



CaliforniaAffordableHousingAgency

AGENDA

**THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS
CALIFORNIA AFFORDABLE HOUSING AGENCY
SPECIAL EXECUTIVE BOARD MEETING**

January 18, 2022

10:00am

806 W. 19th Street
Merced, CA 95340
(209) 384-0001

DUE TO COVID-19 and PURSUANT TO CHANGES TO THE BROWN ACT ISSUED BY EXECUTIVE ORDER N-29-20 FROM GOVERNOR GAVIN NEWSOM, THE EXECUTIVE COMMITTEE OF THE BOARD OF COMMISSIONERS MEETING HAS BEEN CHANGED FROM MEETING AT 806 WEST 19TH STREET MERCED, CA TO A ZOOM VIDEO AND TELEPHONIC CONFERENCE CALL.

Zoom

<https://zoom.us/j/5600363167?pwd=RmZTR0NabzcrY0ZYQlZyYUd6blpwZz09>

Call-in Number: 1-669-900-9128

Meeting ID: 560 036 3167

Passcode: 293018

Executive Committee Member Locations

2039 Forest Avenue Suite 10
Chico, California 95928

1612 Sisk Road
Modesto, California 95350

1402 D Street
Brawley, California 92227

1400 West Hillcrest Drive
Newbury Park, California 91302

2575 Grand Canal Blvd. Suite 100
Stockton, California 95207

I. CALL TO ORDER AND ROLL

II. TELECONFERENCE MEETING AUTHORIZATION

RESOLUTION 2022-01

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE CONTINUANCE OF TELECONFERENCE MEETINGS AS PROVIDED FOR IN STATE OF CALIFORNIA ASSEMBLY BILL 361 AND GOVERNMENT CODE SECTION 54953

(M/S/C): ____/____/____

III. DIRECTORS' AND/OR AGENCY ADDITIONS/DELETIONS TO THE AGENDA

(M/S/C): ____/____/____

IV. APPROVAL OF MEETING MINUTES

1. Minutes of November 22, 2021

(M/S/C): ____/____/____

IV. UNSCHEDULED ORAL COMMUNICATIONS

NOTICE TO THE PUBLIC

At this time, any person(s) may comment on any item that is not on the Agenda. Please state your name and address for the record. Action will not be taken on an item that is not on the Agenda. If it requires action, it will be referred to Staff and/or placed on the next Agenda. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of five (5) minutes.

V. FINANCIAL REPORT OF ADMINISTRATOR

November 2021 Financial Report

VI. RESOLUTION, ACTION AND INFORMATION ITEMS

A. RESOLUTIONS:

RESOLUTION NO. 2022-02

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY MAKING DETERMINATIONS WITH RESPECT TO THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT, DECLARING ITS INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS, AND AUTHORIZING RELATED ACTIONS

(M/S/C): ____ / ____ / ____

B. ACTION ITEMS:

None

C. INFORMATION/DISCUSSION ITEM(S)

1. Executive Director's Report

VIII. CLOSED SESSION

None

IX. DIRECTORS' COMMENTS

X. SCHEDULING OF FUTURE EXECUTIVE BOARD MEETINGS

(The second Monday of the month): February 14, 2022; March 14, 2022; April 11, 2022; May 9, 2022; June 13, 2022; July 11, 2022; August 8, 2022; September 12, 2022; October 10, 2022; November 14, 2022; December 12, 2022

XI. ADJOURNMENT



CaliforniaAffordableHousingAgency

MINUTES

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS CALIFORNIA AFFORDABLE HOUSING AGENCY MEETING

November 22, 2021
10:00 a.m.

806 West 19th Street
Merced, CA

- I. The Board Meeting of the Executive Board of the California Affordable Housing Agency was called to order by Ed Mayer at 10:01 a.m. The roll was taken and a quorum declared present. The following Executive Board Members were present for the meeting:

CalAHA Executive Board Members Present:

1. Ed Mayer, Chairperson and Executive Director, Housing Authority of the County of Butte
2. Barbara Kauss, Executive Director, Stanislaus Regional Housing Authority (Joined at 10:11 a.m.)
3. Kirk Mann, Secretary/Treasurer and Executive Director, Imperial Valley Housing Authority
4. Peter Ragsdale, Executive Director, Housing Authority of the County of San Joaquin
5. Michael Nigh, Executive Director, Housing Authority of the County of Ventura

Others Present:

6. Nick Benjamin, Executive Director - CalAHA
7. Marcela Zuniga, Deputy Director - CalAHA
8. Bob Havlicek, Executive Director of the Housing Authority of the County of Santa Barbara

806 West 19th Street, Merced, CA 95340
(209) 384-0001



9. Patrick Howard, Founding Member, Evergreen Pacific Capital, LLC
(joined at 10:05 a.m.)
10. Julie Wunderlich, Bond Counsel Jones Hall
11. Kao Xiong, Law Office of Thomas E. Lewis
12. Rob Fredricks, Executive Director, Housing Authority of the City of Santa Barbara

II. Directors' and/or Agency Additions/Deletions to the Agenda:

Tom Lewis indicated that Resolution 2021-14 needs to be added to conduct meetings during times of pandemic type situations. There will need to be a resolution every 30 days in order to continue meetings with the relaxed requirements for public meetings. Mr. Lewis said that this Resolution needed to be passed before continuing on with the rest of the meeting.

(M/S/C): M. Nigh/B. Kauss -Motion to amend agenda to add Resolution 2021-14

Approved: 5-0

RESOLUTION 2021-14

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE CONTINUANCE OF TELECONFERENCE MEETINGS AS PROVIDED FOR IN STATE OF CALIFORNIA ASSEMBLY BILL 361 AND GOVERNMENT CODE SECTION 54953

(M/S/C): P. Ragsdale/B. Kauss -Motion to approve

Approved: 5-0

III. Approval of the Minutes:

Minutes of November 8, 2021

(M/S/C): K. Mann/B. Kauss – Motion to approve minutes as presented.

Approved: 4-0-1

IV. Unscheduled Oral Communication:

None.

V. FINANCIAL REPORT OF ADMINISTRATOR:

None.

VI. RESOLUTION, ACTION AND INFORMATION/DISCUSSION ITEMS:

A. RESOLUTION ITEMS:

RESOLUTION NO. 2021-10

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY APPROVING OF THE SALE OF THE COURT OF FOUNTAINS PROJECT TO FOUNTAINS LOS BANOS LLC ON THE TERMS AND CONDITIONS TO BE FINALIZED BY THE EXECUTIVE DIRECTOR AND APPROVING THE UNDERWRITING ENGAGEMENT LETTER AGREEMENT WITH D.A. DAVIDSON & CO. FOR THE PROPOSED ESSENTIAL HOUSING REVENUE BONDS SERIES 2021 AND AUTHORIZING THE BOARD CHAIR, BOARD SECRETARY AND/OR EXECUTIVE DIRECTOR TO FINALIZE THE TERMS AND CONDITIONS OF THE SALE OF THE PROJECT AND AUTHORIZING THE EXECUTION AND SIGNING OF RELATED DOCUMENTS

Mr. Benjamin indicated that he recommends going with AREF structure. Patrick Howard indicated that he also recommends going with AREF. Mr. Howard indicated that Court of Fountains is not the ideal project for this kind of structure, but it will still be successful. Mr. Benjamin confirmed that CalAHA will still maintain and operate the project. Ed Mayer indicated that he is supportive of this.

(M/S/C): P. Ragsdale/B. Kauss -Motion to approve
Approved: 5-0

RESOLUTION NO. 2021-11

RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY SETTING FORTH THE AGENCY'S OFFICIAL INTENT TO ISSUE REVENUE BONDS TO FINANCE A PROJECT FOR FOUNTAINS LOS BANOS LLC (OR AN AFFILIATE) AND RELATED ACTIONS

(M/S/C): B. Kauss/M. Nigh -Motion to approve
Approved: 5-0

RESOLUTION NO. 2021-12

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY MAKING DETERMINATIONS WITH RESPECT TO THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT, DECLARING ITS INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS, AND AUTHORIZING RELATED ACTIONS

Mr. Benjamin indicated that Axis at Compass Pointe project was brought to CalAHA by Aspen. This project is at a prime location in north Merced. It is near the University of California, Merced and Merced Community College. Merced is currently experiencing housing shortages for students and single-family housing. This project is 96 units of market rate rental and will bring 85% AMI work force housing. The Housing Authority of the County of Merced is also one of our member agencies. Mr. Lewis indicated that this is a first look into the project to see if the Board is interested in moving forward with the project.

(M/S/C): M. Nigh/P. Ragsdale - Motion to approve
Approved: 5-0

RESOLUTION NO. 2021-13

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY MAKING DETERMINATIONS WITH RESPECT TO THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT, DECLARING ITS INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS, AND AUTHORIZING RELATED ACTIONS

(M/S/C): M. Nigh/K. Mann - Motion to approve
Approved: 5-0

B. ACTION ITEMS:

None.

C. INFORMATION/DISCUSSION ITEMS.

1. Executive Director's Report – Mr. Mann asked for status of Housing Authority of the City of Madera. Mr. Benjamin indicated that he and Barbara Kauss are helping Jim Taubert in the meantime. Mr. Benjamin was contacted by HUD

regarding HACM and recommended CalAHA assist in running HACM. HUD seem to have positive feedbacks on the idea.

VII. CLOSED SESSION:

None.

VIII. DIRECTORS' COMMENTS:

None.

IX. SCHEDULING OF FUTURE EXECUTIVE BOARD MEETINGS:

(The second Monday of the month):

December 13, 2021

X. ADJOURNMENT:

Meeting adjourned @ 10:53 am.

(M/S/C): B. Kauss/K. Mann -Motion to approve
Approved: 5-0

Secretary

Date

RESOLUTION 2022-01

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE CONTINUANCE OF TELECONFERENCE MEETINGS AS PROVIDED FOR IN STATE OF CALIFORNIA ASSEMBLY BILL 361 AND GOVERNMENT CODE SECTION 54953

WHEREAS, the California Affordable Housing Agency (the “Agency”) is a joint exercise of powers agency consisting of nineteen California housing authorities located throughout California; and

WHEREAS, the Agency is authorized pursuant to Chapter 1 Part 2 of Division 24 of the Health and Safety Code of the State of California (the “Act”) to issue bonds and/or finance loans and mortgages for the purpose of acquiring multifamily rental housing facilities and single family housing units to be located within any area of operation of the Agency or where a local housing authority, or other housing agency provides the Agency with a cooperative agreement to operate in the entity’s jurisdiction; and

WHEREAS, the Agency is also authorized to purchase and sell real property when the Agency deems any such purchase or sale to be appropriate; and

WHEREAS, California Affordable Housing Agency has made teleconference meetings possible due to COVID-19 and changes to the Brown Act issued by Executive Order N-29-20 from Governor Gavin Newsom; and

WHEREAS, California State Assembly Bill 361 amends the Ralph M. Brown Act to include new authorization for remote meetings, including remote public comment, for all local agencies; and

WHEREAS, California State Assembly Bill 361 extends the provisions of the Governor’s Executive Order N-29-20, signed March 17, 2020 and Executive Order N-35-20 signed March 21, 2020 until January 1, 2024; and

WHEREAS, California State Assembly Bill 361 and Government Code Section 54953 authorizes a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency; and

WHEREAS, a state of emergency is defined when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided.

