

SOURCES AND USES OF FUNDS

Project Name: Arrowhead Grove Phase II - Mixed Income
Project Financing: 4% LIHTC/AHSC w 116 RAD PBV
Developer: NCRC / TCC / HACSB / HPI
Number of Dwelling Units: 184

7/25/2019

SOURCES: CONSTRUCTION	CURRENT
Bank of America Construction Loan	\$ 55,000,000
Bank of America Equity	\$ 5,003,607
County of San Bernardino HOME Loan	\$ 2,900,000
HACSB Development Loan	\$ 3,412,000
HACSB Development Land Loan	\$ 970,000
City of San Bernardino NSP Loan	\$ 1,500,000
City of San Bernardino HOME Loan	\$ 830,000
NCRC/Sponsor Loan (Dignity Health)	\$ 1,200,000
Deferred Costs during const period	\$ 2,346,142
Total	\$ 73,161,750

USES: CONSTRUCTION	CURRENT
Acquisition Costs/Closing	\$ 970,000
Architecture/Fees & Permits	\$ 7,059,901
Construction Cost	\$ 53,295,617
Indirect Construction/Legal	\$ 1,578,808
Developer's Fee	\$ 3,000,000
Rent-Up Costs/Reserves	\$ 1,867,309
Financing Costs	\$ 5,390,115
Total	\$ 73,161,750

SOURCES: PERMANENT		
JPMorgan Chase Perm Loan	\$ 19,909,000	\$ 108,201
Bank of America Equity	\$ 25,018,036	\$ 135,968
HCD AHSC	\$ 17,422,714	\$ 94,689
County of San Bernardino HOME Loan	\$ 2,900,000	\$ 15,761
HACSB Development Loan	\$ 3,412,000	\$ 18,543
HACSB Development Land Loan	\$ 970,000	\$ 5,272
City of San Bernardino NSP Loan	\$ 1,500,000	\$ 8,152
City of San Bernardino HOME Loan	\$ 830,000	\$ 4,511
GP Equity	\$ 6,400,000	\$ 34,783
NCRC/Sponsor Loan (Dignity Health)	\$ 1,200,000	\$ 6,522
Total	\$ 79,561,750	\$ 432,401

USES: PERMANENT		
Acquisition Costs/Closing	\$ 970,000	\$ 5,272
Architecture/Fees & Permits	\$ 7,059,901	\$ 38,369
Construction Cost	\$ 53,295,617	\$ 289,650
Indirect Construction/Legal	\$ 1,578,808	\$ 8,580
Developer's Fee	\$ 9,400,000	\$ 51,087
Rent-Up Costs/Reserves	\$ 1,867,309	\$ 10,148
Financing Costs	\$ 5,390,115	\$ 29,294
Total	\$ 79,561,750	\$ 432,401

