



INNOVATIVE HOUSING
OPPORTUNITIES

2020 ULI YLG PRO-BONO TECHNICAL
ASSISTANCE PANEL (TAP)



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INTRODUCTION



ABOUT THIS PROGRAM

ABOUT ULI

The Urban Land Institute (ULI) was founded in 1936 as a nonprofit institute to conduct research and provide information on all aspects of real estate development and land use policy. ULI has nearly 40,000 public and private sector members comprised of professionals in all aspects of real estate development, policy, and regulation. ULI has 65 district councils in the Americas, Europe, the Middle East and Asia—a worldwide staff of 155 and a \$50 million annual operating budget.

ULI has been a leader in smart growth, mixed-use development, urban redevelopment, transportation and affordable housing. ULI Orange County/Inland Empire (OC/IE) is ranked among the top 10 largest district councils in the world, with over 1,000 individual members.

THE TAP PROGRAM

Since 1947, ULI's Advisory Services Program has been assisting communities by bringing together panels of seasoned real estate, planning, financing, marketing, and development experts to provide unbiased pragmatic advice on complex land use and development issues. Often these panels meet with the sponsoring government or nonprofit entity for five days at a fee of about \$135,000, and typically address issues of a broad and long-range scope. ULI District Councils provide panel services of one day. A small fee of \$15,500 is charged, but the panel members are not compensated for their time.

TAPs are a way for members to give back to the community. ULI acknowledges all members who give their time and talent to support a local organization. To ensure objectivity, panel members may not be involved in matters pending before or be working for the sponsor and cannot solicit work from the sponsor during the panel's assignment period. The Young Leaders Group (YLG) of the ULI OC/IE began conducting TAPs in 2007, on a pro bono basis for charitable organizations. This type of TAP was the first of its kind for a ULI District Council. Orange County's TAP is in its twelfth program year, and typically consists of six to ten young leaders. Past causes include Orange County Rescue Mission, Moses House Ministries, United Cerebral Palsy, and Habitat for Humanity.



INNOVATIVE HOUSING OPPORTUNITIY

At Innovative Housing Opportunities (IHO), their vision is to build affordable housing environments that are indistinguishable from market rate properties, where residents can thrive, develop healthy habits, and achieve their dreams. IHO believes that thriving communities start with housing, but doesn't end there. They provide opportunities for residents who are able, to achieve housing independence and go on to become mentors to other struggling with housing insecurity. They are proud that our portfolio reflects this mission.

IHO was formed in 1976 to help the business industry and government address the shortage of low to moderate income housing in the City of Irvine. Today, IHO's development portfolio has expanded to include high-quality, well-designed, affordable housing in suburban, urban infill, low-income, and high cost neighborhoods throughout the Southern California region. Their community residents are comprised of seniors, families, veterans, those living with mental illness, formerly homeless, developmentally disabled and other special needs and mixed populations.

MISSION

To enrich communities by providing high-quality affordable housing, impactful Resident Services, and Economic Self-Reliance™ programs to those most in need.

That everyone has access to vibrant communities in which they thrive.

VISION

VALUES

Putting people and their needs first. We lead with integrity and stay true to our mission. We strive for excellence in everything we do, welcome positive change, and embrace collaboration for the greatest impact.

2020 ULI YLG PANELISTS



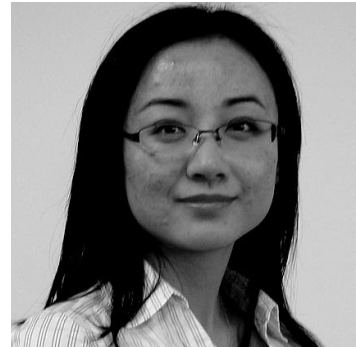
TIM GILLESPIE

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SCOPE OF WORK



ABOUT THE PROJECT

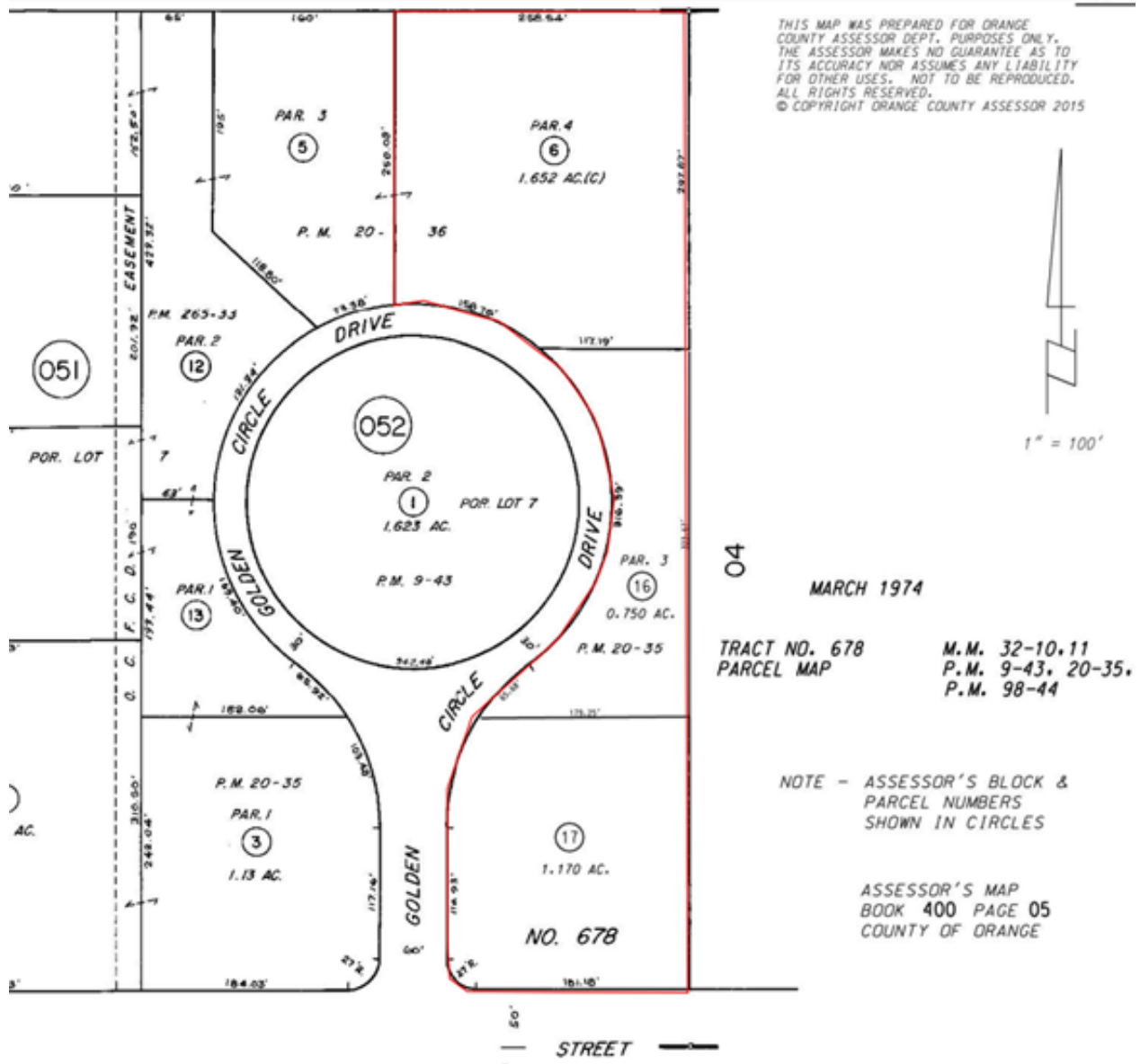
The 2020 TAP included an analysis of the in-place plans for the redevelopment of Innovative Housing Opportunities' headquarters in Santa Ana, CA. Innovative Housing Opportunities is a non-profit affordable housing developer with projects across southern California. The firm recently relocated to a new headquarters in Santa Ana and has acquired the property with plans of redeveloping the property to include 160 affordable housing units and 15,000 square feet of commercial space, which will be inclusive of IHO's headquarters. The TAP collaborated with the IHO team to discuss the goals of the proposed development as well as how the panel could provide the most value to the project.

IHO was interested in exploring options for how to reduce the overall construction costs of the project while generally keeping the scope of the project the same. The TAP has included several recommendations within the report to discuss how to reduce construction costs. Furthermore, IHO requested that any proposals made by the TAP would generally align with the original plans for the redevelopment which include the creation of two independent phasable developments consisting of approximately 160 total units while maintaining active commercial uses located along East 4th Street, providing 10,000 square feet of office space for IHO, and meeting the requirements of the MEMU to the extent feasible. As such, the TAP took all of these objectives into consideration when compiling the various analyses and recommendations within this report.

The TAP consisted of a team of individuals with wide-ranging professional expertise in areas that are conducive to leading a real estate development project; individuals had backgrounds in architecture, city planning, design, civil engineering, financing, and construction. The TAP was able to collaborate with the IHO team over the course of several months, ultimately delivering a formal presentation to the IHO team and composing the report herein which includes an analysis of the proposed development and additional recommendations for the project.

1. EXISTING CONDITIONS

The existing site consists of developed properties located at 2021 4th Street, 501 N. Golden Circle Drive, and 601 N. Golden Circle in the City of Santa Ana (APNs: 400-051-06, 16, and 17). The site totals approximately 3.5-acres with multiple existing buildings on site. The existing site is a commercial center with main access via 4th Street with an abundance of surface parking lots and easy regional access from the Santa Ana and Costa Mesa freeways.



The property on 2021 4th Street (APN: 400-051-17) is occupied by a two-story office building of approximately 21,325 sq.ft. per story. The existing building is located on the southwest corner of the property, closest to the northeast corner of the intersection between 4th Street and Golden Circle. The existing building is currently served by 59 parking stalls located along the northern and eastern ends of the property. Per the ALTA survey prepared by Fuscoe Engineering dated June 11, 2019 the property also has access to 10 shared parking spaces with

the northerly development having an address of 501 N. Golden Circle (reference easement 3b). Based on available records the property currently has sewer, domestic water, electrical and telecommunication service which would be reused as part of the proposed development. The site has four vehicular access points, one from 4th Street on the southeast corner of the site, one from Golden Circle on the northwest corner of the site and two driveway connections to the parking area in the property aforementioned to the north. The site also contains multiple pedestrian connections to the public right of way on 4th Street and a pedestrian connection to the public right of way on N. Golden Circle Drive.

The property located at 501 N. Golden Circle (APN: 400-051-16) is occupied by the Orange County Community Housing Corporation within an existing approximately 13,000 sq.ft. two-story building. It has reciprocal parking and access with the property immediately north and south of it. There are existing available wet and dry utility services which could be reused as part of the proposed development.

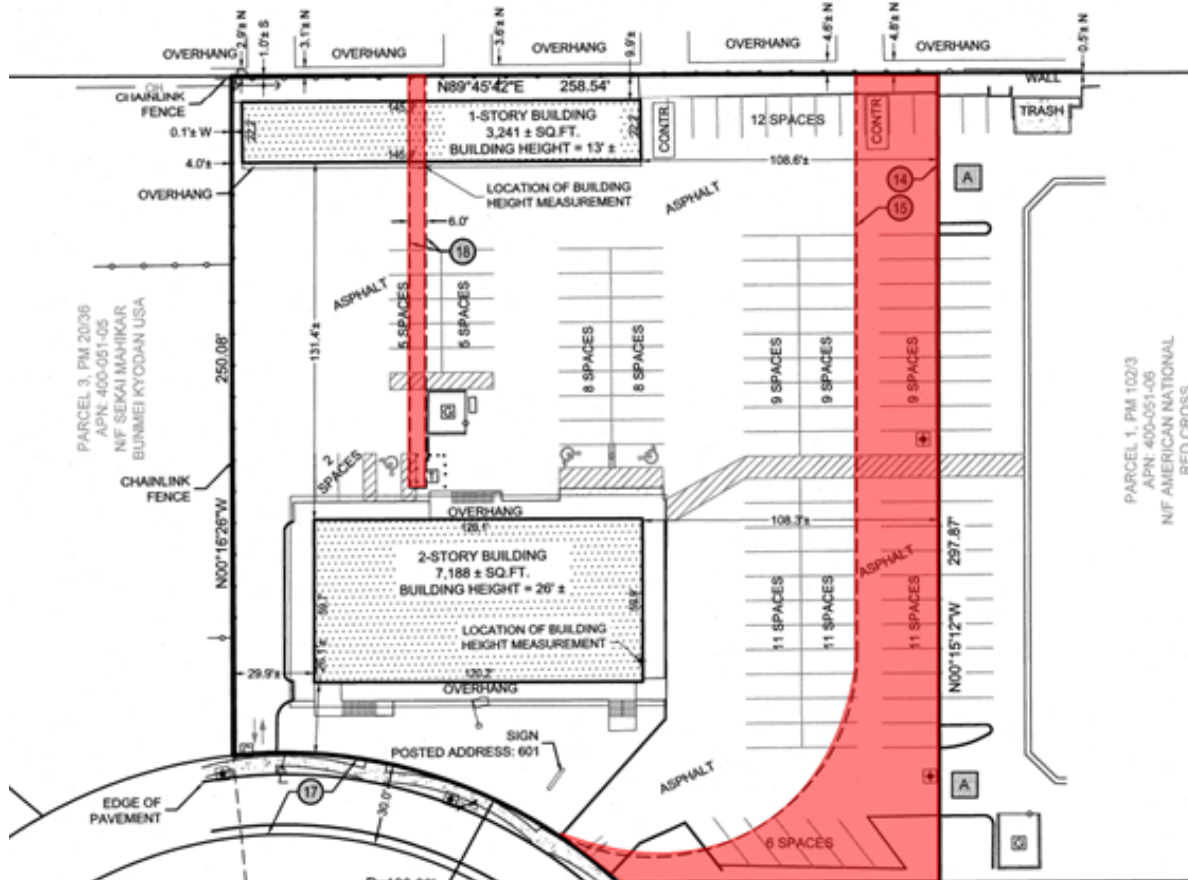
The property located on 601 N. Golden Circle (APN: 400-051-06) is occupied by a two-story office building of approximately 7,188 sq.ft. per story located on the southwest corner of the property and a one-story building of approximately 3,241 square feet. The existing buildings are currently served by 104 parking spaces located along the eastern end of the property. Based on available records the property currently has sewer, domestic water, electrical and telecommunication service which would be reused as part of the proposed development. The site has three vehicular access points, one from N. Golden Circle on the southeast corner of the site and two driveway connections to the parking area in the property located to the east. The site also contains a pedestrian connection to the public right of way on N. Golden Circle and the adjacent property to the east.

ALTA - Existing Easements

Analysis of all the existing easements on the project site was made based on the two ALTA survey provided by IHO. The first was Fuscoe Engineering's prelim ALTA dated June 11, 2019 was completed for APN: 400-051-17 and easements impacting APN: 400-051-16 were indicated based on information available from the preliminary title report; however, no separate ALTA was conducted for the middle parcel (APN: 400-051-16). The second ALTA was prepared by Bock & Clark Corporation, an NV5 Company, dated December 26, 2019 for the northerly parcel (APN: 400-051-06). The property located on 601 N. Golden Circle contains two easements that would need to be quitclaimed for the future development of the property. Both easements have been highlighted in red in the image below and are described as follows:

- Item 18 on the title report is a 5' wide Southern California Edison easement for the primary conduit that serves the existing transformer for the property. IHO will need to coordinate for the service removal, transformer relocation and easement quit claim with a dry utility consultant. Based on available records, the existing transformer seems to only serve the existing building, thus no issues are expected with regards to the relocation of the transformer for the proposed development.
- Items 14 and 15 on the title report are a 25' wide City of Santa Ana easement for future street and drainage purposes. Based on the available data, a portion of this easement traverses into the southerly parcel into the adjacent southern property (501 N. Golden Circle). Given the location of the easements and the lack of connectivity to the north (property to the north is developed as residential) and south (property to the south is developed as an office building). IHO should request that the existing easement be quit claimed by the City of Santa Ana as part of this project. If the City is not willing to quit claim the existing easement, IHO and its consultants would need to review site plan alternatives that place all permanent structures outside of the easement limits. This

could be accomplished by relocating the existing driveway to the southwest corner of the property (at the easement limits) and proposing to install the required parking within the easement limits. It should be noted that a permanent structure (inclusive of parking structure) would not be allowed to be constructed over the existing easement if it is not quit claimed. However, this area could be used for surface parking or open space.



The property located on 2021 4th street contains one easement that would need to be taken into consideration as part of the proposed development. The existing SCE easement has been highlighted in the image below and is described as follows:

- Item 2 on the title report is an existing 6' wide SCE easement for the installation and maintenance of overhead power lines. This easement lies within the required landscape setback for the City of Santa Ana therefore it is not expected to conflict with the proposed development.

