Executive Summary	
CalHFA Project Number	25014
Project Name	La Estancia
Type of Development	New Construction
Type of Project	Family
Total Units (MIP Restricted Units)]	190 Units (188 Restricted)
Street Address	7004, 7008, 7012, 7018 Baird Ave.
City, County, Zip Code	Reseda, Los Angeles County, 91335
Borrower (Legal entity name)	AMCAL La Estancia Fund, L.P.
Developer(s)	AMCAL Enterprises, Inc.
Co-Developer	N/A
Approved Conduit Issuances	
Conduit T/E Bond Issuance	$25,000,000 (Assumes $22,367,653 need; Includes 10% cushion and rounded up to nearest $1m_
Conduit Taxable Bond Issuance	$37,000,000 (Assumes $33,086,794 need; Includes 10% cushion and rounded up to nearest $1m)
Conduit T/E Recycled Bond Volume Cap	$5,000,000 (Assumes $4,000,000 need; Includes 10% cushion and rounded up to nearest $1m
Requested CalHFA Financing for Approval	
CalHFA Tax-Exempt Permanent Loan Amount	$18,375,774 UW Rate and Loan Term: 6.95%; fixed; 1st lien; 40/17
CalHFA Taxable Permanent Loan Amount (if any)	$ 0 UW Rate and Loan Term: N/A
HUD Risk Sharing Requirement (1st lien loan)	Yes
CalHFA Subordinate/Subsidy Financing Type	$4,000,000 Mixed-Income Program (MIP) 2025 UW Rate and Loan Term: 3.00%, fixed-simple; 2nd lien; residual receipts; due in 17 years
Key Dates and Approvals	
CDLAC Volume Cap Award Date	8/28/2025
CTCAC Tax Credit Award Date	8/5/2025
CDLAC Closing Deadline	6/2/2026
Construction Loan Closing Date [Est.]	6/1/2026
Est. CalHFA Loan Closing (perm conversion) Date	6/1/2029
Federal Tax Credits (LIHTC) Requested	Federal LIHTC Amount: $31,320,500
State Tax Credits Requested	State Tax Credit Amount: $17,164,551

1	**Project Summary**
1a	Project Description

La Estancia (the "Project") is a new construction, family, mixed-income Project. The total development site area is 0.80 acres and is located in the Reseda neighborhood of Los Angeles, Los Angeles County. The Project will consist of one 6-story residential elevator serviced building. The Project will have total 190 residential units, of which 188 units will be restricted to between 30% and 70% of the Los Angeles County Area Median Income (AMI). There will be 55 studio units (379 sq. ft), 65 one-bedroom units (522 sq. ft.), 70 two-bedroom units (690 sq. ft.). Two of the two-bedroom units will serve as the manager's units. The Project will have 62 spaces for residential parking.

The project is of Type IIIA (steel and wood frame) construction built over a one-level Type 1A (concrete frame) parking garage. In addition to CDLAC minimum design standards which include some sustainable building requirements like the use of EnergyStar appliances and installation of water efficient landscaping, other Project green design features include a photovoltaic system, and the project will comply with CALGreen requirements.

The Project's financing structure includes financing from: Tax-exempt (T/E) bonds, Taxable bonds, T/E Recycled bonds, 4% Federal Low Income Housing Tax Credit (LIHTC) equity, State Housing Tax Credit Equity, CalHFA Tax-Exempt Permanent Loan, and CalHFA Subordinate financing through Mixed-Income (MIP) Subsidy Loan.

Notes:

1. The Project is located in the Reseda neighborhood of Los Angeles, Los Angeles County. The City of Los Angeles is requiring the Density Bonus Agreement to be recorded in senior position to the CalHFA Deeds of Trust. The Density Bonus Agreement will not have foreclosure rights and will standstill provisions that are in excess of the affordability requirements for any period that the Agency is in possession of the property following a foreclosure or deed in lieu.