DEVELOPMENT COSTS

7/25/2019

Project Name: Arrowhead Grove Phase II - Mixed Income

Project Financing: 4% LIHTC/AHSC w 116 RAD PBV

Developer: NCRC / TCC / HACSB / HPI

Number of Dwelling Units: 184

Description	CURRENT	Per Unit	%
1. Acquisition			
Purchase Price	\$ 970,000	\$ 5,272	1.22%
Closing Costs		\$ -	0.00%
Acquisition Cost Total:	\$ 970,000	\$ 5,272	1.22%
2. Fees/Permits & Studies			
Reports/Surveys/Studies/Inspections	\$ 525,000	\$ 2,853	0.66%
Impact Fees & Permits	\$ 3,734,901	\$ 20,298	4.69%
Architecture & Engineering & Other Consultants	\$ 2,800,000	\$ 15,217	3.52%
Fees/Permits & Studies Cost Total:	\$ 7,059,901	\$ 41,222	9.53%
3. Direct Construction (Prevailing Wage)			
Demolition of Existing Infrastructure + Offsites	\$ 2,095,878	\$ 11,391	2.63%
Residential Construction	\$ 34,532,211	\$ 187,675	43.40%
Onsite Improvements	\$ 6,791,819	\$ 36,912	8.54%
Subtotal:	\$ 43,419,909	\$ 235,978	54.57%
General Requirements 6.00%	\$ 2,605,195	\$ 14,159	3.27%
Subtotal:	\$ 46,025,103	\$ 250,136	57.85%
Builders Profit and Overhead 8.00%	\$ 3,473,593	\$ 18,878	4.37%
Liability Insurance 1.15%	\$ 569,235	\$ 3,094	0.72%
Performance Bond 1.15%	\$ 569,235	\$ 3,094	0.72%
Subtotal:	\$ 50,637,166	\$ 275,202	63.65%
Owner Contingency 5.25%	\$ 2,658,451	\$ 14,448	3.34%
Direct Construction Cost Total:	\$ 53,295,617	\$ 289,650	66.99%
4. Indirect Construction			
Developer's Fee	\$ 9,400,000	\$ 51,087	11.81%
General Liability Insurance - Umbrella	\$ 60,000	\$ 326	0.08%
Real Estate Taxes	\$ 10,000	\$ 54	0.01%
Legal: Transactional	\$ 350,000	\$ 1,902	0.44%
Legal: Syndication	\$ 40,000	\$ 217	0.05%
Accounting	\$ 60,000	\$ 326	0.08%
Bus Passes for AHSC - Yr 4-8	\$ 808,808	\$ 4,396	1.02%
Relocation	\$ 75,000	\$ 408	0.09%
Indirect Construction Costs Contingency	\$ 175,000	\$ 951	0.22%
Indirect Construction Cost Total:	\$ 10,978,808	\$ 59,667	13.80%
5. Rent Up/Marketing			
Marketing and Lease-up	\$ 125,000	\$ 679	0.16%
Common Area Furnishings	\$ 250,000	\$ 1,359	0.31%
RAD Reserve / Transition Reserve	\$ 850,000	\$ 4,620	1.07%
MTW Hardship Reserve	\$ 42,000	\$ 228	0.05%
Operating Reserve (3 Months)	\$ 600,309	\$ 3,263	0.75%
Rent Up/Marketing Cost Total:	\$ 1,867,309	\$ 10,148	2.35%
6. Financing Costs			
Construction Period Loan Interest	\$ 3,900,000	\$ 21,196	4.90%
Loan Fees	\$ 485,000	\$ 2,636	0.61%
Appraisal / Market Study / Cost Review	\$ 50,000	\$ 272	0.06%
Application Fee	\$ 25,000	\$ 136	0.03%
Inspection Fees	\$ 60,000	\$ 326	0.08%
Lender Legal	\$ 200,000	\$ 1,087	0.25%
Borrower's 3rd Party Reports	\$ 50,000	\$ 272	0.06%
Tax Credit Allocation Fee and Investor Due Diligence	\$ 140,115	\$ 761	0.18%
Bridge Loan Costs & Interest	\$ 150,000	\$ 815	0.19%
Bond Issuance and CDLAC Expenses	\$ 240,000	\$ 1,304	0.30%