NOW, THEREFORE, BE IT RESOLVED by the Executive Committee of the California Affordable Housing Agency as follows:

1. The above stated recitals are true and correct.
2. Teleconference meetings will continue to be utilized as in so much as declared in Assembly bill 361 and the provisions of Government Code Section 54953.
3. This Resolution shall take effect immediately.

PASSED AND ADOPTED this 18th Day of January, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

Chair, Board of Directors
California Affordable Housing Agency

Attest:

Secretary, Board of Directors
California Affordable Housing Agency

CALIFORNIA AFFORDABLE HOUSING AGENCY JPA
COMPILED FINANCIAL STATEMENTS
November 2021

Grey B. Roberts & Co.
2824 Park Avenue, Suite B
Merced, CA 95348

GREY B. ROBERTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
2824 PARK AVENUE, SUITE B
MERCED, CALIFORNIA 95348
(209) 383-2442

Board of Directors
California Affordable Housing Agency JPA

We have compiled the accompanying cash basis statement of net assets of the general fund of California Affordable Housing Agency JPA as of November 30, 2021, and the related cash basis statement of activities for the eleven months ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all the disclosures and the Statement of Cash Flows required by generally accepted accounting principles. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.



December 10, 2021

California Affordable Housing Agency

Balance Sheet

As of November 30, 2021

	<u>Nov 30, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	42,000.00
WestAmerica	503,713.21
RaboBank Checking	38,640.65
RaboBank Money Market	225,951.82
Court of Fountains Supplemental	1,950.30
Court of Fountains Main Reserve	59,566.63
F & M Bank - Checking	9,865.15
F & M Bank - Money Market	221,831.50
Total Checking/Savings	<u>1,103,519.26</u>
Other Current Assets	
Accounts Receivable	
Housing Assistance Receivable	16,768.00
Ben Harvy Investments, LLC	50,097.33
A/R Foothill Terrace	40,500.00
A/R Court of Fountains	72,220.00
Accounts Receivable - Other	2,663.84
Total Accounts Receivable	<u>182,249.17</u>
Intercompany Due To	13,436.17
Prepaid Insurance	6,810.36
Tenant Security Deposits	21,035.00
Mortgage Escrow Deposits	-854.29
Other Reserves	437,903.59
Total Other Current Assets	<u>660,580.00</u>
Total Current Assets	1,764,099.26
Fixed Assets	
Land Olive Tree Apartments	110,000.00
Buildings and Improvements	1,333,018.03
Depreciation Building and Improvements	-381,594.00
Total Fixed Assets	<u>1,061,424.03</u>
Other Assets	
AHA Organizational Costs	21,902.48
Accum Amort of Costs	-21,902.48
Bond and loan fees	173,999.52
Accumulated amortizations	-37,539.52
Total Other Assets	<u>136,460.00</u>
TOTAL ASSETS	<u><u>2,961,983.29</u></u>

See accountants' report and notes to financial statements

California Affordable Housing Agency

Balance Sheet

As of November 30, 2021

	<u>Nov 30, 21</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	39,981.82
Total Accounts Payable	<u>39,981.82</u>
Other Current Liabilities	
Accrued Interest	27,324.00
Deposit	154,900.00
Direct Deposit Liabilities	50,000.00
Tenant Security Deposits (L)	12,057.00
Series 2004A Bonds	20,000.00
U. S. Dept of Ag Note Payable	1,299.00
Series 2009A Bonds	-8,333.34
LT Portion of Bonds Payable	760,684.00
Current Portion of Notes Pay	215,280.00
LT Portion of Notes Payable	980,447.00
Issuer Holding Acct	296,884.00
Total Other Current Liabilities	<u>2,510,541.66</u>
Total Current Liabilities	<u>2,550,523.48</u>
Total Liabilities	2,550,523.48
Equity	
Change in Net Assets	-45,285.00
Unrestricted Net Assets	-819,602.00
Restricted Net Assets	776,639.00
Owner Contributions	175,000.00
Fund Balance	533,151.29
Net Income	-208,443.48
Total Equity	<u>411,459.81</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,961,983.29</u></u>

See accountants' report and notes to financial statements

California Affordable Housing Agency**Profit & Loss**

January through November 2021

	<u>Jan - Nov 21</u>
Ordinary Income/Expense	
Income	
Management Fee Income	4,287.94
Laundry and Vending	-400.26
Annual Issuer's Fee	73,250.00
Reimbursed Costs	231,759.50
Other Income	276.96
Total Income	<u>309,174.14</u>
Expense	
Administrative Expenses	3,650.00
Financial Advisor Fees	1,204.28
Operation and Maintenance	20,374.56
Bank fees/wires	975.13
Insurance Expense	7,089.52
Accounting & Auditing Fee	4,640.00
Legal Expense	215,138.06
Training & Travel	11,740.36
Contract Costs	210,000.00
Office Supplies	4,783.03
Office Rent	10,000.00
Website & Internet Expenses	890.59
Annual Retreat/Conference	5,042.88
Dues & Memberships	895.00
Conference fees	1,250.00
Penalties	72.43
Taxes	20,065.25
Total Expense	<u>517,811.09</u>
Net Ordinary Income	-208,636.95
Other Income/Expense	
Other Income	
Interest Income	193.47
Total Other Income	<u>193.47</u>
Net Other Income	193.47
Net Income	<u><u>-208,443.48</u></u>

See accountants' report and notes to financial statements



California Affordable Housing Agency

MEMORANDUM

January 18, 2022

TO: CalAHA Executive Committee

FROM: Nick Benjamin, Executive Director

SUBJECT: Resolution Approving CalAHA Participation as Bond Issuer/Lessee for the Axis II at Compass Pointe Apartments, Merced, CA (Phase 1&2)

Background:

After months of exposure and research, the Board approved partnership with Aspen Real Estate Financial LLC (AREF) in the regular meeting of June 14, 2021. The Board previously approved purchase of the initial housing for this project, (96 units) in November 2021. Pursuant to the terms of the partnership and board oversight, each transaction is to be brought before the Board for consideration. The action of converting and or preserving market rate rental housing is well within the mission and scope of CalAHA.

The Project:

The property is located in Merced, California. The property consists of 128 units of housing divided into two equal phases (64 units each phase). The purchase price for the property is \$19,000,000 for each respective phase, \$38,000,000 in total. A full underwriting summary of the project is attached. As presented, the transaction would convert the units from market rate occupancy to a weighted average of 84% AMI rental rates.

Additional considerations for this transaction are as follows:

- CalAHA legal and consulting fees are included in the transaction.



- The property is located in a member jurisdiction. The member agency has been informed of the transaction and has elected not to participate.
- The 120-day escrow period will allow time for customary due diligence and additional tasks such as securing a property management firm to operate the property.
- The transaction will be underwritten and funded by DA Davidson Company.
- Efforts on the part of all involved parties are to develop processes and documents that will streamline future transactions.

Proposed Financing: Combined Project

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
	\$ 46,423,115	Essential Purpose Government Bond

Uses of Funds:

Land Cost/ Property Acquisition	\$38,000,000
Soft Costs (reports/surveys, legal)	\$405,000
Lender Debt Costs (legal)	\$150,000
Lending Costs (neg. arb. orig. fees, title)	\$1,378,165
Project Reserves: Lease Up Reserve	\$348,356
Future Cash	\$348,356 (shown above)
Lease payment Reserve (24 mths.)	\$1,676,722
TOTAL	\$4,583,115
Advisory/Real Estate Commission	\$760,000
AREF/CalAHA Excess Cash Split	\$1.83M at closing
Project Total Costs:	\$46,623,225

Terms of Transaction:

40-year lease with 2.5% ownership gained per year; end of term property deeded to CalAHA.

Bond Purchasers: Public Offering or Private Placement

Estimated Closing: Phase 1-7/31/2022

Phase 2- 12/31/2022

Public Benefit:

Conversion of 128 units of Class A new construction market rate housing to affordable workforce housing (weighted average rents set at 84% of AMI)

Recommendation:

The Executive Director and the agency financial advisor recommends that the Executive Committee approve the resolution to proceed with approving CalAHA to proceed with the issuance of bonds to purchase the property and act as lessor for the lease term.

RESOLUTION NO. 2022-02

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY MAKING DETERMINATIONS WITH RESPECT TO THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT, DECLARING ITS INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS, AND AUTHORIZING RELATED ACTIONS

WHEREAS, pursuant to the provisions of the Joint Powers Act, comprising Articles 1-4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code, certain public agencies have entered into a joint exercise of powers agreement, dated as of March 1, 2001, as amended, pursuant to which the California Affordable Housing Agency (the "Agency") was organized; and

WHEREAS, pursuant to Articles 1 through 5 of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California, the Agency is authorized to issue revenue obligations in order to finance the acquisition, construction and/or rehabilitation and development of multifamily projects for persons and families of low and very low income residing within the jurisdiction of the Agency; and

WHEREAS, Aspen Real Estate Financial LLC ("AREF"), or an affiliate thereof, has proposed to enter into a Lease Agreement with the Agency, such that the Agency would acquire a leasehold interest in a 128-unit multifamily rental housing development located at 3779 Horizons Ave in the City of Merced, California to be known as the Axis at Compass Pointe (the "Project") to be owned by the Agency and operated as workforce housing; and

WHEREAS, the Agency expects to incur or pay from its own funds certain expenditures in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, subject to meeting all the conditions set forth in this Resolution, the Agency reasonably expects that debt obligations in an amount of approximately \$47,500,000 \$34,000,000 (the "Bonds") will be issued and that certain of the proceeds of the Bonds will be used to reimburse the Agency for its prior expenditures for the Project; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require that the Agency declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, the Agency now desires to so declare its intent to issue the Bonds, subject to the conditions described below, and to authorize certain actions related thereto.

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

Section 1. The Agency finds and determines that the foregoing recitals are true and correct.

Section 2. The Agency hereby declares its official intent to issue, at one time or from time to time, an aggregate of up to \$47,500,000 principal amount of the Bonds the proceeds of which are to be loaned to the Agency to finance the costs of acquisition of a leasehold interest in the Project by the Agency; including for the purpose of reimbursing to the Agency costs incurred for the Project prior to the issuance of the Bonds.

Section 3. The Bonds will be payable solely from the revenues of the Project and other authorized revenues pursuant to a loan agreement or other agreements to be entered into between the Agency and the Borrower in connection with the financing of the Project.

Section 4. The issuance of the Bonds is subject to the following conditions: (a) the Agency and HACLA shall have entered into a cooperative agreement, (b) the Agency and AREF shall have first agreed to mutually acceptable terms for the acquisition of the Project under a leasehold interest, (c) the Agency shall have agreed to terms for execution and delivery of the Bonds, and mutually acceptable terms and conditions of the Bond indenture, and other related documents for the financing of the Project; (b) all requisite governmental approvals shall have first been obtained; and (c) a resolution approving the financing documents to which the Agency will be a party shall have been adopted by the Board of Directors of the Agency.

