



Visionary
Home
Builders
OF CALIFORNIA

Building Homes, Strengthening Communities

March 11, 2022

Julie Nelson, Senior Planner
City of Merced
678 W 18th Street
Merced, CA 95340

Dear Ms. Nelson,

Visionary Home Builders of California, Inc. future development of Bella Vista Apartments (BVA) will be located at 1808 Parsons Ave, Merced CA 95340. The project site is an approximately 4.7-acre parcel adjacent to and east of Parsons Avenue in the City of Merced. The project proposes the development of an apartment complex consisting of five three-story residential buildings containing a total of 108 affordable housing units and a community center building for apartment residents. Units will be 1, 2 and 3 bedrooms with sq ft ranging from 790-1364 sq ft. The project would include a community center. Affordability Range and Number of units at each are: 107 units restricted to serve residents at or below 60% AMI, and 1 unrestricted staff unit.

The City of Merced Zoning Ordinance Density Bonus 20.56.020 “provides incentives for the production of housing for very low-income, lowincome, and senior households and for the production of housing for moderate-income households residing in condominium and planned development projects.” A Density Bonus will be required for dwelling units per R-3 that allows for 12-24 units per acre. Our project is 4.7 acres resulting in 23 units per acre, with a total of 108 units. We are eligible for these incentives based on the AMI levels BVA will serve.

We are currently seeking the following incentives for development standards for:

- the height of the building that is exceeding the 35’ft max.

In an effort to comply with building standards, Visionary Home Builders is looking into not mounting the AC system on the roofs but putting mini split AC. Also, Visionary Home Builders has changed the open balcony to enclosing half to allow for a more appealing aesthetic. In addition, our tenants will be required to comply with house rules that allow only for patio furniture on balcony. Onsite Staff will monitor complaints for curb appeal.

Thank you for consideration of our requests. Visionary Home Builders is very excited for the opportunity to partner with the City of Merced on the development of Bella Vista Apartments, the upcoming affordable housing project in Merced. We look forward to working with your team in ensuring a successful project that helps meet the needs of the community at large.

If you have any questions, our team can be reached by email at dev@visionaryhomebuilders.org or I can be reached phone directly at (209) 466-2109.

Respectfully,

Visionary Home Builders, Development Department

Prepared For: Visionary Home Builders of CA
Prepared By: California Housing Partnership Corporation
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SOURCES OF FUNDS - PERMANENT

	AMOUNT	TOTAL INTEREST COST	OID INTEREST RATE	AMORT (Yr)	COMMENTS
AHSC	13,669,950	3.000%	1.903%	55.0	Total Permanent Debt: - Per Unit: 127,757
IIG	2,000,000	0.000%	0.000%	55.0	Per Unit: 18,692
City of Merced	6,000,000	3.000%	1.788%	55.0	Per Unit: 56,075
Accrued Deferred Interest - City of Merced	196,790				
Capital Contributions					Total LP capital includes release of bond collateral funded during construction
General Partner (Developer Fee)	0				Synd Costs 123,500
GP Capital - Sponsor	100				Net Equity for TCAC 30,918,323
Limited Partners	31,041,823				Fed LIHTC: \$0.90 State LIHTC: \$0.83
TOTAL SOURCES	52,908,664				
Surplus/(Shortfall)	(0)				

PERMANENT LOAN INTEREST RATE	TRANCHE A	TRANCHE B	INVESTOR EQUITY STACK	OTHER ASSUMPTIONS	
Base Rate	4.310%	4.310%	LIHTC Equity (Federal+State)	31,041,823	Current AFR: 1.74%
Cushion	1.000%	1.000%	Historic Tax Credit	0	AFR Month: Oct-21
MIP	0.000%	0.000%	Investment Tax Credit (Sol)	0	AFR Cushion: 0.00%
GNMA/Service	0.000%	0.000%			
Issuer	0.000%	0.000%	0 Issuer min/y	Subtotal LP Equity 31,041,823	Total U/W AFR: 1.74%
Trustee	0.000%	0.000%	0 per annum		
Rating	0.000%	0.000%	0 per annum	CA Certificated Credit Sale	0
Remarketing	0.000%	0.000%	0 per annum	Total Investor Equity	31,041,823
Rebate Analyst	0.000%	0.000%	0 per annum		
Total	5.310%	5.310%			

SOURCES OF FUNDS - CONSTRUCTION

	AMOUNT	INTEREST RATE	TERM (Mos.)	COMMENTS
Construction Loan	40,520,973	3.500%	30	
IIG	2,000,000	0.000%	30	
City of Merced	6,000,000	3.000%	30	
Accrued Deferred Interest - City of Merced	196,790			
Costs Deferred Until Conversion	985,293			
Capital Contributions				
GP Capital - Sponsor	100			
Limited Partners*	3,205,508			
TOTAL SOURCES	52,908,664			
Surplus/(Shortfall)	0			
Sources Less Deferred To Conversion:	51,923,371			
				See page 2 - right column
				LP Equity - Construction Period
				LP Equity for bond collateral 0 0.00%
				Total Equity During Const. 3,205,508 10.33%
				Syndication Costs 123,500
				Net Equity for TCAC 3,082,008

