

Bank should the loan not convert to permanent status. The permanent loan will be in the amount of \$2,647,015, at a rate of 4.40 % for a term of 18 years and amortized over 35 years.

Other permanent sources will include an existing HCID loan in the approximate amount of \$5,280,806 which will be assigned to the new ownership structure. The project will also use 4% tax credits, developer equity and operating cash flow.

SOURCES AND USES:

Construction	Total Sources	Per Unit	% Total
Tax-Exempt Bonds (Boston)	\$4,375,000.00	\$58,333	37%
Developer Equity	\$97,186.00	\$1,296	1%
LP Equity	\$1,072,163.00	\$14,296	9%
HCID Loan	\$5,820,806.40	\$77,611	49%
Deferred Developer Fee	\$520,978.88	6,946	4%
TOTAL	\$11,886,134.28	\$158,482	100%

Permanent	Total Sources	Per Unit	% Total
Tax-Exempt Bonds (Boston)	\$2,647,015.81	\$35,294	23%
Developer Equity	\$210,501.50	\$2,806	1%
LP Equity	\$2,700,310.57	\$36,004	23%
HCID Loan	\$5,820,806.40	\$77,611	49%
Deferred Developer Fee	\$507,500.00	\$6,767	4%
TOTAL	\$11,886,134.28	\$158,482	100%

Uses of Funds	Total Uses	Cost/Unit
Acquisition Costs	\$7,670,000.00	\$102,267
Construction Costs	\$1,433,337.00	\$19,096
Architecture & Engineering Costs	\$150,000.00	\$2,000
Contractor Overhead & Profit	\$105,263.00	\$1,404
Developer Fee	\$1,041,958.45	\$13,893
Relocation Costs	\$93,750.00	\$1,250
Cost of Issuance Fees	\$444,768.70	\$5,930
Capitalized Interest	\$104,172.00	\$1,389
Other Soft Costs	\$843,985.13	\$11,253
TOTALS	\$11,886,134.28	\$158,482

payment of the principal of and interest on the bond. The LOC secures a put right held by Boston Private Bank should the loan not convert to permanent status. The permanent loan will be in the amount of \$2,309,497, at a rate of 4.40 % for a term of 18 years and amortized over 35 years.

Other permanent sources will include an existing HCID loan in the approximate amount of \$4,221,257 which will be assigned to the new ownership structure. The project will also use 4% tax credits, developer equity and operating cash flow.

SOURCES AND USES:

Construction	Total Sources	Per Unit	% Total
Tax-Exempt Bonds (Boston)	\$4,000,000.00	\$60,606	41%
Developer Equity	\$130,737.00	\$1,981	1%
LP Equity	\$882,928.00	\$13,378	9%
HCID Loan	\$4,221,257.97	\$63,958	44%
Deferred Developer Fee	\$481,002.94	\$7,288	5%
TOTAL	\$9,715,925.91	\$147,211	100%

Permanent	Total Sources	Per Unit	% Total
Tax-Exempt Bonds (Boston)	\$2,309,497.68	\$34,993	23%
Developer Equity	\$229,603.77	\$3,479	2%
LP Equity	\$2,483,066.49	\$37,622	26%
HCID Loan	\$4,221,257.97	\$63,958	44%
Deferred Developer Fee	\$472,500.00	\$7,159	5%
TOTAL	\$9,715,925.91	\$147,211	100%

Uses of Funds	Total Uses	Cost/Unit
Acquisition Costs	\$6,139,000.00	\$93,015
Construction Costs	\$1,260,368.00	\$19,096
Architecture & Engineering Costs	\$130,000.00	\$1,970
Contractor Overhead & Profit	\$92,632.00	\$1,404
Developer Fee	\$962,005.62	\$14,576
Relocation Costs	\$82,500.00	\$1,250
Cost of Issuance Fees	\$427,410.90	\$6,476
Capitalized Interest	\$92,479.58	\$1,401
Other Soft Costs	\$529,529.81	\$8,023
TOTALS	\$9,715,925.91	\$147,211

Financial Structure

The construction financing for the project will be financed by a combination of tax-exempt bonds, 4% tax credit equity, direct and indirect public funds, developer equity, and a deferral of a portion of the developer fee. The tax exempt bonds are expected to be fixed rate bonds and will be private placement to be purchased by BBCN Bank in the amount of \$17,125,000 at a rate of 1% over WS prime with 4.40% floor rate with a term of 24 months subject to any extension option.