Section 5. It is intended that this Resolution shall constitute "some other similar official action" towards the issuance of bonds within the meaning of Section 1.103-8(a)(5) of the Treasury Regulations and "official intent" within the meaning of Section 1.150-2 of the Treasury Regulations, each as applicable under Section 103 of the Internal Revenue Code of 1986, as amended.

Section 6. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 18th day of January 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

Chair, Board of Directors
California Affordable Housing Agency

Attest:

Secretary, Board of Directors
California Affordable Housing Agency

Exhibit 1 Initial Inputs

Axis 2 at Compass Point Phase 1 bond analysis

project

Complex Name	Axis 2 at Compass Point Phase 1			
	Moody's	S&P	Fitch	Other rating
Pick				NR
LESSEE & Guarantor [A&B]	CalAHA		Special Purpose Essential Housing Bonds	
Complex Address	3779 Horizons Ave		City St Zip	Merced, CA 95348
Description	64 U nits 4 1BR, 36 2 BR and 24 3 BR			
Selling Broker			Phone	
E-mail			Cell	
Notes	Close Phase & Stabilized 1 7/31/22 :: Close & Stabilized Phase 2 12/31/22.		AREF Broker: Matt Benwitt - Lee & Associates	C 805.689.9988 mbenwitt@lee-re.com

numbers

Purchase Date	Mar 01, 2022		
Purch. Price Bldg (USD)	18,000,000		USD 18,000,000
Purch. Price Land (USD)	1,000,000		1,000,000
Purchase Price Total (USD)	19,000,000		19,000,000
Lease Term	480	Feb 28, 62	
OR Lease End		0	
pick native currency =>	U.S. Dollar		1 USD = 1 USD
convert to currency =>	U.S. Dollar		1 USD = 1 USD

loan 1

Loan Term n	480		Interest Only?
Base Rate i	3.3000%		Months of i ?
Credit Adjustment i			
Other Adjustment i			
= Loan Rate i	3.3000%		Balloon (USD)
Amortization	1.2059%		Balloon Date
Constant	4.5060%	OR	OR Balloon Mo
PUT override (USD)			
CALL override (USD)			

Zero
Coupon

Exhibit 2 Apartments

Axis 2 at Compass Point Phase 1
analysis [64 units]

cpi

CPI Every ? Years	1	Rent as a % of income	30.00%
CPI Percentage	2.90%		

Facility Size?	
Sq Feet/Meters?	Sq F

incomes

Type	AMI Equivalent	# of Units	Income Limit	30% Rent of AMI Inc.	Tenant Mo. Rent			Annual Rents (USD)
1 Bedrm2	78% AMI	4	43,524	1,088	1,088	-	-	52,224
2 Bedrm	90% AMI	36	56,520	1,413	1,413	-	-	610,416
3 Bedrm	85% AMI	24	61,625	1,540	1,540	-	-	443,520
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
Total Units:		64	RUBS (75% of OM)		43,969	4.0%		43,969
				OTHER	49,800	4.5%		49,800
							Gross Underwritten Rents	1,199,929

expenses

Vacancy Allowance	5.00%	0		(59,996)
Asset Mgt Fee / OTHER				
Capital Reserve (% gross or \$ unit)		450		(28,800)
Operating Expenses (include Prop. MGT fee)		4,611		(295,104)
Real Estate Tax is EXEMPT OR in OpEx		0		-
Total OpEx Per Unit		5,061		
				Effective Gross Income
				816,028
				LESSEE DCR
				108%
				LESSEE Rent to LESSOR
				755,581

Exhibit 4 Local Market Rental Comps

Axis 2 at Compass Point Phase 1 analysis [64 units]

Rent Comps:		Studio		1 BR2		2 BR		3 BR	
		Studio	Sq.Ft.	1 Bedrm2	Sq.Ft.	2 Bedrm	Sq.Ft.	3 Bedrm	Sq.Ft.
Village Landing	3601 San Jose			\$ 1,514	740	\$ 1,838	959		
Merced Station	2890 Yosemite					\$ 1,918	1,091		
Village Terrace	3827 San Jose			\$ 1,426	1,062	\$ 1,907	1,062	\$ 1,935	1,215
Walnut Woods	275 E Minnesota			\$ 1,352	730	\$ 1,631	974		
Northwood Village	255 Snowhaven			\$ 1,298	738	\$ 1,562	970		
Sahara	200 Seneca								
Grand Resort	1205 Devonwood								
Castle	3044 G St								
Swiss Colony	3075 Park							\$ 1,673	1,294
Boardwalk	1000 W Zerring							\$ 2,174	964
Villages	3342 M St								
Bear Creek	2932 M St			\$ 1,210	840				
Bear Creek Manor	2929 M St								
Yardly	3376 G St								
MARKET RENTS & SIZES (Average)		\$ -	N/A	\$ 1,360	822	\$ 1,771	1,011	\$ 1,927	1,158
					\$1.65		\$1.75		\$1.66
Existing / Subj Prop.				\$ 1,352	798	\$ 1,578	997	\$ 1,853	1,200
				▼ 80% Of Market		▼ 80% Of Market		▼ 80% Of Market	
Moderate Income (Workforce) REDUCED RENT				\$ 1,088	\$1.36	\$ 1,413	\$1.42	\$ 1,540	\$1.28
		\$ -							
Rent Savings Ave @ 78% of AMI vs. Market				\$ 272	\$0.29				
Rent Savings Ave @ 90% of AMI vs. Market						\$ 358	\$0.33		
Rent Savings Ave @ 85% of AMI vs. Market								\$ 387	\$0.38
Moderate Income (Workforce):				▼	psf 2 Mrkt	▼	psf 2 Mrkt	▼	psf 2 Mrkt
AREF REDUCED RENTS as a % to Market Rents:		0%		80%	82%	80%	81%	80%	77%

Exhibit 5 Rental Growth & Savings

Axis 2 at Compass Point Phase 1
analysis [64 units]

MONTHLY Tenant Rental Saving over Market

Studio				1 Bedrm2				2 Bedrm				3 Bedrm			
	CPI	CPI	Monthly		CPI	CPI	Monthly		CPI	CPI	Monthly		CPI	CPI	Monthly
Yr	W.H.	Mrkt	Savings	Yr	W.H.	Mrkt	Savings	Yr	W.H.	Mrkt	Savings	Yr	W.H.	Mrkt	Savings
	2.90%	2.90%	p/ unit		2.90%	2.90%	p/ unit		2.90%	2.90%	p/ unit		2.90%	2.90%	p/ unit
1				1	1,088	1,360	272	1	1,413	1,771	358	1	1,540	1,927	387
2				2	1,120	1,399	280	2	1,454	1,822	368	2	1,585	1,983	398
3				3	1,152	1,440	288	3	1,496	1,875	379	3	1,631	2,040	410
4				4	1,185	1,482	296	4	1,540	1,930	390	4	1,678	2,100	422
5				5	1,220	1,525	305	5	1,584	1,986	401	5	1,727	2,160	434
6				6	1,255	1,569	314	6	1,630	2,043	413	6	1,777	2,223	446
7				7	1,292	1,614	323	7	1,677	2,102	425	7	1,828	2,288	459
8				8	1,329	1,661	332	8	1,726	2,163	437	8	1,881	2,354	473
9				9	1,368	1,709	342	9	1,776	2,226	450	9	1,936	2,422	486
10				10	1,407	1,759	352	10	1,828	2,291	463	10	1,992	2,492	501
11				11	1,448	1,810	362	11	1,881	2,357	476	11	2,050	2,565	515
12				12	1,490	1,863	373	12	1,935	2,425	490	12	2,109	2,639	530
13				13	1,533	1,917	383	13	1,991	2,496	505	13	2,170	2,716	545
14				14	1,578	1,972	394	14	2,049	2,568	519	14	2,233	2,794	561
15				15	1,623	2,029	406	15	2,108	2,643	534	15	2,298	2,875	577
16				16	1,671	2,088	418	16	2,170	2,719	550	16	2,365	2,959	594
17				17	1,719	2,149	430	17	2,232	2,798	566	17	2,433	3,045	611
18				18	1,769	2,211	442	18	2,297	2,879	582	18	2,504	3,133	629
19				19	1,820	2,275	455	19	2,364	2,963	599	19	2,576	3,224	647
20				20	1,873	2,341	468	20	2,432	3,049	616	20	2,651	3,317	666

Exhibit 6 1st Loss Reserve

Axis 2 at Compass Point Phase 1
analysis [64 units]

CASH Reserve Funded @ Closing (Guarantor Discretionary Fund)

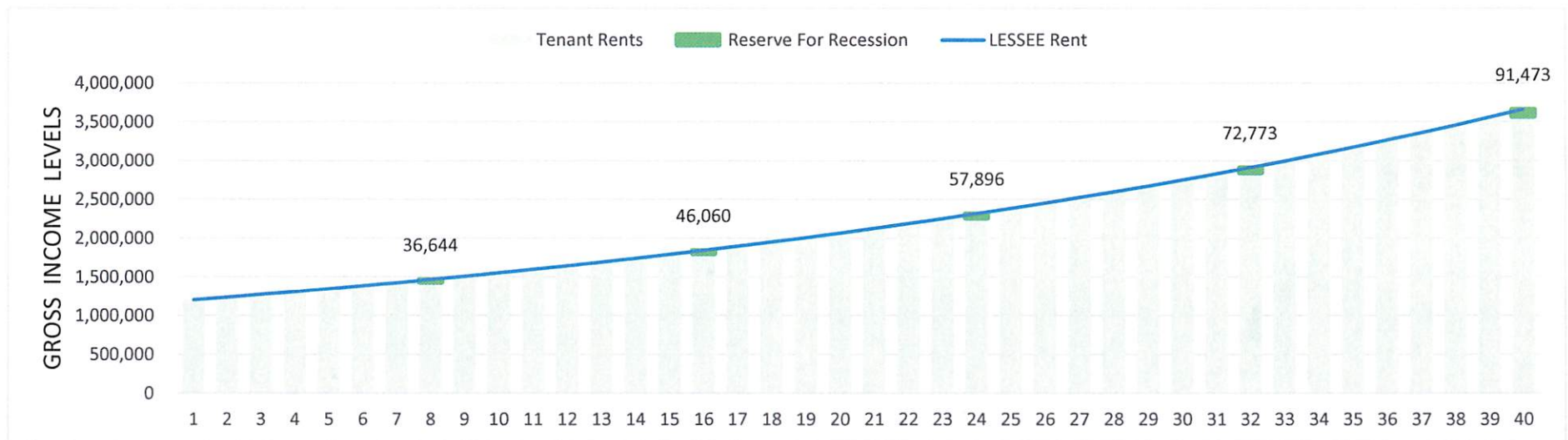
Lessee Risk Management:

Lessor will provide funds at closing to cover multiple market downturns. This reserve is essentially an Operating Deficit Reserve. In the event of rental loss the Lessee can draw on the reserves.

