DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
BOARD OF DIRECTORS SPECIAL MEETING

September 28, 2016
815 Florida Avenue, NW
Washington, DC 20001
5:30 pm

AGENDA

I. Call to order and verification of quorum.

II. Approval of minutes from the September 13, 2016 Board Meeting.

III. Vote to close meeting to discuss the Agency's Fiscal Year 2017 Budget.

Pursuant to the District of Columbia Administrative Procedure Act, the Chairperson of the Board of Directors will call a vote to close the meeting in order to discuss the Agency's Fiscal Year 2017 Budget which includes matters regarding the employment and compensation of government appointees, employees, or officials. An open meeting would adversely affect the employment and compensation related issues affecting the Agency. (D.C. Code §2-575(b)(10)).

IV. Re-open meeting.

V. Consideration of DCHFA Resolution No. 2016-15(G) for the approval of the Agency's Fiscal Year 2017 Budget.

VI. Vote to close meeting to discuss the approval of the Fort Chaplin Park Apartments transaction.

Pursuant to the District of Columbia Administrative Procedure Act, the Chairperson of the Board of Directors will call a vote to close the meeting in order to discuss, establish, or instruct the public body's staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms of the Fort Chaplin Park Apartments transaction. An open meeting would adversely affect the bargaining position or negotiation strategy of the public body. (D.C. Code §2-575(b)(2)).

VII. Re-open meeting.

VIII. Consideration of DCHFA Final Authorizing Resolution No. 2016-16 for the Fort Chaplin Park Apartments.

IX. Consideration of DCHFA Resolution No. 2016-16(G) regarding the renewal of a contract with Goldblatt Martin Pozen LLP to serve as legal counsel to the Agency's Board of Directors.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
BOARD OF DIRECTORS MEETING

September 13, 2016
815 Florida Avenue, NW
Washington, DC 20001
5:30 p.m.

Minutes

I. Call to order and verification of quorum.

The Chairman, Mr. Buwa Binitie, called the meeting to order at 5:38 p.m. and asked the Acting Secretary to the Board of Directors, Mr. Todd A. Lee, to verify a quorum. With five members present, the Board of Directors (the "Board") had a quorum, and the meeting continued. The members present included Mr. Binitie, Mr. Stephen M. Green, Mr. Stanley Jackson, Ms. Sheila Miller and Mr. Bryan "Scottie" Irving (who participated via telephone).

II. Approval of the Minutes from the August 23, 2016 Board Meeting.

Mr. Jackson made a motion to approve the minutes as they were presented to the Board, which was seconded by Mr. Green. The minutes were then approved by a chorus of ayes.

III. Vote to close the meeting to discuss the approval of the Pomeroy Gardens and SOME Spring Road transactions.

Pursuant to the District of Columbia Administrative Procedure Act, a vote was called to close the meeting to discuss, establish or instruct the Agency's staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms of the Pomeroy Gardens and SOME Spring Road transactions. An open meeting would adversely affect the bargaining position or negotiating strategy of the Agency. (D.C. Code §2-575(b)(2)).

A motion to close the meeting was made by Mr. Green and seconded by Mr. Irving. The motion was approved by a chorus of ayes.

The meeting was closed at 5:41 p.m.

The meeting was re-opened at 6:19 p.m.

V. Consideration of DCHFA Resolution No. 2016-14 for the Pomeroy Gardens transaction.

Mr. Lee introduced the resolution and then introduced Ms. Carrie Fischer, Development Officer, who provided a brief summary of the project. The principal developer and sponsor of the project is Pomeroy Gardens Limited Partners, which is controlled by the Non-Profit Community Development Corporation (NPCDC). In addition to the sponsor, the development team includes

Hamel Builders, Inc., which will be the general contractor, ResidentialONE, which will serve as property management agent, and Angel Clarens, the architect of record.

The project will be located at 2400, 2404, 2408, 2412 Pomeroy Road, Southeast and 2907 Stanton Road, Southeast in the Barry Farm Neighborhood of Washington, D.C.