Inside Principal City?	Yes	Underserved or Distressed Tract?	No
Census Tract (CT)	31084-06-037-1310.24	% Population Below Poverty Line	13.31%
CT Minority Population %	77.53%	Rural Area?	No
CT Income Level	High	2025 Est. CT Median Family Income	$97,293
CDLAC/TCAC Opportunity Area Category		Low Resource	
CDLAC/TCAC Geographic Region		City of Los Angeles	
Project is located in DDA?		Yes	
Project is located in Federally-designated Qualified Census Tract (QCT) for LIHTC purposes?		No	

Legislative Districts:

- Congress: 32, Brad Sherman
- State Assembly: 46, Jesse Gabriel
- State Senate: 29, Caroline Menjivar

Local Support: The City of Los Angeles sent a locality contribution email dated June 25, 2025, stating support for the project.

2	Development and Financing Team				
Developer (Sponsor): AMCAL Enterprises, Inc.			**Co-developer (if any):** N/A		
	New to CalHFA?	No		New to CalHFA?	select
	Affordable Housing/LIHTC experience?	Yes		Affordable Housing/LIHTC experience?	select
	Has Projects in California?	Yes		Has Projects in California?	select
Borrower (Legal entity): AMCAL La Estancia Fund, L.P.			**Co-Borrower (if any):** N/A		
Construction (Senior) Lender: 1) JP Morgan Chase Bank			**Construction Subordinate Lender(s):** N/A		
Permanent 1st lien Lender: 1) CalHFA			**Permanent Subordinate Lender(s):** 1) CalHFA MIP (2nd lien)		
Federal LIHTC Investor: Hudson Housing Capital			**State LIHTC Investor:** Hudson Housing Capital		
	Tax Credit Amount	$31,320,500		Tax Credit Amount	$17,164,551
Solar Tax Credit Investor: N/A					
	Tax Credit Amount	$0			
General Contractor: AMCAL General Contractors, Inc.			**Management Company (Property Manager):** FPI Management, Inc.		
	Is an affiliate of Developer?	Yes		Is an affiliate of Developer?	No
	Experience with CalHFA?	Yes		Total number of properties managed	394
Architect: Architects Orange, LLP, DBA AO			**Service Provider:** LifeSteps		
	Has worked with GC?	Yes		Required by TCAC or other Funding sources?	Yes
	Has experience designing and managing similar projects?	Yes		Terms of service (on-site, number of years)	15 years
				Support Services Cost (per Operating budget)	$27,000/year
	Has housing projects in CA?	Yes		Per unit cost of services meets CDLAC/TCAC req.?	Yes
Financial Advisor: N/A			**Project Consultant:** N/A		

3	Requested CalHFA Financing for Approval		
	CalHFA Financing Terms		
	CalHFA 1st Lien Perm Loan	**CalHFA Subordinate Loan (MIP Subsidy Loan)**	**Total CalHFA Financing**
Loan Amount ($)	$18,375,774	$4,000,000	$22,375,774
Loan Term (Year)	17	17	17
Amort. Term (Year)	40		
Amort. Type	Partially Amortizing	Non-amortizing	
Lien Position	1st	2nd	
UW Interest Rate %	6.95%	3.00%	
Loan to Value (%)	58.10%	11.80%	
Combined LTV (CLTV) (%)			77.82%
Loan to Cost (%)	25.67%	5.59%	31.26%
Loan Repayment Source	Net Operating Income (NOI)	Residual Receipts	

4	Project Budget & Total Development Cost
4a	Construction Financing
Construction Lender	JPMorgan Chase Bank, N.A.
CDLAC/CTCAC Construction Closing Deadline	6/2/2026

	Bond Issuance Amount	Type of Issuance
Construction Conduit Issuance Amount	$22,367,653	Tax-Exempt
Construction Conduit Issuance Amount	$33,086,794	Taxable
Construction Conduit Issuance Amount	$4,000,000	T/E Recycled
Total	$59,454,447	

	Loan Amount	UW Rate	Loan Term
Construction Loan (T/E) (Interest-only, 1st lien during construction)	$22,367,653	6.03%, Variable	31 months plus two 6-month extensions
Construction Loan (Taxable) (Interest-only, 1st lien during construction)	$33,086,794	6.38%, Variable	31 months plus two 6-month extensions
Construction Loan (Recycled T/E)	$4,000,000	6.03%	31 months plus two 6-month extensions

Notes:
1. Construction interest reserve may be re-sized based on the final locked rate at construction closing. Any resulting funding gaps will be covered by the Developer until permanent loan closing.