Assumptions:

Recession Vacancy Max 10% (incl. the std. vac %)* with a frequency of approx. every 8 years.
Max Vacancy Duration lasts 6 months.

** (Funds the 5% Vacancies above the normal 5%)*



Funds the 5% Vacancy above the normal 5%

Upfront Funding for shortfall

Shortfall To Cover

Recession in year	8	16	24	32	40
of cycle	8	16	24	32	40
Years	Years 1 - 8	Years 9 - 16	Years 17 - 24	Years 25 - 32	Years 33 - 40
Upfront Funding	31,275	33,552	35,995	38,616	41,427
Shortfall To Cover	36,644	46,060	57,896	72,773	91,473

Since 1981 there have been 5 recessions lasting on average of ~12 months with frequencies of ~8 years. **Assumption:** the down & up cycles last half of the 12 months.

LESSOR (AREF) Provided Reserve: 180,866

Exhibit 7 Project Devel. Costs

Axis 2 at Compass Point Phase 1
analysis [64 units]

Project Data:

Total Units 64

Land & Buildings	Developer	Owner/Lessor	
Existing Structures	18,000,000		
Land Cost	1,000,000		
Legal		50,000	
Demolition			
Contingency (% on above totals)	0	0	0.00%
Subtotal	19,000,000	50,000	

NOTES
Agency In House Atty

Rehab. & New Construction	Developer	Owner/Lessor	
New Structures	0		
Rehabilitation	0		
Accessory Structures			
Green Systems			
Insurance Builder risk			
General Requirements			
Profit and Overhead			
Office, FF&E, Model			
Site Work			
On Site Construction			
Off Site required by Approvals			
Off Site Construction			
Contingency (% on above totals)	0	0	
Subtotal	0	0	

NOTES

Soft Costs	Developer	Owner/Lessor	
Cost Estimation / Capital Needs			
Market Study			
Appraisal		10,000	
Environmental Study Phase 1/2			
Geotech/Soils reports		7,500	
Hazard & Liability Insurance			
Cost Certification			
Marketing & Advertising		25,000	

NOTES
For Closing & Dark Appr. @ Yr 25 and 40

Exhibit 7 Project Devel. Costs

Construction Debt Costs	Project	Current Est.
Inspection fees		
Lender Legal		75,000
Perform. & PMT Bonds		
Third Party Reports		
Bond Cost of Issuance		
Credit Reports		
Bond Prem./Sec Cert. (total loans)		0
Subtotal	0	75,000

Project Financing	Developer	Owner/Lessor
Credit Enhancement		
Legal Fees Perm Lender		
Trustee Legals		12,000
Issuer Counsel		75,000
Constr. Origination Fees		0
Discount Points		0
Negative Int. (Prepay or +Bal or Equity)		0 (480,510) Pd via Equity.
Perm Loan Origination		490,987
Rate Lock		0
Stamps (on purch price)		19,000
Title		61,373
Recording		61,373
Contingency (% on above totals)	0	0
Subtotal	0	719,734

Axis 2 at Compass Point Phase 1 analysis [64 units]

NOTES
DAD Counsel

NOTES

Exhibit 7 Project Devel. Costs

Project Reserves	Developer	Owner/Lessor	
Rent-up Reserves		180,866	
Operating Reserves			
Capitalized Replacement Reserves			
Escrows			
Honeywell (or other) Reserves			
Future Cash Reserves		180,866	
AREF Held MTG Rsv (on Debt Service)		0	
Operating Rsrv (op ex)		49,184	2
Lease Payment Rsrv (on gr TT rent)		881,512	14
Const PMT/Interest (on gr TT rent)		125,930	2
2%-3% Op Ex Reserves	Skip	0	
Contingency (% on ALL sub-totals)	0	0	
Subtotal	0	1,418,359	
Pre developer fee subtotal	19,000,000	2,453,093	

Developer Fees	Developer	Owner/Lessor	
Developer Project Fee	0		
Advisory/Comm fee (on pp land & bldg)		380,000	2.00%
Construction Mgmt			
Financing Consultant Fees			
EXCESS CASH TO SPC		2,700,000	
Subtotal	0	3,080,000	

TOTAL OF COLUMNS: 19,000,000 5,533,093
= TOTAL PROJECT COST: 24,533,093 **INIT. P/Unit Cost: 383,330**

Axis 2 at Compass Point Phase 1 analysis [64 units]

NOTES
2nd loss reserve account AREF earns interest
Covers OpEx During Recessions (5x)
After Closing
After Closing
Closing < CO covers pmts

NOTES
Matt Lee Associates
EXCESS CASH TO SPC / OPEN CHECKING ACCT.

Exhibit 9 Unit Reserves

Axis 2 at Compass Point Phase 1
analysis [64 units]

Year	Reserve per			future use
		Unit	w CPI Growth	
1	n/a	450	28,800	28,800
2	2.90%	463	29,632	58,432
3	2.90%	476	30,464	88,896
4	2.90%	490	31,360	120,256
5	2.90%	504	32,256	152,512
6	2.90%	519	33,216	185,728
7	2.90%	534	34,176	219,904
8	2.90%	549	35,136	255,040
9	2.90%	565	36,160	291,200
10	2.90%	581	37,184	328,384
11	2.90%	598	38,272	366,656
12	2.90%	615	39,360	406,016
13	2.90%	633	40,512	446,528
14	2.90%	651	41,664	488,192
15	2.90%	670	42,880	531,072
16	2.90%	689	44,096	575,168
17	2.90%	709	45,376	620,544
18	2.90%	730	46,720	667,264
19	2.90%	751	48,064	715,328
20	2.90%	773	49,472	764,800
21	2.90%	795	50,880	815,680
22	2.90%	818	52,352	868,032
23	2.90%	842	53,888	921,920
24	2.90%	866	55,424	977,344
25	2.90%	891	57,024	1,034,368
26	2.90%	917	58,688	1,093,056
27	2.90%	944	60,416	1,153,472
28	2.90%	971	62,144	1,215,616
29	2.90%	999	63,936	1,279,552
30	2.90%	1,028	65,792	1,345,344
31	2.90%	1,058	67,712	1,413,056
32	2.90%	1,089	69,696	1,482,752
33	2.90%	1,121	71,744	1,554,496
34	2.90%	1,154	73,856	1,628,352
35	2.90%	1,187	75,968	1,704,320
36	2.90%	1,221	78,144	1,782,464
37	2.90%	1,256	80,384	1,862,848
38	2.90%	1,292	82,688	1,945,536
39	2.90%	1,329	85,056	2,030,592
40	2.90%	1,368	87,552	2,118,144

Exhibit 10 LESSEE Rental Payment

Axis 2 at Compass Point Phase 1
analysis [64 units]

Lease Payment For: 3779 Horizons Ave Merced, CA 95348

Year		Master Lease	Cash Reserve			NET DCR LESSEE
		LESSEE Rent ▼	▼ % ▼	future use	future use	Rent
1	n/a	816,028	0			755,581
2	2.90%	839,693	0			777,493
3	2.90%	864,044	0			800,041
4	2.90%	889,101	0			823,242
5	2.90%	914,885	0			847,116
6	2.90%	941,417	0			871,682
7	2.90%	968,718	0			896,961
8	2.90%	996,811	0			922,973
9	2.90%	1,025,718	0			949,739
10	2.90%	1,055,464	0			977,282
11	2.90%	1,086,072	0			1,005,623
12	2.90%	1,117,569	0			1,034,786
13	2.90%	1,149,978	0			1,064,795
14	2.90%	1,183,327	0			1,095,674
15	2.90%	1,217,644	0			1,127,448
16	2.90%	1,252,956	0			1,160,144
17	2.90%	1,289,291	0			1,193,788
18	2.90%	1,326,681	0			1,228,408
19	2.90%	1,365,155	0			1,264,032
20	2.90%	1,404,744	0			1,300,689
21	2.90%	1,445,482	0			1,338,409
22	2.90%	1,487,401	0			1,377,223
23	2.90%	1,530,535	0			1,417,162
24	2.90%	1,574,921	0			1,458,260
25	2.90%	1,620,593	0			1,500,549
26	2.90%	1,667,591	0			1,544,065
27	2.90%	1,715,951	0			1,588,843
28	2.90%	1,765,713	0			1,634,920
29	2.90%	1,816,919	0			1,682,332
30	2.90%	1,869,610	0			1,731,120
31	2.90%	1,923,828	0			1,781,322
32	2.90%	1,979,619	0			1,832,981
33	2.90%	2,037,028	0			1,886,137
34	2.90%	2,096,102	0			1,940,835
35	2.90%	2,156,889	0			1,997,119
36	2.90%	2,219,439	0			2,055,036
37	2.90%	2,283,803	0			2,114,632
38	2.90%	2,350,033	0			2,175,956
39	2.90%	2,418,184	0			2,239,059
40	2.90%	2,488,311	0			2,303,992

Exhibit 11 LESSOR Revenue

Axis 2 at Compass Point Phase 1
analysis [64 units]

3.90%	3.00%	3.90%
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Year		Master Lease		Compliance	CPA - Audit	Cash Flow For
		LESSOR Revenue	Trustee Fee	Fee	Fee	
1	n/a	755,581	(5,000)	(5,000)	(5,000)	740,581
2	2.90%	777,493	(5,145)	(5,145)	(5,145)	762,058
3	2.90%	800,041	(5,294)	(5,294)	(5,294)	784,158
4	2.90%	823,242	(5,448)	(5,448)	(5,448)	806,899
5	2.90%	847,116	(5,606)	(5,606)	(5,606)	830,299
6	2.90%	871,682	(5,768)	(5,768)	(5,768)	854,377
7	2.90%	896,961	(5,936)	(5,936)	(5,936)	879,154
8	2.90%	922,973	(6,108)	(6,108)	(6,108)	904,650
9	2.90%	949,739	(6,285)	(6,285)	(6,285)	930,885
10	2.90%	977,282	(6,467)	(6,467)	(6,467)	957,880
11	2.90%	1,005,623	(6,655)	(6,655)	(6,655)	985,659
12	2.90%	1,034,786	(6,848)	(6,848)	(6,848)	1,014,243
13	2.90%	1,064,795	(7,046)	(7,046)	(7,046)	1,043,656
14	2.90%	1,095,674	(7,251)	(7,251)	(7,251)	1,073,922
15	2.90%	1,127,448	(7,461)	(7,461)	(7,461)	1,105,066
16	2.90%	1,160,144	(7,677)	(7,677)	(7,677)	1,137,113
17	2.90%	1,193,788	(7,900)	(7,900)	(7,900)	1,170,089
18	2.90%	1,228,408	(8,129)	(8,129)	(8,129)	1,204,021
19	2.90%	1,264,032	(8,365)	(8,365)	(8,365)	1,238,938
20	2.90%	1,300,689	(8,607)	(8,607)	(8,607)	1,274,867
21	2.90%	1,338,409	(8,857)	(8,857)	(8,857)	1,311,838
22	2.90%	1,377,223	(9,114)	(9,114)	(9,114)	1,349,882
23	2.90%	1,417,162	(9,378)	(9,378)	(9,378)	1,389,028
24	2.90%	1,458,260	(9,650)	(9,650)	(9,650)	1,429,310
25	2.90%	1,500,549	(9,930)	(9,930)	(9,930)	1,470,760
26	2.90%	1,544,065	(10,218)	(10,218)	(10,218)	1,513,412
27	2.90%	1,588,843	(10,514)	(10,514)	(10,514)	1,557,301
28	2.90%	1,634,920	(10,819)	(10,819)	(10,819)	1,602,463
29	2.90%	1,682,332	(11,133)	(11,133)	(11,133)	1,648,934
30	2.90%	1,731,120	(11,456)	(11,456)	(11,456)	1,696,753
31	2.90%	1,781,322	(11,788)	(11,788)	(11,788)	1,745,959
32	2.90%	1,832,981	(12,130)	(12,130)	(12,130)	1,796,592
33	2.90%	1,886,137	(12,481)	(12,481)	(12,481)	1,848,693
34	2.90%	1,940,835	(12,843)	(12,843)	(12,843)	1,902,305
35	2.90%	1,997,119	(13,216)	(13,216)	(13,216)	1,957,472
36	2.90%	2,055,036	(13,599)	(13,599)	(13,599)	2,014,239
37	2.90%	2,114,632	(13,993)	(13,993)	(13,993)	2,072,652
38	2.90%	2,175,956	(14,399)	(14,399)	(14,399)	2,132,759
39	2.90%	2,239,059	(14,817)	(14,817)	(14,817)	2,194,609
40	2.90%	2,303,992	(15,246)	(15,246)	(15,246)	2,258,252