CONSTRUCTION LOAN INTEREST RATE		CONSTRUCTION LOAN VALUATION		TAX-EXEMPT BOND DATA	
Index Type:	BSBY	Restricted NOI	147,998	50% Test (see Page 7):	N/A
Current Index:	0.50%	OAR	5.00%	Issuer Inducement:	TBD
Spread:	2.00%	FMV per NOI	2,959,960	CDLAC Allocation:	TBD
Base Interest Rate (not including cushion)	2.50%	Agg. Credit Value @ 0.8795	31,041,823	Percent of CDLAC Allocation	0.00%
Cushion - Total	1.00%	Perm-Only Soft Debt	13,669,950	Const-only portion:	40,520,973
Interest Rate (All-In)	3.50%	Total Value	47,671,733		
		LTV:	85.00%	CDLAC Per-Unit Limit	N/A
		Max. Const. Loan Amount	40,520,973	CDLAC 55% Limit	N/A
		Commitment Amount	TBD	50% Test Target	53.00%
				Target Limit	N/A

Uses of Funds

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	Res Cost Res Sq Foot	100.00% 100.00%	COST ALLOCATIONS Assuming 266 Election? No						LIHTC ELIGIBLE BASIS		OTHER BASIS & COST ALLOCATIONS						
			Depreciable						Constr./ Rehab	Acquisition	Deferred to Completion or Perm Conv.	Land/Basis for 50% Test	Historic Rehab Tax Credit Basis	ITC Tax Credit Basis (Solar PV)			
			TOTAL	Per Unit	Residential	Total Non- Residential	Depreciable	Residential							Non-Resid.	Expensed	Amortized
ACQUISITION COSTS																	
Total Purchase Price - Real Estate: 1,145,000																	
Land - 1808 Parsons	1,145,000	10,701	1,145,000	0	1,145,000					0		0	1,145,000				
Land Holding Costs	25,000	234	25,000	0	25,000							0	25,000				
HARD COSTS																	
Total Construction Contract: 40,419,645																	
NEW CONSTRUCTION																	
Hard Costs-Unit Construction	34,793,595	325,174	34,793,595	0	34,793,595	0			34,793,595		0	34,793,595	34,793,595				
Site Improvements/Landscape	2,742,000	25,626	2,742,000	0	2,742,000	0			2,742,000		0	2,742,000					
GC - General Conditions	1,200,000	11,215	1,200,000	0	1,200,000	0			1,200,000		0	1,200,000	1,200,000				
GC - Overhead & Profit	1,236,000	11,551	1,236,000	0	1,236,000	0			1,236,000		0	1,236,000	1,236,000				
GC - Insurance	224,025	2,094	224,025	0	224,025	0			224,025		0	224,025	224,025				
GC - Bond Premium	224,025	2,094	224,025	0	224,025	0			224,025		0	224,025	224,025				
Contingency - Owner's Construction	2,020,982	16,886	2,020,982	0	2,020,982	0			2,020,982		0	2,020,982	2,020,982				
SOFT COSTS																	
Architecture - Design	500,000	4,673	500,000	0	500,000	0			500,000		0	500,000	500,000	0			
Engineering	417,000	3,897	417,000	0	417,000	0			417,000		0	417,000	417,000				
ALTA Survey	15,000	140	15,000	0	15,000	0			15,000		0	15,000	15,000				
Environmental	65,000	607	65,000	0	65,000	0			65,000		0	65,000	65,000				
Local Development Impact Fees	800,000	7,477	800,000	0	800,000	0			800,000		0	800,000	800,000				
Local Permits/Fees	500,000	4,673	500,000	0	500,000	0			500,000		0	500,000	500,000				
Utility Connection Fees	515,000	4,813	515,000	0	515,000	0			515,000		0	515,000	515,000	0			
Real Estate Taxes During Const	30,000	280	30,000	0	30,000	0	0		30,000		0	30,000	30,000				
Insurance During Const	150,000	1,402	150,000	0	150,000	0			150,000		0	150,000	150,000	0			
Appraisal	9,000	84	9,000	0	9,000	0			9,000		0	9,000	9,000				
Market/Rent Comp Study	15,000	140	15,000	0				15,000		0	0	0	0				
Soft Cost Contingency	167,725	1,568	167,725	0	167,725	0			167,725		0	167,725	167,725				
Predev. Loan Interest/Fees	100,000	935	100,000	0	0	100,000	0		0	0	0	0	0				
Construction Loan Interest	2,552,821	23,858	2,552,821	0	1,489,146	0	1,063,676		1,489,146		0	1,489,146	1,489,146	0			
Accrued Interest - City of Merced	196,790	1,839	196,790	0	114,320	0	82,470		114,320		0	114,320	114,320				
Title/Recording/Escrow - Construction	55,000	514	55,000	0	55,000	0			55,000		0	55,000	55,000				
Title/Recording/Escrow - Permanent	25,000	234	25,000	0				25,000			0						
Legal (Owner): Construction Closing	50,000	467	50,000	0	50,000	0			50,000		0	50,000	50,000				
Permanent Closing	5,000	47	5,000	0				5,000			0						
Organization of Ptnship	5,000	47	5,000	0				5,000			0						
Syndication - GP	20,000	187	20,000	0	20,000						0						
Syndication Consulting	82,500	771	82,500	0	82,500						5,000						
Audit/Cost Certification	16,000	150	16,000	0			16,000				0						
TCAC Application/Res/Monitoring Fee	145,870	1,363	145,870	0				145,870			43,870						
Furnishings Not in Contract	20,000	187	20,000	0	20,000	0			20,000		0	20,000					
Start-up/Lease-up Expenses	60,000	561	60,000	0			60,000				0						
Capitalized Operating Reserve (3 mos.)	166,423	1,555	166,423	0	166,423	0			166,423		166,423	2,200,000	2,200,000	0			
Developer Fee	2,200,000	20,561	2,200,000	0	2,200,000	0			2,200,000	0	770,000	2,200,000	2,200,000				
FINANCING FEES																	
Construction Lender Origination Fee	303,907	2,840	303,907	0	177,279	0		126,628	177,279		0	177,279	177,279				
Construction Lender Expenses	50,000	467	50,000	0	29,167	0		20,833	29,167		0	29,167	29,167				
Construction Lender Counsel	60,000	561	60,000	0	35,000	0		25,000	35,000		0	35,000	35,000				
Subtotal - Financing/Costs of Issuance	413,907	3,868	413,907	0	241,446	0	0	172,461	241,446	0	0	241,446	241,446	0			
TOTAL DEVELOPMENT COSTS																	
TDC Per Unit	52,808,664	494,473	52,808,664	0	1,438,923	49,779,264	0	1,322,146	368,331	49,779,264	0	985,293	50,949,264	47,017,264			
TDC Net of accrued interest:	494,473		100.00%														
TDC TCAC	52,785,164		52,785,164														