The project will consist of the acquisition and rehabilitation of an existing five-building garden apartment complex totaling 60 units. The bedroom mix is 50 two-bedroom units and 10 three-bedroom units.

The sponsor has elected to set aside 100 percent (100%) of the units at or below 60 percent (60%) of area median income (AMI). The sponsor has also committed to keep rents at the current levels for the 30 current tenants.

With respect to the bonds, $6 million in bonds will be directly placed by Stifel Nicolaus & Company (Stifel), the placement agent, and will be rated by Standard & Poor's Financial Services LLC. The bonds will be 100 percent cash collateralized during construction by the proceeds of an Eagle Bank construction loan.

Prior to closing the developer will complete the pre-build certification with Enterprise Green Communities.

During construction, tenants will be temporarily relocated to on-site hotel units for a period of approximately two months. NPCDC will also offer tenant services at the property. A part-time resident services coordinator has been assigned to the project and will work with Pomeroy Gardens Tenant Association and its contracted service providers to coordinate services for tenants. Planned services include tutoring and academic assistance programs for children, social worker resident assistance, and senior support services and coordination.

Tenants will also have access to the NPCDC-operated Outreach Center, located at the Douglas Knoll Apartments in Southeast D.C., which is approximately a five-minute drive or a 15-minute walk from the property.

NPCDC also partners with a licensed counselor that is available to provide intervention services to tenants experiencing acute crisis or trauma.

Members of the development team who were present in support of the project included the following: Walter Johnson and Michelle Owens of NPCDC, Tony Washington and John Kelly of Eagle Bank, Mitchell Greenstein, a financial consultant to NPCDC, Elzoria Knight and Alexander Johnston, who are managing tenant relocation during the rehabilitation, Kent Neumann of Eichner Norris & Neumann PLLC, Karen Kendrick Brown of Lewis & Munday, Co-Bond Counsel, and Martin Proctor, the president of the Pomeroy Gardens tenant association.

Mr. Binitie requested that Eagle Bank briefly describe the structure of the transaction. Mr. Washington described that the transaction will be largely a cash-collateralized bond loan during construction that will be privately placed by Stifel and funded by Eagle Bank. The bonds will be redeemed after completion of construction when the FHA loan closes.

Mr. Green asked why the tax credit pricing, at $1.04 per credit, was lower than that which the Agency has been seeing recently. Mr. Johnson replied that the primary reason for the selection of the chosen tax credit syndicator, the National Development Council (NDC), was that the sponsor shared a more common mission with NDC, and the terms were more favorable with respect to stabilization requirements than with some of the other prospective tax credit investors. Pricing was also affected by the fact that the NPCDC is a non-profit developer that does not possess as strong of a balance sheet as that of other developers in the affordable housing arena.

Mr. Jackson asked about transportation of some of the residents who may need assistance getting to the off-site service center. Mr. Johnston replied that the social service provider intends to assess the needs of all of the residents currently located at the property. Additionally, there will be an on-site construction trailer at the property for the next twelve to eighteen months. Finally, there will be staff on site who are willing and able to drive residents as necessary.

A motion to approve the resolution was made by Mr. Green and seconded by Mr. Jackson and Ms. Miller. The roll was called, and with five affirmative votes, the resolution was approved.

Mr. Binitie indicated that he would like for staff to notify the Board when the project is refinanced with the FHA loan.

VI. Consideration of DCHFA Resolution No. 2016-15, an Eligibility Resolution for the SOME Spring Road transaction.

Mr. Lee introduced the resolution and then introduced Mr. Bobvala Tengen, Development Analyst, who provided a brief summary of the project. The principal developer of the project and property management agent is SOME, Inc. (SOME). Additional members of the development team include Eichberg Construction as the general contractor and Miner Feinstein as the architect of record for the project.

The project is located at 1433 and 1435 Spring Road, Northwest in the Columbia Heights neighborhood of Washington, D.C. and will consist of the acquisition, rehabilitation and construction of two mid-rise buildings which currently consist of 30 units.