Exhibit 12 Lender Avail. Cash

Axis 2 at Compass Point Phase 1
analysis [64 units]

DCR of 1.090

Year		Gross		NET Y <i>before</i>		NET Y <i>after</i>	
		Financing Rev	future use	future use	Lender DCR	Lender DCR	Lender DCR
1	n/a	740,581			740,581		679,433
2	2.90%	762,058			762,058		699,136
3	2.90%	784,158			784,158		719,411
4	2.90%	806,899			806,899		740,274
5	2.90%	830,299			830,299		761,742
6	2.90%	854,377			854,377		783,832
7	2.90%	879,154			879,154		806,564
8	2.90%	904,650			904,650		829,954
9	2.90%	930,885			930,885		854,023
10	2.90%	957,880			957,880		878,789
11	2.90%	985,659			985,659		904,274
12	2.90%	1,014,243			1,014,243		930,498
13	2.90%	1,043,656			1,043,656		957,483
14	2.90%	1,073,922			1,073,922		985,249
15	2.90%	1,105,066			1,105,066		1,013,822
16	2.90%	1,137,113			1,137,113		1,043,223
17	2.90%	1,170,089			1,170,089		1,073,476
18	2.90%	1,204,021			1,204,021		1,104,607
19	2.90%	1,238,938			1,238,938		1,136,640
20	2.90%	1,274,867			1,274,867		1,169,603
21	2.90%	1,311,838			1,311,838		1,203,521
22	2.90%	1,349,882			1,349,882		1,238,424
23	2.90%	1,389,028			1,389,028		1,274,338
24	2.90%	1,429,310			1,429,310		1,311,294
25	2.90%	1,470,760			1,470,760		1,349,321
26	2.90%	1,513,412			1,513,412		1,388,452
27	2.90%	1,557,301			1,557,301		1,428,717
28	2.90%	1,602,463			1,602,463		1,470,149
29	2.90%	1,648,934			1,648,934		1,512,784
30	2.90%	1,696,753			1,696,753		1,556,654
31	2.90%	1,745,959			1,745,959		1,601,797
32	2.90%	1,796,592			1,796,592		1,648,250
33	2.90%	1,848,693			1,848,693		1,696,049
34	2.90%	1,902,305			1,902,305		1,745,234
35	2.90%	1,957,472			1,957,472		1,795,846
36	2.90%	2,014,239			2,014,239		1,847,926
37	2.90%	2,072,652			2,072,652		1,901,515
38	2.90%	2,132,759			2,132,759		1,956,659
39	2.90%	2,194,609			2,194,609		2,013,402
40	2.90%	2,258,252			2,258,252		2,071,791

v	755,581	Loan Rate	3.5000%
	(5,000)	Amortization	1.2059%
	(5,000)	Constant	4.5060%
	(5,000)	"Flat" Loan (P&I)	-
	740,581	Loan Amount (Manual)	
109.00%	679,433	BOND 2 PV (from below)	24,549,356

Year	End Month	Manual CPI	Rev. CPI	Manual Rent	DCR Revenue	Bond PV
2022	Feb 28, 2023		Apt.2 CPI		679,433	667,442
2023	Feb 29, 2024		2.90%		699,136	664,533
2024	Feb 28, 2025		2.90%		719,411	661,638
2025	Feb 28, 2026		2.90%		740,274	658,754
2026	Feb 28, 2027		2.90%		761,742	655,884
2027	Feb 29, 2028		2.90%		783,832	653,026
2028	Feb 28, 2029		2.90%		806,564	650,180
2029	Feb 28, 2030		2.90%		829,954	647,346
2030	Feb 28, 2031		2.90%		854,023	644,526
2031	Feb 29, 2032		2.90%		878,789	641,717
2032	Feb 28, 2033		2.90%		904,274	638,920
2033	Feb 28, 2034		2.90%		930,498	636,136
2034	Feb 28, 2035		2.90%		957,483	633,364
2035	Feb 29, 2036		2.90%		985,249	630,604
2036	Feb 28, 2037		2.90%		1,013,822	627,856
2037	Feb 28, 2038		2.90%		1,043,223	625,120
2038	Feb 28, 2039		2.90%		1,073,476	622,396
2039	Feb 29, 2040		2.90%		1,104,607	619,684
2040	Feb 28, 2041		2.90%		1,136,640	616,983
2041	Feb 28, 2042		2.90%		1,169,603	614,295
2042	Feb 28, 2043		2.90%		1,203,521	611,618
2043	Feb 29, 2044		2.90%		1,238,424	608,952
2044	Feb 28, 2045		2.90%		1,274,338	606,299
2045	Feb 28, 2046		2.90%		1,311,294	603,657
2046	Feb 28, 2047		2.90%		1,349,321	601,026
2047	Feb 29, 2048		2.90%		1,388,452	598,407
2048	Feb 28, 2049		2.90%		1,428,717	595,799
2049	Feb 28, 2050		2.90%		1,470,149	593,203
2050	Feb 28, 2051		2.90%		1,512,784	590,618
2051	Feb 29, 2052		2.90%		1,556,654	588,044
2052	Feb 28, 2053		2.90%		1,601,797	585,482
2053	Feb 28, 2054		2.90%		1,648,250	582,930
2054	Feb 28, 2055		2.90%		1,696,049	580,390
2055	Feb 29, 2056		2.90%		1,745,234	577,861
2056	Feb 28, 2057		2.90%		1,795,846	575,343
2057	Feb 28, 2058		2.90%		1,847,926	572,836
2058	Feb 28, 2059		2.90%		1,901,515	570,339
2059	Feb 29, 2060		2.90%		1,956,659	567,854

LESSEE DEBT COVERAGE

LESSOR DEBT COVERAGE

E	LESSEE		LESSOR NOI			TOTAL DCR	TOTAL CASH AVAILABLE	AREF / LESSOR CF	LESSEE CF (not for Lender)
	DCR	RENT	(after fees)	Lender DCR	Debt Service				
8	1.080	755,581	740,581	1.090	679,433	1.170	121,595	61,149	60,447
13	1.080	777,493	762,058	1.090	699,136	1.170	125,122	62,922	62,199
14	1.080	800,041	784,158	1.090	719,411	1.170	128,750	64,747	64,003
11	1.080	823,242	806,899	1.090	740,274	1.170	132,484	66,625	65,859
15	1.080	847,116	830,299	1.090	761,742	1.170	136,326	68,557	67,769
7	1.080	871,682	854,377	1.090	783,832	1.170	140,279	70,545	69,735
8	1.080	896,961	879,154	1.090	806,564	1.170	144,348	72,591	71,757
1	1.080	922,973	904,650	1.090	829,954	1.170	148,534	74,696	73,838
18	1.080	949,739	930,885	1.090	854,023	1.170	152,841	76,862	75,979
64	1.080	977,282	957,880	1.090	878,789	1.170	157,274	79,091	78,183
72	1.080	1,005,623	985,659	1.090	904,274	1.170	161,834	81,385	80,450
69	1.080	1,034,786	1,014,243	1.090	930,498	1.170	166,528	83,745	82,783
78	1.080	1,064,795	1,043,656	1.090	957,483	1.170	171,357	86,173	85,184
27	1.080	1,095,674	1,073,922	1.090	985,249	1.170	176,326	88,672	87,654
44	1.080	1,127,448	1,105,066	1.090	1,013,822	1.170	181,440	91,244	90,196
56	1.080	1,160,144	1,137,113	1.090	1,043,223	1.170	186,702	93,890	92,812
91	1.080	1,193,788	1,170,089	1.090	1,073,476	1.170	192,116	96,613	95,503
81	1.080	1,228,408	1,204,021	1.090	1,104,607	1.170	197,687	99,415	98,273
55	1.080	1,264,032	1,238,938	1.090	1,136,640	1.170	203,420	102,298	101,123
44	1.080	1,300,689	1,274,867	1.090	1,169,603	1.170	209,319	105,264	104,055
82	1.080	1,338,409	1,311,838	1.090	1,203,521	1.170	215,390	108,317	107,073
01	1.080	1,377,223	1,349,882	1.090	1,238,424	1.170	221,636	111,458	110,178
35	1.080	1,417,162	1,389,028	1.090	1,274,338	1.170	228,063	114,690	113,373
21	1.080	1,458,260	1,429,310	1.090	1,311,294	1.170	234,677	118,016	116,661
93	1.080	1,500,549	1,470,760	1.090	1,349,321	1.170	241,483	121,439	120,044
91	1.080	1,544,065	1,513,412	1.090	1,388,452	1.170	248,486	124,961	123,525
51	1.080	1,588,843	1,557,301	1.090	1,428,717	1.170	255,692	128,584	127,107
13	1.080	1,634,920	1,602,463	1.090	1,470,149	1.170	263,107	132,313	130,794
19	1.080	1,682,332	1,648,934	1.090	1,512,784	1.170	270,737	136,151	134,587
10	1.080	1,731,120	1,696,753	1.090	1,556,654	1.170	278,589	140,099	138,490
28	1.080	1,781,322	1,745,959	1.090	1,601,797	1.170	286,668	144,162	142,506
19	1.080	1,832,981	1,796,592	1.090	1,648,250	1.170	294,981	148,342	146,638
28	1.080	1,886,137	1,848,693	1.090	1,696,049	1.170	303,535	152,644	150,891
02	1.080	1,940,835	1,902,305	1.090	1,745,234	1.170	312,338	157,071	155,267
89	1.080	1,997,119	1,957,472	1.090	1,795,846	1.170	321,396	161,626	159,770
39	1.080	2,055,036	2,014,239	1.090	1,847,926	1.170	330,716	166,313	164,403
03	1.080	2,114,632	2,072,652	1.090	1,901,515	1.170	340,307	171,136	169,171
33	1.080	2,175,956	2,132,759	1.090	1,956,659	1.170	350,176	176,099	174,077