The permanent financing for the project will be financed by BBCN Bank in the amount of \$10,291,153 at the rate of 4.40% fixed and a DCR of 1.15 with a term of thirty five years from bond closing with an 18 year call. HCIDLA loan (principal and accrued interest) will be fully paid at closing. Other permanent sources will include an existing State HCD loan, a 4% tax credits, developer equity, operating cash flow, and lastly, deferred developer fee which will be paid entirely from available cash flow.

Sources and Uses:

Construction	Total Sources	Per Unit	% Total
Tax-Exempt Bonds	\$17,125,000.00	\$145,127.00	71%
Developer Equity	\$323,736.00	\$2,744.00	1%
Tax Credit Equity	\$1,634,009.00	\$13,848.00	7%
AHP	\$472,000.00	\$4,000.00	2%
Seller Note	\$2,866,754.00	\$8,537.00	3%
Deferred Developer fee	\$1,875,000.00	\$15,890.00	8%
TOTAL	\$24,296,499.00	\$205,904.00	100%

Permanent	Total Sources	Per Unit	% Total
Tax-Exempt Bonds	\$10,291,153.00	\$87,213.00	42%
AHP	\$472,000.00	\$4,000.00	2%
Developer Equity - NOI	\$875,297.00	\$7,418.00	4%
Seller Note	\$2,866,754.00	\$8,537.00	3%
Deferred Developer Fee	\$1,250,000.00	\$10,594.00	5%
LP Equity	\$8,541,295.00	\$72,384.00	36%
TOTAL	\$24,296,499.00	\$205,904.00	100%

Financial Structure

The bonds will be privately placed by Boston Private Bank & Trust Company. The bonds are unenhanced and unrated but will be subject to the Policies' denomination and sale provisions. The bonds will be issued under an indenture and the proceeds loaned to the borrower under a construction loan agreement. The construction loan will be in the amount of \$5,000,000 at a rate of 2.20% for an 18 months term. A letter of Credit (LOC) from East West Bank, secures the borrower's obligation to purchase the bonds as tendered by Boston Private Bank under the loan agreement. The LOC is not held by the Trustee and does not secure payment of the principal of and interest on the bond. The LOC secures a put right held by Boston Private Bank should the loan not convert to permanent status. The permanent loan will be in the amount of \$2,224,534, at the rate of 4.40% fixed at the time of loan documentation based on an index rate at that time for a term of 35 years and an 18 year call.

Other permanent sources will include an existing HCID loan in the approximate amount of \$1,723,388 (principal plus accrued interest), which will be assigned to the new ownership structure. The project will also use 4% tax credits, developer equity, operating cash flow and an existing State HCD loan.

Sources and Uses:

Construction	Total Sources	Per Unit	% Total
Tax-Exempt Bonds	\$5,000,000.00	\$125,000.00	41%
HCIDLA loan with accrued interest	\$1,723,388.00	\$40,085.00	14%
HCD loanwithaccruedinterest	\$2,226,000.00	\$55,650.00	18%
RHCP Loanwithaccruedinterest	\$2,371,036.00	\$59,276.00	19%
LP Equity	\$288,453.00	\$7,211.00	3%
DeferredDeveloperfee	\$612,248.00	\$15,306.00	5%
DeveloperEquity	\$5,678.00	\$142.00	0%
TOTAL	\$12,226,803.00	\$305,670.00	100%

Permanent	Total Sources	Per Unit	% Total
Tax-Exempt Bonds	\$2,224,535.00	\$55,613.00	18%
HCIDLA loan with accruedinterest	\$1,723,387.00	\$43,085.00	15%
HCD loanwithaccruedinterest	\$2,226,000.00	\$55,650.00	18%
RHCP Loanwithaccruedinterest	\$2,371,036.00	\$59,276.00	19%
LP Equity	\$3,155,289.00	\$78,882.00	26%
DeveloperEquity	\$101,556.00	\$2,539.00	1%
DeferredDeveloperFee	\$425,000.00	\$10,625.00	3%
TOTAL	\$12,226,803.00	\$305,670.00	100%

Financial Structure

The bonds will be privately placed by Boston Private Bank & Trust Company. The bonds are unenhanced and unrated but will be subject to the Policies' denomination and sale provisions. The bonds will be issued under an indenture and the proceeds loaned to the borrower under a construction loan agreement. The construction loan will be in the amount of \$2,750,000 at a rate of 2.20% for an 18 months term. A letter of Credit (LOC) from East West Bank, secures the borrower's obligation to purchase the bonds as tendered by Boston Private Bank under the loan agreement. The LOC is not held by the Trustee and does not secure payment of the principal of and interest on the bond. The LOC secures a put right held by Boston Private Bank should the loan not convert to permanent status. The permanent loan will be in the amount of \$1,218,887, at the rate of 4.40% fixed at the time of loan documentation based on an index rate at that time for a term of 35 years and an 18 year call.

