterans, and special needs tenants ("Project").

Qualifications	• Available to for-profit, non-profit, and public agency sponsors. • Tax-exempt bond authority must be obtained from the California Debt Limit Allocation Committee (CDLAC) or through a 501(c)(3) exemption. • The Tax-Exempt Permanent Loan may be used with or without 4% low income housing tax credits. • If a lender other than CalHFA is providing short-term, first-lien debt, CalHFA shall be used as the bond issuer (for more information, review the Conduit Issuer Program Term Sheet). • For Section 8 Projects, a final commitment is conditioned upon review and acceptance by CalHFA of the HAP or AHAP contract. • The Perm Loan will be credit-enhanced through CalHFA's HUD/FHA Risk Sharing Program. • For existing CalHFA portfolio loans, the current owner is required to pay off all outstanding CalHFA debt. Visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Loan Amount	• Minimum Perm Loan amount of $5,000,000. • Minimum 1.15x for initial debt service coverage ratio (include any financing with amortizing debt). If a Project includes CalHFA's subsidy loan, the maximum DSCR at year 1 shall not exceed 1.20, unless CalHFA approves a higher DSCR at its own discretion. The year 1 DSCR underwritten at the time of final loan approval and final commitment must be maintained as the minimum DSCR through the term of the Perm Loan. CalHFA may require the initial DSCR to be higher than the minimum 1.15x, if deemed necessary to meet the Agency's underwriting requirements. • Lesser of 90% of restricted value or 100% of development costs. For Projects with equity being cashed out, the Perm Loan amount will be restricted to no more than 80% of the restricted value.
Fees (subject to change)	• Application Fee: $10,000 non-refundable, due at time of application submittal, and is credited toward the CalHFA Legal Fee at Perm Loan closing. The applicant may be subject to a new Application Fee if the CalHFA commitment expires prior to construction loan closing. • Perm Loan Fee: 1.00%, half due at final commitment, with balance due at Perm Loan closing. • Cost of Issuance Fee: $110,000, half due at final commitment, with balance due at Perm Loan Closing. • Credit Enhancement Fee: included in the interest rate. • Annual Monitoring Fee: $7,500 annually (not to be duplicated if used in conjunction with CalHFA's Conduit Program). • Inspection fees should be estimated at $500 per month for the term of the construction (reports and fees can be shared with other construction lenders) • Legal Fee: $35,000, half due at final commitment, with balance due at Perm Loan closing. • Administrative Fee: $1,000 at Perm Loan closing. • Letter of Interest Fee: $5,000 at LOI request, and is credited toward the CalHFA Perm Loan Fee See CalHFA standard Conduit Issuer Program Term Sheet for information on conduit issuance fees.

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TAX-EXEMPT PERMANENT LOAN PROGRAM

Rate & Terms (subject to change)	Interest Rate: • 17-Year Balloon Loans: 15-Year "AAA" Municipal Market Data (MMD) plus CalHFA spread • 30-Year Balloon and Fully Amortizing Loans: 30-Year "AAA" MMD plus CalHFA spread • Estimated CalHFA Spread: 2.00% to 3.00% • Rate may be locked up to 30 days prior to the construction loan closing. Rate may be locked for the term of the construction period, not to exceed 3 years. Amortization/Term: • Amortization: Up to 40 Year Amortization • Term: Fully Amortizing, and 17- or 30-Year Balloons available[1] • Perm Loan Reduction: up to 10% reduction at Perm Loan closing permitted at no cost. • Up to two, three-month extension(s) permitted upon payment of a fee equal to 0.25% of the Perm Loan amount for each three-month extension. • Breakage Fee (if applicable): due between construction loan closing and Perm Loan closing and calculated based on hedge termination cost. 1. Balloon loans subject to agency approved exit strategy.
Loan Closing Requirements	• 90% stabilized rental housing occupancy for 90 days as evidenced by rent rolls. • 90% of tax credit investor equity shall have been paid into the Project. • Project income is sufficient to pay operating expenses, required debt service, reserves and monitoring fees. • For mixed-use Projects, 100% non-residential occupancy as evidenced by executed leases or guarantees. • Deposit Account Control Agreement between CalHFA, the Borrower and lending institution is in form and substance acceptable to all parties and ready to be executed at Perm Loan closing.
Prepayment	The Perm Loan may be prepaid at par after 15 years of the Perm Loan period. However, the Perm Loan may be prepaid after 10 years of the Perm Loan period subject to a yield maintenance calculation of: • 5% of the principal balance after the end of year 10 • 4% of the principal balance after the end of year 11 • 3% of the principal balance after the end of year 12 • 2% of the principal balance after the end of year 13 • 1% of the principal balance after the end of year 14 All prepayments require a prior written 120-day notice to CalHFA.
Subordinate Financing	Financing or grants are encouraged from local governments and third parties to achieve project feasibility. All financing, leases, development and regulatory agreements must be coterminous (or have a longer term than the combined terms of any CalHFA Acq/Rehab Loan and Perm Loan) and be subordinate to CalHFA financing. A Lien Priority/Position Estoppel in form and substance acceptable to CalHFA will be required prior to construction financing closing, if applicable.
Occupancy Requirements	Must maintain the greater of (A) existing affordability restrictions, or (B) either (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area (county) median gross income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (ii) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"): however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI ("10% @ 50% AMI").

TAX-EXEMPT PERMANENT LOAN PROGRAM

Occupancy Requirements (continued)	Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents up to 30% of the applicable income restriction using the occupancy assumptions required in the Agency's Regulatory Agreement. Rents for all restricted units must be at least 10% below market rents as evidenced by current market study or an appraisal. CalHFA's regulated units must represent a comparable share of the available unit sizes (by bedroom count and square feet) and be disbursed throughout the project.
Due Diligence	The following due diligence is required to be provided at the Owner/Borrower's expense (refer to the program's document checklist for a full list): • Appraisal* (a construction lender's appraisal may be acceptable). • HUD-2530 previous participation clearance. • Construction Costs Review for new construction loans (other construction lender's review is acceptable). • Physical Needs Assessment* ("PNA") for rehabilitation projects with a Replacement Reserve Needs Analysis ("RRNA") over time for the first 20-year term (other lender's PNA/RRNA may be acceptable). • Phase I and Phase II (if applicable) Environmental Site Assessment* including, but not limited to, impact reviews that meet federal environmental requirements (such as historic preservation and noise remediation). The Purpose section of Phase I must state "a purpose of the Phase I is to document compliance with HUD policy pursuant to 24 CFR §58.5(i)(2) or §50.3(i)". • Market Study* satisfactory to CalHFA. • NEPA Review. • Termite/Dry Rot reports* by licensed company. • Seismic review* and other studies may be required at CalHFA's discretion. *Note: Third party reports shall be within 180 days prior to the CalHFA's final commitment approval and may be subject to a new or updated report if the report(s) was completed more than 180 days prior to construction loan closing, in CalHFA's sole discretion.
Required Impounds and Reserves	• Replacement Reserve: Initial cash deposit required for existing Projects with annual deposits between $250 and $500 per unit/per year depending on the Project type and PNA/RRNA findings. • Operating Expense Reserve ("OER"): 3-6 months of operating expenses, reserves, debt service, and monitoring fees due at Perm Loan closing (letter of credit or cash) and held for the life of the CalHFA Perm Loan by CalHFA. In the event OER funds are drawn down during the term of CalHFA Perm Loan, it must be replenished over a period of 12 months to the original level. • Impounds held by CalHFA: One year's prepaid earthquake, hazard and liability insurance premiums, and property tax assessments are collected at loan closing. An earthquake insurance waiver is available for Projects which have met CalHFA earthquake waiver standards during rehabilitation or construction. • Transition Operating Reserve (TOR): required for Projects with state or locally administered rental subsidy contracts with contract terms that are less than 20 years or the CalHFA Perm Loan term. • Other reserves as required (at CalHFA's discretion).

Last revised: 1/2022

California Housing Finance Agency

CONDUIT ISSUER PROGRAM

MULTIFAMILY HOUSING BONDS

Term sheet effective for applications submitted after March 1, 2022

The CalHFA Conduit Issuer Program is designed to facilitate access to tax-exempt and taxable bonds ("Bond") by developers that seek financing for eligible projects that provide affordable multifamily rental housing for individuals, families, seniors, veterans or special needs tenants ("Project"). The conduit Bonds may be used to finance the acquisition, rehabilitation, and/or development of an existing Project, or they can be used for the construction of a new Project.