Title and Recording	\$ 90,000	\$ 489	0.11%
Financing Cost Total:	\$ 5,390,115	\$ 29,294	6.77%
Development Cost			
Subtotal Development Cost	\$ 78,591,750	\$ 429,982	98.78%
Subtotal Acquisition Cost	\$ 970,000	\$ 5,272	1.22%
Development Cost Total:	\$ 79,561,750	\$ 432,401	100.00%

RENT SCHEDULE

Project Name: Arrowhead Grove Phase II - Mixed Income
Project Financing: 4% LIHTC/AHSC w 116 RAD PBV
Developer: NCRC / TCC / HACSB / HPI
Number of Dwelling Units: 184

UNIT TYPE	AMI	NUMBER OF UNITS	CTCAC GROSS RENT	CUAC UTILITY ALLOWANCE	CTCAC NET RENT	RAD PBV RENT SUBSIDY	TOTAL RENT	MONTHLY RENT	ANNUAL RENT
1 Bedroom RAD	30%	5	\$404	\$22	\$382	\$702	\$1,084	\$1,084	\$65,040.00
1 Bedroom	30%	1	\$404	\$22	\$382	\$0	\$382	\$382	\$4,584
1 Bedroom RAD	50%	5	\$673	\$22	\$651	\$433	\$1,084	\$1,084	\$65,040
1 Bedroom	50%	1	\$673	\$22	\$651	\$0	\$651	\$651	\$7,812
1 Bedroom RAD	60%	6	\$808	\$22	\$786	\$298	\$1,084	\$1,084	\$78,048
1 Bedroom	60%	4	\$808	\$22	\$786	\$0	\$786	\$786	\$37,728
1 Bedroom	Market	6				\$0	\$1,200	\$1,200	\$86,400
Subtotal:		28							\$344,652
2 Bedroom RAD	30%	17	\$485	\$38	\$447	\$894	\$1,341	\$1,341	\$273,564
2 Bedroom	30%	4	\$485	\$38	\$447	\$0	\$447	\$447	\$21,456
2 Bedroom RAD	50%	17	\$808	\$38	\$770	\$585	\$1,355	\$1,355	\$276,420
2 Bedroom	50%	4	\$808	\$38	\$770	\$0	\$770	\$770	\$36,960
2 Bedroom RAD	60%	30	\$970	\$38	\$932	\$423	\$1,355	\$1,355	\$487,800
2 Bedroom	60%	9	\$970	\$38	\$932	\$0	\$932	\$932	\$100,656
2 Bedroom	Market	21				\$0	\$1,550	\$1,550	\$390,600
Subtotal:		102							\$1,587,456
3 Bedroom RAD	30%	7	\$560	\$52	\$508	\$700	\$1,208	\$1,208	\$101,472
3 Bedroom	30%	2	\$560	\$52	\$508	\$0	\$508	\$508	\$12,192
3 Bedroom RAD	50%	7	\$933	\$52	\$881	\$741	\$1,622	\$1,622	\$136,248
3 Bedroom	50%	2	\$933	\$52	\$881	\$0	\$881	\$881	\$21,144
3 Bedroom RAD	60%	10	\$1,120	\$52	\$1,068	\$741	\$1,809	\$1,809	\$217,080
3 Bedroom	60%	4	\$1,120	\$52	\$1,068	\$0	\$1,068	\$1,068	\$51,264
3 Bedroom	Market	8				\$0	\$1,700	\$1,700	\$163,200
Subtotal:		40							\$702,600
4 Bedroom RAD	30%	1	\$624	\$64	\$560	\$742	\$1,302	\$1,302	\$15,624
4 Bedroom	30%	0	\$624	\$64	\$560	\$0	\$560	\$560	\$0
4 Bedroom RAD	50%	2	\$1,041	\$64	\$977	\$742	\$1,719	\$1,719	\$41,256
4 Bedroom	50%	0	\$1,041	\$64	\$977	\$0	\$977	\$977	\$0
4 Bedroom RAD	60%	7	\$1,249	\$64	\$1,185	\$741	\$1,926	\$1,926	\$161,784
4 Bedroom	60%	0	\$1,249	\$64	\$1,185	\$0	\$1,185	\$1,185	\$0
4 Bedroom	Market	0				\$0	\$0	\$0	\$0
Subtotal:		10							\$218,664
5 Bedroom RAD	30%	2	\$689	\$75	\$614	\$741	\$1,355	\$1,355	\$32,520
Subtotal:		2							\$32,520
3 Bedroom- Mgr	Exempt	2	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal:		2							
		116				\$618			
Total:		184				\$71,688			\$2,885,892