Developer Fee Calculation

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MAXIMUM DEVELOPER FEE CALCULATION			
	CONST.	ACQ.	TOTAL
Fee per Base TCAC Formula	7,136,890	0	7,136,890
Percent of Total	100.00%	0.00%	100.00%
Max. Allowable Fee per TCAC (prorated)	2,200,000	0	2,200,000
Less: Development Consulting	0		0
Net Allowable	2,200,000	0	2,200,000
Less: Owner Reduction	0	0	0
Net Allowable	2,200,000	0	2,200,000
Maximum Base Developer Fee per TCAC			2,200,000
Maximum Developer Fee per HCD			N/A
Maximum Developer Fee per Local			N/A
Maximum Developer Fee per Owner			N/A
Maximum Developer Fee at Max Cash Fee			
Most Restrictive Maximum Developer Fee:			2,200,000
Maximum Cash Fee per TCAC (Lesser of Calc. or Reservation Amount)			2,200,000
Maximum Cash Fee per HCD			N/A
Maximum Cash Fee per Local			N/A
Maximum Cash Fee per Owner			N/A
Most Restrictive Maximum Cash Fee:			2,200,000

ACTUAL DEVELOPER FEE PAYMENT SCHEDULE			
	Amount	% of Cash Fee	% of Total Fee
Construction Close	880,000	40.00%	40.00%
Interim Milestone 1	0	0.00%	0.00%
Interim Milestone 2	0	0.00%	0.00%
Interim Milestone 3	0	0.00%	0.00%
Completion	550,000	25.00%	25.00%
Conversion	620,000	28.18%	28.18%
Final LP Pay-in 1	150,000	6.82%	6.82%
Final LP Pay-in 2	0	0.00%	0.00%
Total: Cash Fee	2,200,000		
Plus: Deferred Developer Fee	0		0.00%
Plus: GP Capital	0		0.00%
Total Developer Fee	2,200,000		

Unit Mix & Rental Income

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AVERAGE AFFORDABILITY FOR LIHTC UNITS (% of Median)	45.42%
9% TCAC INCOME TARGETING PTS:	50.00
RENT LIMITS AS OF YEAR:	2021

UTILITY ALLOWANCES	0BR	1BR	2BR	3BR	4BR	5BR
1808 Parsons	60	70	93	118	142	168
0	-	-	-	-	-	-
0	-	-	-	-	-	-
-	-	-	-	-	-	-

Merced PHA 12/1/21

RESIDENTIAL INCOME

LIHTC - Tier 1 1808 Parsons										NOT SUBSIDIZED					
TCAC 30% AMI % of Units: 21.70%															
Unit Type	Number	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Number of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
1BR	10	752	30.0%		392	322	322	3,220	38,640	0	0	0	0	0	38,640
2BR	10	1,049	30.0%		471	378	378	3,780	45,360	0	0	0	0	0	45,360
3BR	3	1,394	30.0%		544	426	426	1,278	15,336	0	0	0	0	0	15,336
TOTAL	23							8,278	99,336	0			0	0	99,336

LIHTC - Tier 2 1808 Parsons										NOT SUBSIDIZED					
TCAC 45% AMI % of Units: 28.30%															
Unit Type	Number	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Number of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
2BR	19	1,049	45.0%		707	614	614	11,666	139,992	0	0	0	0	0	139,992
3BR	11	1,394	45.0%		815	697	697	7,667	92,004	0	0	0	0	0	92,004
TOTAL	30							19,333	231,996	0			0	0	231,996

LIHTC - Tier 3 1808 Parsons										NOT SUBSIDIZED					
TCAC 50% AMI % of Units: 26.42%															
Unit Type	Number	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Number of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
2BR	20	1,049	50.0%		785	692	692	13,840	166,080	0	0	0	0	0	166,080
3BR	8	1,394	50.0%		906	788	788	6,304	75,648	0	0	0	0	0	75,648
TOTAL	28							20,144	241,728	0			0	0	241,728