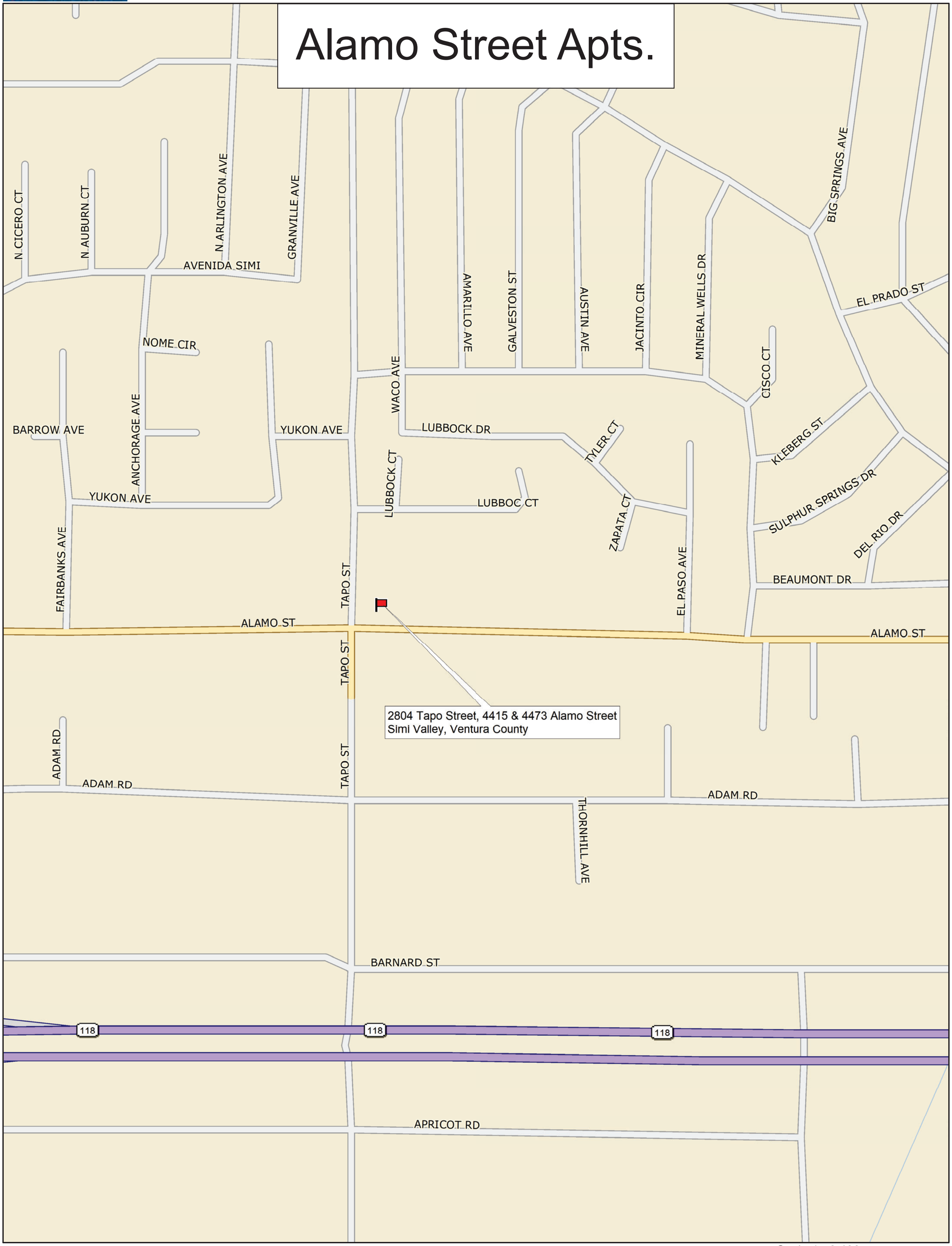
Qualifications	• Available to for-profit, nonprofit or public agency sponsors. • Nonprofit borrowers may be eligible for 501(c)(3) bonds. • If bond proceeds are utilized to pay off an existing CalHFA portfolio loan visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Bond Amount	Bond amount is determined by the loan amount of the selected construction lender.
Fees (subject to change)	• Application Fee: $5,000 non-refundable, due at time of application submittal (covers the cost of the TEFRA required for tax-exempt issuances) and is credited toward the CalHFA Issuer Fee. • Issuer Fee: 1. The greater of $15,000 or 18.75 basis points of the Bond amount if lesser than or equal to $20 million. 2. If more than $20 million: $37.500 + 5 basis points for the amount above $20 million. • Annual Administrative Fee: 5 bps of the tax-exempt bond issuance amount due at construction loan closing and due annually thereafter until permanent loan conversion. After permanent loan conversion, billed annually in advance, 5 bps of unpaid principal balance amount of tax-exempt bond financed loan(s) until bonds are fully redeemed. Minimum Annual Administrative Fee shall be $4,000 through both the Qualified Project Period and the CDLAC compliance period. For taxable only issuances, annual administrative fees above will be charged based on the taxable bond financed loan(s) for the term of the CalHFA affordability restrictions. If used in conjunction with a CalHFA permanent loan product, the annual administrative fee will not be duplicated. Please refer to the applicable permanent loan term sheet for the annual administrative fee. • Public Sale: Additional fee of $5,000 to $10,000 applies when Bonds are sold to the public. • CDLAC Allocation Fee: 0.035% of the Bond amount, $1,200 of which is due at time of CDLAC application submittal with the remaining fee due at construction loan closing and payable to CDLAC. • CDLAC Performance Deposit: 0.50% of the requested Bond amount, not to exceed $100,000, due at time of CDLAC application submittal. Deposit to be refunded after the Bond closing, upon receipt of authorization letter from CDLAC. The Borrower shall be responsible for all other costs of Bond issuance including fees of the underwriter, trustee, rating agencies, lender, compliance administrator, all Bond counsel legal fees, and any other parties required to complete the transaction.

Kevin Brown, Housing Finance Officer
500 Capitol Mall, Suite 1400, MS-990
Sacramento, CA 95814
916.326.8808
kbrown@calhfa.ca.gov

Occupancy Requirements	• Either (A) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area median income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (B) 40% or more of the units must be rent restricted and occupied by individuals whose income is 60% or less of AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI. • Any units restricted by the Agency pursuant to this program, including those units restricted in addition to the minimum requirements set forth above, shall be rented at rents up to 30% of the applicable income restriction using the occupancy assumptions required in the Agency's Regulatory Agreement. Rents for all restricted units must be at least 10% below market rents as evidenced by a current market study or an appraisal. • Borrower will be required to enter into a Regulatory Agreement which will be recorded against the Project for the Qualified Project Period (as defined in the CalHFA Regulatory Agreement). This includes the later of the federally-required qualified project period, repayment of the Bond funded loan, redemption of the Bonds, the full term of the CDLAC Resolution requirements or 55 years.

Last revised: 03/2022

Alamo Street Apts.



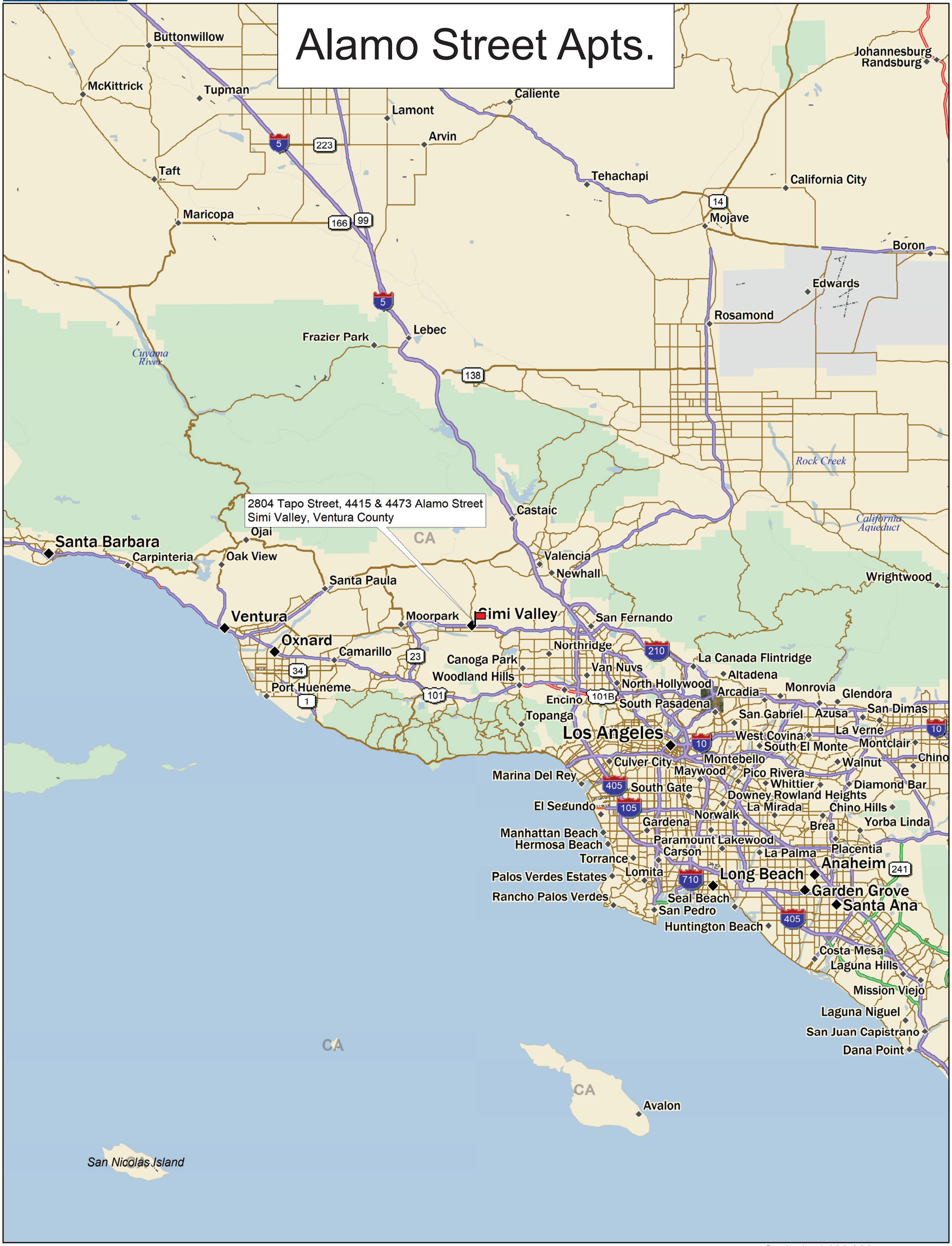
TN MN (11.7°E)

Scale 1 : 6,400

0 180 360 540 720 900 ft
0 40 80 120 160 200 m

1" = 533.3 ft   Data Zoom 15-0

DeLorme Street Atlas USA® 2010



Data use subject to license.

www.delorme.com

TN

MN (11.7°E)

Scale 1 : 1,100,000

0 6 12 18 24 30 mi

0 10 20 30 40 50 km

1" = 17.36 mi

Data Zoom 7-5

BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 22-14

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of Simi Valley Pacific Associates, A California Limited Partnership, a California limited partnership (the "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in the County of Ventura, State of California, to be known as Alamo Street Apartments (the "Development"); and

WHEREAS, the loan application has been reviewed by Agency staff which prepared a report presented to the Board on the meeting date recited below (the "Staff Report"), recommending Board approval subject to certain recommended terms and conditions; and

WHEREAS, Agency staff has determined or expects to determine prior to making a binding commitment to fund the loan for which the application has been made, that (i) the Agency can effectively and prudently raise capital to fund the loan for which the application has been made, by direct access to the capital markets, by private placement, or other means and (ii) any financial mechanisms needed to insure prudent and reasonable financing of loans can be achieved; and