Project Name: Arrowhead Grove Phase II - Mixed Income
Project Financing: 4% LIHTC/AHSC w 116 RAD PBV
Number of Dwelling Units: 184
Developer: NCRC / TCC / HACSB / HPI

Description	Annual	Monthly	Per Unit	Unit/Month	% Total
1. Management					
Management Fee	\$ 154,560	\$ 12,880.00	\$ 840.00	\$ 70.00	22.46%
Management Total:	\$ 154,560	\$ 12,880.00	\$ 840.00	\$ 70.00	22.46%
2. Administration					
Marketing	\$ 15,000	\$ 1,250.00	\$ 81.52	\$ 6.79	0.58%
Audit / Compliance	\$ 18,000	\$ 1,500.00	\$ 97.83	\$ 8.15	1.86%
Legal	\$ 5,000	\$ 416.67	\$ 27.17	\$ 2.26	0.97%
Office Expenses/ Misc	\$ 30,000	\$ 2,500.00	\$ 163.04	\$ 13.59	2.83%
Administration Total:	\$ 68,000	\$ 5,667	\$ 369.57	\$ 30.80	6.23%
3. Salaries and Benefits					
Manager/Asst. Manager	\$ 95,000	\$ 7,916.67	\$ 516.30	\$ 43.03	6.78%
Maintenance Personnel	\$ 90,000	\$ 7,500.00	\$ 489.13	\$ 40.76	10.13%
Leasing Personnel	\$ 45,000	\$ 3,750.00	\$ 244.57	\$ 20.38	0.00%
Payroll Txs, Ins & Wkr. Comp.	\$ 80,500	\$ 6,708.33	\$ 437.50	\$ 36.46	4.07%
Salaries and Benefits Total:	\$ 310,500	\$ 25,875.00	\$ 1,687.50	\$ 140.63	20.99%
4. Maintenance					
Supplies	\$ 18,000	\$ 1,500.00	\$ 97.83	\$ 8.15	1.29%
Repairs Contract	\$ 24,000	\$ 2,000.00	\$ 130.43	\$ 10.87	1.61%
Pest Control	\$ 12,000	\$ 1,000.00	\$ 65.22	\$ 5.43	0.39%
Fire Prevention	\$ 10,000	\$ 833.33	\$ 54.35	\$ 4.53	0.32%
Security Systems	\$ 18,000	\$ 1,500.00	\$ 97.83	\$ 8.15	1.78%
Misc. Turnover	\$ 15,000	\$ 1,250.00	\$ 81.52	\$ 6.79	
Pool	\$ 12,000	\$ 1,000.00	\$ 65.22	\$ 5.43	0.97%
Maintenance Total:	\$ 109,000	\$ 9,083.33	\$ 592.39	\$ 49.37	7.57%
5. Utilities Not Paid by Tenants					
Trash Removal	\$ 42,000	\$ 3,500.00	\$ 228.26	\$ 19.02	1.70%
Electricity	\$ 33,000	\$ 2,750.00	\$ 179.35	\$ 14.95	1.90%
Water/Sewer	\$ 110,400	\$ 9,200.00	\$ 600.00	\$ 50.00	6.54%
Gas	\$ -	\$ -	\$ -	\$ -	2.10%
Utilities Total:	\$ 185,400	\$ 15,450.00	\$ 1,007.61	\$ 83.97	12.23%
6. Insurance					
Property & Liability Insurance	\$ 60,000	\$ 5,000.00	\$ 326.09	\$ 27.17	4.17%
Insurance Total:	\$ 60,000	\$ 5,000.00	\$ 326.09	\$ 27.17	4.17%
7. Tax and Reserves					
Real Estate Taxes	\$ 73,203	\$ 6,100.28	\$ 397.84	\$ 33.15	0.81%
Replacement Reserves	\$ 92,000	\$ 7,666.67	\$ 500.00	\$ 41.67	6.14%
Tax and Reserves Total:	\$ 165,203	\$ 13,766.95	\$ 897.84	\$ 74.82	6.94%
8. Other					
Security Patrol	\$ 72,000	\$ 6,000.00	\$ 391.30	\$ 32.61	3.88%
Grounds Contract	\$ 36,000	\$ 3,000.00	\$ 195.65	\$ 16.30	6.14%
Common Area Association Exp	\$ 34,666	\$ 2,888.80	\$ 188.40	\$ 15.70	0.81%
Support Services	\$ 88,320	\$ 7,360.00	\$ 480.00	\$ 40.00	3.49%
Compliance Monitoring Fee	\$ 17,640	\$ 1,470.00	\$ 95.87	\$ 7.99	3.49%
Public Agency Inspection Fee	\$ 6,000	\$ 500.00	\$ 32.61	\$ 2.72	1.60%
	\$ 254,626	\$ 21,218.80	\$ 1,383.83	\$ 115.32	19.39%
Operating Expenses Total:	\$ 1,307,289	\$ 108,940.75	\$ 7,104.83	\$ 592.07	100.00%