LIHTC - Tier 4 1808 Parsons										NOT SUBSIDIZED					
TCAC 55% AMI % of Units: 23.58%															
Unit Type	Number	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Number of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
1BR	10	752	55.0%		718	648	648	6,480	77,760	0	0	0	0	0	77,760
2BR	10	1,049	55.0%		864	771	771	7,710	92,520	0	0	0	0	0	92,520
3BR	5	1,394	55.0%		997	879	879	4,395	52,740	0	0	0	0	0	52,740
TOTAL	25							18,585	223,020	0			0	0	223,020

Staff Units - Site 1 1808 Parsons									
Unit Type	Number	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent
2BR	1	1,049	0.0%		0	0	0	0	0
TOTAL	1							0	0

TOTAL RESIDENTIAL INCOME													
	Number	Total Monthly Net Rent	Total Annual Net Rent	Monthly Section 8 Income	Annual Section 8 Income	Monthly NA Income	Annual NA Income	Monthly Test C Income	Annual Test C Income	Monthly Test D Income	Annual Test D Income	Grand Total Income	Total Floor Area
LIHTC	106	66,340	796,080	0	0	0	0	0	0	0	0	796,080	114,569
Non-LIHTC	0	0	0	0	0	0	0	0	0	0	0	0	0
Staff Units	1	0	0	0	0	0	0	0	0	0	0	0	1,049
TOTAL	107	66,340	796,080	0	0	0	0	0	0	0	0	796,080	115,618

MISCELLANEOUS INCOME			
	Per Unit Per Month	Monthly Total	Annual Total
Laundry / Vending	0.00	0	0
Other	0.00	0	0
Parking	0.00	0	0
TOTAL	0.00	0	0

SUBSIDIZED UNIT MIX SUMMARY						
Unit Type	Units With Section 8	Units With NA	Units With Test C	Units With Test D	Units Without Subsidy	Total Units
0BR	0	0	0	0	0	0
1BR	0	0	0	0	20	20
2BR	0	0	0	0	60	60
3BR	0	0	0	0	27	27
4BR	0	0	0	0	0	0
5BR	0	0	0	0	0	0
TOTAL	0	0	0	0	107	107

Calculation of Tax Credits

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	FEDERAL			CALIFORNIA		
	ACQUISITION	CONST/ REHAB	TOTAL	ACQUISITION	CONST/ REHAB	TOTAL
TOTAL ELIGIBLE COSTS	0	49,779,264	49,779,264	0	49,779,264	49,779,264
Less:						
50% Energy Investment Tax Credit (Res. Portion)	0	0	0	0	0	0
Historic Tax Credit (Res. Portion)		0	0		0	0
Non-Eligible Federal Financing	0	0	0	0	0	0
Non-Eligible Grants	0	0	0	0	0	0
Soft Loan Basis Deduction	0	0	0	0	0	0
Voluntary Reduction for Tie-Breaker	0	0	0	0	0	0
ELIGIBLE BASIS	0	49,779,264	49,779,264	0	49,779,264	49,779,264
Threshold Basis Limit			44,971,486			
TBL: Exclude GP Cap/DDF for 4%/State			0			
REQUESTED UNADJUSTED ELIGIBLE BASIS (For Tiebreaker)	0	44,971,486	44,971,486	0	44,971,486	44,971,486
HIGH COST ADJUSTMENT (Y or N)	N	100.0%	100.0%	100.0%	100.0%	
	QCT 2022					
ADJUSTED ELIGIBLE BASIS	0	44,971,486	44,971,486	0	44,971,486	44,971,486
APPLICABLE FRACTION*	100.0%	100.0%		100.0%	100.0%	
QUALIFIED CREDIT BASIS	0	44,971,486	44,971,486	0	44,971,486	44,971,486
CREDIT RATE (TCAC UNDERWRITING)	Total State Annual Federal / Yr 1-3 State Yr 4 State	4.00% 9.00%		0.00% 9.00% 3.00%	30.00% 9.00% 3.00%	
MAX. POTENTIAL FEDERAL CREDIT (No Vol Basic Reduct/Actual Rate)						
Credit Rates	4.00%	9.00%				
Potential Credit	0	4,480,134	4,480,134			
Credit Rate Locked?	YES					
Jan-21						
MAX. CREDIT AMOUNT PER TCAC UNDERWRITING						
Annual Federal / Yr 1 State	0	4,047,434	4,047,434	0	4,480,134	4,480,134
Yr 2 State				0	4,480,134	4,480,134
Yr 3 State				0	1,334,826	1,334,826
Yr 4 State				0	0	0
Total				0	10,295,094	10,295,094
REQUESTED TOTAL STATE CREDIT AMOUNT				0	10,295,094	10,295,094
MAX ANNUAL FEDERAL CREDITS PER GEOGRAPHIC REGION - BLENDED (x 125%)			3,529,509			
MAX ANNUAL FEDERAL PER PROJECT ALLOCATION			2,500,000			
ACTUAL TCAC CREDIT RESERVATION						
Annual Federal / Total State	N/A	N/A	N/A	N/A	N/A	N/A
MAXIMUM ALLOWABLE CREDITS (Lesser of above)						
Annual Federal / Total State	0	2,500,000	2,500,000			10,295,094
UNADJUSTED ELIGIBLE BASIS AT MAX CREDIT AMOUNT	0	27,777,778	27,777,778			
UNADJUSTED BASIS EXCLUDED AT MAX CREDIT AMOUNT	(0)	22,001,486	22,001,486			
MAXIMUM ALLOWABLE - TEN YEAR TOTAL			25,000,000			10,295,094