Utilities

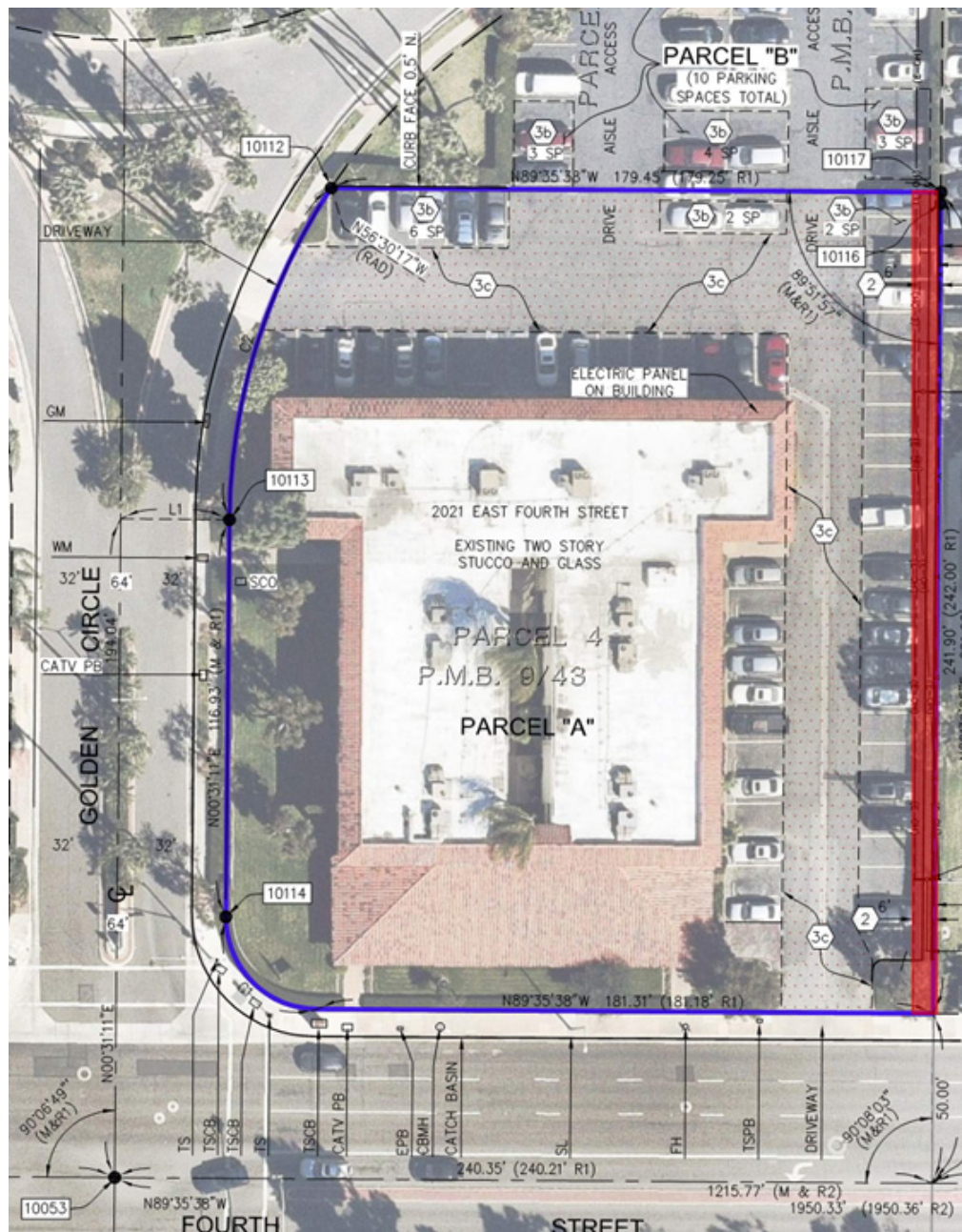
Water Service

Per the 2017 City of Santa Ana Water Master Plan Report completed by Tetra Tech the existing water main located on Golden Circle Road has been identified as having the lowest likelihood of failure score and was not included in the areas of insufficient water pressure. Based on the results of the analysis, it is expected that the project will not require off-site improvements water main improvements.

Based on the changes in use and expected water demands for each use, it is expected that a new domestic water service lateral will be required at both developments to accommodate

the increase in use and demand. The required size of the domestic water laterals will be determined by the project's Mechanical Engineer based on the final residential and commercial count for each property; however, it is expected that a 6" service lateral for each phase development will suffice. The new service lateral will be manifolded and separately metered for each residence and commercial suite.

In addition to the expected upsizing of the existing water laterals to each property, two new fire water service laterals will need to be installed at both developments as required by current California Building and California Fire Code Requirements. The required size of the fire water laterals will be determined by the project's Mechanical Engineer based on the final residential and commercial count for each property; however, it is expected that an 8" service lateral for each phased development will suffice. Unlike the domestic water service lateral, the fire service lateral does not require manifold nor sub metering.



Sewer Service

Per the City of Santa Ana's Sewer Master Plan Update (2016) a portion of the existing sewer main on the northern side of Golden Circle Drive has been identified as having a medium Likelihood of Failure (LOF). The risk of asset failure is calculated by quantifying the likelihood of failure and the consequence of failure of a sewer asset. The two primary indicators of likelihood of failure were utilized in the Pipe Rating Model:

- **Structural Condition:** Structural condition was determined based CCTV inspection results, as stored in the WinCan CCTV database. If CCTV inspection data did not exist for a pipe segment, then the likelihood of failure was estimated based on pipe segment age. Structural condition is a strong indicator of likelihood of failure and was heavily weighted.
- **Capacity Deficiency:** This likelihood of failure factor is calculated from hydraulic modeling results. Sewers that are predicted to be heavily surcharged or potentially overflowing under a design event peak wet weather flow condition were considered to have a high likelihood of failure due to capacity deficiency.

The recommended action to mitigate the risk of failure is the replacement of the existing pipe per the City of Santa Ana's Sewer Master Plan Update. Based on the primary factors identified, failure of the sewer line would be a resultant of structural failure (collapse of the existing pipe). This is caused by pipe degradation due to the age of the pipe in addition to soil loading that varies over time as the adjacent sites are developed / redeveloped. The expected cost of the pipe removal and replacement is \$35,000.00. It should be noted that the pipe removal and replacement include the resurfacing of the street per City Standards and the installation of two new sewer manholes, however it does not include plan preparation, plan check, permit or inspection fees.

The site would likely require two new sewer lateral connections, size to be determined based on final project layout and site design.

Storm Drain System

Based on available City records and site visit findings there is no available public stormwater conveyance system adjacent to the proposed developments. That is, there is not storm drain system which the project site can connect to and all stormwater runoff must be conveyed via surface flow along the public curb and gutter on Golden Circle and 4th street to the nearest catch basin.

Preliminary soils analysis conducted based on the Federal Governments WebSoil Survey Database revealed that the existing soils underneath the site would provide percolation rates favorable for infiltration. It is recommended that the geotechnical analysis conduct soils borings and percolations tests at depths of 40' to 60' below ground surface. Deep testing will be used to confirm if drywell infiltration systems are a viable option for stormwater treatment.

Drywells infiltration systems would be the preferred method for stormwater treatment because they require a minimal surface area and, depending on in-situ infiltration rates, can negate the need for additional detention storage to meet the sites hydromodification and high flow storm event attenuation requirements.

Electrical Service (SCE)

Based on available records, both parcels (2021 4th Street and 601 N. Golden Circle) currently have electrical service from the south and north sides of the parcels respectively. The exiting

service from 4th Street which provides electrical primary lines to 2021 4th Street and the adjacent properties is through an overheard line and approximately 30' high wood poles. It is expected that the City of Santa Ana will request and condition the project to underground said lines. The scope, fee and schedule of said underground is beyond the scope and expertise of this TAP. It is recommended that IHO consult with a dry utility consultant to fully understand the cost associated with this work. Please note that this recommendation is made in anticipation of the City's condition. If no undergrounding of utility is made, then said issue would no longer be of concern.

As previously noted in the existing easements section of this report, the existing service from the north side of 601 N. Golden Circle is provided through an electrical primary line currently running within the existing 5' easement. This service primary would need to be removed or extended to the new transformer location. Based on available records, it is not anticipated that the transformed is shared, therefore the relocation of the existing transformer is not a concern.

2. PLANNING ANALYSIS

The project site is located within the City of Santa Ana's Metro East District Center General Plan Land Use designation area with an allowable FAR of 3.0 and a theoretical build out for accounting for 5,037 dwelling units and 2,646,766 sq.ft. of non-residential area (Table 1 and Table A-4 of the City of Santa Ana's General Plan Land Use Element). District Centers are characterized as areas to be developed with an urban character that includes a mixture of high-rise office, commercial, and residential uses which provide shopping, business, cultural, education, recreation, entertainment, and housing opportunities. The proposed project aligns with the intent of the District Center and is in conformance with the General Plan.

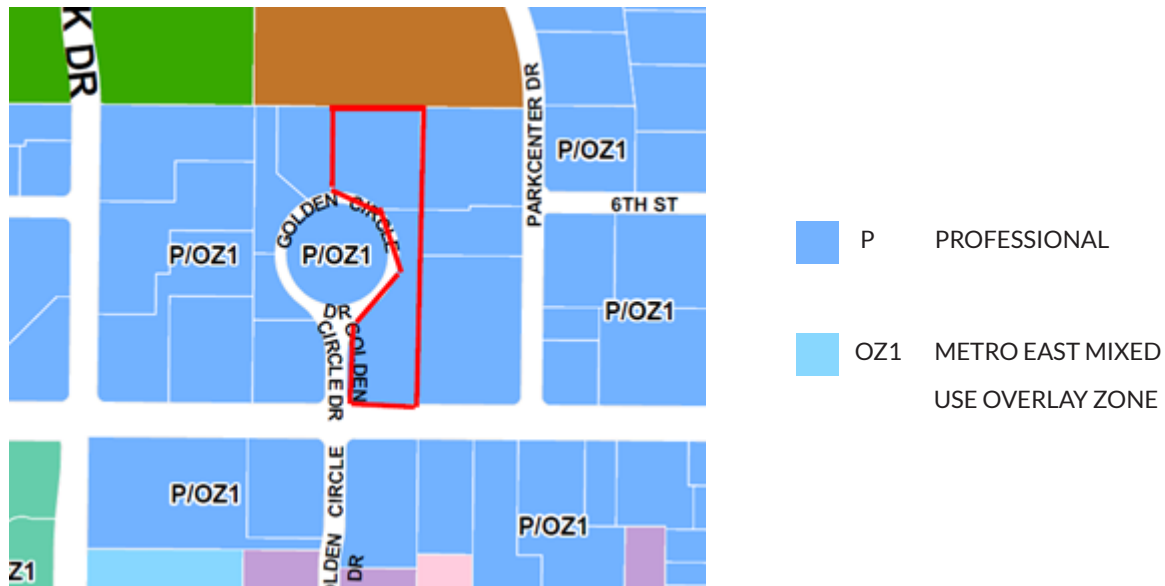
**Table 1
Development Intensity Standards**

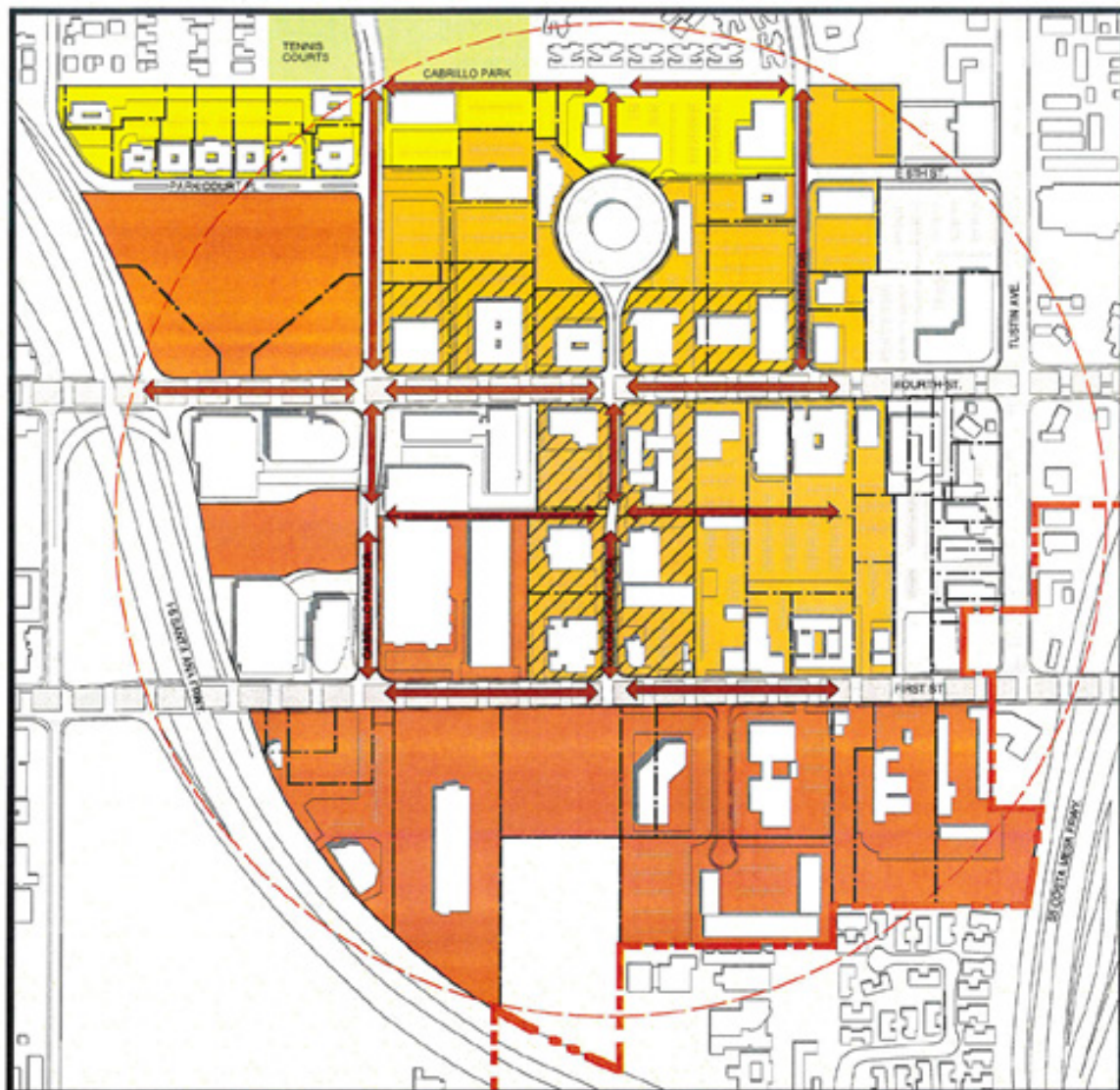
<i>Land Use Designation</i>	<i>Density/Intensity Standards (du/acre - FAR)¹</i>
Residential Land Use Designations	
Low Density Residential (LR-7)	7 du/acre
Low-Medium Density Residential (LMR-11)	11 du/acre
Medium Density Residential (MR-15)	15 du/acre
Mixed Use Land Use Designations	
District Center ² (DC)	
Other District Center (Midtown, MacArthur Place, etc.)	90 du/acre and FAR 1.0-2.0
2525 North Main District Center	FAR 1.43
Heritage District Center	FAR 1.7
Downtown District Center	FAR 3.0
Metro East District Center	FAR 3.0
Transit Village District Center	FAR 5.0
Harbor Corridor District Center	FAR 5.0
Urban Neighborhood	
Transit Zoning Code Area/ Segerstrom, First, Fifth & 17 th Corridor	FAR 0.5-1.80
Harbor Corridor	FAR 3.0
Metro East	FAR 0.75-1.5
Commercial Land Use Designations ³	
Professional and Administrative Office (PAO)	FAR 0.5-1.0
General Commercial (GC)	FAR 0.5-1.0
One Broadway Plaza District Center (OBPDC) ⁴	FAR 2.9
Industrial Land Use Designations	
Industrial (IND)	FAR 0.45
Other Land use Designations	
Institutional (INS)	FAR 0.5

Table A-4
Land Use Plan Build-out Capacities

<i>Land Use</i>		<i>Acres</i>	<i>Intensity/ Density</i>	<i>Effective Buildout¹</i>		<i>Theoretical Buildout</i>	
Residential							
Low Density Residential	LR-7	6,468.1	7 du/ac				45,276 du
Low Medium Density Residential	LMR-11	421.6	11 du/ac				4,638 du
Medium Density Residential	MR-15	364.7	15 du/ac				5,471 du
Subtotal		7,254.4			96,406 du ¹		55,385 du
Mixed Use							
				Non Res.	Res.	Non-Res.	Res.
District Center							
Other ²	DC	309.5	90 du /ac FAR 1.0-2.0	11,955,583 sf	3,017 du	23,764,534 sf	3,017 du
2525 North Main	DC	5.9	FAR 1.43		256 du		256 du
Heritage	DC	18.8	FAR 1.7	54,090 sf	1,221 du	54,090 sf	1,221 du
Downtown	DC	62.5	FAR 3.0	2,057,824 sf	1,661du	2,057,824 sf	1,661 du
Metro East	DC	113.9	FAR 0.75- 3.0	2,464,776 sf	5,037 du	2,464,776 sf	5,037 du
Transit Village	DC	51.4	FAR 5.0	402,864 sf	2,761 du	402,864 sf	2,761 du
Harbor Corridor	DC	125.0	FAR 5.0	1,836,155 sf	2,029 du	1,836,155 sf	2,029 du
Urban Neighborhood	UN	317.0	FAR 0.5-3.0	1,656,955 sf	5,755 du	1,656,955 sf	5,755 du
Subtotal		1,004.0		20,428,247 sf	21,737 du	32,327,198 sf	21,737 du

Additionally, per the City of Santa Ana's zoning map, the proposed project is located within the P/OZ1 zone (Professional/Metro East Mixed Use Overlay Zone). The P zone allows for office and professional service uses. The Metro East Mixed Use (MEMU) Overlay Zone is generally bounded by the Santa Ana freeway immediately to the west and south, Tustin Ave. on the east, and East Sixth St. on the north. The objectives of the MEMU is to encourage more active commercial and residential community, provide an expanded economic base, maximize property sales tax revenues, improve the jobs/housing balance within the City, and provide a range of housing options. The project is located within the Village Center district of the MEMU and aligns with the overall intent of the Overlay Zone in providing more housing within the City as well as encourage creation of residential and commercial community.

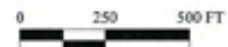




Key

- Study Area
- City Boundary
- Existing Parcel Lines
- Improved Pedestrian and Bicycle Corridor
- ↔ Pedestrian Linkage
- 1,500 ft. Radius Walking Distance

- District 1: Neighborhood Transitional
- District 2: Village Center
- District 3: Active Urban
- Pedestrian-Oriented Uses on Ground Level
- Existing Office Uses



The development of the proposed project is generally guided by the development and design standards written in the MEMU. The proposed residential use is allowed, but there are a limited number of non-residential uses that are permitted within the Village Center district of the MEMU (MEMU Table 3). This report does not go in depth with the analysis for future commercial tenants since they are highly speculative at the time this report is written.

Table 3: Permitted Land Uses					The allowable uses are established by letter designations as follows:
Neighborhood Transitional District Village Center District Active Urban District Office District*					P Permitted by right N Prohibited NA Not Applicable CUP Conditional Use Permit required LUC Land Use Certificate required
	Neighborhood Transitional	Village Center	Active urban	Office	Special Provisions (references to other applicable code sections or limitations)
Residential Uses					
Live/Work Units	P	P	P	N	Subject to Sec. 4.1.2 of this division
Multiple-Family Residential	P	P	P	N	Subject to Sec. 4.1.3 of this division
Non-Residential Uses					
Art galleries and studios including, but not limited to: photography; fine art; fiber art; printing, lithography, and calligraphy; ceramic and pottery; glass blowing and sculpting	P	P	P	P	
Eating establishments, (cafes, restaurants)	P	P	P	P	CUP for liquor sales, after hours operation
Bakeries	P	P	P	P	
Retail and Service uses	P	P	P	P	
Medical and Dental offices	P	P	P	P	
Professional, administrative and business offices	P	P	P	P	
Child care facilities	P	P	P	P	
Gymnasiums and health clubs	N	P	P	CUP	
Hotels	N	P	P	CUP	
Indoor/outdoor entertainment	N	P	P	P	As defined in Chapter 41 of the SAMC
Religious Institutions	CUP	CUP	CUP	CUP	
Schools	N	P	P	N	
Tattoo Establishments	N	P	P	N	Subject to Sec. 41-199.3 of the SAMC
Temporary outdoor activities	LUC	LUC	LUC	LUC	Subject to Sec. 41-195.5 of the SAMC
Theaters and cinemas	N	P	P	P	
Use/Operational Standards					
Drive through establishments	N	N	N	N	

The Village Center District guidelines development standards (MEMU Table 2) allows for a maximum of 6 stories up to 10 stories in the Village Core area as defined by the MEMU. The proposed project design by IHO and the alternative options that will be discussed in the next section will not exceed the 6-story max height allowed. The minimum development site area is 30,000 sq.ft., the project site is made up of three parcels which are all individually larger than 30,000 sq.ft., aggregating to a development project of approximately 3.5-acre. The IHO designed plans has 34,000 sq.ft. (0.78-acre) of both public and private open space planned while alternative options will also provide 0.4-acre (approx. 17,000 sq.ft.) of open space which meets the required 10% publicly open space of the total site area and the 90 sq.ft. of private open space per unit. All design schemes are anticipated to meet the minimum building setback requirements as noted per MEMU Table 4.