CASH FLOW ANALYSIS

Project Name:	Arrowhead Grove Phase II - Mixed Income	
Project Financing:	4% LIHTC/AHSC w 116 RAD PBV	
Developer:	NCRC / TCC / HACSB / HPI	
Number of Dwelling Units:	184	
Gross Building Area:	182,172	

Assumptions

Residential Income Infl. Rate:	2.50%	Laundry Inc/Month/Unit:	0
Laundry & Misc. Infl. Factor:	2.50%	Laundry Inc/Year:	0
Operating Expense Infl. Factor:	3.50%	Unit Operating Exp:	5,727
Real Estate Infl. Factor:	2.00%	Unit Property Taxes:	398
Vacancy Rate:	5.00%	Unit Social Services:	480
Number of Units:	184	Unit Replacement Reserve:	500

DSCR-based Loan Amount

Interest Rate:	4.25%
Amortization Period:	420
Loan Constant:	5.4947%
MIP:	0.0000%
Sizing Constant:	5.4947%
Debt Coverage Ratio:	1.21500
Net Operating Income:	\$1,402,928
Cash Available for Debt Service:	\$1,093,928
Perm Loan Size	\$19,909,000

Public Agency Prorata Percentage Calculation

	Total	% of PA Loans	% of TDC
HCD AHSC	17,422,714	64.45%	21.90%
County of San Bernardino HON	2,900,000	10.73%	3.64%
HACSB Development Loan	3,412,000	12.62%	4.29%
HACSB Development Land Loa	970,000	3.59%	1.22%
City of San Bernardino NSP Lo	1,500,000	5.55%	1.89%
City of San Bernardino HOME I	830,000	3.07%	1.04%
Total:	27,034,714	100.00%	33.98%