WHEREAS, pursuant to the Executive Director's authority to issue Conduit Bonds, under Resolution 21-04 the Agency has filed an application with the California Debt Limit Allocation Committee ("CDLAC") for an allocation of California Qualified Private Activity Bonds for the Development; and

WHEREAS, the Development has received a TEFRA Resolution as required by the Tax Equity and Fiscal Responsibility Act of 1983, and under 26 U.S.C. section 147(f); and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Agency, as the issuer of tax-exempt bonds, to declare its reasonable official intent to reimburse prior expenditures for the Development with proceeds of a subsequent borrowing; and

WHEREAS, on March 15, 2021, the Executive Director exercised the authority delegated to her under Resolution 15-16 to declare the official intent of the Agency to reimburse such prior expenditures for the Development; and

WHEREAS, the Agency has conditionally approved a subsidy loan pursuant to CalHFA's Mixed-Income Program ("***MIP***") pursuant to its authority under Resolutions 19-02 and 19-14; and

WHEREAS, the Board wishes to grant the staff the authority to enter into a loan commitment to provide permanent financing for the development and taking out the Conduit Bonds upon Agency staff determining in its judgment that reasonable and prudent financing mechanisms can be achieved;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the California Housing Finance Agency as follows:

1. The Executive Director, or in her absence, the Chief Deputy Director, is hereby authorized to execute and deliver a final commitment letter, in a form acceptable to the Agency, and subject to recommended terms and conditions set forth in the Staff Report and any terms and conditions as the Board has designated in the Minutes of the Board Meeting, in relation to the Development described above and as follows:

PROJECT NUMBER	DEVELOPMENT NAME/ LOCALITY	MORTGAGE AMOUNT	
21-016-A/X/S	ALAMO STREET APARTMENTS Ventura County, California	$48,700,000.00	Tax-Exempt Permanent 1st Lien Mortgage w/HUD Risk Sharing
		$ 7,000,000.00	Mixed Income Program Subsidy 2nd Lien Mortgage

The Board recognizes that in the event that staff cannot determine that reasonable and prudent financing mechanisms can be achieved, the staff will not enter into loan commitments to finance the Development. In addition, access to capital markets may require significant changes to the terms of loans submitted to the Board. Notwithstanding paragraph 2 below, the staff is authorized to make any needed modifications to the loan which in staff's judgment are directly or indirectly the result of the disruptions to the capital markets referred to above.

2. The Executive Director may modify the terms and conditions of the loan or loans as described in the Staff Report, provided that major modifications, as defined below, must be submitted to this Board for approval. "Major modifications" as used herein means modifications which either (i) increase the total aggregate amount of any loans made pursuant to the Resolution by more than 7%; or (ii) modifications which in the judgment of the Executive Director, or in her absence, the Chief Deputy Director of the Agency, adversely change the financial or public purpose aspects of the final commitment in a substantial way.

SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 22-14 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 21st day of April 2022, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

AYES:	Avila Farias, Cervantes, Imbasciani, Hunter, Starr, Velasquez, Castro Ramírez, White
NOES:	None
ABSTENTIONS:	Sotelo
ABSENT:	Gallagher, Prince

IN WITNESS WHEREOF, I have executed this certificate hereto this 21st day of April 2022.

ATTEST: Claire Tauriainen

CLAIRE TAURIAINEN
Secretary of the Board of Directors of the
California Housing Finance Agency

BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 25-27

RESOLUTION AUTHORIZING AN AMENDMENT TO A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "***Agency***") received a loan application on behalf of Simi Valley Pacific Associates, a California Limited Partnership, a California limited partnership (the "***Borrower***"), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in the City of Simi Valley, County of Ventura, California, to be known as Alamo Street Apartments (the "***Development***"); and

WHEREAS, at the Board meeting held on April 21, 2022, the Board of Directors of the California Housing Finance Agency (the "***Board***") approved Resolution 22-14 authorizing Agency staff to enter into a loan commitment for the Development and a Final Commitment Letter was issued by the Agency on May 20, 2022, which was subsequently extended by amendments dated June 21, 2022 and April 23, 2025 (collectively the "***Commitment***");

WHEREAS, the construction financing closed on June 3, 2022 and the Development subsequently experienced construction delays and increased development costs and an increase in the Agency's permanent loan of more than 25.3% above what was approved in Resolution 22-14 has been requested by the Borrower, constituting a Major Modification as defined by the Resolution, which requires approval by the Board;

WHEREAS, the amount of the Mixed-Income Program loan conditionally approved for the Development by the Agency remains unchanged;

WHEREAS, the request for a modification of the Commitment has been reviewed by Agency staff which prepared a report presented to the Board on the meeting date recited below (the "***Staff Report***"), recommending Board approval subject to certain recommended terms and conditions;

WHEREAS, Agency staff has determined or expects to determine prior to making any modification of the Commitment to fund the loan for which this request has been made, that (i) the Agency can effectively and prudently raise capital to fund the loan as increased, by direct access to the capital markets, by private placement, or other means, and (ii) any financial mechanisms needed to insure prudent and reasonable financing of loans can be achieved; and

WHEREAS, based upon the recommendation of staff and due deliberation by the Board, the Board has determined that a modification of the Commitment may be made for the Development and the Board wishes to grant the staff the authority to amend the Commitment to provide permanent financing as amended herein, for the Development and taking out the Conduit Bonds upon Agency staff further determining prior to issuing a modification, that in its judgment, reasonable and prudent financing mechanisms can be achieved.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Housing Finance Agency as follows:

1. The Executive Director, or in his absence, the Chief Deputy Director, is hereby authorized to modify and execute the Commitment, as modified herein, subject to recommended terms and conditions set forth in the Staff Report and any terms and conditions as the Board has designated in the Minutes of the Board Meeting, in relation to the Development described above and as follows:

PROJECT NUMBER	DEVELOPMENT NAME/ LOCALITY	MORTGAGE AMOUNT	
21-016-A/X/S	ALAMO STREET APARTMENTS City of Simi Valley, Ventura County, California	$61,000,000.00	Tax Exempt Permanent 1st Mortgage
		$7,000,000.00	Mixed Income Program Subsidy Loan

The Board recognizes that in the event that staff cannot determine that reasonable and prudent financing mechanisms can be achieved, the staff will not modify the Commitment to finance the Development. In addition, access to capital markets may require significant changes to the terms of loans submitted to the Board. Notwithstanding paragraph 2 below, the staff is authorized to make any needed modifications to the loan which in staff's judgment are directly or indirectly the result of the disruptions to the capital markets referred to above.

2. The Executive Director may modify the terms and conditions of the loan or loans as described in the Staff Report, provided that Major Modifications, as defined below, must be submitted to this Board for approval. "Major Modifications" as used herein means modifications which either (i) increase the total aggregate amount of any loans made pursuant to the Resolution by more than 7%; or (ii) modifications which in the judgment of the Executive Director, or in his absence, the Chief Deputy Director of the Agency, adversely change the financial or public purpose aspects of the Commitment, as hereby amended, in a substantial way.

SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 25-27 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 11th day of December, 2025, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have executed this certificate hereto this 11th day of December, 2025.

ATTEST: __________________________________

CLAIRE TAURIAINEN
Secretary of the Board of Directors of the
California Housing Finance Agency

Cal HFA

MEMORANDUM

To: Board of Directors **Date:** December 3, 2025

From: Erwin Tam, Director of Financing
California Housing Finance Agency

Subject: Agenda Item 8 - Contract for 520 Capitol Mall Improvements – Resolution No. 25-28

The Board of Directors approved the purchase of 520 Capitol Mall at its meeting on August 21, 2025 for a purchase price not to exceed $23.0 million plus reasonable closing costs. On November 13, 2025, the sale successfully closed at a price of $22.3 million.

The Board of Directors was informed that there were some immediate capital requirements for life and safety improvements to the building. The Board of Directors is being asked to consider Resolution No. 25-28, approving a contract not to exceed $1.4 million for these capital improvements. These improvements include replacement of the buildings' elevators which are near the end of their useful life and contingency for the project.

BOARD OF DIRECTORS
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 25-28

RESOLUTION AUTHORIZING REPAIRS TO THE ELEVATORS AT 520 CAPITOL MALL

WHEREAS, CalHFA recently acquired the commercial building located at 520 Capitol Mall, Sacramento, CA;

WHEREAS, as a result of the building being one of many assets in a bankruptcy proceeding, certain maintenance on the building was deferred;

WHEREAS, CalHFA became the legal owner of the building on or around November 13, 2025;

WHEREAS, the 520 Capitol Mall property manager disclosed that the building has three (3) elevators, which need to be replaced and cannot be repaired because replacement parts are unavailable and/or the equipment has become obsolete;

WHEREAS, during the due diligence inspection period CalHFA staff confirmed that the elevators need to be replaced as the highest priority upgrade to the building;

WHEREAS, CalHFA staff has budgeted for the elevator upgrade to be completed in 2026 as a health and safety issue;

WHEREAS, current tenants of 520 Capitol Mall have requested this replacement be undertaken;

WHEREAS, to retain existing tenants and attract new, quality tenants, the elevator replacement is warranted;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the California Housing Finance Agency as follows:

1. The Executive Director and other authorized officers of the Agency may take actions as may be necessary and proper to replace the existing elevators at 520 Capitol Mall within a cost range of one million to one million four hundred thousand dollars ($1,000,000.00 - $1,400,000.00).

2. The Executive Director and other authorized officers of the Agency are directed to use their best efforts to oversee completion of the repairs during calendar years 2026-2027. All work shall be done by licensed, qualified contractor(s).

3. The Executive Director and other authorized officers of the Agency are directed to:
   a. Hire the requisite contractor(s) to effectuate the elevator repairs.
   b. Execute the requisite agreement(s) and contracts.

c. Take all other necessary and proper actions, at the discretion of the Executive Director, to complete the elevator repairs.

SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 25-28 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 11th day of December 2025, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have executed this certificate hereto this 11th day of December, 2025.

ATTEST: ________________________________

CLAIRE TAURIAINEN
Secretary of the Board of Directors of the
California Housing Finance Agency

MEMORANDUM

To: Board of Directors **Date:** December 11, 2025

From: Kelly Madsen, Director of Enterprise Risk Management and Special Initiatives
California Housing Finance Agency

Subject: Agenda Item 9 – 2025 State Leadership Accountability Act Report

In accordance with the State Leadership Accountability Act (SLAA), CalHFA conducts an agency-wide assessment to identify the organization's top risks and assess the adequacy of the Agency's internal control and monitoring practices. Subsequently, a report is created to outline the assessment findings and the mitigating strategies identified to address the Agency's top risks.