Other permanent sources will include an existing HCID loan in the approximate amount of \$1,429,949 (principal plus accrued interest), which will be assigned to the new ownership structure. The project will also use 4% tax credits, developer equity, operating cash flow and an existing State HCD loan.

Sources and Uses:

Construction	Total Sources	Per Unit	% Total
Tax-Exempt Bonds	\$2,750,000.00	\$152,778.00	45%
HCIDLA loan with accrued interest	\$1,429,949.00	\$79,442.00	24%
HCD loan with accrued interest	\$1,299,540.00	\$72,197.00	21%
LP Equity	\$261,027.00	\$14,502.00	4%
Deferred Developer fee	\$347,042.00	\$19,279.00	6%
TOTAL	\$6,087,558.00	\$338,198.00	100%

Permanent	Total Sources	Per Unit	% Total
Tax-Exempt Bonds	\$1,218,887.00	\$67,717.00	20%
HCIDLA loan with accrued interest	\$1,429,949.00	\$79,441.00	24%
HCD loan with accrued interest	\$1,299,540.00	\$72,196.00	21%
Developer Equity - NOI	\$52,179.00	\$2,899.00	1%
Deferred Developer Fee	\$333,000.00	\$18,500.00	5%
LP Equity	\$1,754,003.00	\$97,445.00	29%
TOTAL	\$6,087,558.00	\$338,198.00	100%

equal to 80% Federal Home Loan Classic Advance 1 month Regular Advance Rate. A Letter of Credit (LOC) from East West Bank, secures the borrower's obligation to purchase the bonds as tendered by Boston Private Bank under the loan agreement. The LOC is not held by the Trustee and does not secure payment of the principal of and interest on the bond. The LOC secures a put right held by Boston Private Bank should the loan not convert to permanent status. The permanent loan will be in the amount of \$3,106,212, at a rate of 4.40% for a term of 18 years and amortized over 35 years.

Other permanent sources will include an existing HCID loan in the approximate amount of \$5,373,145 which will be assigned to the new ownership structure. The project will also use 4% tax credits and developer equity

SOURCES AND USES:

Construction	Total Sources	Per Unit	% Total
Tax-Exempt Bonds (Boston)	\$6,375,000.00	\$141,667	49%
Developer Equity	\$960.00	\$21	1%
LP Equity	\$476,506.00	\$10,589	3%
LA CRA/ HCID Loan	\$5,373,145.71	119,403	42%
Deferred Developer Fee	\$730,768.29	\$16,239	5%
TOTAL	\$12,956,380.00	\$287,919	100%

Permanent	Total Sources	Per Unit	% Total
Tax-Exempt Bonds (Boston)	\$3,106,212.38	\$69,027	24%
Developer Equity	\$133,933.69	\$2,976	1%
LP Equity	\$3,787,771.22	\$84,173	29%
LA CRA/ HCID Loan	\$5,373,145.71	\$119,403	42%
Deferred Developer Fee	\$555,317.00	\$12,340	4%
TOTAL	\$12,956,380.00	\$287,919	100%

Uses of Funds	Total Uses	Cost/Unit
Acquisition Costs	\$7,250,000.00	\$161,111
Construction Costs	\$2,065,524.00	\$45,901
Architecture & Engineering Costs	\$150,000.00	\$3,333
Contractor Overhead & Profit	\$153,500.00	\$3,411
Developer Fee	\$1,461,537.23	\$32,479
Relocation Costs	\$56,250.00	\$1,249
Cost of Issuance Fees	\$553,861.00	\$12,308
Capitalized Interest	\$127,021.66	\$2,823
Other Soft Costs	\$1,138,686.11	\$25,304
TOTALS	\$12,956,380.00	\$287,919