

CTCAC ALLOCATION PROCESS FOR SET ASIDES AND GEOGRAPHIC REGIONS
Estimated as of February 8, 2008

Step 1 - Calculate Total Federal Credit Ceiling (1)

	<i>Per Capita</i>	<i>Population*</i>	
New Population Based Credits*	\$2.00	36,553,215	\$73,106,430
Forward Committed 2008 Credit			\$0
Available Returned Credit			\$26,320
Plus National Pool			\$0
Total Federal Credit Ceiling			\$73,132,750
Round as Percent of Annual Total		50%	

Step 2 - Determine Set Asides (2)

Set Asides		Annual Set Aside Amount	Round 1 Set Aside Amount	Round 2 Estimated Set Aside Amount
Nonprofit	10%	\$7,313,275	\$3,656,638	\$3,656,637
Rural	20%	\$14,626,550	\$7,313,275	\$7,313,275
<i>RHS Apportionment (b)</i>	14%	\$2,047,717	\$1,023,859	\$1,023,858
<i>Other</i>	86%	\$12,578,833	\$6,289,417	\$6,289,416
Small Development (a)	2%	\$1,462,655	\$731,328	\$731,327
At Risk (a)	5%	\$3,656,638	\$1,828,319	\$1,828,319
Special Needs/SRO (b)	2%	\$1,462,655	\$731,328	\$731,327
Supplemental Set Aside (c)	3%	\$2,193,983	\$41,516	\$1,096,991
Total Set Asides	42%	\$30,715,756	\$14,302,404	\$15,357,876

Step 3 - Determine Geographic Apportionments (3)

	Federal Annual	State Total
Total Credit Ceiling	\$73,132,750	\$81,958,697
<i>Less Nonprofit</i>	<i>(\$7,313,275)</i>	
<i>Less Rural</i>	<i>(\$14,626,550)</i>	
<i>Less Special Needs/SRO</i>	<i>(\$1,462,655)</i>	
<i>Less Supplemental Set Aside</i>	<i>(\$2,193,983)</i>	
<i>Less Net Credit Balance From Prior Rounds</i>		
<i>Less State Credits for 4% Competitive Projects</i>		<i>(\$12,293,805)</i> for Rounds 1 & 2
Credit Ceiling Balance to Geographic Regions	\$47,536,288	\$69,664,892

Apportionments by Region	%	Annual Federal Credit	Total State Credit	Annual Adjusted Credit (d)	Adjusted Surplus or Deficit From 2007 (e)	Estimated Adjusted Credit for Round 1 (f)
LA County	33%	\$15,686,975	\$22,989,415	\$17,985,916	<i>(\$1,459,030)</i>	\$7,533,928
Central	10%	\$4,753,629	\$6,966,489	\$5,450,278	\$300,486	\$3,025,625
North and East Bay	10%	\$4,753,629	\$6,966,489	\$5,450,278	\$330,659	\$3,055,798
San Diego	10%	\$4,753,629	\$6,966,489	\$5,450,278	<i>(\$340,211)</i>	\$2,384,927
Inland Empire	8%	\$3,802,903	\$5,573,191	\$4,360,222	\$626,989	\$2,807,100
Orange County	8%	\$3,802,903	\$5,573,191	\$4,360,222	\$298,198	\$2,478,309
San Mateo etc.	6%	\$2,852,177	\$4,179,894	\$3,270,167	<i>(\$254,329)</i>	\$1,380,754
Capital/Northern	6%	\$2,852,177	\$4,179,894	\$3,270,167	<i>(\$575,847)</i>	\$1,059,236
Coastal	5%	\$2,376,814	\$3,483,245	\$2,725,139	<i>(\$658,952)</i>	\$703,618
San Francisco	4%	\$1,901,452	\$2,786,596	\$2,180,111	\$1,250,322	\$2,340,377
	100%	\$47,536,288	\$69,664,892	\$54,502,777	<i>(\$481,716)</i>	\$26,769,673

Note: All numbers in *(italics bracketed with parens)* are negative numbers.

* Population figure is an estimate pending IRS notification.

(a) All credit allocated to these set-asides is taken from the geographic apportionment, and any awards made in these set-asides will reduce the appropriate geographic set-aside's total credit available.

(b) State credit allocated to projects in these set-asides is taken from the geographic apportionment, and any awards made in these set-asides will reduce the appropriate geographic set-aside's total credit available.

(c) Less \$1,055,476 for Round 1 Set Aside Amount, which was forward committed for 2008 from the Supplemental Set Aside to fund a priority project.

(d) The Adjusted Credit amounts are calculated as follows: (Annual Federal Credit x10 + Total State Credit)/10.

(e) The Adjusted Surplus or Deficit: the full adjusted credit balance from 2007, i.e., - annual federal credits allocated to projects throughout 2007 and - state credits allocated to projects in 2007 divided by ten.

(f) Estimated Adjusted Credit totals were calculated as follows: the adjusted annual credit + adjusted credit awarded from round 1.

(1) "Credit Ceiling is defined at 10302 (j) to include all elements shown below, following Ceiling definition in IRS Code Section 42.

(2) Health and Safety Code part 50199.2 establishes Rural Set Aside at "...20 percent of the federal ceiling." TCAC Regs Part 10315 also defines Set Asides with reference to a given percentage of the "Federal Credit Ceiling".

(3) Similar language applies to Geographic Apportionments in Regs part 10315(k).

CALCULATION OF STATE TAX CREDIT CEILING AND HOUSING TYPE GOALS

Step 4 - Calculate State Credit Ceiling

New Credits	\$70,000,000
Plus State Credit CPI Adjustment	\$13,966,419
State Tax Credit for 15% Set Aside Purposes	\$83,966,419
Plus Carry Forward of Prior Year's Credits	\$0
Less Advance Allocations in Prior Year	(\$2,124,291)
Plus Returned Credits	\$116,569
Total State Tax Credit Available for Year	\$81,958,697

Step 5 - Calculate Bond Financed Project Set Aside

	Set Aside Percentage	Set Aside Dollar Amount
Bond Financed Projects	15%	\$12,293,805
Other (9%) Projects	Balance of Total	<u>\$69,664,892</u>
Total		\$81,958,697

Step 6 - Calculate Housing Type Goals, Federal and State Tax Credits Combined

Total Federal Tax Credit Ceiling Multiplied by Ten	\$731,327,500
State Tax Credit Ceiling After Set Aside for Bond Projects	\$69,664,892
Total Stated as Annual	\$80,099,239

Housing Type Goals	Type	Percentage	Annual	Round 1
	Large Family	65%	\$52,064,506	\$26,032,253
	SRO	10%	\$8,009,924	\$4,004,962
	At Risk	5%	\$4,004,962	\$2,002,481
	Special Needs	5%	\$4,004,962	\$2,002,481
	Seniors	15%	\$12,014,886	\$6,007,443