TOTAL STATE + FEDERAL LIHTC AMOUNTS - 10 YEARS

Total Federal + State	35,295,094	Blended Credit Request:	3,529,509
General Partner Share	0.01%	Est. 125% Target for Central Valley:	3,529,509
Limited Partner Share	99.99%	Credit Request Under / (Over) Geographic Region:	-

FIRST YEAR CREDIT CALCULATION (Federal)

Actual Basis Method?	Acquisition	Rehab/NC	"A" Bldgs: Acq	Rehab/NC	"B" Bldgs: Acq	Rehab/NC
Y						
Maximum Potential Federal Credit w/ Actual Basis-Annual	0	4,480,134	0	4,522,399	0	0
Wgt Avg Lease-up (from Page 7)			100.0%	100.0%	0.0%	0.0%
Maximum Potential Pro-rated Credit w/ Actual Basis			0	4,522,399	0	0
TCAC Credit Reservation-Annual	0	2,500,000	0	2,523,585	0	0
First Year Credit (Lesser of Above)			0	2,523,585	0	0

ENERGY INVESTMENT TAX CREDIT (Solar PV)

Total PV Hard Costs	0
Related Soft Costs (Eng, Interest,	-
Related Developer Fee	-
Total Depreciable Basis	-
less: Grants/Rebates	-
Tax-Exempt Portion	0.01%
less: Tax-Exempt Portion	-
Net Basis for Business Tax Credit	-
Credit Percentage	0.0%
Total Credit	0
Residential Portion of Credit	0

*APPLICABLE FRACTION

	Number of Units	Fraction	Total Sq Ft	Fraction
LIHTC	106	100.0000%	114,569	100.0000%
Non-LIHTC	0	0.0000%	0	0.0000%
TOTAL	106	100.0000%	114,569	100.0000%
Applicable Fraction (Lesser of Low Income Units or Sq. Ft %)		100.0000%		

HISTORIC CREDIT CALCULATION

Total Depreciable Basis	49,779,264
less: Historic Acquisition Basis	0
less: Site Work	2,742,000
less: Personal Property	20,000
Basis for Historic Credit (p. 1a, right column)	47,017,264
% Project SF Historic	50.00%
Basis for HTC (Adjusted by SF):	23,508,632
Tax-Exempt Use Portion	90.00%
(Less Tax-Exempt Use Portion)	(21,157,769)
Basis for Historic Credit (p. 1a, right column)	2,350,863
Credit Percentage	0.0%
Res. Portion of Historic Basis (cost cert)	2,350,863
Percentage related to Residential	100.0%
Total Historic Credit	0
Res. Portion of Historic Credit	0

Base Year Income & Expense

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INCOME		
Scheduled Gross Income - Residential		796,080
Vacancy Loss - Residential	5.0%	(39,804)
EFFECTIVE GROSS INCOME		756,276
EXPENSES - RESIDENTIAL		
Administrative		
Advertising	1,000	
Legal	2,000	
Accounting/Audit	10,000	
Security	1,620	
Other: Misc. Admin	40,000	
Total Administrative		54,620
Management Fee		64,200
Utilities		
Gas	1,500	
Electricity	26,200	
Water/Sewer	65,000	
Internet	10,000	
Total Utilities		102,700
Payroll/Payroll Taxes		
On-Site Manager/Office Admin	69,680	
Maintenance Payroll	52,000	
Payroll Taxes/Benefits	36,504	
Total Payroll/Payroll Taxes		158,184
Insurance		60,000
Maintenance		
Repairs	27,000	
Trash Removal	38,000	
Exterminating	4,000	
Grounds	18,000	
Elevator	0	
Janitorial, misc. expenses	27,000	
Total Maintenance		114,000
Other		
Misc. Tax/License	824	
Total Other		824
Resident Services		
Tenant Services	0	
Total Resident Services		0
Replacement Reserve		26,750
Real Estate Taxes		27,000
TOTAL EXPENSES - RESIDENTIAL		608,278
Per Unit Per Annum (incl. Reserves)	5,685	
Per Unit Per Annum (w/o taxes/res/svc)	5,183	
TCAC Minimum (w/o taxes/res/svc)	4,500	
NET AVAILABLE INCOME		147,998
Less: Mandatory Annual HCD Payment (Grossed Up for DSCR Factor)	1.15	(66,026)
ADJUSTED NET AVAILABLE INCOME: TOTAL		81,972
ADJUSTED NET OF COMMERCIAL:		81,972
ADJUSTED NET AVAILABLE INCOME: NET OF OP SUBSIDY		81,972
Debt Service Coverage Ratio		1.15
AVAILABLE FOR DEBT SERVICE (NET OF OP SUBSIDY)		71,280
AVAILABLE FOR DEBT SERVICE (OP SUBSIDY OVERHANG)		0
NET AVAILABLE INCOME AFTER SENIOR DEBT SERVICE		81,972
NET AVAILABLE COMMERCIAL ONLY INCOME		0