4b	Construction Sources	
Construction Sources:	Amount ($)	% of Total
Tax-Exempt: JP Morgan Chase (Loan)	$22,367,653	31.74%
Taxable: JP Morgan Chase (Loan)	$33,086,794	46.95%
Recycled Bonds: JP Morgan Chase (Loan)	$4,000,000	5.68%
Deferred Developer Fee/Reserves (Developer Fee, Deferral)	$5,630,059	7.99%
Deferred Reserves (Cost Deferral)	$1,172,195	1.66%
Tax Credit Equity: Hudson Housing (Equity, LIHTC Investor)	$4,220,851	5.99%
Total Construction Sources	$70,477,552	100%

4c	Construction Uses	
Construction Uses:	Amount ($)	% of Total
Land and Improvement Value	$5,400,000	7.66%
Other Acquisition Costs	$1,325,648	1.88%
Construction/Rehab Costs	$38,199,983	54.20%
Soft Costs (A&E, Legal, Title, and Other Soft Cost)	$9,897,378	14.04%
Hard Cost contingency (5.80% of Hard Cost)	$1,901,050	2.70%
Soft Cost contingency (2.33% of Soft Costs)	$632,343	0.90%
Financing Costs (Interest Reserves, Fees, Taxes, and Insurance)	$6,986,213	9.91%
Local Impact Fees and Permit Fees	$3,629,363	5.15%
Cash Portion Developer Fee	$1,100,366	1.56%
Other Costs (TCAC Fees, Furnishing, and Other Misc. Fees)	$1,405,209	1.99%
Total Construction Uses	$70,477,553	100%
Total Construction Cost per unit	$370,934	
Total Construction Cost per CalHFA MIP Regulated Unit	$374,881	

Notes:
1. CalHFA will require review and approval of independent third-party prepared plan and cost review report for project plans and specifications (plan & specs) and cost review prior to construction loan closing.
2. Acquisition Costs included in the budget is $6,725,648 which is in compliance with Agency's underwriting (USRM) standards. The total Acquisition costs include as-is land cost (per Broker's Price Opinion $5,930,000) of $5,400,000 and carrying costs of $687,185 consisting of legal and holding costs, and other costs of $638,463.
3. The total hard cost contingency in the project is 5.80% of the Hard costs, which includes the contingency in the GC Schedule of Values (SOV) and is pending review by the CalHFA inspector to meet the USRM requirements and project scope for completion within the stipulated budget]
4. The total soft cost contingency in the project is 2.33% % of eligible costs and has been reviewed by the Multifamily staff to meet the USRM requirements and project scope for completion within the stipulated budget.
5. There is $118,394 in the development budget for environmental remediation which includes $40,000 for soils management plan and remediation of hazardous materials in existing structures (ACM/LBP).
6. The project budget includes $520,069 in offsite improvements or infrastructure costs which includes utility trenching. A separate contract for this is in place and will be reviewed by the CalHFA inspector.

4d	Permanent Sources and Uses	
Permanent Sources:	**Amount ($)**	**% of Total**
CalHFA Tax-Exempt Permanent Loan (Loan)	$18,375,774	25.7%
CalHFA MIP (Loan)	$4,000,000	5.6%
Deferred Developer Fee (Developer Fee, Deferral)	$6,993,190	9.8%
Tax Credit Equity (Equity, LIHTC Investor)	$42,208,506	59.0%
Total Permanent Sources	$71,577,470	100%

Permanent Uses:	Amount ($)	% of Total
Total Loan Payoffs	$63,484,362	88.7%
Other Acquisition Costs	$0	0.0%
GP Equity	$0	0.0%
Financing costs	$156,784	0.2%
Soft costs	$0	0.0%
Operating Reserves	$943,134	1.3%
Cash Developer Fee paid at Perm Conversion	$0	0.0%
Deferred Developer Fees paid from cashflow	$6,993,190	9.8%
Total Permanent Uses	$71,577,470	100%
Total Development Cost per unit	$376,724	
Total Development Cost per CalHFA MIP Restricted Unit	$380,731	
Notes (if any):		