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Revenue																					
Residential Income -Subsidized Units		2,245,692	2,301,834	2,359,380	2,418,365	2,478,824	2,540,794	2,604,314	2,669,422	2,736,158	2,804,562	2,874,676	2,946,543	3,020,206	3,095,711	3,173,104	3,252,432	3,333,742	3,417,086	3,502,513	3,590,076
Market Rental Income		640,200	656,205	672,610	689,425	706,661	724,328	742,436	760,997	780,022	799,522	819,510	839,998	860,998	882,523	904,586	927,200	950,380	974,140	998,494	1,023,456
Laundry & Miscellaneous		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross Income		2,885,892	2,958,039	3,031,990	3,107,790	3,185,485	3,265,122	3,346,750	3,430,419	3,516,179	3,604,084	3,694,186	3,786,540	3,881,204	3,978,234	4,077,690	4,179,632	4,284,123	4,391,226	4,501,007	4,613,532
Vacancy		-176,305	-180,712	-185,230	-189,861	-194,607	-199,472	-204,459	-209,571	-214,810	-220,180	-225,685	-231,327	-237,110	-243,038	-249,114	-255,342	-261,725	-268,268	-274,975	-281,849
Other		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income		2,709,587	2,777,327	2,846,760	2,917,929	2,990,878	3,065,649	3,142,291	3,220,848	3,301,369	3,383,903	3,468,501	3,555,213	3,644,094	3,735,196	3,828,576	3,924,290	4,022,398	4,122,958	4,226,032	4,331,682
Expense																					
Operating Expense		1,053,766	1,090,647	1,128,820	1,168,329	1,209,220	1,251,543	1,295,347	1,340,684	1,387,608	1,436,174	1,486,440	1,538,466	1,592,312	1,648,043	1,705,725	1,765,425	1,827,215	1,891,167	1,957,358	2,025,866
Property Taxes		73,203	74,667	76,161	77,684	79,238	80,822	82,439	84,088	85,769	87,485	89,235	91,019	92,840	94,696	96,590	98,522	100,493	102,502	104,552	106,644
Social Services		88,320	91,411	94,611	97,922	101,349	104,896	108,568	112,368	116,301	120,371	124,584	128,945	133,458	138,129	142,963	147,967	153,146	158,506	164,053	169,795
Replacement Reserve		92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000
Expense Total		1,307,289	1,348,726	1,391,591	1,435,935	1,481,807	1,529,262	1,578,354	1,629,140	1,681,678	1,736,030	1,792,259	1,850,430	1,910,609	1,972,868	2,037,278	2,103,914	2,172,853	2,244,176	2,317,964	2,394,305
NOI Before Debt Service		1,402,298	1,428,601	1,455,169	1,481,995	1,509,070	1,536,388	1,563,937	1,591,708	1,619,691	1,647,873	1,676,242	1,704,784	1,733,484	1,762,328	1,791,298	1,820,377	1,849,545	1,878,782	1,908,067	1,937,378
Debt Service																					
AHSC Mandatory Debt Service		0.42%	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175
Cash Flow Available for 1st Mortgage			1,329,123	1,355,426	1,381,993	1,408,819	1,435,895	1,463,212	1,490,762	1,518,533	1,546,516	1,574,698	1,603,067	1,631,608	1,660,309	1,689,153	1,718,123	1,747,201	1,776,369	1,805,607	1,834,892
1st Mortgage Debt Service			1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945
Combined Debt Service Coverage			1.20	1.22	1.25	1.27	1.29	1.32	1.34	1.36	1.39	1.41	1.44	1.46	1.49	1.51	1.53	1.56	1.58	1.61	1.63
CASH AVAILABLE AFTER DEBT SERVICE																					
Available Cash Flow		235,178	261,480	288,048	314,874	341,950	369,267	396,816	424,588	452,570	480,752	509,121	537,663	566,364	595,207	624,177	653,256	682,424	711,661	740,947	770,257
CASH AVAIL FOR PARTNERSHIP FEES:																					
Partnership Asset Management Fees		3.00%	33,000	33,990	35,010	36,060	37,142	38,256	39,404	40,586	41,803	43,058	44,349	45,680	47,050	48,462	49,915	51,413	52,955	54,544	56,180
GP Guaranty Fee		3.00%	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151	18,696	19,256	19,834	20,429
Investor Limited Partner Fee to BOA		3.00%	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512
CASH AVAILABLE FOR NCRC (DIGNITY HEALTH) LOAN:																					
Available Cash Flow		185,178	209,980	235,003	260,237	285,674	311,303	337,114	363,094	389,232	415,514	441,925	468,451	495,076	521,781	548,548	575,357	602,189	629,019	655,825	682,582
Balance Beginning		1,200,000	1,038,822	849,619	631,608	384,003	106,009	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest		2.00%	24,000	20,776	16,992	12,632	7,680	2,120	0	0	0	0	0	0	0	0	0	0	0	0	0
Payment @ % of RR		100.00%	-185,178	-209,980	-235,003	-260,237	-285,674	-108,129	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance Remaining		\$1,200,000	1,038,822	849,619	631,608	384,003	106,009	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CASH AVAILABLE FOR DEF DEVELOPER FEE:																					
Available Cash Flow		0	0	0	0	0	203,174	337,114	363,094	389,232	415,514	441,925	468,451	495,076	521,781	548,548	575,357	602,189	629,019	655,825	682,582
Balance Beginning		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest @ AFR		3.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Payment @ % of RR		100.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance Remaining		\$0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CASH AVAILABLE FOR RESIDUAL RECEIPTS DISTRIBUTION:																					
Available Cash Flow for Repayment of Soft Loans		50.0%	0	0	0	0	0	203,174	337,114	363,094	389,232	415,514	441,925	468,451	495,076	521,781	548,548	575,357	602,189	629,019	655,825
			0	0	0	0	0	101,587	168,557	181,547	194,616	207,757	220,963	234,226	247,538	260,890	274,274	287,679	301,094	314,509	327,913
HCD AHSC																					
Balance Beginning		17,422,714	17,945,395	18,483,757	19,038,270	19,609,418	20,197,701	20,738,163	21,251,680	21,772,232	22,299,977	22,835,086	23,377,737	23,928,121	24,486,437	25,052,898	25,627,727	26,211,162	26,803,455	27,404,870	28,015,691
Interest @ AFR		3.00%	522,681	538,362	554,513	571,148	588,283	605,931	622,145	637,550	653,167	668,999	685,053	701,332	717,844	734,593	751,587	768,832	786,335	804,104	822,146
Payment @ % of RR for Repayment of Public Soft Loans		64.45%	0	0	0	0	0	65,469	108,628	116,999	125,422	133,890	142,401	150,948	159,528	168,133	176,758	185,397	194,042	202,688	211,326
Balance Remaining			17,945,395	18,483,757	19,038,270	19,609,418	20,197,701	20,738,163	21,251,680	21,772,232	22,299,977	22,835,086	23,377,737	23,928,121	24,486,437	25,052,898	25,627,727	26,211,162	26,803,455	27,404,870	28,015,691
County of San Bernardino HOME Loan																					
Balance Beginning			2,900,000	2,987,000	3,076,610	3,168,908	3,263,976	3,361,895	3,451,854	3,537,329	3,623,975	3,711,817	3,800,886	3,891,210	3,982,821	4,075,752	4,170,039	4,265,719	4,362,832	4,461,419	4,561,524
Interest @ AFR		3.00%	87,000	89,610	92,298	95,067	97,919	100,857	103,556	106,120	108,719	111,355	114,027	116,736	119,485	122,273	125,101	127,972	130,885	133,843	136,846
Payment @ % of RR for Repayment of Public Soft Loans		10.73%	0	0	0	0	0	10,897	18,081	19,474	20,876	22,286	23,703	25,125	26,553	27,986	29,421	30,859	32,298	33,737	35,175
Balance Remaining			2,987,000	3,076,610	3,168,908	3,263,976	3,361,895	3,451,854	3,537,329	3,623,975	3,711,817	3,800,886	3,891,210	3,982,821	4,075,752	4,170,039	4,265,719	4,362,832	4,461,419	4,561,524	4,663,194
City of San Bernardino NSP + HOME Loans																					
Balance Beginning			2,330,000	2,399,900	2,471,897	2,546,054	2,622,436	2,701,109	2,773,387	2,842,061	2,911,676	2,982,253	3,053,815	3,126,386	3,199,991	3,274,656	3,350,411	3,427,285	3,505,310	3,584,519	3,664,948
Interest @ AFR		3.00%	69,900	71,997	74,157	76,382	78,673	81,033	83,202	85,262	87,350	89,488	91,614	93,792	96,00						