As part of its continuing work on the 2025 SLAA Report, CalHFA has identified the current top three enterprise risks:

1) Economic Volatility
2) Workforce Development and Talent Acquisition
3) Complex or Dynamic Nature of Laws or Regulations

Over the coming weeks, CalHFA will complete its assessment and finalize the report so that it may be submitted to the Department of Finance by the December 31st deadline. The report will be shared with the Board of Directors upon completion.

Cal HFA

MEMORANDUM

To: Board of Directors **Date:** November 26, 2025

From: Erwin Tam, Director of Financing
California Housing Finance Agency

Subject: Agenda Item 11 - AHRB 2025 Series B Bond Summary

The purpose of this memorandum is to provide the required reporting to the Board regarding the sale of bonds pursuant to the CalHFA Investment and Debt Management Policy.

Series Designation	2025 Series B (Non-AMT)
Principal Amount of Bonds	$134,695,000
Purpose	Finance Multifamily Permanent Loans
Credit Ratings (Moody's/S&P)	Aa2/AA
SPO Designation (S&P)	Sustainability
True Interest Cost	4.43%
Costs of Issuance	$1,300,000
Final Maturity	2/1/2056

MEMORANDUM

To: Board of Directors **Date:** December 11, 2025

From: Kelly Madsen, Director of Enterprise Risk Management and Special Initiatives
California Housing Finance Agency

Subject: Agenda Item 12A - FY 2025-26 Q1 Strategic Plan Update

Background

In May 2023, the Board of Directors adopted a three-year CalHFA Strategic Plan for fiscal years 2023-24 through 2025-26. The plan defines CalHFA's goals, measures, and objectives. Annually, the CalHFA executive team develops key initiatives to help achieve the Strategic Goals set by the Board. The plan was formed in alignment with CalHFA's mission and vision and serves to amplify the Agency's commitment and continuous efforts to serve the diverse communities of California.

With CalHFA's mission of **investing in diverse communities with financing programs that help more Californians have a place to call home**, CalHFA focused its strategies and business decisions on these four goals:

1. **Lending Impact** - Focus lending activities on broadening access to affordable housing opportunities for a diverse population.
2. **Financial Sustainability** - Leverage opportunities and create innovative products that ensure financial sustainability and continue to serve the affordable housing market.
3. **Trusted Advisor** - Affirm CalHFA as a trusted housing finance advisor that understands the needs of California's diverse communities.
4. **Operational Excellence** - Invest in continuous improvement and cultivate an inclusive and highly qualified workforce.

First Quarter Update

This item provides the Board of Directors with an update on the strategic progress in the first quarter of Fiscal Year 2025-26. Overall, all measures and objectives are currently on track, reflecting steady progress toward the Agency's strategic goals. A dashboard is included to provide an overview of the performance, an update on the Single Family and Multifamily production, a high-level budget update, and a few notable highlights.

STRATEGIC MEASURES – Q1

Goal 1: Lending Impact

Focus lending activities on broadening access to affordable housing opportunities for California's diverse population.

STRATEGIC MEASURES	TOLERANCES	Q1	Q2	Q3	Q4	Comments
Increase Single Family first mortgage dollar lending volume and number of loans 5% by 2026.	**Volume** ■ ≥ $1.575B ■ $1.54B -1.574B ■ ≤ $1.53B					
	Loan Counts ■ ≥ 4,035 loan ■ 3,954 – 4,034 loans ■ ≤ 3,953 loans					
Increase Multifamily dollar lending volume, unit production, and conduit issuer volume 5% by 2026.	**Conduit Issuer Volume** ■ ≥ $1.213B ■ $1.190B - $1.212B ■ ≤ $1.189B					
	Volume ■ ≥ $535M ■ $524M – $534M ■ ≤ $523M					
	Units ■ ≥ 4,887 units ■ 4,790 – 4,886 units ■ ≤ 4,789 units					

Goal 2: Financial Sustainability

Leverage opportunities and create innovative products that ensure CalHFA's financial sustainability and continued ability to serve the affordable housing market.

STRATEGIC MEASURES	TOLERANCES	Q1	Q2	Q3	Q4	Comments
Maintain risk-adjusted rate of return on restricted assets.	■ ≥ 5.3% ■ 4.5% – 5.2% ■ ≤ 4.4%					
Identify and implement new revenue generating strategies.	■ Yes ■ No ■ None Planned					
Grow the Agency's balance sheet, increasing total assets by 5% by 2026.	■ ≥ $2.835B ■ $2.834B - $2.79B ■ ≤ $2.78B					
Maintain financial liquidity with a minimum of 20% of net assets as short-term investments	■ Yes ■ No					

STRATEGIC MEASURES – Q1

Goal 3: Trusted Advisor

Affirm CalHFA as a trusted housing finance advisor that understands the needs of California's diverse communities.

STRATEGIC MEASURES	TOLERANCES	Q1	Q2	Q3	Q4	Comments
Increase public presence and publications 10% by 2026.	≥ 70 appearances 61 – 69 appearances ≤ 60 appearances					
Partner, fund, and/or participate in housing finance data analytics reports.	Yes No None Planned					
Receive industry recognition and/or awards for CalHFA specific programs.	3 awards 2 award 1 award					

Goal 4: Operational Excellence

Invest in continuous improvement and cultivate an inclusive and highly qualified workforce.

STRATEGIC MEASURES	TOLERANCES	Q1	Q2	Q3	Q4	Comments
Implement informed decision-making tools and processes.	Tools being used for >50% Tools being used for 25-50% Tools being used <25%					
Increase Great Place to Work certification score 5% by 2026.	≥ 73% 72% ≤ 71%					
Fill 80% of all key positions.	≥ 80% 75% – 79% ≤ 74%					

OVERALL OBJECTIVES PERFORMANCE STATUS

12 Strategic Objectives

100% **12** On-Target

0% **0** At-Risk

0% **0** Off-Target

SINGLE FAMILY PRODUCTION UPDATE

1,582 Homebuyers Assisted

$13.26M Revenue Generated

$750M Lending Volume Activity

MULTIFAMILY PRODUCTION UPDATE

1,533 Affordable Housing Units Financed

$3.86M Revenue Generated

$890M Lending Volume Activity

Operating Expenditures

OPERATING REVENUE

$24.7M

Single Family & Multifamily revenues

OPERATING EXPENSES

$10.9M

Net Operating Revenue

$13.8M

12 Months Projections

Revenues	$77.2M
Expenses	($42.6M)
Net	**$34.6M**

Highlights

AA+

S&P Global Ratings upgraded CalHFA's rating to AA+ with stable outlook, increasing what was already the highest rating in Agency history. In making the upgrade, S&P cited increased financial strength and CalHFA's extremely strong management team and board members.

Governor Newsom appointed **Tony Sertich as CalHFA's new Executive Director.** Sertich comes to the leadership position after serving as Assistant Deputy Director over the Division of State Financial Assistance at HCD and previously held various positions at CalHFA from 2005 through 2018 including Director of Multifamily Programs and Director of Enterprise Risk Management and Compliance.

CalHFA celebrated its 50th Anniversary at an event that featured recorded remarks from Governor Newsom, the presentation of a commendatory resolution from Senator Aisha Wahab (D-10), chair of the Senate Housing Committee. CalHFA also received certificates of recognition from U.S. Representative Maxine Waters and State Treasurer Fiona Ma.

MEMORANDUM

To: Board of Directors **Date:** December, 11 2025

From: Erwin Tam, Director of Financing
California Housing Finance Agency

Subject: Agenda Item 12B - FY 2025-26 Q1 Operating Budget Update

Background

In June 2025, the CalHFA Board of Directors approved the operating budget for fiscal year 2025-26. The purpose of this memorandum is to provide quarterly budget performance, full fiscal year projections, and multi-year trend analysis. Under the California Health and Safety Code, CalHFA's policy is to conduct its operations to be fiscally self-sufficient.

Changes to Quarterly Budget Presentation

Changes have been made to the categorization of operating revenues to improve transparency and quality of financial metrics presented to the Board of Directors. Two new categories have been added to the existing four categories, which will now be as follows:

Securitization – Revenues derived from the sale of securities for single family programs and the issuance of conduit bonds for multifamily programs.

Lending Fees – Generally, fees paid by a borrower to the Agency

Loan Servicing – Generally, fees earned from servicing of single-family whole loans, plus fees earned from serving Multifamily Mental Health Services Act and Special Needs Housing loans of local partners.

Administration Fees – Generally, fees paid by a third party to the Agency for a mandated program.

Interest – Earnings derived from the spread received between the Agency's loan rate and cost of capital. Typically, these earnings are from lending activities in prior fiscal years.

Other and One-Time – Extraordinary revenue that will not be relied upon in future years. For example, in prior presentations yield maintenance resulting from payoff of existing multifamily loans was reflected in interest.

Quarterly Budget Performance

The following table provides a summary of the Agency's operations including unaudited actuals from July 1, 2025 through September 30, 2025. Amounts shown are in thousands of dollars.