Upon completion of the rehabilitation and construction, the project will consist of 37 units. The developer expects to receive Local Rent Supplement Program (LRSP) subsidies for 36 of the 37 units. The bedroom mix is as follows: one (1) efficiency unit, eighteen (18) two-bedroom units, and eighteen (18) three-bedroom units. The complex will feature a community room, which will provide a location for SOME to provide regular tenant services and a playground. All of the units will be intended to meet the tax credit requirements of at least forty percent (40%) will be available to persons at or below sixty percent (60%) of AMI. All of the units that receive LRSP subsidy will be made available to persons earning at or below thirty percent (30%) of AMI.

Troy Swanda of SOME provided a brief overview of the project, including project drawings, to the Board.

Mr. Binitie inquired about the development timeline. Mr. Tengen replied that the bond closing is anticipated to take place in November. Mr. Binitie also inquired about the night property manager. Mr. Swanda replied that the person would be a part-time employee who would live on site and be available in the event that there was a lock-out or a fire alarm or other such event to occur during the night. Mr. Binitie also asked if this project had been awarded in the most recent Request for Proposals (RFP) from the Department of Housing and Community Development (DHCD). Mr. Swanda replied that in March 2016, it was announced that the project had been awarded DHCD funds, a LRSP supplement and a Department of Behavioral Health grant in the amount of $84,000 from the 2015 RFP.

Ms. Miller inquired about current residency. Mr. Swanda replied that the site is being leased to the Coalition for the Homeless and there are currently only twelve (12) occupied units at the property. Current occupants will be relocated to 50th Street Southeast during construction and rehabilitation.

A motion to approve the resolution was made by Mr. Green and seconded by Ms. Miller. The roll was called and with five affirmative votes, the resolution was approved.

VII. Vote to Modify the HFA Fraud Hotline response protocols.

A motion to modify the HFA Fraud Hotline response protocols in the manner that was discussed at the previous Board Meeting was made by Mr. Green and seconded by Ms. Miller. A voice vote was called, and the motion was approved by a chorus of ayes.

VIII. Discussion about the Agency's FY 2016 Year-to-date Performance and FY 2017 Budget.

Mr. Lee highlighted that through the end of the third quarter, the Agency has experienced a thirty-one percent (31%) cost underrun. This was largely due to a number of vacancies in personnel expenses as well as the delayed implementation of the Agency's financial management system. The delay in implementation was to provide an opportunity for the Agency to hire a chief financial officer (CFO), who would be afforded an opportunity to participate with the vendor in the planning and design of the system. The newly-hired CFO, Ms. Yvette Downs, has now begun that process.

Mr. Lee also reported that the Agency intends to close fourteen of the fifteen projects that were predicted to close before the end of the fiscal year. He also noted, however, that the Agency will have produced more units than that which was predicted for the fiscal year. The Board inquired as to whether or not the volume cap allocated for the year will be used. Mr. Lee said that staff would provide that information to the Board.

Single family intends to reach the $200 million mark for closings in its DC Open Doors program in October, which the Agency intends to celebrate in November.

Of the 129 projects in the Agency's Asset Management portfolio, one hundred percent (100%) of the required inspections have been completed, all financial reporting has been obtained, and there are no outstanding defaults on any of its bond transactions. There are two small McKinney Act loans that remain in a default status.

Overall, the proposed FY 2017 budget is an $11.6 million budget. The proposed FY 2017 budget is within the limits of the consolidated budget for the District of Columbia, which was submitted back in February of this year. The Agency's revenues are projected at $14.6 million and, thus, the Agency is projecting a $3.8 million surplus for FY 2017. Projected expenditures for FY 2017 are slightly higher than FY 2016 due in large part to technology and, to a lesser extent, facilities upgrades that are planned for FY 2017. Mr. Lee and Ms. Downs provided additional highlights that explained the increases from FY 2016 to FY 2017 for various line items in the budget. Mr. Lee also listed some of the major initiatives that the Agency intends to launch in FY 2017 which, Mr. Lee anticipates will not negatively impact staff's ability to close its anticipated pipeline of multifamily transactions. Those initiatives include items like establishing a parity indenture and becoming approved as a 50-50 risk sharing lender and launching a joint venture single family workforce housing initiative.