CASH FLOW ANALYSIS

Project Name: Arrowhead Grove I
Project Financing: 4% LIHTC/AHSC v
Developer: NCRC / TCC / HAC
Number of Dwelling Units: 184
Gross Building Area: 182,172

Assumptions

Residential Income Infl. Rate: 2.50%
Laundry & Misc. Infl. Factor: 2.50%
Operating Expense Infl. Factor: 3.50%
Real Estate Infl. Factor: 2.00%
Vacancy Rate: 5.00%
Number of Units: 184

		Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Revenue											
Residential Income -Subsidized Units		3,679,828	3,771,824	3,866,119	3,962,772	4,061,841	4,163,387	4,267,472	4,374,159	4,483,513	4,595,601
Market Rental Income		1,049,042	1,075,268	1,102,150	1,129,704	1,157,946	1,186,895	1,216,567	1,246,982	1,278,156	1,310,110
Laundry & Miscellaneous		0	0	0	0	0	0	0	0	0	0
Gross Income		4,728,870	4,847,092	4,968,269	5,092,476	5,219,788	5,350,282	5,484,040	5,621,140	5,761,669	5,905,711
Vacancy		-288,896	-296,118	-303,521	-311,109	-318,887	-326,859	-335,030	-343,406	-351,991	-360,791
Other		0	0	0	0	0	0	0	0	0	0
Effective Gross Income		4,439,974	4,550,974	4,664,748	4,781,367	4,900,901	5,023,424	5,149,009	5,277,734	5,409,678	5,544,920
Expense											
Operating Expense		2,096,771	2,170,158	2,246,114	2,324,728	2,406,093	2,490,306	2,577,467	2,667,678	2,761,047	2,857,684
Property Taxes		108,776	110,952	113,171	115,434	117,743	120,098	122,500	124,950	127,449	129,998
Social Services		175,738	181,889	188,255	194,844	201,664	208,722	216,027	223,588	231,414	239,513
Replacement Reserve		92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000
Expense Total		2,473,286	2,554,999	2,639,540	2,727,006	2,817,500	2,911,126	3,007,994	3,108,216	3,211,910	3,319,195
NOI Before Debt Service		1,966,689	1,995,975	2,025,209	2,054,361	2,083,401	2,112,298	2,141,015	2,169,518	2,197,768	2,225,725
Debt Service											
AHSC Mandatory Debt Service	0.42%	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175	73,175
Cash Flow Available for 1st Mortgage		1,893,513	1,922,799	1,952,033	1,981,186	2,010,226	2,039,122	2,067,840	2,096,343	2,124,593	2,152,550
1st Mortgage Debt Service		1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945	1,093,945
Combined Debt Service Coverage		1.69	1.71	1.74	1.76	1.79	1.81	1.83	1.86	1.88	1.91
CASH AVAILABLE AFTER DEBT SERVICE											
Available Cash Flow		799,568	828,854	858,088	887,240	916,281	945,177	973,894	1,002,397	1,030,647	1,058,604
CASH AVAIL FOR PARTNERSHIP FEES:											
Partnership Asset Management Fees	3.00%	59,602	61,390	63,231	65,128	67,082	69,095	71,168	73,303	75,502	77,767
GP Guaranty Fee	3.00%	21,673	22,324	22,993	23,683	24,394	25,125	25,879	26,655	27,455	28,279
Investor Limited Partner Fee to BOA	3.00%	9,031	9,301	9,581	9,868	10,164	10,469	10,783	11,106	11,440	11,783
CASH AVAILABLE FOR NCRC (DIGNITY HEALTH) LOAN:											
Available Cash Flow		709,263	735,839	762,283	788,561	814,641	840,488	866,065	891,333	916,251	940,776
Balance Beginning		0	0	0	0	0	0	0	0	0	0
Interest	2.00%	0	0	0	0	0	0	0	0	0	0
Payment @ % of RR	100.00%	0	0	0	0	0	0	0	0	0	0
Balance Remaining	\$1,200,000	0	0	0	0	0	0	0	0	0	0
CASH AVAILABLE FOR DEF DEVELOPER FEE:											
Available Cash Flow		709,263	735,839	762,283	788,561	814,641	840,488	866,065	891,333	916,251	940,776
Balance Beginning		0	0	0	0	0	0	0	0	0	0
Interest @ AFR	3.00%	0	0	0	0	0	0	0	0	0	0
Payment @ % of RR	100.00%	0	0	0	0	0	0	0	0	0	0
Balance Remaining	\$0	0	0	0	0	0	0	0	0	0	0
CASH AVAILABLE FOR RESIDUAL RECEIPTS DISTRIBUTION:											
Available Cash Flow for Repayment of Soft Loans	50.0%	354,631	367,920	381,141	394,280	407,320	420,244	433,032	445,666	458,126	470,388
HCD AHSC											
Balance Beginning		28,636,214	29,266,756	29,907,650	30,559,251	31,221,931	31,896,089	32,582,142	33,280,536	33,991,739	34,716,249
Interest @ AFR	3.00%	859,086	878,003	897,230	916,778	936,658	956,883	977,464	998,416	1,019,752	1,041,487
Payment @ % of RR for Repayment of Public Soft Loans	64.45%	228,545	237,108	245,629	254,097	262,501	270,829	279,071	287,213	295,242	303,145
Balance Remaining		29,266,756	29,907,650	30,559,251	31,221,931	31,896,089	32,582,142	33,280,536	33,991,739	34,716,249	35,454,591
County of San Bernardino HOME Loan											
Balance Beginning		4,766,480	4,871,434	4,978,110	5,086,568	5,196,871	5,309,084	5,423,277	5,539,525	5,657,904	5,778,498
Interest @ AFR	3.00%	142,994	146,143	149,343	152,597	155,906	159,273	162,698	166,186	169,737	173,355
Payment @ % of RR for Repayment of Public Soft Loans	10.73%	38,041	39,467	40,885	42,294	43,693	45,079	46,451	47,806	49,143	50,458
Balance Remaining		4,871,434	4,978,110	5,086,568	5,196,871	5,309,084	5,423,277	5,539,525	5,657,904	5,778,498	5,901,395
City of San Bernardino NSP + HOME Loans											
Balance Beginning		3,829,620	3,913,945	3,999,654	4,086,795	4,175,417	4,265,575	4,357,323	4,450,722	4,545,833	4,642,724
Interest @ AFR	3.00%	114,889	117,418	119,990	122,604	125,263	127,967	130,720	133,522	136,375	139,282
Payment @ % of RR for Repayment of Public Soft Loans	8.62%	30,564	31,709	32,849	33,981	35,105	36,219	37,321	38,410	39,484	40,541
Balance Remaining		3,913,945	3,999,654	4,086,795	4,175,417	4,265,575	4,357,323	4,450,722	4,545,833	4,642,724	4,741,466
HACSB Development + Land Loan											
Balance Beginning		7,202,316	7,360,904	7,522,096	7,685,980	7,852,652	8,022,209	8,194,759	8,370,413	8,549,288	8,731,510
Interest @ AFR	3.00%	216,069	220,827	225,663	230,579	235,580	240,666	245,843	251,112	256,479	261,945
Payment @ % of RR for Repayment of Public Soft Loans	16.21%	57,481	59,635	61,778	63,908	66,022	68,116	70,189	72,237	74,257	76,244
Balance Remaining		7,360,904	7,522,096	7,685,980	7,852,652	8,022,209	8,194,759	8,370,413	8,549,288	8,731,510	8,917,211
Available Cash Flow for Owner Distributions:											
Investor Limited Partner Distribution	10.0%	35,463	36,792	38,114	39,428	40,732	42,024	43,303	44,567	45,813	47,039
Balance after Investor Distribution		319,168	331,128	343,027	354,852	366,588	378,220	389,729	401,100	412,313	423,349
Cash Flow Available for GP & Class A LP's											
WGII MGP, LLC (NCRC)	100.0%	319,168	331,128	343,027	354,852	366,588	378,220	389,729	401,100	412,313	423,349
WGII DGP, LLC (Clancy)	57.0%	181,926	188,743	195,525	202,266	208,955	215,585	222,146	228,627	235,018	241,309
WATERMAN AFFORDABLE II LLC (HACSB/HPI)	10.0%	31,917	33,113	34,303	35,485	36,659	37,822	38,973	40,110	41,231	42,335
	33.0%	105,325	109,272	113,199	117,101	120,974	124,812	128,611	132,363	136,063	139,705

TAX CREDIT ESTIMATE

Project Name: Arrowhead Grove Phase II - Mixed Income
Project Financing: 4% LIHTC/AHSC w 116 RAD PBV
Developer: NCRC / TCC / HACSB / HPI
Number of Dwelling Units: 184