4e	Developer Fee	
Developer fee category:	TCAC Maximum Limit	Actual Amount in Project Budget
Upfront Cash Developer Fee (a)	$3,325,053	$1,100,366
Deferred Developer Fee (DDF) paid from project cash-flow (b)		$6,993,190
Total Developer Fee (a) + (b)	$10,633,548	$8,093,556
Excess Developer Fee above TCAC Maximum Limit as General Partner (GP) contribution		**$0**

Notes:
1. To ensure the deferred developer fee is paid down by year 15, the surplus cash distribution is underwritten showing 100% being applied to reducing the deferred developer fee until year 15. Thereafter, the surplus cash split shall be 50% to Borrower and 50% to Residual Receipt lender(s). For the Final Commitment underwriting, the Borrower must provide evidence that the DDF repayment structure is required pursuant to the Tax Credit Investor's requirements (LOI) and/or Limited Partnership Agreement (LPA). Any unpaid MIP principal and interest at refinance must be repaid by general partner contribution.
2. The project currently shows an outstanding Deferred Developer Fee of $1,491,644 in year 15. Any outstanding Deferred Developer Fee remaining at Year 15, even if within TCAC Maximum Limit, will be paid from Borrower's 50% share surplus cash distribution.
3. Any outstanding Deferred Developer Fee remaining in Year 15 and above TCAC Maximum Limit will be treated as developer contribution. The Limited Partnership Agreement (LPA) and the Tax Credit Investor written approval evidencing that any outstanding deferred developer fee remaining in Year 15 will be treated as a GP contribution will be required prior to construction closing.

4f	High-Cost Explanation (TDC exceeds $650,000 per unit)
Total Development Cost (TDC)	$71,577,470
Total Units	190
TDC/Unit	$376,724
High-Cost Explanation provided by Developer per CDLAC Regs Section 5233?	N/A
High-Cost explanation acceptable to CalHFA?	N/A

5	**Affordability Requirements**
5a	CalHFA Regulatory Agreement Requirements

The CalHFA Permanent Financing Bond Regulatory Agreement will restrict a minimum of 40% of the total units at or below 60% AMI; with 30% of the total units (57 units) at or below 60% AMI and 10% of the total units (19 units) at 50% AMI for 55 years.

The CalHFA Subsidy Regulatory Agreement will restrict 188 units between 30% and 120% of AMI for a term of 55 years.

Number of Regulated Units and AMI Restrictions by Each Agency

Number of Units and Percentage of AMI Rents Restricted by each Agency

Regulating Agency	Number of Units Restricted For Each AMI Category								Total Units	Percentage
	Lien	30%	40%	50%	60%	70%	80%	120%	Regulated	Regulated
CalHFA Bond	2nd			19	57				**76**	40%
CalHFA MIP	3rd	19		38		19		112	**188**	100%
CTCAC	4th	56		58	55	19			**188**	100%
Density Bonus or CUP	1st	1		2			150	35	**188**	100%
TOTALS		56	0	58	55	19	0	0	**188**	100%

Notes (if any):

1. The CalHFA MIP Subsidy Regulatory Agreement requires 30% of total units at or below 50% of AMI. Of these, a minimum of 10% of total units must be at or below 30% of AMI (19 units at 30% AMI and 38 units at 50% AMI). An additional 10% of total units [19 units] must be restricted to between 60% and 80% of AMI with a minimum average of 70% of AMI for a term of 55 years.
2. The rents for the 60% to 80% tranche will be determined by the minimum income limit of 70% of AMI, not to exceed 80% of AMI. The remaining 112 units will be restricted to or below 120% of AMI.
3. In addition, the Project will be restricted by the following jurisdictions described below:
    a. The City of Los Angeles will restrict 1 unit at or below 30% of AMI, 2 units at or below 50% AMI 150 units at 80% AMI, and 35 units at or below120% of AMI for a term of at least 99 years. The rents for these units are based off County of Los Angeles published rents.