IX. Acting Executive Director's Report.

- Standard & Poor's would like to visit the Agency to meet with staff and reassess our issuer credit rating. Mr. Lee has requested that their visit be postponed until mid-October, after the end of the current fiscal year. They have requested that staff respond to a questionnaire prior to the end of the Agency's fiscal year, and they will follow up with a site visit later.

- The Agency intends to host an event in November to celebrate reaching the $200 million mark in its single family lending program. An invitation to that event will be forthcoming.

- Lisa Hensley and Nkosi Bradley will both be leading panels at the National Council of State Housing Agencies conference in Miami and Mr. Lee requested that Board Members attend those panels in order to support DCHFA staff.

X. Adjournment.

A motion to adjourn the meeting was made by Mr. Green and seconded by Mr. Jackson. The motion was approved by a chorus of ayes.

The meeting was adjourned at 7:43 p.m.

Submitted by Todd A. Lee, Secretary to the Board of Directors on September 23, 2016.

Approved by the Board of Directors on ___________.

District of Columbia Housing Finance Agency
815 Florida Avenue, NW Washington, DC 20001-3017

PUBLIC MEMORANDUM

September 23, 2016

TO: Board of Directors
District of Columbia Housing Finance Agency
(the "Board")

FROM: Todd A. Lee, Executive Director

SUBJECT: September 28, 2016 Agenda Items

This memorandum identifies the issues requiring Board action at the September 28, 2016 special meeting of the Board.

AGENDA ITEMS

I. APPROVAL AND ADOPTION OF DCHFA RESOLUTION NO. 2016-15(G), A RESOLUTION FOR THE APPROVAL OF THE AGENCY'S FISCAL YEAR 2017 BUDGET.

Pursuant to the District of Columbia Housing Finance Agency Act, the Agency's Proposed Fiscal Year 2017 Budget ("FY 2017 Budget") has been prepared and submitted to the Board for review and approval. The Proposed FY 2017 Budget's total projected revenues are $14,597,921, and the total projected expenditures are $11,559,776, yielding an excess of revenues over expenses of $3,038,145. Agency staff recommends, based on a review of the Proposed FY 2017 Budget and the favorable recommendation of the Executive Director, that the Board approve the Proposed FY 2017 Budget.

Agency staff recommends approval and adoption of DCHFA Resolution No. 2016-15(G), a Resolution approving the Agency's Proposed FY 2017 Budget.

Board Action Requested: Approval and adoption of DCHFA Resolution No. 2016-15(G), a Resolution approving the Agency's Proposed FY 2017 Budget.

II. APPROVAL AND ADOPTION OF DCHFA RESOLUTION NO. 2016-16, A FINAL AUTHORIZING RESOLUTION FOR FORT CHAPLIN PARK APARTMENTS.

On May 10, 2016, the Board approved DCHFA Resolution No. 2016-06 approving the eligibility of the Fort Chaplin Park Apartments project (the "Project") to provide Tax-Exempt and/or Taxable Multifamily Housing Mortgage Revenue Note financing in an amount not to exceed $70,000,000 for acquisition, demolition, rehabilitation, and equipping financing. Fort Chaplin Park Apartments is expected to consist of nineteen (19) buildings containing a total of five hundred forty-nine (549) residential rental units, with a management office that is expected to be located at 4212 East Capitol Street, NE, in Ward 7 of Washington, D.C. The Final Authorizing Resolution for the Projects approves and authorizes the issuance of tax-exempt note financing in an aggregate principal amount not to exceed $70,000,000 (the "Note"), and approves and authorizes the form of the authorizing documents including the Note, the Funding Loan Agreement, Borrower Loan Agreement, the Tax Regulatory Agreement, the Tax Certificate and all other documents necessary to issue and deliver the Note. The Final Authorizing Resolution also ratifies the selection of U.S. Bank National Association as Fiscal Agent with respect to the Note, the selection of Squire Patton Boggs (US) LLP and Lewis & Munday, a Professional Corporation, as Co-Tax Counsel to the Agency.