	Quarter Ending September 30, 2025			
	Actual	Budget	Variance ($)	Variance (%)
Single Family Lending Revenue				
Securitization	$11,175,224	$4,025,000	$7,150,224	177.6%
Lending Fees	0	0	0	
Loan Servicing	97,000	97,500	(500)	-0.5%
Administration Fees	2,086,774	1,075,000	1,011,774	94.1%
Interest	1,102,690	1,691,000	(588,310)	-34.8%
Other	0	0	0	
Sub-Total Single Family Revenue	$14,461,688	$6,888,500	$7,573,188	109.9%
Multifamily Lending Revenue				
Securitization	$1,854,892	$418,500	$1,436,392	343.2%
Lending Fees	3,347,244	2,831,500	515,744	18.2%
Loan Servicing	389,870	262,500	127,370	48.5%
Administration Fees	500,353	250,000	250,353	100.1%
Interest	4,070,413	3,675,000	395,413	10.8%
Other	37,485	0	37,485	
Sub-Total Multifamily Revenue	$10,200,257	$7,437,500	$2,762,757	37.1%
Total Operating Revenue	$24,661,945	$14,326,000	$10,335,945	72.1%
Operating Expenses				
Personnel Services	$7,547,795	$8,450,552	($902,757)	-10.7%
General Expenses	183,450	217,063	(33,612)	-15.5%
Communications	90,983	106,188	(15,205)	-14.3%
Consulting	613,031	1,500,094	(887,063)	-59.1%
Information Technology	872,514	703,919	168,595	24.0%
Facilities Operations	680,927	701,961	(21,034)	-3.0%
Training	28,117	81,125	(53,008)	-65.3%
Travel	61,295	110,063	(48,767)	-44.3%
Central Admin. Services	777,096	688,126	88,970	12.9%
Equipment	13,975	67,500	(53,525)	-79.3%
Total Operating Expenses	$10,869,183	$12,626,589	($1,757,406)	-13.9%
Net Operating Income	$13,792,761	$1,699,411	$12,093,350	711.6%

Budget Discussion

First quarter revenues for Single Family programs exceeded budget by $7.6 million, or 52%. The two factors contributing to this significant positive variance are the acceleration of the Dream For All waitlist due to the $300 million in State funding for the program in the 2025-26 budget and the higher than projected specified pool pay-up amounts in the sale of mortgage-backed securities.

Due to the timing of the appropriations for the Dream For All program, production numbers were not included in the Board approved budget. Negative revenue variance for interest income is in part due to a slower than projected uptake in volume for the MyAccess program.

First quarter revenues for Multifamily programs exceeded budget by $2.8 million, or 27%. The primary factor contributing to this significant positive variance is the delay of certain conduit bond closings from the 4th Quarter of FY2024-25 to the 1st Quarter of FY2025-26.

Total operating expenses are $1.8 million under budget, or 16%. All line items are within budgeted amounts, with consulting, training, and equipment significantly below budgeted amounts for the first quarter.

Budget Projections

Financial projections are presented for the full fiscal year ending June 30, 2026. Projections are based on 1st quarter actuals with historical trends. Amounts shown are in thousands of dollars.

	Fiscal Year Ending June 30, 2026			
	Projection	Budget	Variance ($)	Variance (%)
Single Family Lending Revenue				
Securitization	$26,933,540	$16,100,000	$10,833,540	67.3%
Lending Fees	0	0	0	
Loan Servicing	512,801	390,000	122,801	31.5%
Administration Fees	12,236,037	4,300,000	7,936,037	184.6%
Interest	3,783,681	6,764,000	(2,980,319)	-44.1%
Other	0	0	0	
Sub-Total Single Family Revenue	$43,466,059	$27,554,000	$15,912,059	57.7%
Multifamily Lending Revenue				
Securitization	$4,803,576	$1,674,000	$3,129,576	187.0%
Lending Fees	11,025,458	11,326,000	(300,542)	-2.7%
Loan Servicing	1,177,370	1,050,000	127,370	12.1%
Administration Fees	1,701,200	1,000,000	701,200	70.1%
Interest	15,030,167	14,700,000	330,167	2.2%
Other	37,485	0	37,485	
Sub-Total Multifamily Revenue	$33,775,255	$29,750,000	$4,025,255	13.5%
Total Operating Revenue	**$77,241,314**	**$57,304,000**	**$19,937,314**	**34.8%**
Operating Expenses				
Personnel Services	$29,932,391	$33,802,208	($3,869,817)	-11.4%
General Expenses	655,573	868,250	(212,677)	-24.5%
Communications	277,533	424,750	(147,217)	-34.7%
Consulting	3,110,226	6,000,375	(2,890,149)	-48.2%
Information Technology	2,413,069	2,815,676	(402,607)	-14.3%
Facilities Operations	2,733,416	2,807,844	(74,428)	-2.7%
Training	90,455	324,500	(234,045)	-72.1%
Travel	349,465	440,250	(90,785)	-20.6%
Central Admin. Services	2,752,502	2,752,502	0	0.0%
Equipment	316,588	270,000	46,588	17.3%
Total Operating Expenses	**$42,631,217**	**$50,506,355**	**($7,875,138)**	**-15.6%**
Net Operating Income	**$34,610,097**	**$6,797,645**	**$27,812,452**	**409.1%**

Multi-year Trends

	2022-23	2023-24	2024-25	2025-26E	YoY Change	3-Year CAGR
Revenue						
Single Family Lending	$54,684,065	$42,498,278	$63,352,619	$43,466,059	-31.4%	-7.4%
Multifamily Lending	30,200,893	29,772,157	27,787,378	33,775,255	21.5%	3.8%
Total Revenue	**$84,884,958**	**$72,270,435**	**$91,139,997**	**$77,241,314**	**-15.2%**	**-3.1%**
Expenses						
Personnel Services	$25,231,804	$27,613,920	$28,140,530	$29,932,391	6.4%	5.9%
Consulting	1,787,462	2,604,942	3,334,008	3,110,226	-6.7%	20.3%
Facility Operations	2,850,182	2,530,126	2,736,652	2,733,416	-0.1%	-1.4%
Information Technology	1,364,068	1,765,996	2,052,502	2,413,069	17.6%	20.9%
Central Admin. Services	1,988,979	1,977,484	2,295,321	2,752,502	19.9%	11.4%
Other	1,168,832	1,314,218	1,742,581	1,689,613	-3.0%	13.1%
Total Expenses	**$34,391,327**	**$37,806,685**	**$40,301,595**	**$42,631,217**	**5.8%**	**7.4%**
Net Operating Revenue	**$50,493,631**	**$34,463,750**	**$50,838,402**	**$34,610,097**	**-31.9%**	**-11.8%**

Projected full year revenues are $13.9 million or 15.2% lower than the prior fiscal year, while expenses are $2.3 million or 5.8% higher. This results in a year-over-year decrease in net operating revenue of $16.2 million or 31.9%.

The three-year trend mirrors the change, with a compounded annual decrease in revenue of -3.1% and a compounded annual growth rate of 7.4% in operating expenses, resulting in CAGR of -11.8%.

The largest increases in the three-year trend for operating expenses for the Agency include personnel services and central administrative services, equal to $5.5 million, consultants for $1.3 million, and information technology at $1.0 million.

Next Steps

We expect to present a mid-year update to the Board of Directors in February 2026. At this meeting, we expect to provide a revised budget, particularly relating to the Dream For All program.

MEMORANDUM

To: Board of Directors **Date:** December 11, 2025

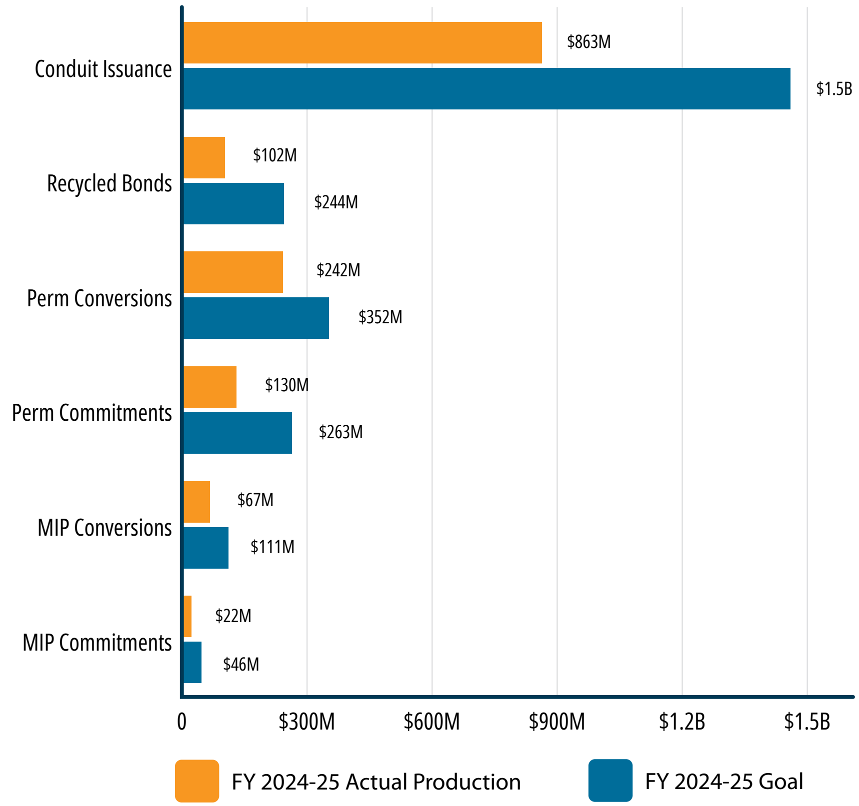
From: Steve K. Gallagher, Deputy Director of Multifamily Programs
California Housing Finance Agency

Subject: Agenda Item 12C – Multifamily Quarterly Loan Production Report

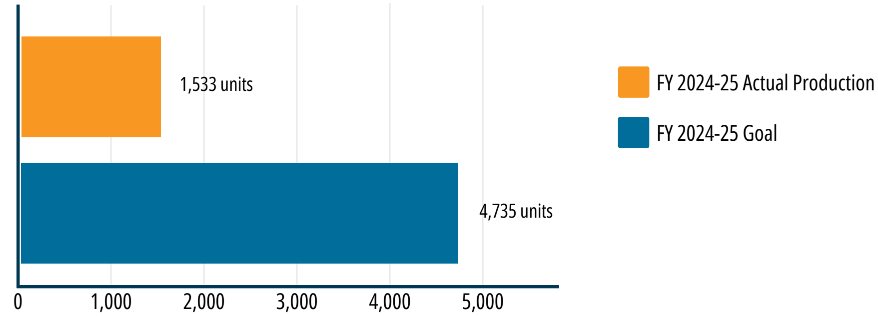
CalHFA offers a variety of loan programs with competitive rates and long-term financing to advance the creation and preservation of affordable housing for people who truly need it. CalHFA's Taxable, Tax-Exempt, and/or CalHFA funded Permanent Loan programs provide competitive long-term financing for affordable multifamily rental housing projects. The CalHFA Mixed-Income Program provides competitive long-term subordinate financing for new construction multifamily housing projects restricting units between 30% and 120% of county Area Median Income. The CalHFA Conduit Issuer Program is designed to facilitate both for-profit and non-profit developers in accessing tax-exempt and taxable bonds for the financing of family and senior affordable and mixed-income housing developments. The goals of the programs are to increase and preserve the supply of affordable rental housing, maintain a quality living environment, leverage private sector funds to the greatest extent possible, and to cooperate with local jurisdictions to advance affordable housing goals.