Table 2: Development Standards Summary

Development Standards by District				
	Neighborhood Transitional District	Village Center District	Active Urban District	Office District
4.1 Land Uses	(See Table 3)			
4.2 Maximum No. Stories	4	6 10 stories in Village Core (See Section 4.2)	No Maximum 3 Stories Minimum	10
4.3 Minimum Development Site Area	20,000 sq. ft.	30,000 sq. ft.	1 acre	1.5 acre
4.4 Permitted Street Level Building Frontages				
Front Porch	Yes	Yes	No	No
Stoop	Yes	Yes	No	No
Forecourt	Yes	Yes	Yes	Yes
Shop Front	Yes	Yes	Yes	Yes
Gallery	Yes	Yes	Yes	Yes
Arcade	Yes	Yes	Yes	Yes
4.5 Publicly Accessible Open Space	5% of Total Lot Area	10% of Total Lot Area	15% of Total Lot Area	15% of Total Lot Area
4.6 Private/Common Open Space	90 sq. ft. per unit	90 sq. ft. per unit	90 sq. ft. per unit	10% of Total Lot Area
4.7 Building Setbacks	(See Table 4 on Page 21)			
4.8 Parking *	Residential: 2.25 spaces per unit Non-Residential: Per Code	Residential: 2-2.25 spaces per unit Non-Residential: Per Code	Residential: 2-2.25 spaces per unit Non-Residential: Per Code	Office: 3 spaces per 1,000 sq. ft. Other: Per Code

* For further detail, refer to Section 4.8, Parking and Access.

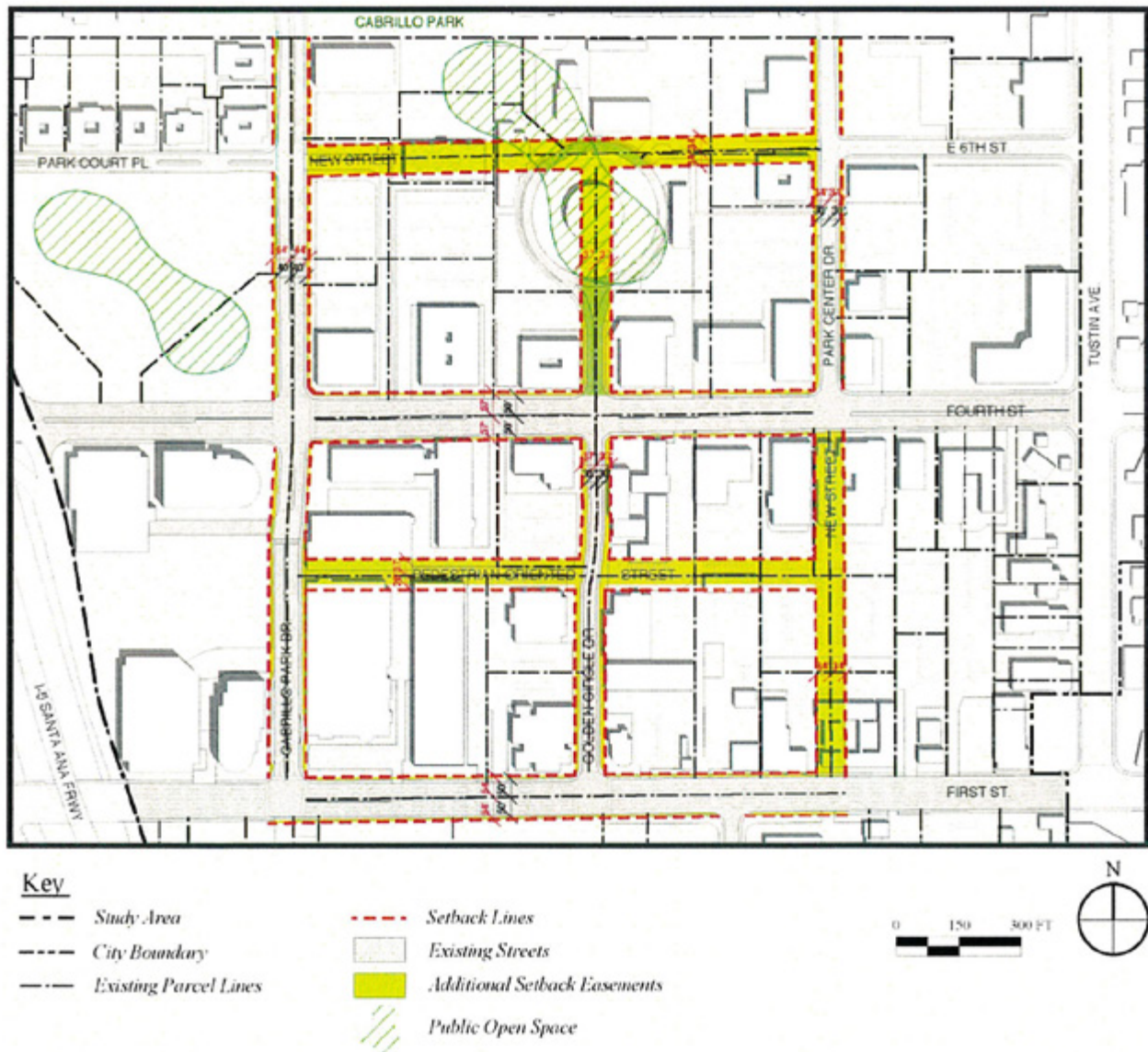
Table 4: Building Setbacks			
Setbacks or Separation (1) (2) (3)		Min.	Max.
Building to Street and Parking			
Adjacent to public street right-of-way or public easement		---	10 ft (4)
Adjacent to alley or internal aisle		3 ft	---
Adjacent to parking		7 ft	---
Clear Zone		25 ft	---
Building to Property Line			
Adjacent to any residential use	1st and 2nd floor	15 ft	---
	3rd floor and above (5)	20/30 ft	---
Adjacent to all other uses	All floors	5 ft	---
Building to Building			
Up to 3rd floor		6 ft	---
4th floor and above		15 ft	---

The project is anticipated to provide no more than 10% of gross floor area devoted to commercial uses. Per section 4.8 of the MEMU and Chapter 3 of the original EIR (reference Table 3-1 from the original EIR) prepared for the overlay zone, the Village Center District allows for mixed-use development with less than 10% of gross floor area devoted to commercial activity to park at the rate of 2.0 spaces per residential or live/work unit inclusive of guest parking and any nonresidential uses. However, in the Metro East Mixed-Use Overlay District Expansion and Elan Development Projects Subsequent EIR (prepared by ICF dated June 2018), a change was proposed to the MEMU parking standards which would allow for 1.8 parking spaces instead of 2.0 (reference Table ES-1). The IHO designed site plan and Option 1 of the alternative design meets the required 1.8 parking ratio. Option 2 of the alternative design has a lowered parking ratio of 1.35 stalls per unit which will be discussed in more detailed in the following section.

Table 3-1 Development Standards Summary Matrix				
	Neighborhood Transitional	Village Center	Active Urban	Office
Publicly Accessible Open Space	5 % of Total Lot Area	10 % of Total Lot Area	15 % of Total Lot Area	15 % of Total Lot Area
Private/Common Open Space	100 sf per unit	100 sf per unit	100 sf per unit	10% of Total Lot Area
Building Setbacks				
Front	0–10 Ft	0–20 Ft	0–20 Ft	0–20 Ft
Side	0–10 Ft	0–10 Ft	0–10 Ft	0–20 Ft
Rear	0–10 Ft	0–10 Ft	0–10 Ft	0–20 Ft
Parking	Residential: 2.25 parking spaces per unit Non-residential: Per Division 3 of Article 15 of the Municipal Code ^a	Standalone non-residential: Per Division 3 of Article 15 of the Municipal Code Standalone Residential: Per Division 3 of Article 15 of the Municipal Code Mixed-use with <10% of the gross floor area (gfa) devoted to commercial: Minimum of 2.0 spaces per unit, inclusive of guest parking and any non-residential uses. Mixed-use with >10% of the gfa devoted to commercial: No less than 2.25 spaces per unit inclusive of guest parking and any non-residential uses. ^{a,b}		Per Division 3 of Article 15 of the Municipal Code

Table 3-1 Development Standards Summary Matrix				
	Neighborhood Transitional	Village Center	Active Urban	Office
Publicly Accessible Open Space	5 % of Total Lot Area	10 % of Total Lot Area	15 % of Total Lot Area	15 % of Total Lot Area
Private/Common Open Space	100 sf per unit	100 sf per unit	100 sf per unit	10% of Total Lot Area
Building Setbacks				
Front	0–10 Ft	0–20 Ft	0–20 Ft	0–20 Ft
Side	0–10 Ft	0–10 Ft	0–10 Ft	0–20 Ft
Rear	0–10 Ft	0–10 Ft	0–10 Ft	0–20 Ft
Parking	Residential: 2.25 parking spaces per unit Non-residential: Per Division 3 of Article 15 of the Municipal Code ^a	Standalone non-residential: Per Division 3 of Article 15 of the Municipal Code Standalone Residential: Per Division 3 of Article 15 of the Municipal Code Mixed-use with <10% of the gross floor area (gfa) devoted to commercial: Minimum of 2.0 spaces per unit, inclusive of guest parking and any non-residential uses. Mixed-use with >10% of the gfa devoted to commercial: No less than 2.25 spaces per unit inclusive of guest parking and any non-residential uses. ^{a,b}		Per Division 3 of Article 15 of the Municipal Code

The original MEMU document proposed two additional setback easements, one of which would connect Park Court Place on the west end to East 6th Street on the east end while the connect would make Golden Circle Road into a straight street instead of a roundabout connector. By changing Golden Circle Road from a roundabout to a straight connector street, it would reallocate additional land back to the adjacent property owners, but eliminate the cohesion of the existing community and demolish the existing office building in the center of the roundabout. The proposed East 6th Street easement would make the development of the northern property nearly infeasible per the current IHO design and the alternative options. It is unlikely that the City of Santa Ana would require this as it would take a tremendous amount of effort and expense to reconfigure private property rights, public street access, restriping of parking and other utilities.



It is recommended that IHO confirm that this will not be a requirement and condition of the proposed project as it would extremely cost prohibitive and would take efforts from all the nearby property owners and the City to come to an agreement.

Traffic and Environmental Impact Analysis

Based on the City of Santa Ana Metro East Overlay Zone Traffic Impact Study completed by Katz, Okitsu & Associates (December 2006) the following intersections were analyzed and found to have a level of deficiency which requires mitigation. These intersections were analyzed under the pretext that the entire Metro East Overlay Zone would be redeveloped as outlined in the MEMU, therefore it is not expected that the proposed project would cause the impact outlined below. It is the recommendation of this TAP that IHO work with the City of Santa Ana to determine an appropriate in lieu fee for the future improvements that are required as a direct result of this project.

Fourth Street & Cabrillo Park Drive

The intersection of Fourth Street at Cabrillo Park currently experiences acceptable level of service (LOS C or better) in both the AM and PM peak hours. The addition of background traffic growth and traffic from the proposed project is expected to reduce level of service to Level of Service F in the PM peak hour. The recommended mitigation for this intersection is the construction of a westbound right turn lane, a northbound right turn lane, and a southbound right turn lane, and restriping to change the lane configuration of the north/south approaches. The northbound and southbound approaches should be controlled by a split phase intersection control and restriped to provide to one left, one shared through-left, one through, and one right turn lane.

The construction of the right turn lanes will require widening of the street approaches. The widening of the westbound approach can be done within the landscape setback area of the parcel on the northeast corner of the intersection. The widening of the southbound approach will require right of way from a vacant property. The widening of the northbound approach will require construction within the existing landscape setback of the adjacent property on the southeast corner. The construction of all three right turn lanes and restriping of the approaches would cost about \$500,000, including acquisition of developed properties and dedication of right of way for undeveloped properties. These improvements are expected to fully mitigate project impacts to Level of Service D.

The level of impact by the proposed development will need to be discussed with the City of Santa Ana Traffic Engineering Department to determine if the required improvements will need to be completed as part of this project. The right turn improvements for all but the southbound approach will require right of way dedication to the City of property within landscape setbacks and can be considered to be feasible by the City of Santa Ana as part of this project.

Fourth Street & Golden Circle

The intersection of Fourth Street at Golden Circle currently operates at Level of Service A in both the AM and PM peak hours. Background traffic growth and traffic from the proposed project is expected to result in a decline in level of service to Level of Service E in the PM peak hour. The recommended mitigation for this intersection is the construction of an eastbound right turn lane, and a restriping of the southbound lane configuration to provide one left turn lane and one shared through-right turn lane. The restriping can be done within the existing curb-to-median width of the intersection. The eastbound right turn lane would require acquisition of right-of-way within the landscape setback area in front of the Citizen's Bank building on the southwest corner of the intersection. This would reduce the landscape setback area in front of the building and require construction of a new sidewalk. The construction of a 100-foot right turn lane would cost about \$150,000, including right-of-way acquisition of the landscape setback area. These improvements will fully mitigate project traffic impacts to Level

of Service D. Based upon the existing level of service, the right turn lane improvement will not be required until substantial redevelopment within the overlay zone occurs. Also, if level of Service E is tolerated or if the final development density in the overlay zone is below the forecast level, the need for this improvement may not occur.

The level of impact by the proposed development will need to be discussed with the City of Santa Ana Traffic Engineering Department to determine if the required improvements will need to be completed as part of this project. The biggest concern with these improvements requires the property on the southwest corner of the intersection to dedicate 12' to the City of Santa Ana for the construction of the required improvements.

project and the fact that no right-of-way acquisition is required for these improvements it is reasonable to assume that the City of Santa Ana will deem these improvements feasible and require they be completed as part of this project.

Feedback from the City of Santa Ana Traffic Engineering Department will be required to determine whether this project will be deemed substantial to require any of these improvements. At a minimum the cost of these improvements would be \$900,000 and the proposed project would need to contribute its fair share. A subsequent traffic analysis was completed as mentioned in the MEMU Overlay District Expansion and Elan Development Projects Subsequent EIR. It analyzed 23 key study intersections and 12 key roadway segments; of the 23 studied intersections – 17 are within City of Santa Ana and 6 are in the City of Tustin. Of the 12 roadway segments – 11 are in the Santa Ana and 1 in the Tustin. 21 of the 23 studied intersections operated at an acceptable LOS during the AM and PM peak hours, except for Elk Lane & Chestnut Ave/Main Street and SR-55 southbound ramps at Fourth Street.

With the added residential density, it is likely that a focused traffic study would need to be conducted to analyze the proposed project at build out. As of July 1, 2020, level of service (LOS) is no longer used to determine significant impact under California Environmental Quality Act (CEQA). New metrics has been switched over vehicle miles traveled (VMT) analysis to determine the level of significant impact. A supplemental noise and air quality analysis would also likely be triggered as part of the proposed project. An addendum to the existing EIR might also be required since it did not analyze for potential impacts of the proposed project. Verification of required CEQA analysis and project impact would ultimately be determined by the lead agency.

3. ANALYSIS OF CURRENT IHO DESIGN

In order to foster a walkable community, IHO developed a concept plan for a mixed-use project which includes 160 affordable dwelling units and 15,000 sq.ft. of commercial space. The development would be split into two (2) phases – Phase 1 involves 2021 East 4th Street and 501 N. Golden Circle and proposes 15,000 sq. ft. of commercial space at the ground level. Additionally, 2,000 sq. ft. of covered community space is provided for the 93,000 sq. ft. of residential.

The site is within the City's Metro East Mixed-Use Overlay Zone (MEMU), which regulates the standards and design for future development in this location, and is designated as being part of the Village Center District. The proposed development meets many of the goals of the MEMU, in particular providing an activated frontage on East 4th Street with urban density and massing forms. The development also meets the goal of hiding parking from public view by locating all parking spaces in a subterranean garage. Public open space is provided at ground level in a podium configuration over the parking garage. The project also locates its highest density along 4th Street frontage at 4 stories tall and steps down in scale as it nears the residential neighborhood due north. Phase 1 is planned with 18 one-bedroom units, 38 two-bedroom units, 18-three and four-bedroom units, and 6 live/work units which would be available for sale.

