

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
2009 Cash in Lieu of Credits - Section 1602 Funds
July 8, 2009

Project Number CA-2009-504

Project Name Villas de Amistad
Site Address: 601 E. Main Street
 Stockton, CA 95202 County: San Joaquin Census Tract: 1

Applicant Information

Applicant: Villas De Amistad Investors, L.P.
Sponsor: Cyrus Youssefi
Address: 1006 Fourth Street, Suite 701
 Sacramento, CA 95814
Phone: (916) 446-4040 **Fax:** (916) 446-4044
Email: cfyinc@yahoo.com

General Partners(s) Type: Joint Venture
 The general partners or principal owners are Cyrus Youssefi, individually, Egis Group, Inc. & Community Revitalization and Development Corporation.

Information

Housing Type: Single Room Occupancy
Geographic Area: Central – San Joaquin County
Proposed Average Affordability: 39.42%

Project Information

Construction Type: Rehabilitation
Total # of Units: 91
Total # Residential Buildings: 1

Davis-Bacon or NEPA Required: No
State Prevailing Wages Required: No
2007 TCAC Project Number: CA-2007-138
Original 2007 Federal Tax Credits Allocated: \$1,143,591
2007 Federal Tax Credits Exchanged/Returned: \$1,143,591
Applicable Fraction: X .85
Cash Award Recommended: \$9,720,524

Approved 2007 TCAC Proposed Rent and Income Levels

<u>Unit Type & Number</u>	<u>% of Area Median Income</u>	<u>Proposed Rent</u> (including utilities)
36 Studio Units	35%	\$369
44 Studio Units	45%	\$474
9 Studio Units	30%	\$316
2 Studio Units	Manager's Unit	\$0

Project Financing

Estimated Total Project Cost: \$18,586,647 Per Unit Cost: \$204,249

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
First Bank	\$3,638,629	Permanent Loan	\$3,365,000
Stockton RDA	\$3,162,000	HCD	\$4,680,000
Assume RDA Loan	\$203,000	Deferred Developer Fee	\$821,123
Assume HCD Loan	\$4,459,000	TCAC ARRA Funds	\$9,720,524
Deferred Developer Fee	\$1,649,186	TOTAL	\$18,586,647
TCAC ARRA Funds	\$5,347,581		

Income and Expense Statement for Year 1

Gross Residential Rents:	\$419,580
Miscellaneous Income:	\$77,532
Less Vacancy Rate: 10%	\$(49,711)
Total Effective Gross Income:	\$447,401
Less Total Expenses/ Reserves:	\$365,020
Net Operation Income:	\$82,381
Debt Service:	\$41,190
Debt Service Ratio:	2.00 to 1

Annual operating expenses exceed the minimum operating expenses established in the Regulations, and the project pro forma shows a positive cash flow from year one. Staff analysis of project costs to determine reasonableness found all fees to be within TCAC's underwriting guidelines and TCAC limitations.

Standard Conditions

The Committee may make a Conditional Reservation of American Recovery and Reinvestment Act of 2009 (ARRA), Section 1602 funds for the project. This Conditional Reservation would not constitute a commitment. The provision of any funds is conditioned on TCAC's determination to proceed with, modify or cancel the project based on further underwriting and review.

All ARRA funded projects will be required to track and report on all jobs created or retained as a result of the funds.