MULTIFAMILY LOAN VOLUME AS OF SEPTEMBER 30, 2025

GRAPH: Fiscal Year 2024-25 Multifamily Loan Production



GRAPH: Multifamily Unit Production



GRAPH: Production Volume By Program

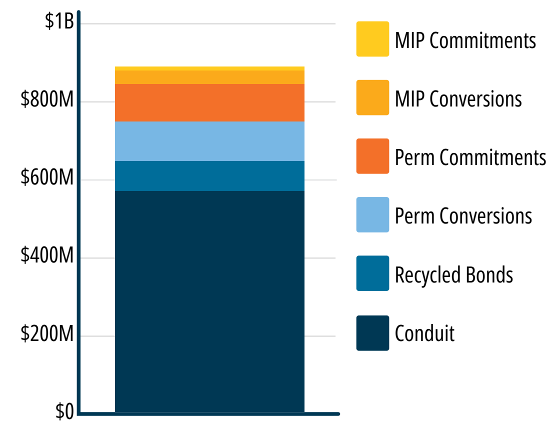


TABLE: CalHFA Multifamily Production Summary

	Conduit Issuance	Recycled Bonds	Perm Conversions	Perm Commitments	MIP Conversions	MIP Commitments	Total All Programs
FY 2025-26 Goal	$ 1,637,675,383	$ 264,907,561	$ 389,841,906	$ 389,392,139	$ 139,321,897	$ 49,300,000	$ 2,870,438,886
FY 2025-26 Actual Production	$ 565,286,305	$ 82,875,000	$ 101,582,800	$ 94,974,000	$ 35,787,000	$ 9,500,000	$ 890,005,105
Percent of Goal Complete	35%	31%	26%	24%	26%	19%	31%
FY 2025-26 Projected Production	$ 2,573,089,529	$ 287,868,242	$ 447,867,736	$ 496,308,580	$ 147,406,446	$ 64,600,000	$ 4,017,140,533
Projected Percent of Goal Complete	157%	109%	115%	127%	106%	131%	140%

MULTIFAMILY LOAN COMMITMENTS AS OF SEPTEMBER 30, 2025

TABLE: Multifamily Loan Commitments (Closed)

	Project Name	Underwriting Type	City	Project Type[1]	Closing Date	Units[2]	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Permanent	MIP
1	Wakeland Riverwalk	Conduit - Reg Only	San Diego	FN	7/3/2025	190	$ 70,150,547	$ 2,438,267	$ 1,000,000	-	-
2	The Grant at Mission Trails	Conduit - Reg Only	San Diego	FN, HM	7/22/2025	48	$ 21,973,452	$ 3,351,839	-	-	-
3	4575 Scotts Valley Apartments	Conduit - Reg Only	Scotts Valley	FN	7/30/2025	100	$ 46,115,461	$ 32,350,385	-	-	-
4	Vera Avenue Apartments	Conduit - MIP & Perm	Redwood City	FN	8/4/2025	178	$ 49,815,000	$ 35,500,000	$ 8,000,000	$ 28,538,000	$ 4,000,000
5	Julian Street Studios	Conduit - MIP & Perm	San Jose	FN	8/4/2025	305	$ 71,850,000	$ 55,250,000	$ 11,250,000	$ 44,863,000	$ 4,000,000
6	Monarch Hillside Affordable Apartments	Conduit - Reg Only	San Diego	FN	9/9/2025	249	$ 13,500,000	-	$ 45,000,000	-	-
7	3981 Meier	Conduit - Reg Only	Los Angeles	FN	9/11/2025	75	$ 10,900,000	-	$ 3,425,000	-	-
8	5625 Case	Conduit - Reg Only	Los Angeles	FN	9/19/2025	70	$ 10,270,000	-	$ 4,430,000	-	-
9	Avanzando San Ysidro	Conduit - Reg Only	San Diego	FN	9/23/2025	103	$ 49,000,000	$ 13,475,756	$ 1,000,000	-	-
10	Monterey Family Apartments	Conduit - MIP & Perm	Gilroy	FN	9/26/2025	94	$ 32,785,598	$ 12,400,000	$ 4,000,000	$ 21,573,000	$ 1,500,000
11	8911 Ramsgate	Conduit - Reg Only	Los Angeles	FN	9/26/2025	77	$ 11,160,000	-	$ 4,770,000	-	-
12	U.S. Vets - West LA VA Building 300	Conduit - Reg Only	Los Angeles	HM	9/29/2025	44	$ 16,826,214	$ 6,173,786	-	-	-
						1,533	**$ 404,346,272**	**$ 160,940,033**	**$ 82,875,000**	**$ 94,974,000**	**$ 9,500,000**

1 FN: Family/Individual, SR: Senior, SN: Special Needs, VT: Veterans, HM: Homeless, NT: Non-Targeted

2 Projects with '0' as the unit count had their units counted in a previous fiscal year.

MULTIFAMILY LOAN COMMITMENTS AS OF SEPTEMBER 30, 2025

TABLE: Multifamily Loan Commitments
(Projected Closings: Q2 - 10/01/2025 - 12/31/2025)

Project Name	Underwriting Type	City	Project Type[1]	Closing Date	Units[2]	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Permanent	MIP
4345 Matilija	Conduit - Reg Only	Sherman Oaks	FN	10/8/2025	75	$ 10,755,000	-	$ 3,545,000	-	-
Sutter Street	Conduit - MIP & Perm	San Francisco	FN	10/9/2025	102	$ 43,695,000	-	-	$ 15,300,000	$ 4,000,000
5749 Brynhurst	Conduit - Reg Only	Los Angeles	FN	10/15/2025	53	$ 8,840,000	-	$ 2,735,000	-	-
Foothill Family Apartments	Conduit - Reg Only	Oakland	FN	10/15/2025	65	$ 33,765,000	-	-	-	-
3412 Victoria Avenue	Conduit - Reg Only	Los Angeles	FN	10/28/2025	58	$ 8,965,000	-	$ 2,435,000	-	-
831 Water Street	Conduit - MIP & Perm	Santa Cruz	FN, SN	10/31/2025	140	$ 53,900,000	$ 20,500,000	-	$ 36,516,568	$ 4,000,000
VA Building 408	Conduit - Reg Only	Los Angeles	SN	10/31/2025	101	$ 40,700,000	-	-	-	-
5035 Coliseum	Conduit - Reg Only	Los Angeles	FN	11/5/2025	800	-	$ 4,300,000	$ 45,700,000	-	-
U.S. Vets - West LA VA - Building 409	Conduit - Reg Only	Los Angeles	SN	11/6/2025	117	$ 41,767,000	-	-	-	-
Residency at Sky Village Hollywood	Conduit - Reg Only	Los Angeles	SR, SN	11/10/2025	523	$ 159,500,000	$ 53,500,000	$ 27,000,000	-	-
Lido Square	Conduit - Reg Only	Pittsburg	FN	11/13/2025	173	$ 73,920,421	-	$ 3,000,000	-	-
Market Two	Conduit - Reg Only	San Diego	NT	12/12/2025	272	$ 45,000,000	$ 12,755,905	$ 7,231,271	-	-
Santa Monica Christian Towers	Conduit - Reg Only	Santa Monica	SR	12/15/2025	163	$ 80,000,000	$ 11,180,000	$ 7,920,000	-	-
U.S. Vets - West LA VA Building 256	Conduit - Reg Only	Los Angeles	VT	12/31/2025	41	$ 22,432,000	$ 3,533,295	-	-	-
					2,683	**$ 623,239,421**	**$ 105,769,200**	**$ 99,566,271**	**$ 51,816,568**	**$ 8,000,000**

1 FN: Family/Individual, SR: Senior, SN: Special Needs, VT: Veterans, HM: Homeless, NT: Non-Targeted

2 Projects with '0' as the unit count had their units counted in a previous fiscal year.

MULTIFAMILY LOAN COMMITMENTS AS OF SEPTEMBER 30, 2025

TABLE: Multifamily Loan Commitments
(Projected Closings: Q3 - 01/01/2026 - 03/31/2026)

Project Name	Underwriting Type	City	Project Type[1]	Closing Date	Units[2]	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Permanent	MIP
SDSU Mission Valley	Conduit - Reg Only	San Diego	FN	1/2/2026	126	$ 43,500,000	$ 9,227,326	$ 3,000,000	-	-
Aero Drive Affordable Apartments	Conduit - Reg Only	San Diego	FN	1/5/2026	190	$ 42,676,464	$ 9,672,689	$ 8,713,527	-	-
MirKa Tower 1	Conduit - MIP & Perm	San Diego	FN	1/6/2026	318	$ 63,000,000	$ 42,694,539	$ 16,278,102	$ 67,558,417	$ 4,000,000
Francis Avenue Apartments	Conduit - MIP & Perm	Los Angeles	FN, NT	1/15/2026	232	$ 22,400,000	$ 29,573,547	$ 2,739,968	$ 35,841,688	$ 4,000,000
Sheridan Apartments	Conduit - MIP & Perm	Menlo Park	FN	2/1/2026	88	$ 16,250,000	$ 5,420,745	-	$ 13,710,672	$ 4,000,000
960 Howard Street	Conduit - MIP & Perm	San Francisco	FN	2/2/2026	202	$ 47,265,334	$ 10,032,255	$ 3,335,093	$ 38,630,000	$ 1,000,000
La Estancia	Conduit - MIP & Perm	Reseda	NT	2/2/2026	190	$ 22,367,653	$ 32,996,701	$ 4,000,000	$ 21,916,584	$ 4,000,000
Creekside Commons	Conduit - Reg Only	Santa Clarita	FN	2/2/2026	128	$ 43,523,983	$ 8,736,963	$ 8,000,000	-	-
Pinnacle Pass Apartments	Conduit - Reg Only	Scotts Valley	FN	2/2/2026	40	$ 22,618,095	$ 10,569,842	-	-	-
Sierra Vista Apartments	Conduit - MIP & Perm	Roseville	FN	2/5/2026	192	$ 32,641,003	$ 23,929,797	-	$ 32,641,003	$ 3,300,000
The Walk Residences	Conduit - MIP & Perm	Norwalk	VT	2/13/2026	56	$ 14,312,858	-	-	$ 6,842,325	$ 2,800,000
Sandstone Valley Apartments	Conduit - MIP & Perm	Murrieta	FN	2/15/2026	96	$ 25,652,201	$ 8,751,233	-	$ 8,436,849	$ 4,000,000
Sherman Apartments	Conduit - MIP & Perm	Los Angeles	NT	3/2/2026	244	$ 41,250,000	$ 14,000,000	$ 10,500,000	$ 23,069,000	$ 4,000,000
Banana Belt Apartments	Conduit - Reg Only	Santa Cruz	FN	3/2/2026	83	$ 21,300,000	$ 30,105,054	-	-	-
Parkview Apartments	Conduit - Reg Only	Fresno	HM, NT	3/2/2026	158	$ 14,500,000	$ 31,700,000	-	-	-
Gateway Tower	Conduit - MIP & Perm	San Jose	NT	3/15/2026	220	$ 55,278,188	$ 68,771,812	-	$42,545,000	$ 4,000,000
					2,563	**$ 528,535,779**	**$ 336,182,503**	**$ 56,566,690**	**$ 248,646,538**	**$ 31,100,000**