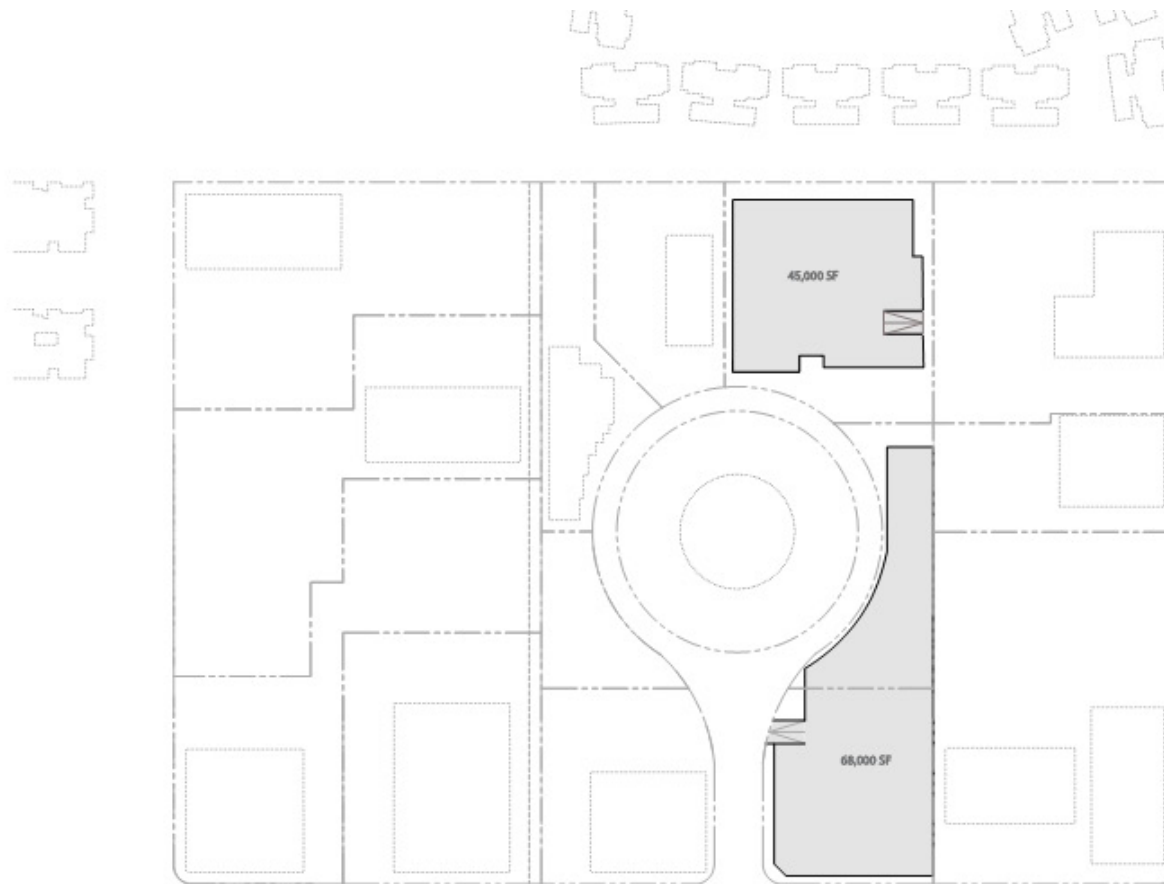
Phase 2 consists of 80 units in a multi-family development with an additional 2,000 sq. ft. of interior community space to serve approximately 96,000 sq. ft. of residential space. In response to the adjacent neighborhood to the north, the multi-family buildings would have a max height of 3 stories. The unit mix for Phase 2 includes 16 one-bedroom units, 30 two-bedroom units, 16 three and four-bedroom units, with 18 units set aside for individuals with Intellectual or Development Disabilities.

A total of 34,000 sq. ft. between the two-phase development will be used for public open space as well as private open space solely for future residents' use. The proposed project would require 288 parking stalls or a rate of 1.8 stalls per unit, all parking is located subterranean giving the ground level back to pedestrian activities. The proposed mixed-use development will provide much needed housing which aligns with the intent and goals of the MEMU.

While the proposed design meets many of the goals of the MEMU and provides an aesthetically attractive environment, it should be noted that the parking configuration as proposed carries significant construction costs. Excavation of the basement, subterranean construction, earthwork export, and landscaping public open space over podium are all factors which result in increased construction costs.

In addition to the items outlined above, the proposed design option of both properties would decrease the vehicular and pedestrian connectivity to the public right of way and adjacent properties, with a decrease in vehicular connectivity being of gravest concern. Due to the change in use at both properties, is it expected that the proposed development would increase the vehicular traffic produced by the respective properties, however the proposed development reduces the vehicular access to both properties to just one point, on the northwest corner for the property located at 2021 4th Street and on the southeast corner for the property located at 601 N. Golden Circle. The decrease in connectivity and increase in vehicular traffic is likely going to cause bottlenecking at the intersection of 4th Street and Golden Circle. This item will likely need to be discussed further with the City of Santa Ana's Planning and Traffic Engineering Departments to determine the best mitigation for the expected increase in traffic and decrease in site access points.

Although both properties currently have utility services, the change in use and demand that is largely increased by the addition of residential units will require upsizing / new connections for potable water, sewer, electrical and telecommunications services in addition to new fire water service lines dedicated to each parcel. Please refer to the Utility section for more information.



PARKING

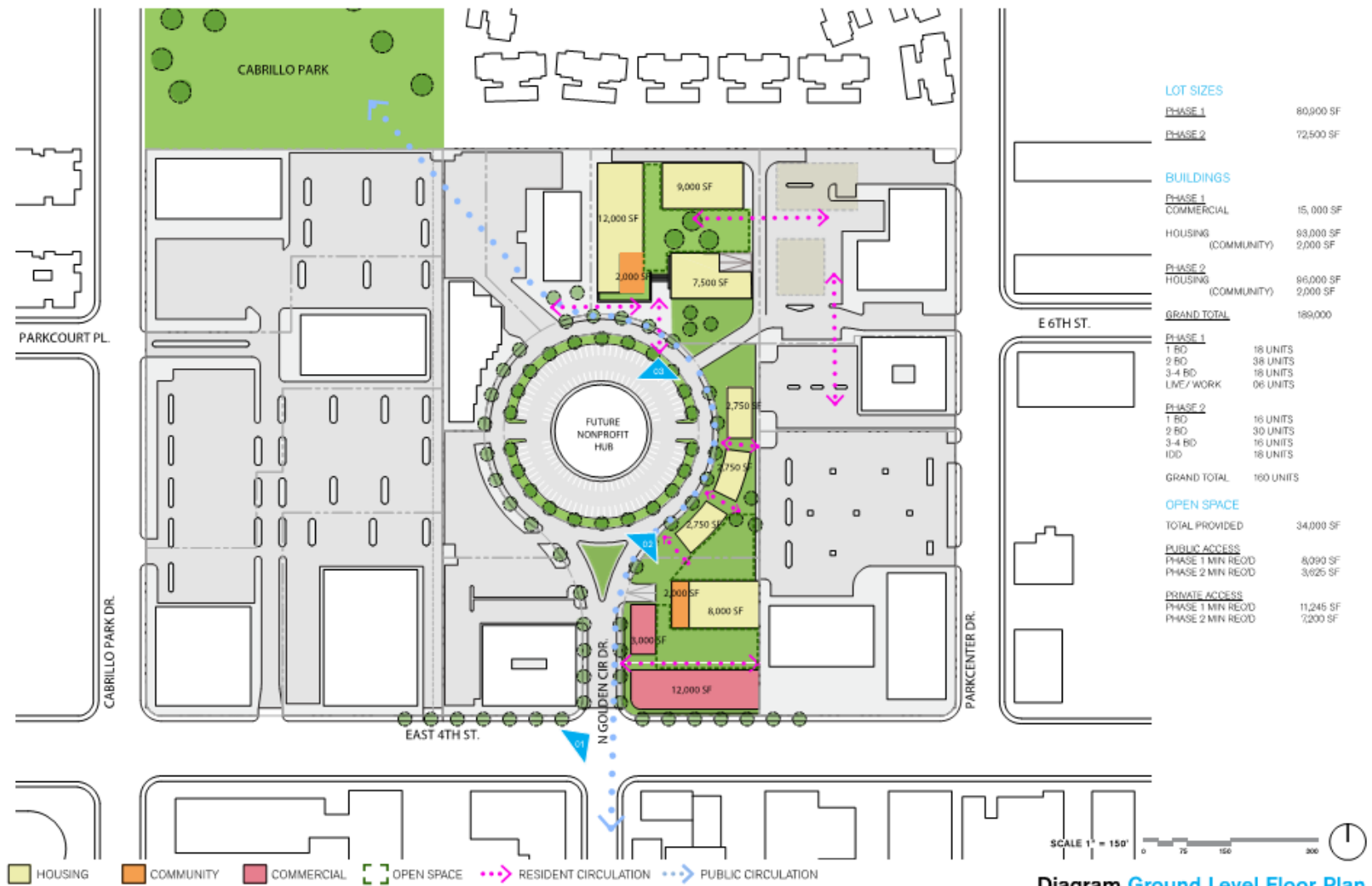
160 UNITS x 1.8	288 PARKING STALL
PHASE 1	68,000 SF AVAILABLE / 360 = 188 STALLS
PHASE 2	45,000 SF AVAILABLE / 360 = 125 STALLS
TOTAL STALL CAPACITY	313 STALLS

SCALE 1" = 150'

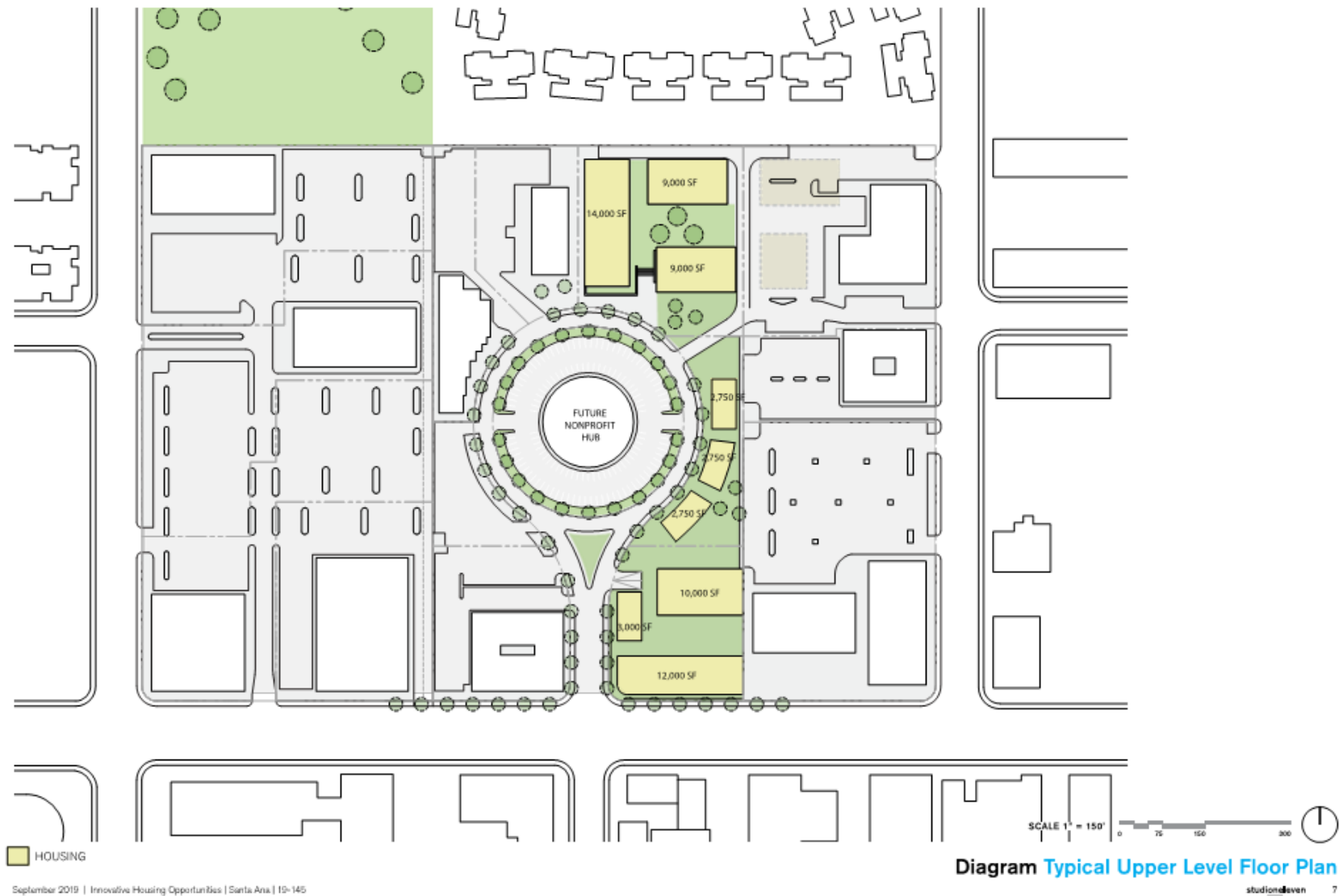


Diagram **Parking Plan**

studioeleven 5



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4. ALTERNATIVE CONCEPT DESIGNS

For the purpose of this study, several goals were identified to guide the alternative concept designs including the two-phase development concept consisting of at least a total of 160 units at a mix of 25-50-25-bedroom ratio, maintain 4th St. as an active corridor, meet the requirements of the MEMU and provide at least 10,000 sq.ft. of non-residential area. The primary goal is to develop a plan that reduces construction costs while maintaining a comparable development program to the current design. The alternative concepts must also meet the goals and requirements of the MEMU with regards to placemaking, public open spaces, and ground level activation.

As part of the initial analysis, the team identified that the desired program of 160 units on approximately 3.5 acres results in a density of 45 units per acre. Given that this is a net development area without internal roads, this density should not require the use of subterranean basement parking or podium construction.

The alternative concept designs that have been developed each yield approximately 160 affordable dwelling units and 10,000 sq.ft. of commercial office space. The residential component consists of two developments that can be built, phased, and operated independently of each other. The public open space is located between the two developments to provide convenient access for both residents and the public. This open space is approximately 0.4 acres, slightly larger than 10% of the site area as required by the MEMU. The southern parcel features ground level activation on East 4th Street and Golden Circle in the form of commercial office space and resident-serving amenities. These amenities could include club rooms, game rooms, business centers, and a leasing office.

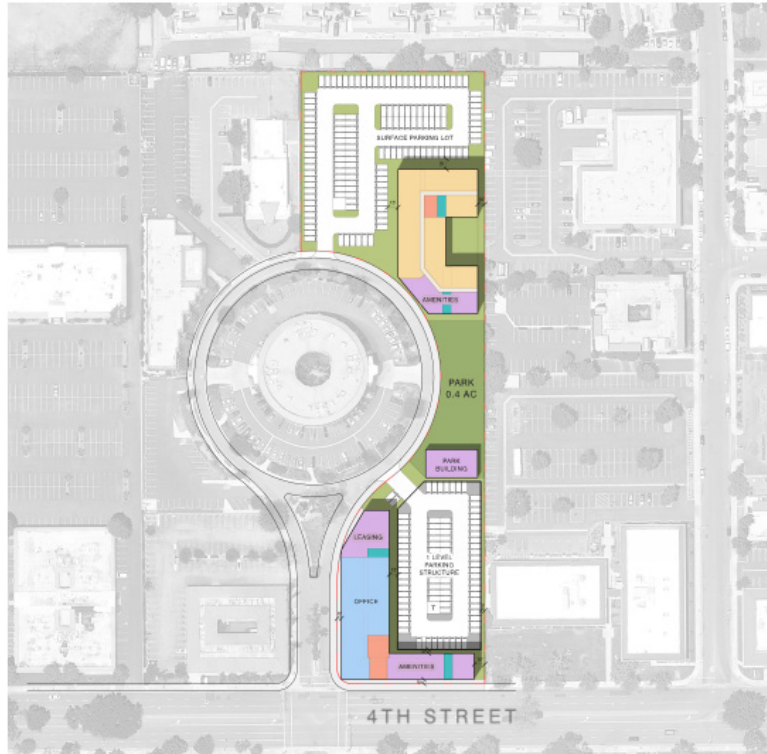
In order to reduce construction costs compared to the current design, the alternative concept designs do not propose any subterranean parking. The primary difference between the two options, as described below, is the number of residential parking spaces that are provided. Option 1 provides 1.8 spaces per residential unit, as is required by City code. Option 2 utilizes an affordable density bonus incentive to reduce the parking ratio to 1.35 spaces per unit.

Option 1

The proposed concept for Option 1 will be broken down into two separate phases of development of the northerly portion (APN: 400-051-06) and southerly portion (APN: 400-051-17) with the public open space primarily situated on the middle parcel (APN: 400-051-16). This option provides a comparable development program in a more cost-effective design. The north parcel consists of a single 5-story building consisting of approximately 75 units and approximately 3,000 sq.ft. of non-residential amenities space. This portion will provide 143 surface grade level parking stalls (or 1.8 spaces per unit). This building may feature ground-floor amenity spaces or leasing office that has a direct interface with the public park. A small portion of the parking lot would need to be screened from the Golden Circle public right of way through enhanced landscaping or a small stand-alone amenity structure.

The south parcel, due to its smaller size and the requirements for ground level activation, is not able to park at a 1.8 ratio with only surface parking. As a result, a 1-level parking deck is proposed along the eastern edge of the property. This structure would be relatively simple and cost effective to build. The residential building is 6-stories in height, creating a more prominent massing element fronting on to East 4th Street. This portion of the development will be able to accommodate for 85 units, approximately 7,300 sq.ft. of non-residential amenities space

and 10,000 sq.ft of office space. The surface and parking deck proposed will have a total of 153 parking stalls (or 1.8 spaces per unit). The overall development of both northerly and southerly parcels will accommodate for 0.4-acre of public open space, 160 units, 296 total parking spaces, 10,300 sq.ft. of non-residential space, and 10,000 sq.ft. of office.



SITE SUMMARY - OPTION 1

North Parcel

1.8 acres
Type III on-grade (5 stories)
Surface Parking
75 +/- units | 875 sf avg | 3,000 sf amenities
Parking: 143 spaces (1.8 spaces/unit)

South Parcel

1.3 acres
Type III over 1-level Type I (6 stories)
1-Level Structure Parking
85 +/- units | 885 sf avg | 7,300 sf amenities
10,000 sf office
Parking: 153 spaces (1.8 spaces/unit)

Total

3.1 acres mixed-use
0.4 acre park
160 +/- units | 880 sf avg | 10,300 sf amenities
10,000 sf office
Parking: 296 spaces (1.8 spaces/unit)

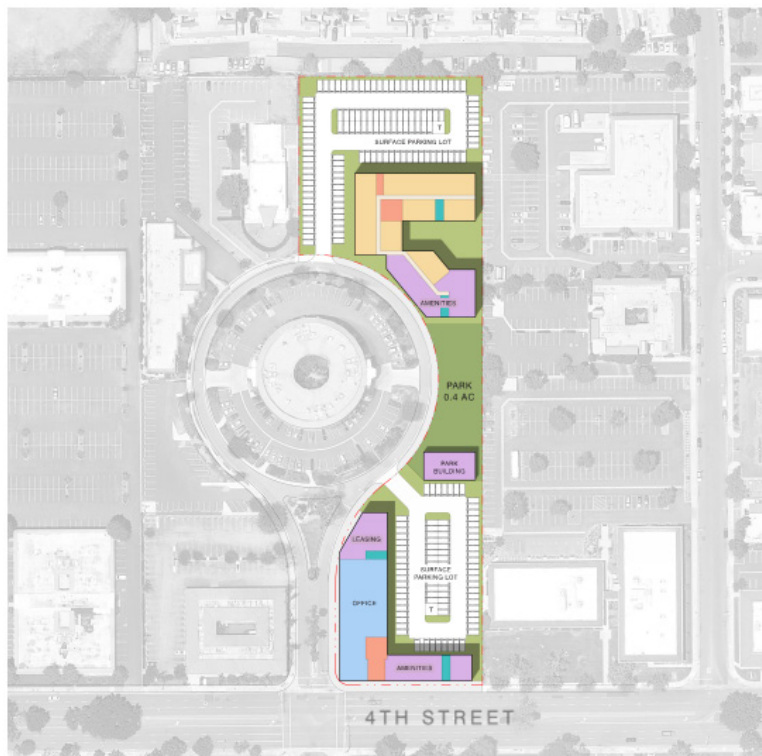
ULI TAP | SITE PLAN - OPTION 1

0 25 50
MAY 26, 2020

Option 2

The concept for Option 2 is to provide a similar development program while lowering the parking requirement to 1.35 spaces per residential unit. As a result, both the north and south developments park entirely in surface parking lots. The units are distributed slightly differently between the two developments to balance the parking needs. The north parcel consists of 90 residential units, 126 surface parking stalls (or 1.4 spaces per unit), 6,000 sq. ft. of non-residential amenities space. While the southernly parcel has approximately 70 units, 90 surface parking stalls (or 1.3 spaces per unit), 7,300 sq.ft. of nonresidential amenities space and 10,000 sq.ft. of office space.