Agency staff recommends approval and adoption of DCHFA Resolution No. 2016-16, a Final Authorizing Resolution for Fort Chaplin Park Apartments.

Board Action Requested: Approval and adoption of DCHFA Resolution No. 2016-16, a Final Authorizing Resolution for Fort Chaplin Park Apartments.

III. APPROVAL AND ADOPTION OF DCHFA RESOLUTION NO. 2016-16(G) APPROVING THE RENEWAL OF A CONTRACT WITH GOLDBLATT MARTIN POZEN LLP AS THE FIRM TO PROVIDE OUTSIDE LEGAL COUNSEL SERVICES TO THE AGENCY'S BOARD OF DIRECTORS.

On July 9, 2013, the Agency's Board of Directors (the "Board") adopted DCHFA Resolution No. 2013-02(G) to retain Goldblatt Martin Pozen LLP ("Goldblatt") as outside legal counsel in order to advise and train the Board on matters such as corporate governance as well as other legal matters. The contract between the Agency and Goldblatt has been renewed annually. Goldblatt has provided timely and efficient outside legal counsel services to the Agency's Board of Directors. The Agency and Goldblatt now desire to renew the contract for one (1) additional year.

Staff recommends approval and adoption of DCHFA Resolution No. 2016-16(G) regarding the renewal of the contract with Goldblatt Martin Pozen LLP to serve as outside legal counsel to the Agency's Board of Directors.

Board Action Requested: Approval and adoption of DCHFA Resolution No. 2016-16(G), a Resolution approving the renewal of the contract with Goldblatt Martin Pozen LLP to serve as outside legal counsel to the Agency's Board of Directors.

IV. APPROVAL AND ADOPTION OF DCHFA RESOLUTION NO. 2016-17(G) REGARDING THE APPROVAL OF THE AGENCY'S REVISED EMPLOYEE HANDBOOK.

On June 6, 2006, the Agency's Board of Directors (the "Board") adopted DCHFA Resolution No. 2006-08(G) to revise the Agency's Employee Handbook (the "June

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Phone: 202-777-1600 **Fax:** 202-986-6705 **www.dchfa.org**

2006 Employee Handbook"). Agency staff has reviewed and evaluated the June 2006 Employee Handbook and determined that revisions were necessary. Agency staff now recommends that the Board approve the October 2016 Employee Handbook and rescind the June 2006 Employee Handbook.

Staff recommends approval and adoption of DCHFA Resolution No. 2016-17(G) regarding the approval of the Agency's revised Employee Handbook.

Board Action Requested: Approval and adoption of DCHFA Resolution No. 2016-17(G) regarding the approval of the Agency's revised Employee Handbook.

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DCHFA Resolution No. 2016-15(G)
Regarding the approval of the Agency's
Fiscal Year 2017 Budget

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
RESOLUTION REGARDING THE APPROVAL OF THE AGENCY'S FISCAL YEAR 2017 BUDGET**

WHEREAS, the District of Columbia Housing Finance Agency (the "Agency") is a corporate body and an instrumentality of the District of Columbia which has a legal existence, separate from the District of Columbia and is empowered to act pursuant to the District of Columbia Housing Finance Agency Act, (Chapter 27 of Title 42 of the District of Columbia Code, as amended (the "Act");

WHEREAS, pursuant to the Act, the Agency's Fiscal Year 2017 budget ("FY 2017 Budget") has been prepared and submitted to the Agency's Board of Directors (the "Board") for review and approval;

WHEREAS, in the FY 2017 Budget total projected revenues are $14,597,921 and the total projected expenditures are $11,559,776, yielding an excess of revenues over expenses of $3,038,145;

WHEREAS, pursuant to the Act, the Executive Director of the Agency is authorized to administer, manage and direct the affairs of the Agency in accordance with the policies, control and direction of the Board;

WHEREAS, the Executive Director may, in accordance with the Act and as otherwise approved by the Board, approve all accounts for salaries, allowable expenses of the Agency or of any employee or consultant thereof, and expenses incidental to the operation of the Agency, including the maintenance and upkeep of the Agency's Headquarters building, the purchase and maintenance of computer hardware and software for the Agency's computer systems and the purchase of office supplies and equipment;