1 FN: Family/Individual, SR: Senior, SN: Special Needs, VT: Veterans, HM: Homeless, NT: Non-Targeted

2 Projects with '0' as the unit count had their units counted in a previous fiscal year.

MULTIFAMILY LOAN COMMITMENTS AS OF SEPTEMBER 30, 2025

TABLE: Multifamily Loan Commitments
(Projected Closings: Q4 - 04/01/2026 - 06/30/2026)

Project Name	Underwriting Type	City	Project Type[1]	Closing Date	Units[2]	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Permanent	MIP
Mira Mesa	Conduit - Reg Only	San Diego	FN	4/1/2026	90	$ 20,200,000	$ 11,024,393	$ 3,000,000	-	-
Sky Castle	Conduit - MIP & Perm	Los Angeles	NT	4/10/2026	241	$ 42,419,654	$ 22,693,427	$ 3,089,283	$ 36,403,890	$4,000,000
Napa Creek Manor Apartments	Conduit - Reg Only	Napa	FN	4/30/2026	84	$ 7,730,000	$ 37,100,000	$ 14,520,000	-	-
638 S. Berendo	Conduit - MIP & Perm	Los Angeles	NT	5/1/2026	163	$ 24,900,000	$ 15,957,014	$ 4,279,316	$ 17,991,624	$ 4,000,000
Marinwood Plaza	Conduit - MIP & Perm	Unincorporated Marin	FN	5/1/2026	125	$ 18,141,000	$ 31,711,906	-	$ 27,299,000	$ 4,000,000
101 Ash St	Conduit - Reg Only	San Diego	NT	5/1/2026	250	$ 63,845,405	$ 55,565,281	$ 20,161,682	-	-
16th & Island	Conduit - Reg Only	San Diego	NT	5/1/2026	123	$ 10,600,000	$ 13,241,669	$ 3,710,000	-	-
Victoria Flats	Conduit - MIP & Perm	Ventura	FN	5/20/2026	104	$ 19,152,525	$ 19,794,047	$ 100,000	$ 19,176,960	$ 4,000,000
					1,180	**$ 206,988,584**	**$ 207,087,737**	**$ 48,860,281**	**$ 100,871,474**	**$ 16,000,000**

1 FN: Family/Individual, SR: Senior, SN: Special Needs, VT: Veterans, HM: Homeless, NT: Non-Targeted

2 Projects with ‘0’ as the unit count had their units counted in a previous fiscal year.

MULTIFAMILY LOAN CONVERSIONS AS OF SEPTEMBER 30, 2025

TABLE: Multifamily Loan Conversions (Closed)

	Project Name	Underwriting Type	City	Project Type[1]	Closing Date	Units	Permanent Loan Amount	MIP Loan Amount	Subsidy Loan Amount
1	Vintage at Woodman	Conduit - MIP	Panorama City	SR	7/23/2025	239	-	$ 11,850,000	-
2	Marina Village	Conduit - MIP & Perm	Suisun City	FN	7/29/2025	160	$ 26,125,000	$ 3,175,000	-
3	Vista Woods	Conduit - MIP & Perm	Pinole	SR	7/30/2025	179	$ 37,706,800	$ 6,212,000	-
4	Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	FN	8/13/2025	115	$ 14,550,000	$ 4,600,000	-
5	Anton Mosaic	Conduit - MIP & Perm	Sacramento	FN	8/15/2025	194	$ 23,201,000	$ 9,950,000	-
						887	**$ 101,582,800**	**$ 35,787,000**	**$ 0**

TABLE: Multifamily Loan Conversions (Projected Closings: Q2 - 10/01/2025 - 12/31/2025)

Project Name	Underwriting Type	City	Project Type[1]	Closing Date	Units	Permanent Loan Amount	MIP Loan Amount	Subsidy Loan Amount
Sarah's Court Apartments	Conduit - MIP & Perm	Fresno	FN	11/18/2025	120	$ 6,364,866	$ 3,450,000	-
Kawana Springs Apartments	Conduit - MIP	Santa Rosa	FN	11/28/2025	151	-	$ 7,450,000	-
Santa Rosa Avenue Apartments	Conduit - MIP	Santa Rosa	FN	12/5/2025	154	-	$ 7,600,000	-
Fiddyment Apartments	Conduit - MIP & Perm	Roseville	FN	12/5/2025	330	$ 37,400,000	$ 8,000,000	-
California Grand Manor Apartments	Conduit - MIP & Perm	Atascadero	SR	12/12/2025	76	$ 6,183,589	$ 5,440,234	-
Alamo Street Apartments	Conduit - MIP & Perm	Simi Valley	FN	12/12/2025	271	$ 61,000,000	$ 7,000,000	-
Shiloh Crossing	Conduit - MIP & Perm	Windsor	FN	12/31/2025	173	$ 21,696,000	$ 15,442,362	-
					1,275	**$ 132,644,455**	**$ 54,382,596**	**$ 0**

1 FN: Family/Individual, SR: Senior, SN: Special Needs, VT: Veterans, HM: Homeless, NT: Non-Targeted

MULTIFAMILY LOAN CONVERSIONS AS OF SEPTEMBER 30, 2025

TABLE: Multifamily Loan Conversions (Projected Closings: Q3 - 01/01/2026 - 03/31/2026)

Project Name	Underwriting Type	City	Project Type[1]	Closing Date	Units	Permanent Loan Amount	MIP Loan Amount	Subsidy Loan Amount
Shiloh Terrace	Conduit - MIP & Perm	Windsor	FN	1/26/2026	134	$ 33,500,000	$ 3,900,000	-
La Vista Residential	Conduit - MIP & Perm	Hayward	FN	2/2/2026	176	$ 24,300,000	$ 8,270,000	-
Breton Apartments	Conduit - MIP & Perm	Bay Point	FN	3/2/2026	100	$ 20,351,000	$ 7,360,403	-
1612 Apartments	Conduit - MIP & Perm	Modesto	FN	3/2/2026	144	$ 9,673,530	$ 3,931,976	-
Mirasol Village Block D	Conduit - MIP & Perm	Sacramento	FN	3/17/2026	116	$ 13,930,000	$ 5,800,000	-
8181 Allison	Conduit - MIP & Perm	La Mesa	FN	3/26/2026	147	$ 20,685,000	$ 7,076,000	-
					817	**$ 122,439,530**	**$ 36,338,379**	**$ 0**

TABLE: Multifamily Loan Conversions (Projected Closings: Q4 - 04/01/2026 - 06/30/2026)

Project Name	Underwriting Type	City	Project Type[1]	Closing Date	Units	Permanent Loan Amount	MIP Loan Amount	Subsidy Loan Amount
Serra Apartments	Conduit - MIP & Perm	Fremont	FN	4/1/2026	179	$ 27,179,522	$ 10,173,471	-
The Bluffs at 44th	Conduit - MIP & Perm	Capitola	FN	4/1/2026	36	$ 12,196,429	$ 2,100,000	-
Maison's Sierra	Conduit - MIP & Perm	Lancaster	FN	5/1/2026	196	$ 27,875,000	$ 1,600,000	-
Mainline North Apartments	Conduit - MIP & Perm	Santa Clara	FN	6/15/2026	151	$ 23,950,000	$ 7,025,000	-
					562	**$ 91,200,951**	**$ 20,898,471**	**$ 0**

1 FN: Family/Individual, SR: Senior, SN: Special Needs, VT: Veterans, HM: Homeless, NT: Non-Targeted

CalHFA

MEMORANDUM

To: Board of Directors **Date:** December 11, 2025

From: Steve K. Gallagher, Deputy Director of Multifamily Programs
California Housing Finance Agency

Subject: Agenda Item 12D– Asset Management Quarterly Portfolio Report

The CalHFA Asset Management Portfolio includes 787 projects comprising 840 loans, with a total outstanding balance of $1,772,980,423 as of September 30, 2025. The portfolio supports 22,352 affordable regulated housing units across the State of California.

The portfolio consists of 787 projects, categorized by program and loan type as follows:

1	Section 8 (Contract Administrator)
102	CalHFA Permanent (Risk Share)
108	CalHFA Permanent (Non-Risk Share)
30	Mixed Income Program (MIP)
35	Subsidy Loans
180	Mental Health Services Act
42	Special Needs Housing Program
183	Conduit
39	Section 811 (Contract Administrator)
115	School Facility Fee Reimbursement Program
5	Help Loans
840	**Total**

The portfolio maintains a low delinquency rate of just 0.1%, representing only two projects. There is one project currently in foreclosure and no projects with a Notice of Default.

There is currently one project on the Watch List, due to failing to maintain required affordability compliance documentation.