Exhibit 1 Initial Inputs

Axis 2 at Compass Point Phase 2
bond analysis

project

Complex Name	Axis 2 at Compass Point Phase 2		
	Moody's	S&P	Fitch
Pick			NR
LESSEE & Guarantor [A&B]	CalAHA		Special Purpose Essential Housing Bonds
Complex Address	3779 Horizons Ave	City St Zip	Merced, CA 95348
Description	1 BR 24 /2 BR 20 & 3 BR 20 Total 64 Units		
Selling Broker		Phone	
E-mail		Cell	
Notes	Close & Stabilized Phase 2 12/31/22. :: Close & Stabilized Phase 1 7/30/22.	AREF Broker: Matt Benwitt - Lee & Associates	C 805.689.9988 mbenwitt@lee-re.com

numbers

Purchase Date	Mar 01, 2022		USD
Purch. Price Bldg (USD)	18,000,000		18,000,000
Purch. Price Land (USD)	1,000,000		1,000,000
Purchase Price Total (USD)	19,000,000		19,000,000
Lease Term	480	Feb 28, 62	
OR Lease End		0	
pick native currency =>	U.S. Dollar		1 USD = 1 USD
convert to currency =>	U.S. Dollar		1 USD = 1 USD

loan 1

Loan Term n	480		Interest Only?
Base Rate i	3.3000%		Months of i ?
Credit Adjustment i			
Other Adjustment i			Balloon (USD)
= Loan Rate i	3.3000%		Balloon Date
Amortization	1.2059%	OR	OR Balloon Mo
Constant	4.5060%		
PUT override (USD)			
CALL override (USD)			

Zero
Coupon

Exhibit 2 Apartments

Axis 2 at Compass Point Phase 2
analysis [64 units]

cpi

CPI Every ? Years	1	Rent as a % of income	30.00%
CPI Percentage	2.90%		

Facility Size?	
Sq Feet/Meters?	Sq F

incomes

Type	AMI Equivalent	# of Units	Income Limit	30% Rent of AMI Inc.	Tenant Mo. Rent			Annual Rents (USD)
1 Bedrm2	78% AMI	24	43,524	1,088	1,088	-	-	313,344
			-	-	-	-	-	-
2 Bedrm	90% AMI	20	56,520	1,413	1,413	-	-	339,120
			-	-	-	-	-	-
3 Bedrm	85% AMI	20	61,625	1,540	1,540	-	-	369,600
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
Total Units:		64	RUBS (75% of OM)		43,969	4.3%		43,969
			OTHER		49,800	4.9%		49,800
								Gross Underwritten Rents 1,115,833

expenses

Vacancy Allowance	5.00%	0	(55,792)
			Effective Gross Income 1,060,041
Asset Mgt Fee / OTHER			-
Capital Reserve (% gross or \$ unit)		450	(28,800)
Operating Expenses (include Prop. MGT fee)		4,611	(295,104)
Real Estate Tax is EXEMPT OR in OpEx		0	-
Total OpEx Per Unit			5,061
			Net Oper Income 736,137
			LESSEE DCR 108%
			LESSEE Rent to LESSOR 681,608

Exhibit 4 Local Market Rental Comps

Axis 2 at Compass Point Phase 2 analysis [64 units]

		Studio	Studio Sq.Ft.	1 Bedrm2	1 BR2 Sq.Ft.	2 Bedrm	2 BR Sq.Ft.	3 Bedrm	3 BR Sq.Ft.
Rent Comps:									
Village Landing	3601 San Jose			\$ 1,514	740	\$ 1,838	959		
Merced Station	2890 Yosemite					\$ 1,918	1,091		
Village Terrace	3827 San Jose			\$ 1,426	1,062	\$ 1,907	1,062	\$ 1,935	1,215
Walnut Woods	275 E Minnesota			\$ 1,352	730	\$ 1,631	974		
Northwood Village	255 Snowhaven			\$ 1,298	738	\$ 1,562	970		
Sahara	200 Seneca								
Grand Resort	1205 Devonwood								
Castle	3044 G St								
Swiss Colony	3075 Park							\$ 1,673	1,294
Boardwalk	1000 W Zerring							\$ 2,174	964
Villages	3342 M St								
Bear Creek	2932 M St			\$ 1,210	840				
Bear Creek Manor	2929 M St								
Yardly	3376 G St								
MARKET RENTS & SIZES (Average)		\$ -	N/A	\$ 1,360	822	\$ 1,771	1,011	\$ 1,927	1,158
					\$1.65		\$1.75		\$1.66
Existing / Subj Prop.				\$ 1,352	798	\$ 1,578	997	\$ 1,853	1,200
				▼ 80% Of Market		▼ 80% Of Market		▼ 80% Of Market	
Moderate Income (Workforce) REDUCED RENT				\$ 1,088	\$1.36	\$ 1,413	\$1.42	\$ 1,540	\$1.28
..... \$ -									
Rent Savings Ave @ 78% of AMI vs. Market				\$ 272	\$0.29				
Rent Savings Ave @ 90% of AMI vs. Market						\$ 358	\$0.33		
Rent Savings Ave @ 85% of AMI vs. Market								\$ 387	\$0.38
Moderate Income (Workforce):				▼	psf 2 Mrkt	▼	psf 2 Mrkt	▼	psf 2 Mrkt
AREF REDUCED RENTS as a % to Market Rents:		0%		80%	82%	80%	81%	80%	77%

Exhibit 5 Rental Growth & Savings

Axis 2 at Compass Point Phase 2
analysis [64 units]

MONTHLY Tenant Rental Saving over Market

Yr	Studio			1 Bedrm2			2 Bedrm			3 Bedrm		
	CPI W.H. 2.90%	Mrkt 2.90%	Monthly Savings p/unit	CPI W.H. 2.90%	Mrkt 2.90%	Monthly Savings p/unit	CPI W.H. 2.90%	Mrkt 2.90%	Monthly Savings p/unit	CPI W.H. 2.90%	Mrkt 2.90%	Monthly Savings p/unit
1	1,088	1,360	272	1,413	1,771	358	1,540	1,927	387	1,540	1,927	387
2	1,120	1,399	280	1,454	1,822	368	1,585	1,983	398	1,585	1,983	398
3	1,152	1,440	288	1,496	1,875	379	1,631	2,040	410	1,631	2,040	410
4	1,185	1,482	296	1,540	1,930	390	1,678	2,100	422	1,678	2,100	422
5	1,220	1,525	305	1,584	1,986	401	1,727	2,160	434	1,727	2,160	434
6	1,255	1,569	314	1,630	2,043	413	1,777	2,223	446	1,777	2,223	446
7	1,292	1,614	323	1,677	2,102	425	1,828	2,288	459	1,828	2,288	459
8	1,329	1,661	332	1,726	2,163	437	1,881	2,354	473	1,881	2,354	473
9	1,368	1,709	342	1,776	2,226	450	1,936	2,422	486	1,936	2,422	486
10	1,407	1,759	352	1,828	2,291	463	1,992	2,492	501	1,992	2,492	501
11	1,448	1,810	362	1,881	2,357	476	2,050	2,565	515	2,050	2,565	515
12	1,490	1,863	373	1,935	2,425	490	2,109	2,639	530	2,109	2,639	530
13	1,533	1,917	383	1,991	2,496	505	2,170	2,716	545	2,170	2,716	545
14	1,578	1,972	394	2,049	2,568	519	2,233	2,794	561	2,233	2,794	561
15	1,623	2,029	406	2,108	2,643	534	2,298	2,875	577	2,298	2,875	577
16	1,671	2,088	418	2,170	2,719	550	2,365	2,959	594	2,365	2,959	594
17	1,719	2,149	430	2,232	2,798	566	2,433	3,045	611	2,433	3,045	611
18	1,769	2,211	442	2,297	2,879	582	2,504	3,133	629	2,504	3,133	629
19	1,820	2,275	455	2,364	2,963	599	2,576	3,224	647	2,576	3,224	647
20	1,873	2,341	468	2,432	3,049	616	2,651	3,317	666	2,651	3,317	666

Exhibit 6 1st Loss Reserve

Axis 2 at Compass Point Phase 2
analysis [64 units]

CASH Reserve Funded @ Closing (Guarantor Discretionary Fund)

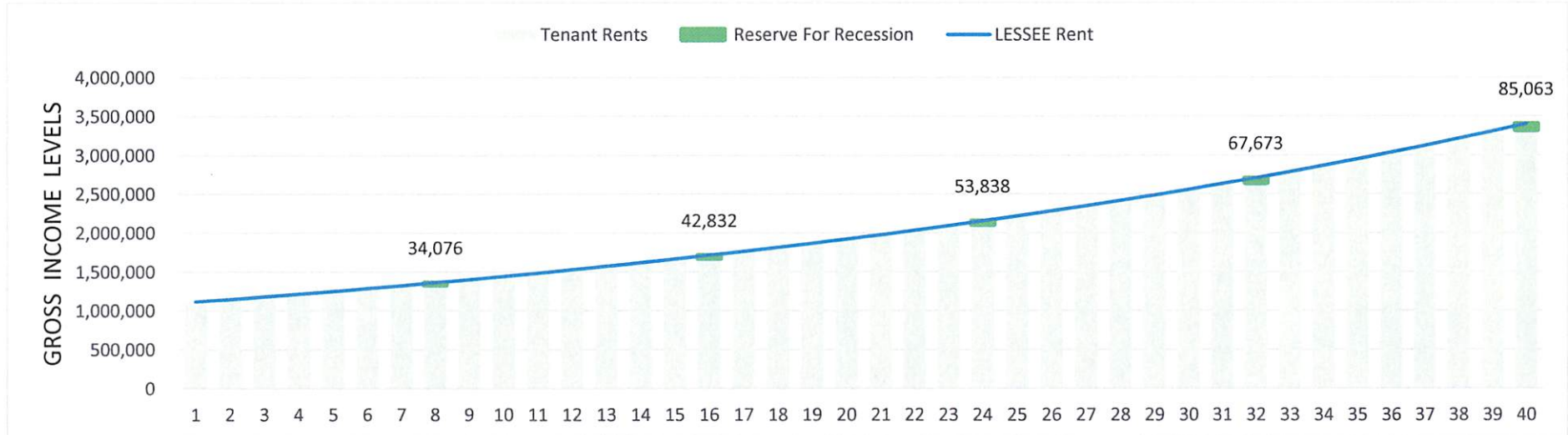
Lessee Risk Management:

Lessor will provide funds at closing to cover multiple market downturns. This reserve is essentially an Operating Deficit Reserve. In the event of rental loss the Lessee can draw on the reserves.

Assumptions:

Recession Vacancy Max 10% (incls. the std. vac %)* with a frequency of approx. every 8 years.
Max Vacancy Duration lasts 6 months.