5b	Unit Distribution for each AMI category

The table below outlines the distribution of units for each unit size by AMI category.

Rent Limit Summary Table								
	Studio	1-bdrm	2-bdrm	3-bdrm	4-bdrm	5-bdrm	Total	% Total
30%	18	18	20	0	0	0	56	29%
40%	0	0	0	0	0	0	0	0%
50%	18	20	20	0	0	0	58	31%
60%	19	17	19	0	0	0	55	29%
70%	0	10	9	0	0	0	19	10%
80%	0	0	0	0	0	0	0	0%
120%	0	0	0	0	0	0	0	0%
Manager	0	0	2	0	0	0	2	1%
Market	0	0	0	0	0	0	0	0%
Total	55	65	70	0	0	0	190	
AMI Avg	46.9%	50.2%	49.6%				48.99%	

Note (if any):

1. The initial rents at permanent loan closing and in subsequent years must not be less than the underwritten rent levels outlined in the “Rent Summary Table” of the Financial Analysis enclosed as part of this Staff Report.
2. The CalHFA regulatory agreement(s) will require minimum underwriting rent levels as outlined above.
3. However, according to an appraisal dated 3/23/2026 the Project can only support rents at a maximum of 68% AMI and still comply with the requirement that rents be 10% below market. Therefore, this project will comply with affordability requirement of 60% to 80% of AMI with an average of 70% of AMI.

6	Financial Analysis		
6a	Project Operating Budget Assumptions		
Total Units	188	Construction Start Date	6/1/2026
Regulated Units	188	Construction Completion Date	10/1/2028
Manager Units (Market Rate)	2	Construction Period (months)	28
Total Residential Square Feet	93,179	Lease-up Commencement Date:	10/1/2028
Avg Sq Ft/Unit	514	Lease-up Completion Date	3/1/2029
Rental Subsidies?	0	Lease-up Period (months)	5
No. of Units with Rental Subsidies	0	Est. Stabilization /Perm Conversion Date	6/1/2029
Rental Subsidy Contract Term (Initial)	0	Lease-up Completion to Stabilization (months)	8

6b	Project Operating Cash-flow Summary				
Operating Budget and Reserve Balances					
	Year 1	Year 5	Year 10	Year 15	Terminal Year 17
Adjusted Gross Income	3,171,216	3,500,430	3,960,415	4,480,846	4,707,689
Other Income/Subsidies	45,600	50,334	56,948	64,432	67,693
Projected Vacancy and Discount Loss	160,841	177,538	200,868	227,264	238,769
Effective Gross Income (EGI)	3,055,976	3,373,225	3,816,495	4,318,014	4,536,613
Total Operating Expenses	1,474,589	1,682,255	1,984,767	2,343,256	2,504,602
Reserve For Replacement	57,000	59,314	62,340	65,520	66,837
Net Operating Income (NOI)	1,581,387	1,690,970	1,831,728	1,974,758	2,032,011
Total Debt Service & Other Payments	1,362,313	1,362,313	1,362,313	1,362,313	1,362,313
Cash Flow After Debt Service	219,074	328,657	469,416	612,445	669,698
Debt Service Coverage Ratio	1.16	1.24	1.34	1.45	1.49
Income/Expense Ratio	2.07	2.01	1.92	1.84	1.81
<u>Less:</u>					
LP Management Fee*	9,500	10,692	12,395	14,370	0
GP Partnership Management Fee	28,500	32,077	37,186	43,109	0
Other CalHFA approved Partnership Fee					
Total Fees	$38,000.00	$42,769.00	$49,581.00	$57,479.00	$ 0.00
Annual Cap Limit	$40,500	$45,583	$52,843	$61,260	
[*Note: Any Fees above the Annual Cap to be paid from Developer Distribution % below]					
<u>Cashflow for Distribution</u>					
Developer Distribution %	100%	100%	100%	100%	50%
Cumulative Developer Distribution	181,074	1,166,586	2,996,902	5,501,526	6,156,921
Residual Receipts %	0%	0%	0%	0%	50%
Cumulative Residual Receipts Repayment	0	0	0	0	655,396
<u>Unpaid/Accrued CalHFA loan Balance</u>					
Perm Loan	18,287,811	17,868,143	17,150,300	16,135,193	15,619,863
MIP Loan	4,000,000	4,480,000	5,080,000	5,680,000	5,599,453
<u>Reserves Balances</u>					
Operating Reserve	943,134	943,134	943,134	943,134	943,134