The goals of the Multifamily Asset Management Program are to increase and preserve the supply of affordable housing, ensure a high-quality living environment, maintain the financial sustainability of projects, and collaborate with local jurisdictions to promote affordable housing across the State.

ASSET MANAGEMENT

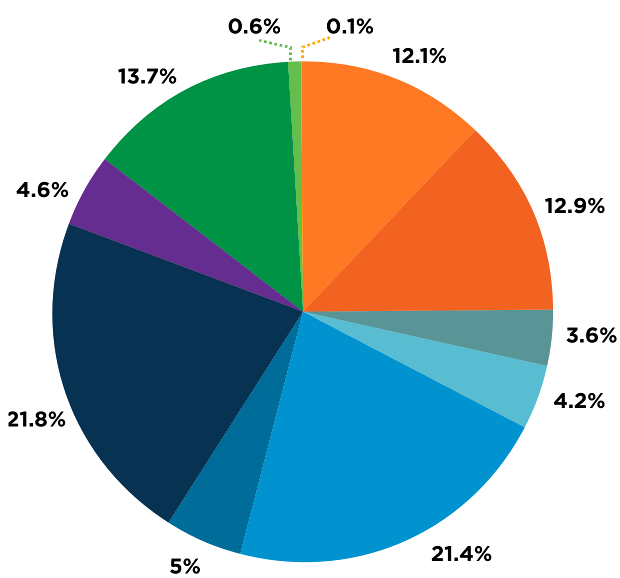
Cal HFA
California Housing Finance Agency

Quarterly Portfolio Review ending September 30, 2025

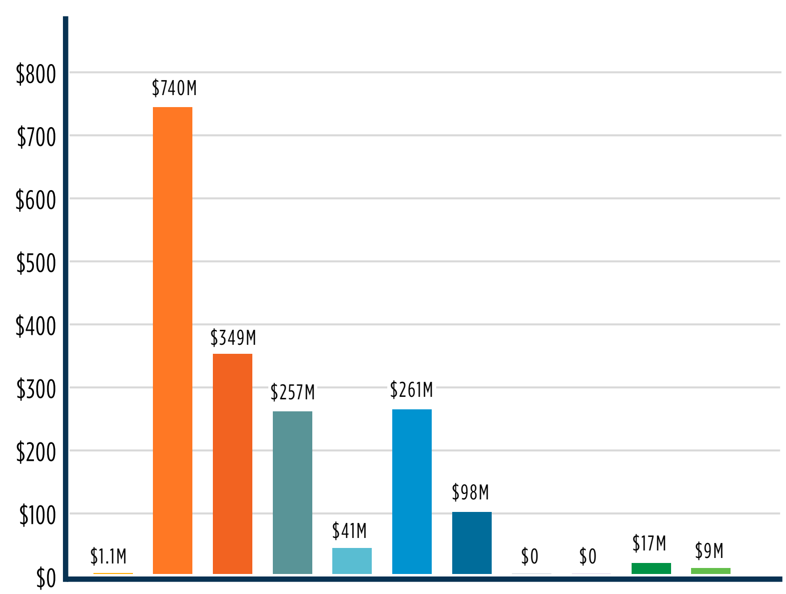
Programs

Type	# of Projects	% of Projects	UPB	% of UPB
Section 8 Program - Contract Administrator	1	0.12%	$ 1,148,291	0.1%
CalHFA Permanent - Risk Share	102	12.14%	$ 740,090,271	41.7%
CalHFA Permanent - Non Risk Share	108	12.86%	$ 348,783,258	19.7%
MIP	30	3.57%	$ 257,458,320	14.5%
Subordinate	35	4.17%	$ 40,938,941	2.3%
Mental Health Services Act	180	21.43%	$ 260,617,888	14.7%
Special Needs Housing Program	42	5.00%	$ 97,901,078	5.5%
Conduit	183	21.79%	$ 0	0.0%
Section 811 - Contract Administrator	39	4.64%	$ 0	0.0%
School Facility Fee Reimbursement Program	115	13.69%	$ 16,985,966	1.0%
Help Loans	5	0.60%	$ 9,056,412	0.5%
TOTAL*	**840**	**100.00%**	**$ 1,772,980,423**	**100.0%**

Project Type



Unpaid Principal Balance



- Section 8 Program - Contract Administrator
- CalHFA Permanent - Risk Share
- CalHFA Permanent - Non Risk Share
- MIP
- Subordinate
- Mental Health Services Act
- Special Needs Housing Program
- Conduit
- Section 811 - Contract Administrator
- School Facility Fee Reimbursement Program
- Help Loans

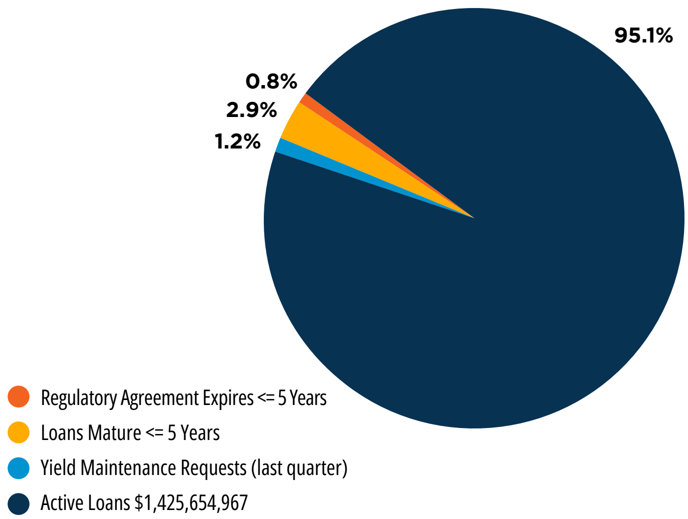
Please note that Conduit and Section 811 had a 0 value.

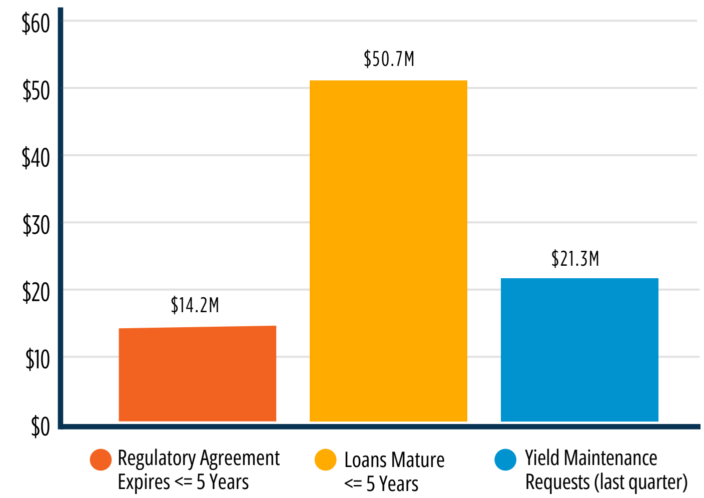
* The unpaid principal balance reflects 556 active projects with outstanding loan balances. The portfolio also includes 231 projects that are maintained solely for compliance with affordability requirements, despite having no remainig loan balances.

Preservation Risk Indicators

Type	# of Projects	% of Projects	UPB	% of UPB
Regulatory Agreement Expires <= 5 years	25	2.98%	$ 14,237,256	0.8%
Loans Mature <= 5 years	34	4.05%	$ 50,700,044	2.9%
Yield Maintenance Requests (last quarter)	3	0.36%	$ 21,318,248	1.2%

Unpaid Principal Balance

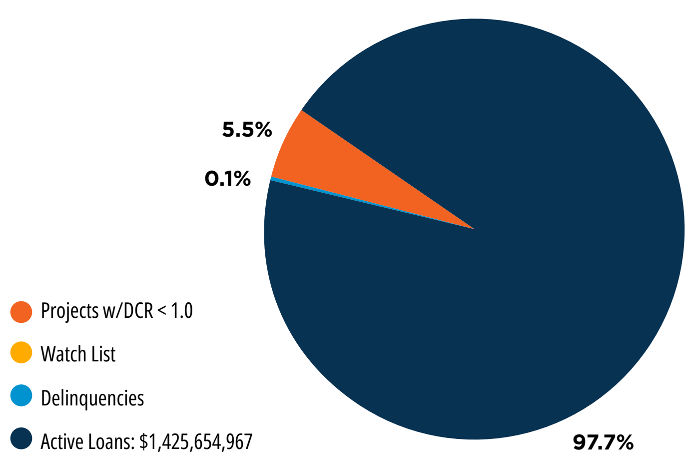


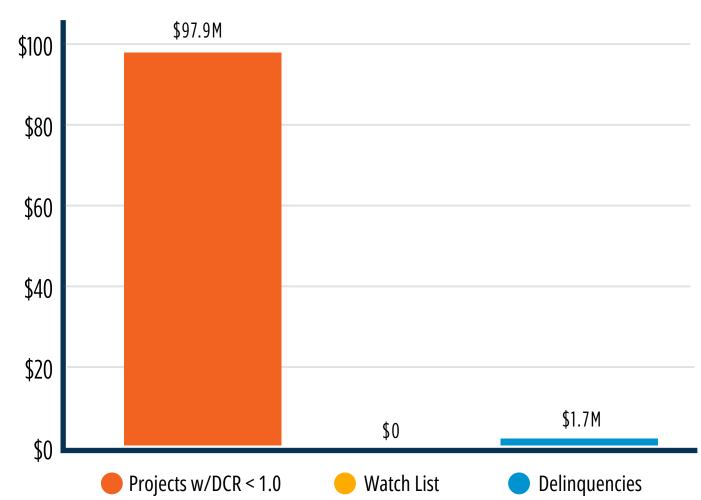


Financial Risk Indicators

Type	# of Projects	% of Projects	UPB	% of UPB
Projects w/ DCR < 1.0	18	2.14%	$ 97,887,353	5.5%
Watch List	1	0.12%	$ 0	0.0%
Delinquencies	2	0.24%	$ 1,663,727	0.1%

Unpaid Principal Balance





Please note that Watch List had a 0 value.

Map of CalHFA Multifamily Projects in California

Occupancy Type

Asset Management

- Senior
- Family
- Mental Health
- Transitional Aged Youth
- Unrestricted
- Multiple Restrictiions