The aggregate development will accommodate for 160 residential units, 13,300 sq.ft. of amenities space, 10,000 sq.ft. of office space, and an average parking ratio of 1.35 spaces per unit or a total of 216 total stalls. Shared parking and access agreements will need to be created to allow the project to comply with parking standards with the request of an affordable housing incentive. Option 2 would have lower construction costs compared to Option 1, due to the elimination of the 1-level parking deck on the south parcel, and reducing the south building height from 6-stories to 5-stories. These changes eliminate all concrete construction from the development.



SITE SUMMARY - OPTION 2

North Parcel

1.8 acres
Type III on-grade (5 stories)
Surface Parking
90 +/- units | 875 sf avg | 6,000 sf amenities
Parking: 126 spaces (1.4 spaces/unit)

South Parcel

1.3 acres
Type III on-grade (5 stories)
Surface Parking
70 +/- units | 885 sf avg | 7,300 sf amenities
10,000 sf office
Parking: 90 spaces (1.3 spaces/unit)

Total

3.1 acres mixed-use
0.4 acre park
160 +/- units | 880 sf avg | 13,300 sf amenities
10,000 sf office
Parking: 216 spaces (1.35 spaces/unit)

ULI TAP | SITE PLAN - OPTION 2

0 25 50 100
MAY 26, 2020

5. PROFORMA FOR ALTERNATIVE OPTIONS & POTENTIAL FUNDING RESOURCES

The TAP constructed two separate proformas for the project at Golden Circle. The project plans consist of two options: Option 1 provides a comparable development program to IHO's current plans in a more cost-effective design, with the north parcel consisting of one 5-story building with an adjacent surface parking lot with a parking ratio (1.8 spaces/unit). The building may contain ground-floor amenity spaces or a leasing office. The south parcel would contain a single-level parking deck along the eastern edge of the property, with a 6-story residential building with frontage along East 4th street.

Option 2 provides a comparable development program with a lowered parking ratio (1.35 spaces/unit), resulting in surface parking lots at both the north and south developments. The construction costs would be lower for Option 2 due to the elimination of the single-story parking deck and the reduction in height from the south building from 6-stories to 5-stories. In summary, the TAP recommends utilizing a site plan which achieves cost savings largely due to parking alternatives.

OPTION 1 COST SUMMARY

Budget Summary	Total
Total	69,093,699
Planning Dept. / Building Dept. Fees	243,168
Engineering/Public Works Dept. Fees	1,103,134
OC Sanitation Fee + Fire Dept.	516,500
Potential Credits	-595,128
Developer Fee ¹	3,910,964
Soft Costs	387,884
Hard costs - Option 1	63,527,178

Option 1 total cost is greater than Option 2's total cost of \$64.8mm largely due to the inclusion of a structured parking garage, added amenity space, and the increased height of the south building. The costs for Option 1 are broken down in the chart above; Option 2 shown below.

OPTION 2 COST SUMMARY

Budget Summary	Total
Total	64,883,362
Planning Dept. / Building Dept. Fees	242,817
Engineering/Public Works Dept. Fees	1,106,654
OC Sanitation Fee + Fire Dept.	516,500
Potential Credits	-595,128
Developer fee ¹	3,672,643
Soft Costs	388,042
Hard costs - Option 2	59,551,835

Furthermore, the differences in parking costs for Option 1 and Option 2 are shown below. The addition of a free-standing parking garage for option 1 increases the total parking costs of the project by ~\$5.3mm: option 2's parking costs are only ~\$1.3mm compared to Option 1's parking cost of ~\$6.6mm. Both instances are well below the current design parking cost of \$16.1mm.

PARKING COSTS						
	Cost per Stall ¹	Current Design	Option 1		Option 2 ²	
			North Parcel	South parcel	North Parcel	South parcel
Surface Lot	\$6,000		\$810,000		\$729,000	\$567,000
Free Standing Garage	\$38,000			\$5,814,000		
Sub T Garage	\$56,000	\$16,128,000				
TOTAL PARKING COST		\$16,128,000	\$6,624,000		\$1,296,000	

1) Cost per stall includes prevailing wages

2) Density Bonus Law: 1.35 Spaces/Unit

The proforma illustrates that total costs for the project and serves as an outline for the timing of construction. Additionally, financing options and sources of funding were considered, which can allow the project to obtain adequate return levels for IHO's profile. The construction timing was assumed to be 18-20 months, if project commenced in January of 2021, it is anticipated to be completed in mid/late 2022. The TAP believes that an 18/20-month construction timeline is an adequate timeframe to complete each phase of the project based on comparable size projects recently completed within the Orange County MSA.

OPTION 1 COST SUMMARY

Timing	
Project Start Date	1/2021
Month	1
Year	2021
Construction Completion	8/2022
Total Time Frame	20 months

OPTION 2 COST SUMMARY

Timing	
Project Start Date	1/2021
Month	1
Year	2021
Construction Completion	6/2022
Total Time Frame	18 months

Potential sources of funding for the project were also reviewed. Current financing considerations by IHO include \$5mm from the Authority of Santa Ana, \$17.95mm from MHP (Multi-Family Housing Program), \$2.0mm deferred developer fee, \$8.1mm from mortgage/perm bond loan, and \$10.6mm from 4% Low-Income Housing Tax Credit proceeds. The TAP recommends pursuing the HUD 221 (d)(4) loan, in addition to the aforementioned sources of funding.

The HUD 221(d)(4) loan, which is a non-recourse, ground-up redevelopment and substantial rehabilitation form of financing for multifamily properties, is the multifamily industry's highest-levered, lowest-cost, non-recourse, fixed-rate loan available. The loans are fixed and fully amortizing for 40 years, not including the up-to-three-years, interest-only, fixed-rate

structure that is available during construction. This timeframe would be well within the anticipated project completion timeline, and also allow IHO to achieve an accretive return due to the interest-only nature of the initial years of the loan. The construction or substantial rehabilitation of detached, semi-detached, row, walkup, and elevator-type multifamily properties, including market rate, low-to-moderate income; and subsidized multifamily, cooperative housing and affordable housing properties with at least five units are eligible for the loan.

For more information regarding the HUD 221(d)(4) loan; please visit: <https://www.hud.loans/fha-221d4>

Additionally, the TAP considered the Multifamily Housing Program (MHP) loan which is offered to assist with the new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower income households. Eligible applicants include local public entities, for-profit and non-profit organizations, limited equity housing cooperatives, individuals, Indian reservations, and limited partnerships in which an eligible applicant or an affiliate of an applicant is a general partner. Applicants or their principals must have successfully developed at least one affordable housing project. As such, IHO would qualify for this loan, which could offer attractive terms to partially finance the cost of the development at Golden Circle.

OPTION 1

Sources of Funding	
Equity	15,084,047
Debt	71,086,992
HUD 221	27,346,583
City of Santa Ana	5,000,000
Multifamily Housing Program	17,942,866
Deffered Developer Fee	2,068,912
Mortgage Bond Loan	8,095,584
Low Income Housing Tax Credit	10,633,047
Total Sources	86,171,039

Uses	
Land Purchase Price	10,237,500
Planning Dept. / Building Dept. Fees	243,168
Engineering/Public Works Dept. Fees	1,103,134
OC Sanitation Fee + Fire Dept.	516,500
Potential Credits	-595,128
Developer Fee	3,910,964
Soft Costs	387,884
Hard costs - Option 1	63,527,178
Total Project Costs	79,331,199

OPTION 2

Sources of Funding	
Equity	14,289,644
Debt	67,744,291
HUD 221	24,003,882
City of Santa Ana	5,000,000
Multifamily Housing Program	17,942,866
Deffered Developer Fee	2,068,912
Mortgage Bond Loan	8,095,584
Low Income Housing Tax Credit	10,633,047
Total Sources	82,033,935

Uses	
Land Purchase Price	10,237,500
Planning Dept. / Building Dept. Fees	242,817
Engineering/Public Works Dept. Fees	1,106,654
OC Sanitation Fee + Fire Dept.	516,500
Potential Credits	-595,128
Developer Fee	3,672,643
Soft Costs	388,042
Hard costs - Option 2	59,551,835
Total Project Costs	75,120,862

Budget Detail

The TAP budget fees into eight main categories which comprise of Planning Department, Building Department, Engineering, Public Works Department, OC Sanitation, Fire Department, Soft and Hard Costs. All costs are educated assumptions provided by members of the TAP program. Each line category is included below for each option.

BUDGET DETAIL FOR OPTION 1

Budget Detail - Option 1	
Total	78,329,429
Total Pre-Interest Reserve	66,376,944
Construction Loan Interest Reserve	11,952,485
Planning Dept. / Building Dept. Fees	243,168
Development Project Overview	56,676
Sign Program	575
Landscape Plan Review	917
Certificate of Occupancy	5,000
Building Permit (Demolition)	7,500
Building Plan Check and Permit Fee - Residential	50,000
Residential Mechanical Plan Check and Permit	20,000
Residential Electrical Plan Check and Permit	20,000
Residential Plumbing Plan Check and Permit	20,000
Building Plan Check and Permit Fee - Non-Residential	20,000
Non-Residential Mechanical Plan Check and Permit	10,000
Non-Residential Electrical Plan Check and Permit	10,000
Non-Residential Plumbing Plan Check and Permit	10,000
Parking and Accessibility Plan Check and Permit	7,500
Trash Enclosure Plan Check and Permit	2,500
Additional Misc. Fees (Records, Imaging, Filing, General Plan Update, etc.)	2,500
Engineering/Public Works Dept. Fees	1,103,134
Improvement Plan Check	7,500
Surface Drainage Plan Check	4,000
Transportation System Improvement Area - Residential	224,180
Transportation System Improvement Area - Non-Residential	55,300
Harbor Specific Plan Mitigation Fair Share - Residential	136,000
Harbor Specific Plan Mitigation Fair Share - Non-Residential	10,981
Transportation Corridor Fee - Residential	393,440
Transportation Corridor Fee - Non-Residential	47,700
Drainage Assessment Fee	30,726
Sewer Fee Connection	139,140
New Residential Fire Service - 6"	16,551
New Water Service Meter - 6" residential	16,551
New Water Service Meter - 2" residential	548
Sewer Laterals/Water Service	5,516
Additional Deposits/Misc. Fees	15,000

BUDGET DETAIL FOR OPTION 1

<u>OC Sanitation Fee + Fire Dept.</u>	<u>516,500</u>	<u>292.63</u>
Orange County Sanitation District Fee - Residential (1bd)	84,560	47.91
Orange County Sanitation District Fee - Residential (2bd)	239,760	135.84
Orange County Sanitation District Fee - Residential (3bd)	150,520	85.28
Orange County Sanitation District Fee - Community Facilities	20,660	11.71
Fire Department Architectural Plan Check and Inspection Fee - Residential	4,000	2.27
Fire Department Architectural Plan Check and Inspection Fee - Nonresidential	7,500	4.25
Fire Master Plan Review and Inspection	3,000	1.70
Underground Fire Plan Review and Inspection	3,000	1.70
Fire Sprinkler Plan Check and Inspection	3,500	1.98
<u>Potential Credits</u>	<u>(595,128)</u>	<u>(337.18)</u>
Orange County Sanitation District Fee	(91,319)	(51.74)
Harbor Specific Plan Mitigation Fair Share	(48,539)	(27.50)
Transportation System Improvement Area	(244,432)	(138.49)
Transportation Corridor Fee	(210,839)	(119.46)
<u>Soft Costs</u>	<u>387,884</u>	<u>219.76</u>
Traffic Study	21,000	11.90
Architectural/Design Entitlements	5,500	3.12
Civil Design Entitlements	25,000	14.16
Landscaping Design Entitlements	7,500	4.25
Survey/ALTA with Topo	25,000	14.16
Engineering - Grading, Erosion Control, etc.	35,000	19.83
Engineering - Hydrology/WQMP	25,000	14.16
Engineering - SWPPP	6,500	3.68
Engineering - Utility Plans	12,500	7.08
Engineering - Off-Site Improvement Plans	7,500	4.25
Engineering - Off-Site Utility Plans	10,000	5.67
Geotechnical Study	12,500	7.08
Lead & Asbestos Study	7,500	4.25
Phase 1 ESA Report	4,000	2.27
Signage Design	10,000	5.67
Pre-Construction Coordination	10,000	5.67
Dry Utility Design/Permit/Connection Fees	100,000	56.66
CONTINGENCY (5%)	63,384	35.91
<u>Hard costs - Option 1</u>	<u>61,364,780</u>	<u>34,767.58</u>
Type1 Structured Parking	4,878,000	2,763.74
Type 1 Ground Level Mixed Use (Cold Shell)	2,376,000	1,346.18
Type III	37,780,500	21,405.38
Type V Amenity Building	705,000	399.43
Demo, Site Work and 3,000 SF Park	2,988,216	1,693.04
Stormwater Treatment Systems	450,000	254.96
Offsite Improvements (Sewer)	70,000	39.66
Offsite Improvements (Street - 4th & Golden Circle)	300,000	169.97
General Conditions	3,468,340	1,965.07
GC Contingency	1,590,482	901.12
GC's Overhead / Requirements	743,216	421.09
GC's Fee	12,500	7.08

BUDGET DETAIL FOR OPTION 2

Budget Detail - Option 2	
Total	71,199,482
Total Pre-Interest Reserve	59,542,129
Construction Loan Interest Reserve	11,657,353
<u>Planning Dept. / Building Dept. Fees</u>	<u>242,817</u>
Development Project Overview	56,900
Landscape Plan Review	917
Certificate of Occupancy	5,000
Building Permit (Demolition)	7,500
Building Plan Check and Permit Fee - Residential	50,000
Residential Mechanical Plan Check and Permit	20,000
Residential Electrical Plan Check and Permit	20,000
Residential Plumbing Plan Check and Permit	20,000
Building Plan Check and Permit Fee - Non-Residential	20,000
Non-Residential Mechanical Plan Check and Permit	10,000
Non-Residential Electrical Plan Check and Permit	10,000
Non-Residential Plumbing Plan Check and Permit	10,000
Parking and Accessibility Plan Check and Permit	7,500
Trash Enclosure Plan Check and Permit	2,500
Additional Misc. Fees (Records, Imaging, Filing, General Plan Update, etc.)	2,500
<u>Engineering/Public Works Dept. Fees</u>	<u>1,106,654</u>
Improvement Plan Check	7,500
Surface Drainage Plan Check	4,000
Transportation System Improvement Area - Residential	227,700
Transportation System Improvement Area - Non-Residential	55,300
Harbor Specific Plan Mitigation Fair Share - Residential	136,000
Harbor Specific Plan Mitigation Fair Share - Non-Residential	10,981
Transportation Corridor Fee - Residential	393,440
Transportation Corridor Fee - Non-Residential	47,700
Drainage Assessment Fee	30,726
Sewer Fee Connection	139,140
New Residential Fire Service - 6"	16,551
New Water Service Meter - 6" residential	16,551
New Water Service Meter - 2" residential	548
Sewer Laterals/Water Service	5,516
Additional Deposits/Misc. Fees	15,000

BUDGET DETAIL FOR OPTION 2

<u>OC Sanitation Fee + Fire Dept.</u>	<u>516,500</u>	<u>292.63</u>
Orange County Sanitation District Fee - Residential (1bd)	84,560	47.91
Orange County Sanitation District Fee - Residential (2bd)	239,760	135.84
Orange County Sanitation District Fee - Residential (3bd)	150,520	85.28
Orange County Sanitation District Fee - Community Facilities	20,660	11.71
Fire Department Architectural Plan Check and Inspection Fee - Residential	4,000	2.27
Fire Department Architectural Plan Check and Inspection Fee - Nonresidential	7,500	4.25
Fire Master Plan Review and Inspection	3,000	1.70
Underground Fire Plan Review and Inspection	3,000	1.70
Fire Sprinkler Plan Check and Inspection	3,500	1.98
Orange County Sanitation District Fee - Commercial		
<u>Potential Credits</u>	<u>(595,128)</u>	<u>(337.18)</u>
Orange County Sanitation District Fee	(91,319)	(51.74)
Harbor Specific Plan Mitigation Fair Share	(48,539)	(27.50)
Transportation System Improvement Area	(244,432)	(138.49)
Transportation Corridor Fee	(210,839)	(119.46)
<u>Soft Costs</u>	<u>324,500</u>	<u>183.85</u>
Traffic Study	21,000	11.90
Architectural/Design Entitlements	5,500	3.12
Civil Design Entitlements	25,000	14.16
Landscaping Design Entitlements	7,500	4.25
Survey/ALTA with Topo	25,000	14.16
Engineering - Grading, Erosion Control, etc.	35,000	19.83
Engineering - Hydrology/WQMP	25,000	14.16
Engineering - SWPPP	6,500	3.68
Engineering - Utility Plans	12,500	7.08
Engineering - Off-Site Improvement Plans	7,500	4.25
Engineering - Off-Site Utility Plans	10,000	5.67
Geotechnical Study	12,500	7.08
Lead & Asbestos Study	7,500	4.25
Phase 1 ESA Report	4,000	2.27
Signage Design	10,000	5.67
Pre-Construction Coordination	10,000	5.67
Dry Utility Design/Permit/Connection Fees	100,000	56.66
<u>Hard costs - Option 2</u>	<u>57,946,787</u>	<u>32,831.04</u>
Type III	42,265,500	23,946.46
Type V Amenity Building	705,000	399.43
Demo, Site Work and 3,000 SF Park	2,988,216	1,693.04
Stormwater Treatment Systems	450,000	254.96
Offsite Improvements (Sewer)	70,000	39.66
Offsite Improvements (Street - 4th & Golden Circle)	300,000	169.97
General Conditions	3,274,510	1,855.25
GC Contingency	1,501,597	850.76
GC's Overhead / Requirements	701,681	397.55
GC's Fee	2,102,260	1,191.08

GENERAL PROJECT INFORMATION/SUMMARY CHART

General Info	
Project Name	Golden Circle Project
Address	2021 E 4th
City, State, Zip	Santa Ana, CA 92705

Square Footage and Units	
Commercial Space	13,000 SF
Community Office Space	10,000 SF
Total Residential Space	137,585 sf
Unit Count	156 units
1 beds	31 units
2 beds	64 units
3 beds	61 units
Average Unit Size	882 sf

Program - Units	
Total Units	156
1 beds	31
2 beds	64
3 beds	61
Average SSF Per Unit	882

Square Footage - Building Stacking Plan	
Floor	Total SF
	137,585
1 Beds	27,280
2 Beds	56,320
3 Beds	53,985

RECOMMENDATIONS FOR IHO

Based on the analysis of the project, we would like to present the following list of recommendations to keep in mind with the progression of the project; some of which are to be vetted out during early stages of due diligence with the City of Santa Ana. This is not an exhaustive list of recommendations, but are to be considered.