6c	Exit Analysis Requirements		
Exit Year	17	**Assumed Refi Year**	Year 16
Cap Rate Increase	2%	**Interest Rate Increase**	3%
UW Loan Amount	$18,375,774	**Max. Refi Loan Size**	15,899,834
Appraised Value	$28,583,035	**Max LTV at Refi**	56%
Unpaid Principal Balance (1st Lien)	($13,381)	**Unpaid Principal Balance (MIP Subsidy Loan)**	$5,586,072

Notes:
The primary source of repayment for both the CalHFA 1st lien loan and MIP subsidy loan is refinance of the Project's first mortgage. The Exit analysis test for refinancing indicates that the Project will have the ability to fully repay the balance of the Agency's 1st lien loan but only a portion of the MIP Subsidy loan, leaving an outstanding balance of $5,586,072 (Principal and accrued interest). Hence, the refinancing is insufficient to fully repay the CalHFA debt.

Mitigation:
To mitigate the refinance risk, the Developer will be required to repay any remaining balance from General Partner contribution as part of the final close-out of the partnership obligations to allow re-syndication.

7	Insurance Requirements

- **Seismic Review and Earthquake Insurance:** This new construction Project will be built to State and City of Los Angeles Building Codes so no seismic review is required, and the project will not be subject to Earthquake Insurance.
- **Flood Designation and Insurance:** The subject is located in Flood Zone X (area of minimum flood hazard). Zone X is the area determined to be outside the 500-year floodplain, therefore the Project will not be subject to flood insurance.
- **Other Insurance requirements:** N/A

8	Environmental Review

1. A Phase I Environmental Site Assessment identified evidence of Recognized Environmental Conditions (RECs) related to the demolition of the existing structures, proper removal of soil, burned debris and other materials which require a Soil Management Plan which will be approved prior to construction loan closing. Evidence all environmental issues have been addressed during construction will be subject to CalHFA's approval prior to permanent loan closing.
2. HUD NEPA approval is in process and will be required before construction loan closing.

9	Underwriting and Term Sheet Variations

1- Per an appraisal dated 3/23/2026 the Project can only support rents at a maximum of 68% AMI and still comply with the requirement that rents be 10% below market. Therefore, this project will comply with affordability requirement of 60% to 80% of AMI with an average of 70% of AMI.

2- The City of Los Angeles is requiring the Density Bonus Agreement to be recorded in senior position to the CalHFA Deeds of Trust. The Density Bonus Agreement will not have foreclosure rights and will standstill provisions that are in excess of the affordability requirements for any period that the Agency is in possession of the property following a foreclosure or deadline.

3- To ensure the deferred developer fee is paid down by year 15, the surplus cash distribution is underwritten showing 100% being applied to reducing the deferred developer fee until year 15. Thereafter, the surplus cash split shall be 50% to Borrower and 50% to Residual Receipt lender(s). For the Final Commitment underwriting, the Borrower must provide evidence that the DDF repayment structure is required pursuant to the Tax Credit Investor's requirements (LOI) and/or Limited Partnership Agreement (LPA). Any unpaid MIP principal and interest at refinance must be repaid by general partner contribution.