** (Funds the 5% Vacancies above the normal 5%)*



Funds the 5% Vacancy above the normal 5%			Upfront Funding for shortfall		Shortfall To Cover	
Recession in year	8	of cycle	Years 1 - 8	29,083	-----grows 2%----->	34,076
Recession in year	16	of cycle	Years 9 - 16	31,201	-----grows 2%----->	42,832
Recession in year	24	of cycle	Years 17 - 24	33,473	-----grows 2%----->	53,838
Recession in year	32	of cycle	Years 25 - 32	35,910	-----grows 2%----->	67,673
Recession in year	40	of cycle	Years 33 - 40	38,524	-----grows 2%----->	85,063

Since 1981 there have been 5 recessions lasting on average of ~12 months with frequencies of ~8 years. **Assumption:** the down & up cycles last half of the 12 months.

LESSOR (AREF) Provided Reserve: 168,190

Exhibit 7 Project Devel. Costs

Axis 2 at Compass Point Phase 2
analysis [64 units]

Project Data:

Total Units 64

Land & Buildings	Developer	Owner/Lessor	
Existing Structures	18,000,000		
Land Cost	1,000,000		
Legal		50,000	
Demolition			
Contingency (% on above totals)	0	0	0.00%
Subtotal	19,000,000	50,000	

NOTES
Agency In House Atty

Rehab. & New Construction	Developer	Owner/Lessor	
New Structures	0		
Rehabilitation	0		
Accessory Structures			
Green Systems			
Insurance Builder risk			
General Requirements			
Profit and Overhead			
Office, FF&E, Model			
Site Work			
On Site Construction			
Off Site required by Approvals			
Off Site Construction			
Contingency (% on above totals)	0	0	
Subtotal	0	0	

NOTES

Soft Costs	Developer	Owner/Lessor	
Cost Estimation / Capital Needs			
Market Study			
Appraisal		10,000	
Environmental Study Phase 1/2			
Geotech/Soils reports		7,500	
Hazard & Liability Insurance			
Cost Certification			
Marketing & Advertising		50,000	

NOTES
For Closing & Dark Appr. @ Yr 25 and 40

Exhibit 7 Project Devel. Costs

Construction Debt Costs	Project	Current Est.
Inspection fees		
Lender Legal		75,000
Perform. & PMT Bonds		
Third Party Reports		
Bond Cost of Issuance		
Credit Reports		
Bond Prem./Sec Cert. (total loans)		0
Subtotal	0	75,000

Project Financing	Developer	Owner/Lessor
Credit Enhancement		
Legal Fees Perm Lender		
Trustee Legals		12,000
Issuer Counsel		75,000
Constr. Origination Fees		0
Discount Points		0
Negative Int. (Prepay or +Bal or Equity)		0 (432,514) Pd via Equity.
Perm Loan Origination		441,945
Rate Lock		0
Stamps (on purch price)		19,000
Title		55,243
Recording		55,243
Contingency (% on above totals)	0	0
Subtotal	0	658,431

Axis 2 at Compass Point Phase 2 analysis [64 units]

NOTES
DAD Counsel

NOTES

Exhibit 7

Project Devel. Costs

Project Reserves	Developer	Owner/Lessor	
Rent-up Reserves		168,190	
Operating Reserves			
Capitalized Replacement Reserves			
Escrows			
Honeywell (or other) Reserves			
Future Cash Reserves		168,190	
AREF Held MTG Rsv (on Debt Service)		0	
Operating Rsrv (op ex)		0	
Lease Payment Rsrv (on gr TT rent)		795,210	14
Const PMT/Interest (on gr TT rent)		0	
2%-3% Op Ex Reserves	Skip	0	
Contingency (% on ALL sub-totals)		0	0
Subtotal	0	1,131,591	
Pre developer fee subtotal	19,000,000	2,130,022	

Developer Fees	Developer	Owner/Lessor	
Developer Project Fee	0		
Advisory/Comm fee (on pp land & bldg)		380,000	2.00%
Construction Mgmt			
Financing Consultant Fees			
EXCESS CASH TO SPC		580,000	
Subtotal	0	960,000	

TOTAL OF COLUMNS: 19,000,000 3,090,022
= TOTAL PROJECT COST: 22,090,022 **INIT. P/Unit Cost: 345,157**

Axis 2 at Compass Point Phase 2 analysis [64 units]

NOTES
2nd loss reserve account AREF earns interest
Covers OpEx During Recessions (5x) After Closing
After Closing
Closing < CO covers pmts

NOTES
Matt Lee Associates
EXCESS CASH TO SPC / OPEN CHECKING ACCT.

Exhibit 9 Unit Reserves

Axis 2 at Compass Point Phase 2
analysis [64 units]

Year	Reserve per			future use
		Unit	w CPI Growth	
1	n/a	450	28,800	28,800
2	2.90%	463	29,632	58,432
3	2.90%	476	30,464	88,896
4	2.90%	490	31,360	120,256
5	2.90%	504	32,256	152,512
6	2.90%	519	33,216	185,728
7	2.90%	534	34,176	219,904
8	2.90%	549	35,136	255,040
9	2.90%	565	36,160	291,200
10	2.90%	581	37,184	328,384
11	2.90%	598	38,272	366,656
12	2.90%	615	39,360	406,016
13	2.90%	633	40,512	446,528
14	2.90%	651	41,664	488,192
15	2.90%	670	42,880	531,072
16	2.90%	689	44,096	575,168
17	2.90%	709	45,376	620,544
18	2.90%	730	46,720	667,264
19	2.90%	751	48,064	715,328
20	2.90%	773	49,472	764,800
21	2.90%	795	50,880	815,680
22	2.90%	818	52,352	868,032
23	2.90%	842	53,888	921,920
24	2.90%	866	55,424	977,344
25	2.90%	891	57,024	1,034,368
26	2.90%	917	58,688	1,093,056
27	2.90%	944	60,416	1,153,472
28	2.90%	971	62,144	1,215,616
29	2.90%	999	63,936	1,279,552
30	2.90%	1,028	65,792	1,345,344
31	2.90%	1,058	67,712	1,413,056
32	2.90%	1,089	69,696	1,482,752
33	2.90%	1,121	71,744	1,554,496
34	2.90%	1,154	73,856	1,628,352
35	2.90%	1,187	75,968	1,704,320
36	2.90%	1,221	78,144	1,782,464
37	2.90%	1,256	80,384	1,862,848
38	2.90%	1,292	82,688	1,945,536
39	2.90%	1,329	85,056	2,030,592
40	2.90%	1,368	87,552	2,118,144

Exhibit 10 LESSEE Rental Payment

Axis 2 at Compass Point Phase 2
analysis [64 units]

Lease Payment For: 3779 Horizons Ave Merced, CA 95348

Year		Master Lease	Cash Reserve	future use	future use	NET DCR LESSEE
		LESSEE Rent ▼	▼ % ▼			Rent
1	n/a	736,137	0			681,608
2	2.90%	757,485	0			701,375
3	2.90%	779,452	0			721,715
4	2.90%	802,056	0			742,645
5	2.90%	825,316	0			764,181
6	2.90%	849,250	0			786,343
7	2.90%	873,878	0			809,146
8	2.90%	899,221	0			832,612
9	2.90%	925,298	0			856,757
10	2.90%	952,132	0			881,603
11	2.90%	979,744	0			907,170
12	2.90%	1,008,156	0			933,478
13	2.90%	1,037,393	0			960,549
14	2.90%	1,067,477	0			988,405
15	2.90%	1,098,434	0			1,017,068
16	2.90%	1,130,288	0			1,046,563
17	2.90%	1,163,067	0			1,076,914
18	2.90%	1,196,796	0			1,108,144
19	2.90%	1,231,503	0			1,140,280
20	2.90%	1,267,216	0			1,173,348
21	2.90%	1,303,966	0			1,207,376
22	2.90%	1,341,781	0			1,242,389
23	2.90%	1,380,692	0			1,278,419
24	2.90%	1,420,732	0			1,315,493
25	2.90%	1,461,934	0			1,353,642
26	2.90%	1,504,330	0			1,392,898
27	2.90%	1,547,955	0			1,433,292
28	2.90%	1,592,846	0			1,474,857
29	2.90%	1,639,038	0			1,517,628
30	2.90%	1,686,571	0			1,561,639
31	2.90%	1,735,481	0			1,606,927
32	2.90%	1,785,810	0			1,653,528
33	2.90%	1,837,599	0			1,701,480
34	2.90%	1,890,889	0			1,750,823
35	2.90%	1,945,725	0			1,801,597
36	2.90%	2,002,151	0			1,853,843
37	2.90%	2,060,213	0			1,907,605
38	2.90%	2,119,959	0			1,962,925
39	2.90%	2,181,438	0			2,019,850
40	2.90%	2,244,700	0			2,078,426

Exhibit 11 LESSOR Revenue

Axis 2 at Compass Point Phase 2
analysis [64 units]

3.90%	3.00%	3.90%
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Year		Master Lease		Compliance	CPA - Audit	Cash Flow For future use	Financing
		LESSOR Revenue	Trustee Fee	Fee	Fee		
1	n/a	681,608	(5,000)	(5,000)	(5,000)		666,608
2	2.90%	701,375	(5,145)	(5,145)	(5,145)		685,940
3	2.90%	721,715	(5,294)	(5,294)	(5,294)		705,832
4	2.90%	742,645	(5,448)	(5,448)	(5,448)		726,301
5	2.90%	764,181	(5,606)	(5,606)	(5,606)		747,364
6	2.90%	786,343	(5,768)	(5,768)	(5,768)		769,038
7	2.90%	809,146	(5,936)	(5,936)	(5,936)		791,340
8	2.90%	832,612	(6,108)	(6,108)	(6,108)		814,289
9	2.90%	856,757	(6,285)	(6,285)	(6,285)		837,903
10	2.90%	881,603	(6,467)	(6,467)	(6,467)		862,202
11	2.90%	907,170	(6,655)	(6,655)	(6,655)		887,206
12	2.90%	933,478	(6,848)	(6,848)	(6,848)		912,935
13	2.90%	960,549	(7,046)	(7,046)	(7,046)		939,410
14	2.90%	988,405	(7,251)	(7,251)	(7,251)		966,653
15	2.90%	1,017,068	(7,461)	(7,461)	(7,461)		994,686
16	2.90%	1,046,563	(7,677)	(7,677)	(7,677)		1,023,532
17	2.90%	1,076,914	(7,900)	(7,900)	(7,900)		1,053,214
18	2.90%	1,108,144	(8,129)	(8,129)	(8,129)		1,083,757
19	2.90%	1,140,280	(8,365)	(8,365)	(8,365)		1,115,186
20	2.90%	1,173,348	(8,607)	(8,607)	(8,607)		1,147,527
21	2.90%	1,207,376	(8,857)	(8,857)	(8,857)		1,180,805
22	2.90%	1,242,389	(9,114)	(9,114)	(9,114)		1,215,048
23	2.90%	1,278,419	(9,378)	(9,378)	(9,378)		1,250,285
24	2.90%	1,315,493	(9,650)	(9,650)	(9,650)		1,286,543
25	2.90%	1,353,642	(9,930)	(9,930)	(9,930)		1,323,853
26	2.90%	1,392,898	(10,218)	(10,218)	(10,218)		1,362,245
27	2.90%	1,433,292	(10,514)	(10,514)	(10,514)		1,401,750
28	2.90%	1,474,857	(10,819)	(10,819)	(10,819)		1,442,400
29	2.90%	1,517,628	(11,133)	(11,133)	(11,133)		1,484,230
30	2.90%	1,561,639	(11,456)	(11,456)	(11,456)		1,527,273
31	2.90%	1,606,927	(11,788)	(11,788)	(11,788)		1,571,564
32	2.90%	1,653,528	(12,130)	(12,130)	(12,130)		1,617,139
33	2.90%	1,701,480	(12,481)	(12,481)	(12,481)		1,664,036
34	2.90%	1,750,823	(12,843)	(12,843)	(12,843)		1,712,293
35	2.90%	1,801,597	(13,216)	(13,216)	(13,216)		1,761,950
36	2.90%	1,853,843	(13,599)	(13,599)	(13,599)		1,813,046
37	2.90%	1,907,605	(13,993)	(13,993)	(13,993)		1,865,624
38	2.90%	1,962,925	(14,399)	(14,399)	(14,399)		1,919,728
39	2.90%	2,019,850	(14,817)	(14,817)	(14,817)		1,975,400
40	2.90%	2,078,426	(15,246)	(15,246)	(15,246)		2,032,686