01

IHO to coordinate with SCE to determine feasibility/constructability of multi-story building with 10' wide easement for overhead electrical lines (easterly side of 2021 4th St.).

02

IHO to work with civil engineer and City's Public Works department to determine available capacity of existing sewer main to allow for additional expected flow – possibility of incorporating gray water system for irrigation to reduce flow output to public sewer system.

03

IHO to discuss potential mitigations with City traffic engineer for anticipated increase in expected vehicular traffic on nearby streets based on proposed development. Developing possible programs such as ride sharing and incentives for usage of alternative transportation to curtail increase in traffic.

04

Confirm with City of Santa Ana regarding MEMU's intended off-site road improvements connecting the existing streets and discuss how it is not conducive to the proposed project.

05

Confirmation with City's Planning Department regarding possible required addendum to existing EIR and supplemental CEQA technical studies to account for proposed development.

06

Community outreach early on to pitch concept to surrounding commercial, office, and residents.

07

IHO to study our presented alternative site plans that do not rely on basement parking or podium construction as well as other design upon availability of more information during due diligence.

08

Verify that the plans as designed comply with development standards, and strategically utilize the California State Density Bonus Law for any necessary or desired reductions in parking or setbacks.

09

IHO take in consideration a site plan design that does not depend on site access from adjacent parcels or CC&Rs will need to be developed and reviewed by all parties involved.

APPENDIX

IHO PROFORMA'S BELOW, FOR REFERENCE

PROJECT SUMMARY	KINGDOM DEVELOPMENT INC.	2021 E. 4TH ST
79 units plus 1 mgr. unit		TE Bonds + 4% Credits
Acq. New Construction		Non-Rural
PW Family project		QCT-No DDA-No

Permanent Sources				
Source	Amount	Rate	Amm.	/ Unit
Perm Bond Proceeds	\$8,095,584	5.00%	40	\$101,195
Tax Credit Proceeds	10,633,047	NA	NA	132,913
Santa Ana Loan	5,000,000	3.00%	RR	62,500
MHP Loan	17,942,866	3.00%	RR	224,286
Interest Income	0	NA	NA	0
Operating Income	0	NA	NA	0
Deferred Developer Fee	2,068,912	6.00%	NA	25,861
	\$43,740,409			\$546,755

Permanent Uses		
Uses	Amount	Per Unit
Land Costs	\$4,477,500	\$55,969
Predevelopment	315,000	3,938
Permits, Fees, & Studies	2,785,000	34,813
Direct Construction Costs	25,906,500	323,831
Contingency	1,795,325	22,442
Developer Fee	4,510,907	56,386
Indirect Construction Costs	1,124,500	14,056
Rent-Up Costs	120,000	1,500
Reserves	464,700	5,809
Financing Costs	2,240,977	28,012
	\$43,740,409	\$546,755

Source Pay in Schedule			
Source	Amount	Date	Notes
Perm Bond Proceeds	\$8,095,584	May-20	Convert
Tax Credit Proceeds	2,126,609	Oct-18	Close
Tax Credit Proceeds	6,029,828	Jan-20	Lease up
Tax Credit Proceeds	2,126,609	May-20	Convert
Tax Credit Proceeds	350,000	Aug-20	8609s
Santa Ana Loan	5,000,000	Oct-19	
MHP Loan	17,942,866	Jan-20	Lease up

Construction Sources			
Source	Amount	Per Unit	
Tax Credit Proceeds	2,126,609	\$26,582.62	
Santa Ana Loan	5,000,000	62,500.00	
Construction Loan	31,978,879	399,735.98	
Deferred Costs	4,634,921	57,936.51	
Totals	43,740,409	\$546,755.11	
Bedroom Mix/Average Rent			
Bedrooms	Quantity	% of Units	Avg. Rent
0			
1	20	25%	603.69
2	39	49%	923.88
3	16	20%	1,174.00
4+	4	5%	\$1,118.65

Rent Schedule					
Calculation	Quantity	Bedrooms	AMI	Rent	Util.
MGR	1	2	100%	\$0	\$0
PBV	13	1	15%	298	36
TCAC	4	1	50%	1,077	36
TCAC	3	1	60%	1,299	36
PBV	8	2	15%	352	49
TCAC	1	2	60%	1,554	49
TCAC	4	2	50%	1,287	49
TCAC	26	2	40%	1,020	49
TCAC	3	3	20%	557	60
TCAC	3	3	60%	1,791	60
TCAC	10	3	40%	1,174	60
TCAC	2	4	15%	516	0
TCAC	2	4	50%	1,721	0

Operating Expenses			
Expenses		Amount	Per Unit
Management		25,000	\$313
Administration		32,000	400
Salaries & Benefits		184,300	2,304
Maintenance		47,500	594
Utilities		90,000	1,125
Insurance		20,000	250
Taxes		13,200	165
Services		63,000	788
Reserves		40,000	500
		0	0
Totals		\$515,000	\$6,438
Assumptions		Assumptions	
TCAC Tiebreaker	NA	Con. Length	14
Site (acres)	0.00	CL Closing:	10/1/18
Debt Cov. Ratio	1.15	Est. Completion	12/1/19
Vacancy Factor	5.0%	Con. Loan	31,978,879
		Con. Int. Rate	5.00%

USES, EXPENSES AND CREDIT	KINGDOM DEVELOPMENT INC.	2021 E. 4TH ST
79 units plus 1 mgr. unit		TE Bonds + 4% Credits
Acq. New Construction		Non-Rural
PW Family project		QCT-No DDA-No

Development Uses				
Description	Amount	NC. Basis	Acq. Basis	Per Unit
Acquisition Cost	\$3,400,000	\$0	\$0	\$42,500
Appraisals	10,000	0	0	125
Holding Costs	1,067,500	0	0	13,344
Predevelopment	315,000	210,000	0	3,938
Building Fees & Permits	320,000	320,000	0	4,000
Impact Fees	1,360,000	1,360,000	0	17,000
Architectural & Engineering	1,105,000	1,105,000	0	13,813
Demolition	500,000	0	0	6,250
Commercial Construction	2,000,000	0	0	25,000
Residential Construction	20,000,000	20,000,000	0	250,000
General Conditions	1,350,000	1,350,000	0	16,875
Contractor's Overhead & Profit	1,800,000	1,800,000	0	22,500
Performance Bond	256,500	256,500	0	3,206
Construction Contingency	1,295,325	1,295,325	0	16,192
Developer Fee	4,510,907	4,510,907	0	56,386
Consulting	100,000	100,000	0	1,250
Construction Manager	100,000	100,000	0	1,250
Builders Risk Insurance	256,500	256,500	0	3,206
Accounting	80,000	60,000	0	1,000
Legal Fees	120,000	55,000	0	1,500
Relocation	460,000	0	0	5,750
Market Study	8,000	8,000	0	100
Project Contingency	500,000	250,000	0	6,250
Marketing & Advertising	50,000	0	0	625
Lease-up Reserve	200,000	0	0	2,500
Capitalized Operating Reserve	264,700	0	0	3,309
Common Area Furnishings	70,000	70,000	0	875
Construction Period Interest	1,459,687	1,066,264	0	18,246
Construction Loan Fees	369,789	270,121	0	4,622
Permanent Loan Fees	80,956	0	0	1,012
TCAC Fees	44,353	0	0	554
CDLAC Fees	111,193	0	0	1,390
Bond Issuance Costs	115,000	115,000	0	1,438
Title and Recording	60,000	25,000	0	750
Totals	\$43,740,409	\$34,583,617	\$0	\$546,755

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Operating Expenses		
Description	Amount	Per Unit
Property Management	\$25,000	\$313
Marketing	5,000	63
Audit	12,000	150
Legal	10,000	125
Office Expenses	5,000	63
On-site Manager	80,000	1,000
Assistant Manager	40,000	500
Operating Expenses	15,300	191
Payroll Taxes	25,000	313
Insurance	15,000	188
Workers Compensation	9,000	113
Supplies	2,500	31
Repairs Contract	6,000	75
Pest Control	7,000	88
Grounds Contract	20,000	250
Interior Painting	4,000	50
Elevator	8,000	100
Trash Removal	18,000	225
Electricity	28,000	350
Water & Sewer	25,000	313
Gas	19,000	238
Property & Liability Ins.	20,000	250
Real Estate Taxes	12,000	150
Business Taxes & License	1,200	15
Supportive Services	63,000	788
Replacement Reserves	40,000	500
Total	\$515,000	\$6,438

Tax Credit Calculation			
	4% Federal	Acq. Fed.	State
Eligible Basis	34,583,617	0	
Excluded	0	0	
Unadjusted	34,583,617	0	0
Basis Limit	74,918,674		
Boost	100%	100%	
Adjusted	34,583,617	0	
Applicable	100.0%	100.0%	100.0%
Qualified	34,583,617	0	0
Reduction	0	0	
Adj. Qualified	34,583,617	0	
Rate Factor	3.17%	3.17%	13.00%
Annual Credits	1,096,301	0	
Federal Credits	10,963,000	State Credits	0
Credit Price	0.97		0.80
Proceeds	10,633,047		0
Total	\$10,633,047		

Updated by: Rusty Leach on 9/30/19

CASH FLOW YR 1-10			KINGDOM DEVELOPMENT INC.							2021 E. 4TH ST	
79 units plus 1 mgr. unit										TE Bonds + 4% Credits	
Acq. New Construction										Non-Rural	
PW Family project										QCT-No DDA-No	
Cash Flow											
Year	1	2	3	4	5	6	7	8	9	10	
Rental Income	856,365	877,774	899,718	922,211	945,267	968,898	993,121	1,017,949	1,043,398	1,069,483	
Other Income	11,850	12,146	12,450	12,761	13,080	13,407	13,742	14,086	14,438	14,799	
Commercial Income	240,000	246,000	252,150	258,454	264,915	271,538	278,326	285,285	292,417	299,727	
Subsidy Income	205,858	209,975	214,175	218,458	222,828	227,284	231,830	236,466	241,196	246,020	
Vacancy Loss	173,704	177,995	182,392	186,898	191,516	196,248	201,098	206,067	211,160	216,379	
Adjusted Gross Income	1,140,370	1,167,901	1,196,101	1,224,986	1,254,573	1,284,879	1,315,922	1,347,718	1,380,288	1,413,650	
Standard Expenses	461,800	477,963	494,692	512,006	529,926	548,474	567,670	587,539	608,102	629,386	
Property Taxes	13,200	13,464	13,733	14,008	14,288	14,574	14,865	15,163	15,466	15,775	
Replacement Reserves	40,000	40,400	40,804	41,212	41,624	42,040	42,461	42,885	43,314	43,747	
Total Expenses	515,000	531,827	549,229	567,226	585,838	605,088	624,996	645,587	666,883	688,909	
Perm Debt Service	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	
MHP	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	
Total Debt Service	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	
Operating Reserve Balance	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	
Draws on Reserves	0	0	0	0	0	0	0	0	0	0	
Net Operating Income	625,370	636,074	646,872	657,760	668,735	679,791	690,925	702,132	713,406	724,741	
Debt Service Coverage	1.15	1.17	1.19	1.21	1.23	1.25	1.27	1.29	1.31	1.33	
Cash after Exp & DS	81,570	92,274	103,073	113,961	124,935	135,992	147,126	158,332	169,606	180,941	
LP Fee Balance	0	0	0	0	0	0	0	0	0	0	
LP Fee Due	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	
LP Fee Paid	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	
Cash Flow	76,570	87,124	97,768	108,497	119,308	130,195	141,155	152,183	163,272	174,418	
Deferred Developer Fee	2,068,912	1,992,342	1,905,218	1,807,450	1,698,953	1,579,645	1,449,450	1,308,294	1,156,112	992,839	
Dev. Fee Payments	76,570	87,124	97,768	108,497	119,308	130,195	141,155	152,183	163,272	174,418	
Cash Flow	0	0	0	0	0	0	0	0	0	0	
MGP Fee Balance	0	10,000	20,300	30,909	41,836	53,091	64,684	76,625	88,923	101,591	
MGP Fee Due	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	
MGP Fee Paid	0	0	0	0	0	0	0	0	0	0	
Cash Flow	0	0	0	0	0	0	0	0	0	0	
AGP Fee Balance	0	10,000	20,300	30,909	41,836	53,091	64,684	76,625	88,923	101,591	
AGP Fee Due	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	
AGP Fee Paid	0	0	0	0	0	0	0	0	0	0	
Cash Flow	0	0	0	0	0	0	0	0	0	0	
Loan Balance	5,000,000	5,000,000	5,150,000	5,300,000	5,450,000	5,600,000	5,750,000	5,900,000	6,050,000	6,200,000	
Interest Charge	0	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	
Payments	0	0	0	0	0	0	0	0	0	0	
Ending Balance	5,000,000	5,150,000	5,300,000	5,450,000	5,600,000	5,750,000	5,900,000	6,050,000	6,200,000	6,350,000	
Cash Flow	0	0	0	0	0	0	0	0	0	0	
MGP Cash Flow	0	0	0	0	0	0	0	0	0	0	
LP Cash Flow	0	0	0	0	0	0	0	0	0	0	
Year	1	2	3	4	5	6	7	8	9	10	
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Updated by: Rusty Leach on 9/30/19