	Project Costs	Basis - 4% ACP
Land Cost/Acquisition		
Land Cost	\$ 970,000	XXXXXXXXXXXXXX
Legal/Broker Fees		XXXXXXXXXXXXXX
Demolition		XXXXXXXXXXXXXX
Land Cost/Acquisition Total:	\$ 970,000	\$ -
Construction		
Residential Construction	\$ 34,532,211	\$ 34,532,211
Onsite Improvements	\$ 6,791,819	\$ 6,791,819
AHSC - HRI / STI / TRA Transportation Improvements incl. OH&P	\$ -	XXXXXXXXXXXXXX
Off-Site Improvements	\$ -	\$ -
Demolition of Existing Infrastructure + Offsites	\$ 2,095,878	\$ 1,467,114
General Requirements	\$ 2,605,195	\$ 2,605,195
Builders Profit and Overhead	\$ 3,473,593	\$ 3,473,593
Performance Bond	\$ 569,235	\$ 569,235
Liability Insurance	\$ 569,235	\$ 569,235
Owner Contingency (incl 1/2 of HUD Working Capital Reserve; 2% of	\$ -	\$ -
Owner Contingency	\$ 2,658,451	\$ 2,658,451
Construction Total:	\$ 53,295,617	\$ 52,666,854
Permits/Fees/Architecture		
Impact Fees & Permits	\$ 3,734,901	\$ 3,734,901
Reports/Surveys/Studies/Inspections	\$ 525,000	\$ 525,000
Architecture & Engineering & Other Consultants	\$ 2,800,000	\$ 2,800,000
Permits/Fees/Architecture Total:	\$ 7,059,901	\$ 7,059,901
221(d)(4) Loan Interest & Fees		
Construction Period Loan Interest	\$ 3,900,000	\$ 2,925,000
Loan Fees	\$ 485,000	\$ 242,500
Appraisal / Market Study / Cost Review	\$ 50,000	\$ 50,000
Application Fee	\$ 25,000	\$ 25,000
Inspection Fees	\$ 60,000	\$ 60,000
Lender Legal	\$ 200,000	\$ 200,000
Construction Interest & Fees Total:	\$ 4,720,000	\$ 3,502,500
Other 221(d)(4) Costs		
Borrower's 3rd Party Reports	\$ 50,000	\$ 50,000
Credit Enhancement / Application Fee / MIP	\$ -	XXXXXXXXXXXXXX
Permanent Financing Total:	\$ 50,000	\$ 50,000
Legal Fees		
Legal: Transactional	\$ 350,000	\$ 262,500
Legal: Syndication	\$ 40,000	XXXXXXXXXXXXXX
Legal Fees Total:	\$ 390,000	\$ 262,500
Reserves		
Working Capital	\$ -	\$ -
Marketing and Lease-up	\$ 125,000	XXXXXXXXXXXXXX
Common Area Furnishings	\$ 250,000	\$ 250,000
RAD Reserve / Transition Reserve	\$ 850,000	XXXXXXXXXXXXXX
MTW Hardship Reserve	\$ 42,000	XXXXXXXXXXXXXX
Operating Reserve (3 Months)	\$ 600,309	XXXXXXXXXXXXXX
Reserve: HUD Required Initial Deficit Escrow	\$ -	XXXXXXXXXXXXXX
Reserves Total:	\$ 1,867,309	\$ 250,000
Other		
Other Financing Costs	\$ -	XXXXXXXXXXXXXX
Tax Credit Allocation Fee and Investor Due Diligence	\$ 140,115	XXXXXXXXXXXXXX
Bridge Loan Costs & Interest	\$ 150,000	\$ 120,000
Bond Issuance and CDLAC Expenses	\$ 240,000	XXXXXXXXXXXXXX
RAD Processing Costs	\$ -	\$ -
Title and Recording	\$ 90,000	\$ 45,000
Real Estate Taxes	\$ 10,000	\$ 10,000
Accounting	\$ 120,000	\$ 120,000
Bus Passes for AHSC - Yr 4-8	\$ 808,808	XXXXXXXXXXXXXX
Relocation	\$ 75,000	\$ 200,000
Indirect Construction Costs Contingency	\$ 175,000	\$ 87,500
Others Total:	\$ 1,808,923	\$ 582,500
Developer Costs		
Developer Overhead/Fee	\$ 9,400,000	\$ 9,400,000
Development Consultant	\$ -	\$ -
Construction Manager	\$ -	\$ -
Developer Costs Total:	\$ 9,400,000	\$ 9,400,000
Residential Costs Total:	\$ 79,561,750	\$ 73,774,255
Commercial Costs Total:	\$ -	\$ -
Project Costs Total:	\$ 79,561,750	\$ 73,774,255
Eligible Basis Total:		\$ 73,774,255
Adjusted Threshold basis		\$ 73,774,255
Ineligible Basis Total:		\$ -
Voluntarily Excluded Eligible Basis Amount Total:		
Reduction if Eligible > Threshold Basis Total:		\$ -
Additional Reduction Eligible Basis Total:		\$ -
Basis Reduction Total:		\$ -
Eligible Basis Total Less Basis Reduction:		\$ 73,774,255
Adjusted Threshold Basis Limit Total:		\$ 73,774,255
Requested Unadjusted Eligible Basis Total:		\$ 73,774,255
QCT or DDA Adjustment:		130%
Adjusted Eligible Basis Total:		\$ 95,906,531
Applicable Fraction		80.7692%
Qualified Basis:		\$ 77,462,967
Basis Reduction Total:		\$ -
Adjusted Qualified Basis Total:		\$ 77,462,967
		3.23%
Annual Federal Credit Total:		\$ 2,502,054
10 Years:		10
Maximum Federal Credit Total:		\$ 25,020,538
Tax Credit Factor:		\$ 1.0000
Estimated Syndication Net Proceeds:		\$ 25,020,538