WHEREAS, the Agency, on an ongoing basis, needs to procure services and equipment in excess of $5,000 for the efficient maintenance and operation of the Agency; and

WHEREAS, streamlining the procurement process of the Agency to allow the Executive Director to procure, without Board approval, ordinary and necessary services and supplies in excess of $5,000, but not to exceed $25,000, for the maintenance and upkeep of the Agency's Headquarters building, the purchase and maintenance of computer hardware and software for the Agency's computer systems and the purchase of office supplies and equipment would enhance the overall efficiency of the Agency.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the Agency:

1. Based upon a review of the FY 2017 Budget presented by Agency staff, the favorable recommendation of the Executive Director, and upon due consideration, the Board hereby approves the FY 2017 Budget attached hereto and made a part hereof.
2. The Executive Director is hereby authorized to make expenditures for allowable expenses of the Agency and any employee or consultant thereof as provided in the FY 2017 Budget.

3. Notwithstanding the provisions of the Procurement Guidelines, which limit the Executive Director's contracting authority to $5,000 without Board approval, the Executive Director is hereby authorized to make expenditures in excess of $5,000, but not to exceed $25,000, from the Business Services line items or the IT line items of the FY 2017 Budget, as applicable for (i) the maintenance and upkeep of the Agency Headquarters building, (ii) the purchase and maintenance of computer hardware and software for the Agency's computer systems, and (iii) the purchase of office supplies and equipment.
4. This Resolution shall take effect immediately.

DCHFA Resolution No. 2016-15(G)

ADOPTED ON SEPTEMBER 28, 2016
AT A SPECIAL MEETING OF THE
BOARD OF DIRECTORS.

ROLL CALL VOTE:

Buwa Binitie	:
Stephen M. Green	:
Scottie Irving	:
Stanley Jackson	:
Sheila Miller	:

____

Todd A. Lee
Secretary to the Board

DCHFA Resolution No. 2016-16 Authorizing the Issuance of Multifamily Housing Mortgage Revenue Notes (The Fort Chaplin Park Apartments Project) Series 2016 to finance The Fort Chaplin Park Apartments

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
FINAL AUTHORIZING RESOLUTION

A RESOLUTION AUTHORIZING THE ISSUANCE OF AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $70,000,000 OF DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY MULTIFAMILY HOUSING MORTGAGE REVENUE NOTES IN ONE OR MORE SERIES (THE FORT CHAPLIN PARK APARTMENTS PROJECT), FOR THE PURPOSE OF MAKING MONEYS AVAILABLE TO FINANCE A LOAN TO PROVIDE FINANCING FOR THE ACQUISITION, CONSTRUCTION, DEMOLITION, REHABILITATION AND EQUIPPING OF THE FORT CHAPLIN PARK APARTMENTS PROJECT, A RENTAL HOUSING PROJECT LOCATED IN THE DISTRICT OF COLUMBIA AND INTENDED FOR OCCUPANCY BY LOW INCOME PERSONS; APPROVING THE FORMS AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE NOTE OR NOTES, A FUNDING LOAN AGREEMENT, A BORROWER LOAN AGREEMENT, A TAX REGULATORY AGREEMENT, A TAX CERTIFICATE AND AGREEMENT AND ALL OTHER RELATED FINANCING DOCUMENTS; CONFIRMING THE SELECTION OF A FISCAL AGENT AND CO-TAX COUNSEL; AUTHORIZING AND RATIFYING OTHER NECESSARY ACTIONS IN CONNECTION WITH THE ISSUANCE THEREOF; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District of Columbia Housing Finance Agency (the "Agency") is a corporate body and an instrumentality of the government of the District of Columbia, duly created pursuant to the District of Columbia Housing Finance Agency Act (Chapter 27 of Title 42 of the District of Columbia Code, as amended) (the "Act"), and is empowered thereunder to issue its revenue bonds and notes for the purpose of providing funds to finance, among other things, the acquisition, rehabilitation, construction and equipping of housing projects in the District of Columbia for occupancy by low and moderate income persons; and