CASH FLOW YR 11-20			KINGDOM DEVELOPMENT INC.							2021 E. 4TH ST	
79 units plus 1 mgr. unit										TE Bonds + 4% Credits	
Acq. New Construction										Non-Rural	
PW Family project										QCT-No DDA-No	
Cash Flow											
Year	11	12	13	14	15	16	17	18	19	20	
Rental Income	1,096,220	1,123,625	1,151,716	1,180,509	1,210,021	1,240,272	1,271,279	1,303,061	1,335,637	1,369,028	
Other Income	15,169	15,548	15,937	16,335	16,744	17,162	17,591	18,031	18,482	18,944	
Commercial Income	307,220	314,901	322,773	330,843	339,114	347,592	356,281	365,188	374,318	383,676	
Subsidy Income	250,940	255,959	261,078	266,300	271,626	277,058	282,599	288,251	294,016	299,897	
Vacancy Loss	221,727	227,207	232,823	238,579	244,476	250,520	256,714	263,061	269,566	276,231	
Adjusted Gross Income	1,447,822	1,482,826	1,518,681	1,555,408	1,593,028	1,631,563	1,671,036	1,711,470	1,752,888	1,795,313	
Standard Expenses	651,415	674,214	697,812	722,235	747,513	773,676	800,755	828,781	857,789	887,811	
Property Taxes	16,091	16,413	16,741	17,076	17,417	17,765	18,121	18,483	18,853	19,230	
Replacement Reserves	44,185	44,627	45,073	45,524	45,979	46,439	46,903	47,372	47,846	48,324	
Total Expenses	711,690	735,253	759,625	784,834	810,909	837,880	865,779	894,637	924,487	955,365	
Perm Debt Service	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	
MHP	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	
Total Debt Service	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	
Operating Reserve Balance	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	
Draws on Reserves	0	0	0	0	0	0	0	0	0	0	
Net Operating Income	736,132	747,573	759,055	770,573	782,119	793,683	805,258	816,833	828,400	839,948	
Debt Service Coverage	1.35	1.37	1.40	1.42	1.44	1.46	1.48	1.50	1.52	1.54	
Cash after Exp & DS	192,333	203,773	215,256	226,774	238,319	249,883	261,458	273,034	284,601	296,148	
LP Fee Balance	0	0	0	0	0	0	0	0	0	0	
LP Fee Due	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768	
LP Fee Paid	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768	
Cash Flow	185,613	196,852	208,127	219,431	230,756	242,094	253,435	264,770	276,089	287,381	
Deferred Developer Fee	818,422	632,809	435,957	227,830	8,399	0	0	0	0	0	
Dev. Fee Payments	185,613	196,852	208,127	219,431	8,399	0	0	0	0	0	
Cash Flow	0	0	0	0	222,357	242,094	253,435	264,770	276,089	287,381	
MGP Fee Balance	114,639	128,078	141,920	156,178	170,863	0	0	0	0	0	
MGP Fee Due	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535	
MGP Fee Paid	0	0	0	0	185,989	15,580	16,047	16,528	17,024	17,535	
Cash Flow	0	0	0	0	36,368	226,514	237,388	248,241	259,064	269,846	
AGP Fee Balance	114,639	128,078	141,920	156,178	170,863	149,621	0	0	0	0	
AGP Fee Due	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535	
AGP Fee Paid	0	0	0	0	36,368	165,201	16,047	16,528	17,024	17,535	
Cash Flow	0	0	0	0	0	61,313	221,341	231,713	242,040	252,311	
Loan Balance	6,350,000	6,500,000	6,650,000	6,800,000	6,950,000	7,100,000	7,219,343	7,258,673	7,292,817	7,321,797	
Interest Charge	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	
Payments	0	0	0	0	0	30,657	110,670	115,856	121,020	126,155	
Ending Balance	6,500,000	6,650,000	6,800,000	6,950,000	7,100,000	7,219,343	7,258,673	7,292,817	7,321,797	7,345,641	
Cash Flow	0	0	0	0	0	30,657	110,670	115,856	121,020	126,155	
MGP Cash Flow	0	0	0	0	0	27,591	99,603	104,271	108,918	113,540	
LP Cash Flow	0	0	0	0	0	3,066	11,067	11,586	12,102	12,616	
Year	11	12	13	14	15	16	17	18	19	20	
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CASH FLOW YR 21-30				KINGDOM DEVELOPMENT INC.				2021 E. 4TH ST			
79 units plus 1 mgr. unit								TE Bonds + 4% Credits			
Acq. New Construction								Non-Rural			
PW Family project								QCT-No DDA-No			
Cash Flow											
Year	21	22	23	24	25	26	27	28	29	30	
Rental Income	1,403,254	1,438,335	1,474,293	1,511,151	1,548,930	1,587,653	1,627,344	1,668,028	1,709,728	1,752,472	
Other Income	19,418	19,903	20,401	20,911	21,433	21,969	22,518	23,081	23,658	24,250	
Commercial Income	393,268	403,100	413,177	423,507	434,094	444,947	456,070	467,472	479,159	491,138	
Subsidy Income	305,894	312,012	318,253	324,618	331,110	337,732	344,487	351,377	358,404	365,572	
Vacancy Loss	283,062	290,062	297,236	304,587	312,121	319,841	327,753	335,860	344,169	352,684	
Adjusted Gross Income	1,838,772	1,883,288	1,928,888	1,975,598	2,023,446	2,072,460	2,122,667	2,174,097	2,226,781	2,280,748	
Standard Expenses	918,884	951,045	984,332	1,018,784	1,054,441	1,091,347	1,129,544	1,169,078	1,209,995	1,252,345	
Property Taxes	19,615	20,007	20,407	20,815	21,231	21,656	22,089	22,531	22,982	23,441	
Replacement Reserves	48,808	49,296	49,789	50,287	50,789	51,297	51,810	52,328	52,852	53,380	
Total Expenses	987,307	1,020,348	1,054,528	1,089,885	1,126,462	1,164,300	1,203,443	1,243,937	1,285,829	1,329,167	
Perm Debt Service	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	
MHP	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	
Total Debt Service	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	
Operating Reserve Balance	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	
Draws on Reserves	0	0	0	0	0	0	0	0	0	0	
Net Operating Income	851,465	862,940	874,360	885,713	896,985	908,160	919,224	930,161	940,952	951,581	
Debt Service Coverage	1.57	1.59	1.61	1.63	1.65	1.67	1.69	1.71	1.73	1.75	
Cash after Exp & DS	307,665	319,140	330,561	341,914	353,185	364,360	375,424	386,361	397,153	407,782	
LP Fee Balance	0	0	0	0	0	0	0	0	0	0	
LP Fee Due	9,031	9,301	9,581	9,868	10,164	10,469	10,783	11,106	11,440	11,783	
LP Fee Paid	9,031	9,301	9,581	9,868	10,164	10,469	10,783	11,106	11,440	11,783	
Cash Flow	298,635	309,839	320,980	332,046	343,021	353,892	364,642	375,254	385,713	395,999	
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	
Dev. Fee Payments	0	0	0	0	0	0	0	0	0	0	
Cash Flow	298,635	309,839	320,980	332,046	343,021	353,892	364,642	375,254	385,713	395,999	
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0	
MGP Fee Due	18,061	18,603	19,161	19,736	20,328	20,938	21,566	22,213	22,879	23,566	
MGP Fee Paid	18,061	18,603	19,161	19,736	20,328	20,938	21,566	22,213	22,879	23,566	
Cash Flow	280,574	291,236	301,819	312,310	322,693	332,954	343,076	353,042	362,834	372,433	
AGP Fee Balance	0	0	0	0	0	0	0	0	0	0	
AGP Fee Due	18,061	18,603	19,161	19,736	20,328	20,938	21,566	22,213	22,879	23,566	
AGP Fee Paid	18,061	18,603	19,161	19,736	20,328	20,938	21,566	22,213	22,879	23,566	
Cash Flow	262,513	272,633	282,658	292,574	302,365	312,016	321,510	330,829	339,955	348,868	
Loan Balance	7,345,641	7,364,385	7,378,069	7,386,740	7,390,453	7,389,270	7,383,262	7,372,507	7,357,093	7,337,116	
Interest Charge	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	
Payments	131,256	136,316	141,329	146,287	151,183	156,008	160,755	165,414	169,977	174,434	
Ending Balance	7,364,385	7,378,069	7,386,740	7,390,453	7,389,270	7,383,262	7,372,507	7,357,093	7,337,116	7,312,682	
Cash Flow	131,256	136,316	141,329	146,287	151,183	156,008	160,755	165,414	169,977	174,434	
MGP Cash Flow	118,131	122,685	127,196	131,658	136,064	140,407	144,679	148,873	152,980	156,990	
LP Cash Flow	13,126	13,632	14,133	14,629	15,118	15,601	16,075	16,541	16,998	17,443	
Year	21	22	23	24	25	26	27	28	29	30	
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Printed on 12/16/19 at 11:23 AM

Version: 9.3.1

Updated by: Rusty Leach on 9/30/19

CASH FLOW YR 31-40				KINGDOM DEVELOPMENT INC.				2021 E. 4TH ST			
79 units plus 1 mgr. unit								TE Bonds + 4% Credits			
Acq. New Construction								Non-Rural			
PW Family project								QCT-No DDA-No			
Cash Flow											
Year	31	32	33	34	35	36	37	38	39	40	
Rental Income	1,796,283	1,841,191	1,887,220	1,934,401	1,982,761	2,032,330	2,083,138	2,135,217	2,188,597	2,243,312	
Other Income	24,856	25,478	26,115	26,767	27,437	28,122	28,826	29,546	30,285	31,042	
Commercial Income	503,416	516,002	528,902	542,124	555,677	569,569	583,808	598,404	613,364	628,698	
Subsidy Income	372,884	380,341	387,948	395,707	403,621	411,694	419,928	428,326	436,893	445,630	
Vacancy Loss	361,409	370,351	379,515	388,906	398,530	408,392	418,499	428,856	439,471	450,348	
Adjusted Gross Income	2,336,030	2,392,660	2,450,670	2,510,094	2,570,966	2,633,323	2,697,201	2,762,636	2,829,668	2,898,334	
Standard Expenses	1,296,177	1,341,544	1,388,498	1,437,095	1,487,393	1,539,452	1,593,333	1,649,100	1,706,818	1,766,557	
Property Taxes	23,910	24,388	24,876	25,373	25,881	26,399	26,927	27,465	28,014	28,575	
Replacement Reserves	53,914	54,453	54,998	55,548	56,103	56,664	57,231	57,803	58,381	58,965	
Total Expenses	1,374,001	1,420,385	1,468,371	1,518,016	1,569,377	1,622,515	1,677,490	1,734,368	1,793,213	1,854,096	
Perm Debt Service	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	
MHP	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	
Total Debt Service	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	
Operating Reserve Balance	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	
Draws on Reserves	0	0	0	0	0	0	0	0	0	0	
Net Operating Income	962,029	972,275	982,299	992,078	1,001,589	1,010,809	1,019,711	1,028,269	1,036,454	1,044,238	
Debt Service Coverage	1.77	1.79	1.81	1.82	1.84	1.86	1.88	1.89	1.91	1.92	
Cash after Exp & DS	418,229	428,475	438,499	448,278	457,789	467,009	475,911	484,469	492,655	500,438	
LP Fee Balance	0	0	0	0	0	0	0	0	0	0	
LP Fee Due	12,136	12,500	12,875	13,262	13,660	14,069	14,491	14,926	15,374	15,835	
LP Fee Paid	12,136	12,500	12,875	13,262	13,660	14,069	14,491	14,926	15,374	15,835	
Cash Flow	406,093	415,975	425,624	435,016	444,130	452,940	461,420	469,543	477,281	484,603	
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	
Dev. Fee Payments	0	0	0	0	0	0	0	0	0	0	
Cash Flow	406,093	415,975	425,624	435,016	444,130	452,940	461,420	469,543	477,281	484,603	
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0	
MGP Fee Due	24,273	25,001	25,751	26,523	27,319	28,139	28,983	29,852	30,748	31,670	
MGP Fee Paid	24,273	25,001	25,751	26,523	27,319	28,139	28,983	29,852	30,748	31,670	
Cash Flow	381,820	390,974	399,873	408,493	416,811	424,801	432,437	439,691	446,533	452,933	
AGP Fee Balance	0	0	0	0	0	0	0	0	0	0	
AGP Fee Due	24,273	25,001	25,751	26,523	27,319	28,139	28,983	29,852	30,748	31,670	
AGP Fee Paid	24,273	25,001	25,751	26,523	27,319	28,139	28,983	29,852	30,748	31,670	
Cash Flow	357,548	365,973	374,122	381,970	389,492	396,662	403,454	409,838	415,785	421,263	
Loan Balance	7,312,682	7,283,908	7,250,921	7,213,860	7,172,876	7,128,130	7,079,798	7,028,071	6,973,152	6,915,260	
Interest Charge	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	
Payments	178,774	182,987	187,061	190,985	194,746	198,331	201,727	204,919	207,892	210,631	
Ending Balance	7,283,908	7,250,921	7,213,860	7,172,876	7,128,130	7,079,798	7,028,071	6,973,152	6,915,260	6,854,628	
Cash Flow	178,774	182,987	187,061	190,985	194,746	198,331	201,727	204,919	207,892	210,631	
MGP Cash Flow	160,897	164,688	168,355	171,886	175,271	178,498	181,554	184,427	187,103	189,568	
LP Cash Flow	17,877	18,299	18,706	19,098	19,475	19,833	20,173	20,492	20,789	21,063	
Year	31	32	33	34	35	36	37	38	39	40	
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Version: 9.3.1

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CASH FLOW YR 41-50			KINGDOM DEVELOPMENT INC.								2021 E. 4TH ST	
79 units plus 1 mgr. unit											TE Bonds + 4% Credits	
Acq. New Construction											Non-Rural	
PW Family project											OCT-No DDA-No	
Cash Flow												
Year	41	42	43	44	45	46	47	48	49	50		
Rental Income	2,299,395	2,356,880	2,415,802	2,476,197	2,538,102	2,601,554	2,666,593	2,733,258	2,801,589	2,871,629		
Other Income	31,818	32,613	33,429	34,265	35,121	35,999	36,899	37,822	38,767	39,736		
Commercial Income	644,415	660,526	677,039	693,965	711,314	729,097	747,324	766,007	785,157	804,786		
Subsidy Income	454,543	463,634	472,907	482,365	492,012	501,852	511,889	522,127	532,570	543,221		
Vacancy Loss	461,495	472,919	484,626	496,624	508,919	521,519	534,431	547,664	561,225	575,123		
Adjusted Gross Income	2,968,676	3,040,733	3,114,550	3,190,167	3,267,630	3,346,984	3,428,274	3,511,550	3,596,858	3,684,250		
Standard Expenses	1,828,386	1,892,380	1,958,613	2,027,164	2,098,115	2,171,549	2,247,553	2,326,218	2,407,635	2,491,903		
Property Taxes	29,146	29,729	30,324	30,930	31,549	32,180	32,823	33,480	34,149	34,832		
Replacement Reserves	59,555	60,150	60,752	61,359	61,973	62,592	63,218	63,851	64,489	65,134		
Total Expenses	1,917,087	1,982,259	2,049,688	2,119,454	2,191,637	2,266,321	2,343,595	2,423,548	2,506,274	2,591,869		
Perm Debt Service	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440	468,440		
MHP	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360	75,360		
Total Debt Service	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800	543,800		
Operating Reserve Balance	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700	264,700		
Draws on Reserves	0	0	0	0	0	0	0	0	0	0		
Net Operating Income	1,051,589	1,058,475	1,064,861	1,070,713	1,075,993	1,080,662	1,084,679	1,088,002	1,090,585	1,092,381		
Debt Service Coverage	1.93	1.95	1.96	1.97	1.98	1.99	1.99	2.00	2.01	2.01		
Cash after Exp & DS	507,789	514,675	521,062	526,914	532,194	536,863	540,880	544,202	546,785	548,582		
LP Fee Balance	0	0	0	0	0	0	0	0	0	0		
LP Fee Due	16,310	16,799	17,303	17,823	18,357	18,908	19,475	20,059	20,661	21,281		
LP Fee Paid	16,310	16,799	17,303	17,823	18,357	18,908	19,475	20,059	20,661	21,281		
Cash Flow	491,479	497,876	503,758	509,091	513,836	517,955	521,405	524,143	526,124	527,301		
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0		
Dev. Fee Payments	0	0	0	0	0	0	0	0	0	0		
Cash Flow	491,479	497,876	503,758	509,091	513,836	517,955	521,405	524,143	526,124	527,301		
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0		
MGP Fee Due	32,620	33,599	34,607	35,645	36,715	37,816	38,950	40,119	41,323	42,562		
MGP Fee Paid	32,620	33,599	34,607	35,645	36,715	37,816	38,950	40,119	41,323	42,562		
Cash Flow	458,859	464,277	469,151	473,446	477,122	480,139	482,454	484,024	484,801	484,738		
AGP Fee Balance	0	0	0	0	0	0	0	0	0	0		
AGP Fee Due	32,620	33,599	34,607	35,645	36,715	37,816	38,950	40,119	41,323	42,562		
AGP Fee Paid	32,620	33,599	34,607	35,645	36,715	37,816	38,950	40,119	41,323	42,562		
Cash Flow	426,238	430,678	434,544	437,801	440,407	442,323	443,504	443,905	443,479	442,176		
Loan Balance	6,854,628	6,791,509	6,726,170	6,658,898	6,589,998	6,519,794	6,448,633	6,376,881	6,304,929	6,233,189		
Interest Charge	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000		
Payments	213,119	215,339	217,272	218,900	220,204	221,161	221,752	221,952	221,739	221,088		
Ending Balance	6,791,509	6,726,170	6,658,898	6,589,998	6,519,794	6,448,633	6,376,881	6,304,929	6,233,189	6,162,101		
Cash Flow	213,119	215,339	217,272	218,900	220,204	221,161	221,752	221,952	221,739	221,088		
MGP Cash Flow	191,807	193,805	195,545	197,010	198,183	199,045	199,577	199,757	199,565	198,979		
LP Cash Flow	21,312	21,534	21,727	21,890	22,020	22,116	22,175	22,195	22,174	22,109		
Year	41	42	43	44	45	46	47	48	49	50		
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CASH FLOW YR 51-60					KINGDOM DEVELOPMENT INC.					2021 E. 4TH ST	
79 units plus 1 mgr. unit										TE Bonds + 4% Credits	
Acq. New Construction										Non-Rural	
PW Family project										QCT-No DDA-No	
Cash Flow											
Year	51	52	53	54	55	56	57	58	59	60	
Rental Income	2,943,420	3,017,005	3,092,430	3,169,741	3,248,985						
Other Income	40,730	41,748	42,792	43,861	44,958						
Commercial Income	824,906	845,529	866,667	888,334	910,542						
Subsidy Income	554,085	565,167	576,471	588,000	599,760						
Vacancy Loss	589,365	603,960	618,918	634,247	649,956						
Adjusted Gross Income	3,773,776	3,865,489	3,959,441	4,055,689	4,154,288						
Standard Expenses	2,579,119	2,669,388	2,762,817	2,859,516	2,959,599						
Property Taxes	35,529	36,240	36,964	37,704	38,458						
Replacement Reserves	65,785	66,443	67,108	67,779	68,456						
Total Expenses	2,680,433	2,772,071	2,866,889	2,964,998	3,066,513						
Perm Debt Service	468,440	468,440	468,440	468,440	468,440						
MHP	75,360	75,360	75,360	75,360	75,360						
Total Debt Service	543,800	543,800	543,800	543,800	543,800						
Operating Reserve Balance	264,700	264,700	264,700	264,700	264,700						
Draws on Reserves	0	0	0	0	0						
Net Operating Income	1,093,343	1,093,418	1,092,552	1,090,691	1,087,776						
Debt Service Coverage	2.01	2.01	2.01	2.01	2.00						
Cash after Exp & DS	549,543	549,618	548,753	546,892	543,976						
LP Fee Balance	0	0	0	0	0						
LP Fee Due	21,920	22,577	23,254	23,952	24,671						
LP Fee Paid	21,920	22,577	23,254	23,952	24,671						
Cash Flow	527,624	527,041	525,498	522,940	519,305						
Deferred Developer Fee	0	0	0	0	0						
Dev. Fee Payments	0	0	0	0	0						
Cash Flow	527,624	527,041	525,498	522,940	519,305						
MGP Fee Balance	0	0	0	0	0						
MGP Fee Due	43,839	45,154	46,509	47,904	49,341						
MGP Fee Paid	43,839	45,154	46,509	47,904	49,341						
Cash Flow	483,784	481,887	478,990	475,035	469,964						
AGP Fee Balance	0	0	0	0	0						
AGP Fee Due	43,839	45,154	46,509	47,904	49,341						
AGP Fee Paid	43,839	45,154	46,509	47,904	49,341						
Cash Flow	439,945	436,732	432,481	427,131	420,623						
Loan Balance	6,162,101	6,092,128	6,023,762	5,957,522	5,893,956						
Interest Charge	150,000	150,000	150,000	150,000	150,000						
Payments	219,973	218,366	216,240	213,566	210,311						
Ending Balance	6,092,128	6,023,762	5,957,522	5,893,956	5,833,645						
Cash Flow	219,973	218,366	216,240	213,566	210,311						
MGP Cash Flow	197,975	196,530	194,616	192,209	189,280						
LP Cash Flow	21,997	21,837	21,624	21,357	21,031						
Year	51	52	53	54	55	56	57	58	59	60	
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Version: 9.3.1

Updated by: Rusty Leach on 9/30/19

USES, EXPENSES AND CREDIT	Kingdom Development Inc.	GOLDEN CIRCLE
79 units plus 1 mgr. unit		TE Bonds + 4% Credits
Acq. New Construction		Non-Rural
PW Family project		QCT-No DDA-No

Development Uses				
Description	Amount	NC. Basis	Acq. Basis	Per Unit
Acquisition Cost	\$5,000,000	\$0	\$0	\$62,500
Appraisals	10,000	0	0	125
Holding Costs	750,000	0	0	9,375
Building Fees & Permits	390,000	390,000	0	4,875
Impact Fees	2,400,000	2,400,000	0	30,000
Architectural & Engineering	1,000,000	1,000,000	0	12,500
Demolition	150,000	0	0	1,875
Residential Construction	21,052,632	21,052,632	0	263,158
General Conditions	1,272,158	1,272,158	0	15,902
Contractor's Overhead & Profit	1,696,211	1,696,211	0	21,203
Performance Bond	241,710	241,710	0	3,021
Construction Contingency	1,220,636	1,220,636	0	15,258
Developer Fee	4,771,875	4,771,875	0	59,648
Legal Fees	370,000	305,000	0	4,625
Construction Manager	250,000	250,000	0	3,125
Builders Risk Insurance	241,710	241,710	0	3,021
Accounting	80,000	60,000	0	1,000
Market Study	15,000	15,000	0	188
Project Contingency	500,000	250,000	0	6,250
Marketing & Advertising	50,000	0	0	625
Capitalized Operating Reserve	297,949	0	0	3,724
Common Area Furnishings	70,000	70,000	0	875
Construction Period Interest	1,650,960	961,325	0	20,637
Construction Loan Fees	422,679	246,119	0	5,283
Permanent Loan Fees	84,020	0	0	1,050
TCAC Fees	44,987	0	0	562
CDLAC Fees	113,044	0	0	1,413
Bond Issuance Costs	115,000	115,000	0	1,438
Title and Recording	60,000	25,000	0	750