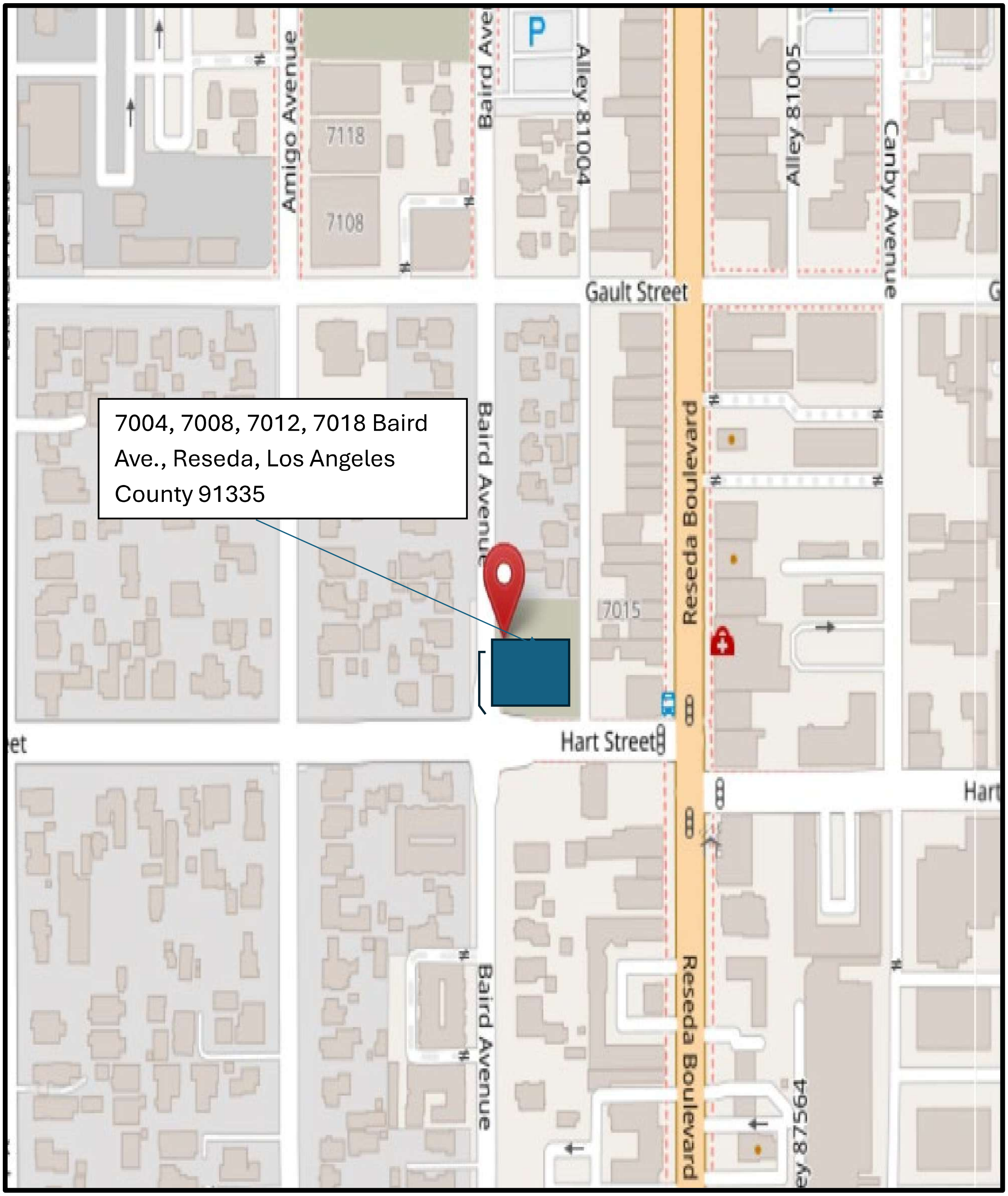
4- The project currently shows an outstanding Deferred Developer Fee of $1,491,644 in year 15. Any outstanding Deferred Developer Fee remaining at Year 15, even if within TCAC Maximum Limit, will be paid from Borrower's 50% share surplus cash distribution.

10 Approval Recommendation and Action

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

The Final Commitment of the Agency is subject to all CalHFA underwriting standards, applicable Term Sheet and CalHFA regulatory requirements, and any other applicable requirements. Any material deviation from the original financing structure, project changes, underwriting assumptions, or the failure of a condition of the Final Commitment Letter, if issued, can result in the Agency's decision to not proceed with the financing of the project at any stage during underwriting and prior to the closing of the Agency's financing.

La Estancia- Near



La Estancia- Far