Exhibit 12 Lender Avail. Cash

Axis 2 at Compass Point Phase 2
analysis [64 units]

DCR of 1.090

Year		Gross Financing Rev	future use	future use	NET Y <i>before</i> Lender DCR	NET Y <i>after</i> Lender DCR
1	n/a	666,608			666,608	611,567
2	2.90%	685,940			685,940	629,303
3	2.90%	705,832			705,832	647,553
4	2.90%	726,301			726,301	666,332
5	2.90%	747,364			747,364	685,655
6	2.90%	769,038			769,038	705,539
7	2.90%	791,340			791,340	726,000
8	2.90%	814,289			814,289	747,054
9	2.90%	837,903			837,903	768,718
10	2.90%	862,202			862,202	791,011
11	2.90%	887,206			887,206	813,950
12	2.90%	912,935			912,935	837,555
13	2.90%	939,410			939,410	861,844
14	2.90%	966,653			966,653	886,838
15	2.90%	994,686			994,686	912,556
16	2.90%	1,023,532			1,023,532	939,020
17	2.90%	1,053,214			1,053,214	966,252
18	2.90%	1,083,757			1,083,757	994,273
19	2.90%	1,115,186			1,115,186	1,023,107
20	2.90%	1,147,527			1,147,527	1,052,777
21	2.90%	1,180,805			1,180,805	1,083,307
22	2.90%	1,215,048			1,215,048	1,114,723
23	2.90%	1,250,285			1,250,285	1,147,050
24	2.90%	1,286,543			1,286,543	1,180,315
25	2.90%	1,323,853			1,323,853	1,214,544
26	2.90%	1,362,245			1,362,245	1,249,766
27	2.90%	1,401,750			1,401,750	1,286,009
28	2.90%	1,442,400			1,442,400	1,323,303
29	2.90%	1,484,230			1,484,230	1,361,679
30	2.90%	1,527,273			1,527,273	1,401,168
31	2.90%	1,571,564			1,571,564	1,441,802
32	2.90%	1,617,139			1,617,139	1,483,614
33	2.90%	1,664,036			1,664,036	1,526,639
34	2.90%	1,712,293			1,712,293	1,570,911
35	2.90%	1,761,950			1,761,950	1,616,468
36	2.90%	1,813,046			1,813,046	1,663,345
37	2.90%	1,865,624			1,865,624	1,711,582
38	2.90%	1,919,728			1,919,728	1,761,218
39	2.90%	1,975,400			1,975,400	1,812,293
40	2.90%	2,032,686			2,032,686	1,864,850

v	681,608	Loan Rate	3.3000%
	(5,000)	Amortization	1.2059%
	(5,000)	Constant	4.5060%
	(5,000)		
r DCR	666,608	"Flat" Loan (P&I)	-
	109.00%	Loan Amount (Manual)	
	611,567	BOND 2 PV (from below)	22,097,238

Year	End Month	Manual CPI	Rev. CPI	Manual Rent	DCR Revenue	Bond PV
2022	Feb 28, 2023		Apt.2 CPI		611,567	600,774
2023	Feb 29, 2024		2.90%		629,303	598,156
2024	Feb 28, 2025		2.90%		647,553	595,550
2025	Feb 28, 2026		2.90%		666,332	592,955
2026	Feb 28, 2027		2.90%		685,655	590,371
2027	Feb 29, 2028		2.90%		705,539	587,798
2028	Feb 28, 2029		2.90%		726,000	585,236
2029	Feb 28, 2030		2.90%		747,054	582,686
2030	Feb 28, 2031		2.90%		768,718	580,147
2031	Feb 29, 2032		2.90%		791,011	577,619
2032	Feb 28, 2033		2.90%		813,950	575,102
2033	Feb 28, 2034		2.90%		837,555	572,596
2034	Feb 28, 2035		2.90%		861,844	570,100
2035	Feb 29, 2036		2.90%		886,838	567,616
2036	Feb 28, 2037		2.90%		912,556	565,143
2037	Feb 28, 2038		2.90%		939,020	562,680
2038	Feb 28, 2039		2.90%		966,252	560,228
2039	Feb 29, 2040		2.90%		994,273	557,786
2040	Feb 28, 2041		2.90%		1,023,107	555,356
2041	Feb 28, 2042		2.90%		1,052,777	552,936
2042	Feb 28, 2043		2.90%		1,083,307	550,526
2043	Feb 29, 2044		2.90%		1,114,723	548,127
2044	Feb 28, 2045		2.90%		1,147,050	545,738
2045	Feb 28, 2046		2.90%		1,180,315	543,360
2046	Feb 28, 2047		2.90%		1,214,544	540,992
2047	Feb 29, 2048		2.90%		1,249,766	538,635
2048	Feb 28, 2049		2.90%		1,286,009	536,288
2049	Feb 28, 2050		2.90%		1,323,303	533,951
2050	Feb 28, 2051		2.90%		1,361,679	531,624
2051	Feb 29, 2052		2.90%		1,401,168	529,307
2052	Feb 28, 2053		2.90%		1,441,802	527,001
2053	Feb 28, 2054		2.90%		1,483,614	524,704
2054	Feb 28, 2055		2.90%		1,526,639	522,418
2055	Feb 29, 2056		2.90%		1,570,911	520,141
2056	Feb 28, 2057		2.90%		1,616,468	517,874
2057	Feb 28, 2058		2.90%		1,663,345	515,618
2058	Feb 28, 2059		2.90%		1,711,582	513,371
2059	Feb 29, 2060		2.90%		1,761,218	511,134

LESSEE DEBT COVERAGE

LESSOR DEBT COVERAGE

	LESSEE DCR	LESSEE RENT	LESSOR NOI (after fees)	Lender DCR	Debt Service	TOTAL DCR	TOTAL CASH AVAILABLE	AREF / LESSOR CF	LESSEE CF (not for Lender)
17	1.080	681,608	666,608	1.090	611,567	1.170	109,570	55,041	54,529
15	1.080	701,375	685,940	1.090	629,303	1.170	112,747	56,637	56,110
12	1.080	721,715	705,832	1.090	647,553	1.170	116,017	58,280	57,737
16	1.080	742,645	726,301	1.090	666,332	1.170	119,381	59,970	59,412
16	1.080	764,181	747,364	1.090	685,655	1.170	122,843	61,709	61,135
10	1.080	786,343	769,038	1.090	705,539	1.170	126,406	63,499	62,907
18	1.080	809,146	791,340	1.090	726,000	1.170	130,072	65,340	64,732
11	1.080	832,612	814,289	1.090	747,054	1.170	133,844	67,235	66,609
18	1.080	856,757	837,903	1.090	768,718	1.170	137,725	69,185	68,541
12	1.080	881,603	862,202	1.090	791,011	1.170	141,719	71,191	70,528
14	1.080	907,170	887,206	1.090	813,950	1.170	145,829	73,256	72,574
56	1.080	933,478	912,935	1.090	837,555	1.170	150,058	75,380	74,678
93	1.080	960,549	939,410	1.090	861,844	1.170	154,410	77,566	76,844
77	1.080	988,405	966,653	1.090	886,838	1.170	158,888	79,815	79,072
34	1.080	1,017,068	994,686	1.090	912,556	1.170	163,496	82,130	81,365
88	1.080	1,046,563	1,023,532	1.090	939,020	1.170	168,237	84,512	83,725
67	1.080	1,076,914	1,053,214	1.090	966,252	1.170	173,116	86,963	86,153
96	1.080	1,108,144	1,083,757	1.090	994,273	1.170	178,136	89,485	88,652
03	1.080	1,140,280	1,115,186	1.090	1,023,107	1.170	183,302	92,080	91,222
16	1.080	1,173,348	1,147,527	1.090	1,052,777	1.170	188,618	94,750	93,868
66	1.080	1,207,376	1,180,805	1.090	1,083,307	1.170	194,088	97,498	96,590
81	1.080	1,242,389	1,215,048	1.090	1,114,723	1.170	199,716	100,325	99,391
92	1.080	1,278,419	1,250,285	1.090	1,147,050	1.170	205,508	103,235	102,274
32	1.080	1,315,493	1,286,543	1.090	1,180,315	1.170	211,468	106,228	105,239
34	1.080	1,353,642	1,323,853	1.090	1,214,544	1.170	217,600	109,309	108,291
30	1.080	1,392,898	1,362,245	1.090	1,249,766	1.170	223,911	112,479	111,432
55	1.080	1,433,292	1,401,750	1.090	1,286,009	1.170	230,404	115,741	114,663
46	1.080	1,474,857	1,442,400	1.090	1,323,303	1.170	237,086	119,097	117,989
38	1.080	1,517,628	1,484,230	1.090	1,361,679	1.170	243,961	122,551	121,410
71	1.080	1,561,639	1,527,273	1.090	1,401,168	1.170	251,036	126,105	124,931
81	1.080	1,606,927	1,571,564	1.090	1,441,802	1.170	258,316	129,762	128,554
10	1.080	1,653,528	1,617,139	1.090	1,483,614	1.170	265,807	133,525	132,282
99	1.080	1,701,480	1,664,036	1.090	1,526,639	1.170	273,516	137,397	136,118
89	1.080	1,750,823	1,712,293	1.090	1,570,911	1.170	281,448	141,382	140,066
25	1.080	1,801,597	1,761,950	1.090	1,616,468	1.170	289,610	145,482	144,128
51	1.080	1,853,843	1,813,046	1.090	1,663,345	1.170	298,009	149,701	148,307
13	1.080	1,907,605	1,865,624	1.090	1,711,582	1.170	306,651	154,042	152,608
59	1.080	1,962,925	1,919,728	1.090	1,761,218	1.170	315,544	158,510	157,034