Lease-Up / Placed-in-Service Schedule

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SCHEDULE

	Dates	Months to Milestone	Cumulative Months
Start of Construction	July 1, 2022	0	0
Completion	April 1, 2024	21	21
100% Occupancy	July 1, 2024	3	24
Conversion	January 1, 2025	6	30
Form(s) 8609	May 1, 2025	4	34

LIHTC SCHEDULE

SINGLE BUILDING / MULTIPLE BUILDINGS - GROUP A

1st Tax Credit Year:		2025		
Total # Units:		107		
Month	Total QO by Month	Total Vacated by Month	Cumulative Occupancy	Cumulative Occupancy %
Jan-25	107	0	107	100.00%
Feb-25	0	0	107	100.00%
Mar-25	0	0	107	100.00%
Apr-25	0	0	107	100.00%
May-25	0	0	107	100.00%
Jun-25	0	0	107	100.00%
Jul-25	0	0	107	100.00%
Aug-25	0	0	107	100.00%
Sep-25	0	0	107	100.00%
Oct-25	0	0	107	100.00%
Nov-25	0	0	107	100.00%
Dec-25	0	0	107	100.00%
1st Year Occupancy: 2025			100.00%	

LIHTC SCHEDULE -- 2/3 CREDITS

SINGLE BLDG / MULTIPLE BLDGS - GROUP A

1st Tax Credit Year (2/3 Units):		2026
Month	No. Units	Percent
Jan-26	0	0.0%
Feb-26	0	0.0%
Mar-26	0	0.0%
Apr-26	0	0.0%
May-26	0	0.0%
Jun-26	0	0.0%
Jul-26	0	0.0%
Aug-26	0	0.0%
Sep-26	0	0.0%
Oct-26	0	0.0%
Nov-26	0	0.0%
Dec-26	0	0.0%
Total	0	0.0%
Total Avg % Qual. Occ.		0.0%

OPERATIONS SCHEDULE

YEAR 1

2025	
Month	Completed Lease Up by Month
No. Units	Percent
Jan-25	108 100.9%
Feb-25	0 0.0%
Mar-25	0 0.0%
Apr-25	0 0.0%
May-25	0 0.0%
Jun-25	0 0.0%
Jul-25	0 0.0%
Aug-25	0 0.0%
Sep-25	0 0.0%
Oct-25	0 0.0%
Nov-25	0 0.0%
Dec-25	0 0.0%
Total	108 100.9%
Total % Operating in First Year	100.93%

MULTIPLE BUILDINGS - GROUP B

1st Tax Credit Year:		2026		
Total # Units:		0		
Month	Total OO by Month	Total Vacated by Month	Cumulative Occupancy	Cumulative Occupancy %
Jan-26	0	0	0	0.00%
Feb-26	0	0	0	0.00%
Mar-26	0	0	0	0.00%
Apr-26	0	0	0	0.00%
May-26	0	0	0	0.00%
Jun-26	0	0	0	0.00%
Jul-26	0	0	0	0.00%
Aug-26	0	0	0	0.00%
Sep-26	0	0	0	0.00%
Oct-26	0	0	0	0.00%
Nov-26	0	0	0	0.00%
Dec-26	0	0	0	0.00%
1st Year Occupancy: 2026				0.00%

MULTIPLE BUILDINGS - GROUP B

1st Tax Credit Year (2/3 Units):		2027
Month	No. Units	Percent
Jan-27	0	0.0%
Feb-27	0	0.0%
Mar-27	0	0.0%
Apr-27	0	0.0%
May-27	0	0.0%
Jun-27	0	0.0%
Jul-27	0	0.0%
Aug-27	0	0.0%
Sep-27	0	0.0%
Oct-27	0	0.0%
Nov-27	0	0.0%
Dec-27	0	0.0%
Total	0	0.0%
Total Avg % Qual. Occ.		0.0%

YEAR 2 (cumulative)

Month	No. Units	Percent
Jan-26	108	100.9%
Feb-26	0	0.0%
Mar-26	0	0.0%
Apr-26	0	0.0%
May-26	0	0.0%
Jun-26	0	0.0%
Jul-26	0	0.0%
Aug-26	0	0.0%
Sep-26	0	0.0%
Oct-26	0	0.0%
Nov-26	0	0.0%
Dec-26	0	0.0%
Total	108	100.9%
Total % Operating in 2nd Year		100.9%

PIS SCHEDULE FOR ACQ BASIS DEPRECIATION

YEAR 1		2025
Mid-Month Convention		
Month	No. Units	Bldg. PIS by Month Dep. Percent
Jan-25	108	4.2%
Feb-25	108	8.4%
Mar-25	108	8.4%
Apr-25	108	8.4%
May-25	108	8.4%
Jun-25	108	8.4%
Jul-25	108	8.4%
Aug-25	108	8.4%
Sep-25	108	8.4%
Oct-25	108	8.4%
Nov-25	108	8.4%
Dec-25	108	8.4%
TOTAL	108	96.7%
Total Avg % PIS Y1		96.7%
YEAR 2 (cumulative)		
Jan-26	108	8.4%
Feb-26	108	8.4%
Mar-26	108	8.4%
Apr-26	108	8.4%
May-26	108	8.4%
Jun-26	108	8.4%
Jul-26	108	8.4%
Aug-26	108	8.4%
Sep-26	108	8.4%
Oct-26	108	8.4%
Nov-26	108	8.4%
Dec-26	108	8.4%
TOTAL	108	100.9%
Total Avg % PIS Y2		100.9%