Operating Expenses		
Description	Amount	Per Unit
Operating Expenses	\$440,000	\$5,500
Real Estate Taxes	12,000	150
Social Services	10,480	131
Supportive Services	171,480	2,144
Replacement Reserves	40,000	500

Total	\$673,960	\$8,425
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Tax Credit Calculation			
	4% Federal	Acq. Fed.	State
Eligible Basis	36,584,374	0	
Excluded	0	0	
Unadjusted	36,584,374	0	0
Basis Limit	79,593,301		
Boost	100%	100%	
Adjusted	36,584,374	0	
Applicable	100.0%	100.0%	100.0%
Qualified	36,584,374	0	0
Reduction	0	0	
Adj. Qualified	36,584,374	0	
Rate Factor	3.17%	3.17%	13.00%
Annual Credits	1,159,725	0	
Federal Credits	11,597,240	State Credits	0
Credit Price	0.97		0.80
Proceeds	11,248,198		0
Total	\$11,248,198		

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Version: 9.6.1

Updated by: Rusty Leach on 11/22/19

CASH FLOW YR 1-10				Kingdom Development Inc.				GOLDEN CIRCLE		
79 units plus 1 mgr. unit								TE Bonds + 4% Credits		
Acq. New Construction								Non-Rural		
PW Family project								QCT-No DDA-No		
Cash Flow										
Year	1	2	3	4	5	6	7	8	9	10
Rental Income	791,236	811,016	831,292	852,074	873,376	895,210	917,591	940,530	964,044	988,145
Other Income	11,850	12,146	12,450	12,761	13,080	13,407	13,742	14,086	14,438	14,799
Subsidy Income	533,200	543,864	554,741	565,836	577,152	588,695	600,469	612,479	624,728	637,222
Vacancy Loss	66,814	68,351	69,924	71,534	73,180	74,866	76,590	78,355	80,161	82,006
Adjusted Gross Income	1,269,471	1,298,675	1,328,559	1,359,137	1,390,428	1,422,447	1,455,212	1,488,740	1,523,050	1,558,158
Standard Expenses	621,960	643,729	666,259	689,578	713,713	738,693	764,548	791,307	819,003	847,668
Property Taxes	12,000	12,240	12,485	12,734	12,989	13,249	13,514	13,784	14,060	14,341
Replacement Reserves	40,000	40,400	40,804	41,212	41,624	42,040	42,461	42,885	43,314	43,747
Total Expenses	673,960	696,369	719,548	743,525	768,327	793,983	820,522	847,976	876,377	905,756
Perm Debt Service	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196
HCD-MHP Hard Debt Service	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640
Total Debt Service	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836
Operating Reserve Balance	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949
Draws on Reserves	0	0	0	0	0	0	0	0	0	0
Net Operating Income	595,511	602,306	609,011	615,613	622,101	628,465	634,690	640,764	646,673	652,402
Debt Service Coverage	1.15	1.16	1.18	1.19	1.20	1.21	1.23	1.24	1.25	1.26
Cash after Exp & DS	77,675	84,471	91,175	97,777	104,266	110,629	116,854	122,928	128,837	134,567
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
LP Fee Paid	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Cash Flow	72,675	79,321	85,871	92,314	98,638	104,833	110,884	116,779	122,503	128,043
Deferred Developer Fee	2,370,326	2,297,651	2,218,330	2,132,459	2,040,146	1,941,507	1,836,675	1,725,791	1,609,012	1,486,508
Dev. Fee Payments	72,675	79,321	85,871	92,314	98,638	104,833	110,884	116,779	122,503	128,043
Cash Flow	0	0	0	0	0	0	0	0	0	0
MGP Fee Balance	0	10,000	20,300	30,909	41,836	53,091	64,684	76,625	88,923	101,591
MGP Fee Due	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
MGP Fee Paid	0	0	0	0	0	0	0	0	0	0
Cash Flow	0	0	0	0	0	0	0	0	0	0
AGP Fee Balance	0	10,000	20,300	30,909	41,836	53,091	64,684	76,625	88,923	101,591
AGP Fee Due	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
AGP Fee Paid	0	0	0	0	0	0	0	0	0	0
Cash Flow	0	0	0	0	0	0	0	0	0	0
Loan Balance	3,100,000	3,100,000	3,193,000	3,286,000	3,379,000	3,472,000	3,565,000	3,658,000	3,751,000	3,844,000
Interest Charge	0	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000
Payments	0	0	0	0	0	0	0	0	0	0
Ending Balance	3,100,000	3,193,000	3,286,000	3,379,000	3,472,000	3,565,000	3,658,000	3,751,000	3,844,000	3,937,000
Cash Flow	0	0	0	0	0	0	0	0	0	0
MGP Cash Flow	0	0	0	0	0	0	0	0	0	0
LP Cash Flow	0	0	0	0	0	0	0	0	0	0
Year	1	2	3	4	5	6	7	8	9	10
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Printed on 11/22/19 at 10:59 AM

Version: 9.6.1

Updated by: Rusty Leach on 11/22/19

CASH FLOW YR 11-20										
Kingdom Development Inc.										
GOLDEN CIRCLE										
79 units plus 1 mgr. unit										
Acq. New Construction										
PW Family project										
TE Bonds + 4% Credits										
Non-Rural										
OCT-No DDA-No										
Cash Flow										
Year	11	12	13	14	15	16	17	18	19	20
Rental Income	1,012,848	1,038,170	1,064,124	1,090,727	1,117,995	1,145,945	1,174,594	1,203,959	1,234,058	1,264,909
Other Income	15,169	15,548	15,937	16,335	16,744	17,162	17,591	18,031	18,482	18,944
Subsidy Income	649,967	662,967	676,226	689,751	703,546	717,616	731,969	746,608	761,540	776,771
Vacancy Loss	83,899	85,834	87,814	89,841	91,914	94,036	96,208	98,430	100,704	103,031
Adjusted Gross Income	1,594,086	1,630,850	1,668,473	1,706,972	1,746,370	1,786,688	1,827,946	1,870,168	1,913,376	1,957,593
Standard Expenses	877,336	908,043	939,824	972,718	1,006,763	1,042,000	1,078,470	1,116,216	1,155,284	1,195,719
Property Taxes	14,628	14,920	15,219	15,523	15,834	16,150	16,473	16,803	17,139	17,482
Replacement Reserves	44,185	44,627	45,073	45,524	45,979	46,439	46,903	47,372	47,846	48,324
Total Expenses	936,149	967,590	1,000,116	1,033,765	1,068,576	1,104,589	1,141,847	1,180,391	1,220,269	1,261,525
Perm Debt Service	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196
HCD-MHP Hard Debt Service	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640
Total Debt Service	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836
Operating Reserve Balance	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949
Draws on Reserves	0	0	0	0	0	0	0	0	0	0
Net Operating Income	657,937	663,260	668,356	673,207	677,794	682,099	686,100	689,777	693,107	696,068
Debt Service Coverage	1.27	1.28	1.29	1.30	1.31	1.32	1.32	1.33	1.34	1.34
Cash after Exp & DS	140,101	145,425	150,521	155,372	159,959	164,263	168,264	171,941	175,271	178,232
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768
LP Fee Paid	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768
Cash Flow	133,382	138,504	143,392	148,029	152,396	156,473	160,241	163,677	166,759	169,465
Deferred Developer Fee	1,358,465	1,225,084	1,086,580	943,188	795,159	642,764	486,291	326,050	162,373	0
Dev. Fee Payments	133,382	138,504	143,392	148,029	152,396	156,473	160,241	163,677	162,373	0
Cash Flow	0	0	0	0	0	0	0	0	4,386	169,465
MGP Fee Balance	114,639	128,078	141,920	156,178	170,863	185,989	201,569	217,616	234,144	246,783
MGP Fee Due	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
MGP Fee Paid	0	0	0	0	0	0	0	0	4,386	169,465
Cash Flow	0	0	0	0	0	0	0	0	0	0
AGP Fee Balance	114,639	128,078	141,920	156,178	170,863	185,989	201,569	217,616	234,144	251,169
AGP Fee Due	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
AGP Fee Paid	0	0	0	0	0	0	0	0	0	0
Cash Flow	0	0	0	0	0	0	0	0	0	0
Loan Balance	3,937,000	4,030,000	4,123,000	4,216,000	4,309,000	4,402,000	4,495,000	4,588,000	4,681,000	4,774,000
Interest Charge	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000
Payments	0	0	0	0	0	0	0	0	0	0
Ending Balance	4,030,000	4,123,000	4,216,000	4,309,000	4,402,000	4,495,000	4,588,000	4,681,000	4,774,000	4,867,000
Cash Flow	0	0	0	0	0	0	0	0	0	0
MGP Cash Flow	0	0	0	0	0	0	0	0	0	0
LP Cash Flow	0	0	0	0	0	0	0	0	0	0
Year	11	12	13	14	15	16	17	18	19	20

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Updated by: Rusty Leach on 11/22/19

CASH FLOW YR 21-30				Kingdom Development Inc.				GOLDEN CIRCLE		
79 units plus 1 mgr. unit				TE Bonds + 4% Credits						
Acq. New Construction				Non-Rural						
PW Family project				QCT-No DDA-No						
Cash Flow										
Year	21	22	23	24	25	26	27	28	29	30
Rental Income	1,296,532	1,328,945	1,362,169	1,396,223	1,431,128	1,466,907	1,503,579	1,541,169	1,579,698	1,619,190
Other Income	19,418	19,903	20,401	20,911	21,433	21,969	22,518	23,081	23,658	24,250
Subsidy Income	792,307	808,153	824,316	840,802	857,618	874,770	892,266	910,111	928,313	946,888
Vacancy Loss	105,413	107,850	110,344	112,897	115,509	118,182	120,918	123,718	126,583	129,516
Adjusted Gross Income	2,002,843	2,049,151	2,096,541	2,145,039	2,194,671	2,245,464	2,297,445	2,350,643	2,405,086	2,460,804
Standard Expenses	1,237,569	1,280,884	1,325,715	1,372,115	1,420,139	1,469,844	1,521,288	1,574,533	1,629,642	1,686,680
Property Taxes	17,831	18,188	18,552	18,923	19,301	19,687	20,081	20,483	20,892	21,310
Replacement Reserves	48,808	49,296	49,789	50,287	50,789	51,297	51,810	52,328	52,852	53,380
Total Expenses	1,304,208	1,348,368	1,394,055	1,441,324	1,490,230	1,540,828	1,593,180	1,647,344	1,703,386	1,761,370
Perm Debt Service	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196
HCD-MHP Hard Debt Service	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640
Total Debt Service	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836
Operating Reserve Balance	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949
Draws on Reserves	0	0	0	0	0	0	0	0	0	0
Net Operating Income	698,635	700,783	702,485	703,714	704,441	704,636	704,266	703,299	701,700	699,434
Debt Service Coverage	1.35	1.35	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.35
Cash after Exp & DS	180,799	182,947	184,650	185,879	186,606	186,800	186,430	185,463	183,865	181,598
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	9,031	9,301	9,581	9,868	10,164	10,469	10,783	11,106	11,440	11,783
LP Fee Paid	9,031	9,301	9,581	9,868	10,164	10,469	10,783	11,106	11,440	11,783
Cash Flow	171,769	173,646	175,069	176,011	176,442	176,331	175,647	174,357	172,425	169,816
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0
Dev. Fee Payments	0	0	0	0	0	0	0	0	0	0
Cash Flow	171,769	173,646	175,069	176,011	176,442	176,331	175,647	174,357	172,425	169,816
MGP Fee Balance	94,853	0	0	0	0	0	0	0	0	0
MGP Fee Due	18,061	18,603	19,161	19,736	20,328	20,938	21,566	22,213	22,879	23,566
MGP Fee Paid	112,914	18,603	19,161	19,736	20,328	20,938	21,566	22,213	22,879	23,566
Cash Flow	58,854	155,043	155,908	156,275	156,114	155,393	154,081	152,144	149,546	146,250
AGP Fee Balance	268,704	227,910	91,470	0	0	0	0	0	0	0
AGP Fee Due	18,061	18,603	19,161	19,736	20,328	20,938	21,566	22,213	22,879	23,566
AGP Fee Paid	58,854	155,043	110,631	19,736	20,328	20,938	21,566	22,213	22,879	23,566
Cash Flow	0	0	45,277	136,539	135,786	134,456	132,515	129,931	126,666	122,684
Loan Balance	4,867,000	4,960,000	5,053,000	5,123,362	5,148,092	5,173,199	5,198,971	5,225,714	5,253,748	5,283,415
Interest Charge	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000
Payments	0	0	22,638	68,270	67,893	67,228	66,258	64,965	63,333	61,342
Ending Balance	4,960,000	5,053,000	5,123,362	5,148,092	5,173,199	5,198,971	5,225,714	5,253,748	5,283,415	5,315,073
Cash Flow	0	0	22,638	68,270	67,893	67,228	66,258	64,965	63,333	61,342
MGP Cash Flow	0	0	20,375	61,443	61,104	60,505	59,632	58,469	57,000	55,208
LP Cash Flow	0	0	2,264	6,827	6,789	6,723	6,626	6,497	6,333	6,134
Year	21	22	23	24	25	26	27	28	29	30
Printed on 11/22/19 at 10:59 AM				Version: 9.6.1			Updated by: Rusty Leach on 11/22/19			

Printed on 11/22/19 at 10:59 AM

Version: 9.6.1

Updated by: Rusty Leach on 11/22/19

CASH FLOW YR 31-40				Kingdom Development Inc.				GOLDEN CIRCLE		
79 units plus 1 mgr. unit								TE Bonds + 4% Credits		
Acq. New Construction								Non-Rural		
PW Family project								OCT-No DDA-No		
Cash Flow										
Year	31	32	33	34	35	36	37	38	39	40
Rental Income	1,659,670	1,701,162	1,743,691	1,787,283	1,831,965	1,877,764	1,924,709	1,972,826	2,022,147	2,072,701
Other Income	24,856	25,478	26,115	26,767	27,437	28,122	28,826	29,546	30,285	31,042
Subsidy Income	965,817	985,134	1,004,836	1,024,933	1,045,432	1,066,340	1,087,667	1,109,420	1,131,609	1,154,241
Vacancy Loss	132,517	135,589	138,732	141,949	145,242	148,611	152,060	155,590	159,202	162,899
Adjusted Gross Income	2,517,826	2,576,184	2,635,910	2,697,034	2,759,592	2,823,616	2,889,141	2,956,203	3,024,839	3,095,084
Standard Expenses	1,745,713	1,806,813	1,870,052	1,935,504	2,003,246	2,073,360	2,145,928	2,221,035	2,298,771	2,379,228
Property Taxes	21,736	22,171	22,614	23,067	23,528	23,999	24,479	24,968	25,468	25,977
Replacement Reserves	53,914	54,453	54,998	55,548	56,103	56,664	57,231	57,803	58,381	58,965
Total Expenses	1,821,364	1,883,438	1,947,664	2,014,118	2,082,877	2,154,023	2,227,637	2,303,806	2,382,620	2,464,170
Perm Debt Service	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196	437,196
HCD-MHP Hard Debt Service	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640	80,640
Total Debt Service	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836	517,836
Operating Reserve Balance	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949	297,949
Draws on Reserves	0	0	0	0	0	0	0	0	0	0
Net Operating Income	696,463	692,747	688,246	682,916	676,714	669,593	661,504	652,397	642,219	630,914
Debt Service Coverage	1.34	1.34	1.33	1.32	1.31	1.29	1.28	1.26	1.24	1.22
Cash after Exp & DS	178,627	174,911	170,410	165,081	158,879	151,758	143,669	134,561	124,383	113,079
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	12,136	12,500	12,875	13,262	13,660	14,069	14,491	14,926	15,374	15,835
LP Fee Paid	12,136	12,500	12,875	13,262	13,660	14,069	14,491	14,926	15,374	15,835
Cash Flow	166,491	162,411	157,535	151,819	145,219	137,688	129,177	119,635	109,009	97,244
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0
Dev. Fee Payments	0	0	0	0	0	0	0	0	0	0
Cash Flow	166,491	162,411	157,535	151,819	145,219	137,688	129,177	119,635	109,009	97,244
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0
MGP Fee Due	24,273	25,001	25,751	26,523	27,319	28,139	28,983	29,852	30,748	31,670
MGP Fee Paid	24,273	25,001	25,751	26,523	27,319	28,139	28,983	29,852	30,748	31,670
Cash Flow	142,218	137,410	131,784	125,296	117,900	109,550	100,194	89,783	78,261	65,573
AGP Fee Balance	0	0	0	0	0	0	0	0	0	0
AGP Fee Due	24,273	25,001	25,751	26,523	27,319	28,139	28,983	29,852	30,748	31,670
AGP Fee Paid	24,273	25,001	25,751	26,523	27,319	28,139	28,983	29,852	30,748	31,670
Cash Flow	117,946	112,409	106,033	98,772	90,581	81,411	71,212	59,931	47,514	33,903
Loan Balance	5,315,073	5,349,100	5,385,895	5,425,879	5,469,493	5,517,202	5,569,497	5,626,891	5,689,925	5,759,169
Interest Charge	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000
Payments	58,973	56,205	53,017	49,386	45,291	40,705	35,606	29,965	23,757	16,952
Ending Balance	5,349,100	5,385,895	5,425,879	5,469,493	5,517,202	5,569,497	5,626,891	5,689,925	5,759,169	5,835,217
Cash Flow	58,973	56,205	53,017	49,386	45,291	40,705	35,606	29,965	23,757	16,952
MGP Cash Flow	53,075	50,584	47,715	44,448	40,762	36,635	32,045	26,969	21,381	15,256
LP Cash Flow	5,897	5,620	5,302	4,939	4,529	4,071	3,561	2,997	2,376	1,695

Year	31	32	33	34	35	36	37	38	39	40
Printed on 11/22/19 at 10:59 AM				Version: 9.6.1			Updated by: Rusty Leach on 11/22/19			