PIS SCHEDULE FOR REHAB/NC BASIS DEPRECIATION

YEAR 1		2025
Mid-Month Convention		
Month	Building No.	Bldg. PIS by Month No. Units Percent
Jan-25	1	108 4.2%
Feb-25	0	108 8.4%
Mar-25	0	108 8.4%
Apr-25	0	108 8.4%
May-25	0	108 8.4%
Jun-25	0	108 8.4%
Jul-25	0	108 8.4%
Aug-25	0	108 8.4%
Sep-25	0	108 8.4%
Oct-25	0	108 8.4%
Nov-25	0	108 8.4%
Dec-25	0	108 8.4%
TOTAL		108 96.7%
Total Avg % PIS Y1		96.7%
YEAR 2 (cumulative)		
Jan-26	0	108 8.4%
Feb-26	0	108 8.4%
Mar-26	0	108 8.4%
Apr-26	0	108 8.4%
May-26	0	108 8.4%
Jun-26	0	108 8.4%
Jul-26	0	108 8.4%
Aug-26	0	108 8.4%
Sep-26	0	108 8.4%
Oct-26	0	108 8.4%
Nov-26	0	108 8.4%
Dec-26	0	108 8.4%
TOTAL		108 100.9%
Total Avg % PIS Y2		100.9%

PIS SCHEDULE FOR SITEWORK/PERS. PROP. DEPRECIATION

YEAR 1		2025
Mid-Year Convention		
Month	Building No.	Bldg. PIS by Month No. Units Percent
Jan-25	1	108 0.0%
Feb-25	0	0 0.0%
Mar-25	0	0 0.0%
Apr-25	0	0 0.0%
May-25	0	0 0.0%
Jun-25	0	0 0.0%
Jul-25	0	0 8.4%
Aug-25	0	0 8.4%
Sep-25	0	0 8.4%
Oct-25	0	0 8.4%
Nov-25	0	0 8.4%
Dec-25	0	0 8.4%
TOTAL		108 50.5%
Total Avg % PIS Y1		50.5%
YEAR 2 (non-cumulative)		
Jan-26	0	0 8.4%
Feb-26	0	0 8.4%
Mar-26	0	0 8.4%
Apr-26	0	0 8.4%
May-26	0	0 8.4%
Jun-26	0	0 8.4%
Jul-26	0	0 8.4%
Aug-26	0	0 8.4%
Sep-26	0	0 8.4%
Oct-26	0	0 8.4%
Nov-26	0	0 8.4%
Dec-26	0	0 8.4%
TOTAL		0 100.9%
Total Avg % PIS Y2		100.9%

Calculation of Net Syndication Proceeds

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			As of Closing
Total Federal Credit (10 yr) & State Credit		35,295,094	0
<i>Total Federal Credit</i>	<i>25,000,000</i>		0
<i>Total State Credit</i>	<i>10,295,094</i>		0
Gross Proceeds (Total)		31,041,823	0
<i>Gross Proceeds - Federal Credit</i>	<i>22,497,750</i>		0
<i>Gross Proceeds - State Credit</i>	<i>8,544,073</i>		0
Gross Proceeds (net of Energy/Historic Credit Proceeds)		31,041,823	0
Less: LP Syndication Costs			
Attorney	25,000		
Accountant	16,000		
Consulting	82,500		
Other:			
Total Syndication Costs		123,500	0
Total Syndication Costs/Gross Proceeds		0.40% (Syndication Load)	0.00000%
Net Proceeds		30,918,323	0
Net Proceeds/Total Fed and State Credit		0.875995	tax credit price
Gross Proceeds (Total)/Total Fed and State Credit		0.879494	tax credit price
Gross Proceeds - Federal/State Disaggregated			
Federal		0.900000	tax credit price
State		0.830000	tax credit price
Net Proceeds - Federal/State Disaggregated			
Federal		0.896330	tax credit price
State		0.826615	tax credit price
Certificated State Credits			
Total State Credit Certificates		0	
Gross Proceeds from Certificated Credits		0	
Gross Proceeds/Certificated Credit		0.83000	
PV Credit			
Total Energy Credit		0	
LP Share		0	
Gross Proceeds from Energy Credit		0	
Gross Proceeds/Energy Credit		1.00000	
Historic Credit			
Total Historic Credit		0	
LP Share		0	
Gross Proceeds from Historic Credit		0	
Gross Proceeds/Historic Credit		0.75000	
Total Equity			
Gross Proceeds from LIHTC		31,041,823	
Gross Proceeds from Energy Credit		0	
Gross Proceeds from Historic Credit		0	
Total Equity		31,041,823	

TCAC Calculations & Scoring

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THRESHOLD BASIS LIMIT

County:	Merced	TCAC Project #:				
9% or 4% credits:	9%	CDLAC Project #:				
Year:	2022					
Base Limits for Geographic Region		Threshold Basis Limit for This Project				
Unit Type	9%	4%	Unit Type	# Units	Per Unit Basis Limit	Total
0 BR	238,133	238,133	0 BR	0	238,133	0
1 BR	274,565	274,565	1 BR	20	274,565	5,491,300
2 BR	331,200	331,200	2 BR	60	331,200	19,872,000
3 BR	423,936	423,936	3 BR	27	423,936	11,446,272
4 BR	472,291	472,291	4 BR	0	472,291	0
5 BR	472,291	472,291	5 BR	0	472,291	0
				107		36,809,572
Energy/Resource Efficiency Boosts		Additional Basis Adjustments				
Renewables (50% tot./90% area)	0%	Boost for Prevailing Wage			20.0%	
Renewables (75% CA/90% area)	0%	Boost for Project Labor Agreement			0.0%	
Title 24 + 15%	0%	Boost for Parking beneath Units			0.0%	
Post-rehab improvement > 80%	0%	Boost for Childcare			0.0%	
Greywater landscaping	0%	Boost for 100% Special Needs			0.0%	
Community gardens > 60 s.f.	0%	Boost for elevator service			0.0%	
Natural flooring kitchens	0%	Boost for Type I construction			0.0%	
Natural flooring common area	0%	Boost for Type III construction			0.0%	
EPA Indoor Air Plus Program met	0%	Subtotal Boost			20.0%	7,361,914
		Boost for Energy / Resource Efficiency			0.0%	0
		Toxic/Seismic Abatement Costs			0.0%	0
		Local Development Impact Fees				800,000
Subtotal Efficiency (Max 10%)	0%	High Opportunity Area			0%	0
		BONDS: Boost for units ≤ 50% AMI (excl. CA credit project)			0.0%	0
		BONDS: Boost for units ≤ 35% AMI (excl. CA credit project)			0.0%	0
		Total Threshold Basis Limit				44,971,486
		Potential Eligible Basis				49,779,264
		Eligible Basis Surplus/(Deficit)				(4,807,777)

TCAC HIGH COST TEST

	Federal Credit	CA State Credit	HCD 2017 UMR
Total Eligible Basis	49,779,264	49,779,264	49,779,264
Total Adjusted TBL	44,971,486	44,971,486	44,971,486
Percentage of ATBL	110.69%	110.69%	110.69%
Amount Over/(Under) 130% Limit (160% Limit for HCD)	(8,683,669)	(8,683,669)	(22,175,114)

TCAC POINTS

Lowest Income Points

Rural Project?	N				
Number of Targeted Tax Credit Units	Percent of Area Median Income (AMI) (30% - 55%)	Percentage of Units to Total Units (before rounding down)	Percent of Income Targeted Units to Total Tax Credit Units (exclusive of mgr units)	Points Earned	
0	20	0.00	0	0	
23	30	21.70	20	30	
0	35	0.00	0	0	
0	40	0.00	0	0	
30	45	28.30	25	18.8	
28	50	26.42	25	12.5	
0	50	0.00	0	0	Rural Projects Only
0	55	0.00	0	0	Rural Projects Only
81					
		Total Lowest Income Points (No Cap)			61.3
		Total Lowest Income Actual Points			50

Rural Projects Only
Rural Projects Only

Lowest Income Bonus Points

Total @ 30% AMI Required for Points 11

Bedroom Selection	Total Number of Tax Credit Units per Bedroom Size	Number of Targeted Tax Credit Units @ 30% AMI	Percentage of Units to Total Units (by bedroom size)	10% by Unit Type	Minimum Units Required at / below 30% AMI	
5 BR	0	0	0.0000	0.0000	0.0000	Pass
4 BR	0	0	0.0000	0.0000	0.0000	Pass
3 BR	27	3	0.1111	3.0000	3.0000	Pass
2 BR	59	10	0.1695	6.0000	6.0000	Pass
1 BR	20	10	0.5000	2.0000	2.0000	Pass
SRO	0	0	0.0000	0.0000	0.0000	Pass
Total	106	23				
Total Lowest Income Bonus Points						2

TCAC TIEBREAKER

Leveraged Soft Resources	
Committed Eligible Public Soft Funds	21,669,950 <i>Net of Accrued Interest</i>
Value of Donated Land / Fee Waiver	0
Value of Committed Rental Subsidy Leveraging	0
Less: Non Project-Specific Offsets	0
Less: Purchase Price in Excess of Appraisal	0
Residential Percentage of TDC	100.00%
Subtotal Residential Eligible Public Funds	21,669,950
* Percentage Large Project Boost	128.50%
Adjusted Residential Eligible Public Funds	27,845,886
Residential Total Costs of Development	52,711,874 <i>Net of Accrued Interest</i>
Ratio of Leveraged Soft Resources / TDC	52.83% <i>and offsets</i>
Requested Unadjusted Eligible Basis	
Requested Unadjusted Eligible Basis	27,777,778
Residential Total Costs of Development	52,711,874 <i>Net of Accrued Interest</i>
Ratio of Basis/TDC	52.70% <i>and offsets</i>
Inverse of Ratio Divided by 2	23.65%
Base Tiebreaker Score	76.48%
High Opportunity Boost	0.00%
Total Tiebreaker Score	76.48%
Tiebreaker at Application	76.48%