WHEREAS, at the request of Standard FCP Venture LP, a District of Columbia limited partnership ("Borrower"), the Agency has determined to issue its District of Columbia Housing Finance Agency Multifamily Mortgage Revenue Notes (The Fort Chaplin Park Apartments Project) Series 2016 (the "Note"), in the total aggregate principal amount not to exceed $70,000,000, for the purpose of financing a portion of the costs of the acquisition, construction, demolition, rehabilitation and equipping of residential rental facilities for low and moderate income families, which, upon completion, will contain approximately 549 living units, and which may include such ancillary uses as parking, community space, and other functionally related and subordinate uses, located in nineteen buildings on Square 5085, Lot 0842 in Ward 7 of the District of Columbia, with a management office located at 4212 East Capitol Street, NE, Washington, DC (the "Project") and is known as The Fort Chaplin Park Apartments (and to pay certain costs of issuing the Note); and

WHEREAS, on May 10, 2016, the Agency's Board of Directors (the "Board") adopted a resolution (DCHFA Resolution No. 2016-06) approving the eligibility of the Project for funding (the "Eligibility Resolution"); and

WHEREAS, pursuant to the provisions of the Act, the Agency may not adopt a resolution authorizing a bond or note issuance to fund a project unless the proposal has been submitted to the Council of the District of Columbia (the "Council") for a 30-day review period, excluding Saturdays, Sundays, holidays and days of Council recess; and

WHEREAS, if during the 30-day review period, the Council does not adopt a resolution disapproving the proposal, the Agency may take action to implement the proposal; and

WHEREAS, the Agency submitted notice of the DCHFA Resolution No. 2016-06 to the Council on May 13, 2016, and no resolution was adopted disapproving the proposed financing of the Project during the subsequent 30-day review period; and

WHEREAS, the Note will be issued pursuant to the provisions of the Act and a Funding Loan Agreement (the "Funding Loan Agreement"), by and among Citibank, N.A. (the "Funding Lender"), the Agency, and U.S. Bank National Association, as Fiscal Agent (the "Fiscal Agent"); and

WHEREAS, the proceeds of the Note will be loaned to the Borrower pursuant to the terms of a Borrower Loan Agreement, by and between the Borrower and the Agency (the "Borrower Loan Agreement"); and

WHEREAS, the operation of the Project will be subject to the provisions of a Tax Regulatory Agreement by and among the Agency, the Fiscal Agent, and the Borrower (the "Tax Regulatory Agreement"), a Tax Certificate and Agreement by and among the Agency, the Fiscal Agent, and the Borrower (the "Tax Certificate and Agreement") and other tax-related agreements which are intended to ensure the excludability of interest on the Note from the gross income of the owners of the Note for federal income tax purposes; and

WHEREAS, providing for the financing of the Project will confer a public benefit and serve the public interest by lowering the cost of, maintaining, and expanding available housing opportunities for low and moderate income residents in the District of Columbia, all in accordance with, and in furtherance of, the purposes of the Act; and

WHEREAS, notice of consideration of this resolution by the Agency has been given to the Mayor and the Council of the District of Columbia prior to the adoption of this resolution in accordance with Section 42-2704.02(e); and

WHEREAS, there have been presented to the Board forms of the following:

a. the Note;
b. the Funding Loan Agreement;
c. the Borrower Loan Agreement;
d. the Tax Regulatory Agreement; and
e. the Tax Certificate and Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District of Columbia Housing Finance Agency that:

1. **Project Determinations**. It is hereby determined that the Project and the financing of the Project through the issuance of the Note will (i) constitute undertakings primarily in the area of low and moderate income housing; (ii) expand available housing opportunities for persons of low and moderate income; (iii) meet and comply in all respects with the requirements of the Act and (iv) accomplish the purposes of and implement the public policies underlying the Act.

2. **The Note.** The issuance and delivery of the Note, in accordance with the terms of the Funding Loan Agreement, the Borrower Loan Agreement, the Tax Regulatory Agreement, the Tax Certificate and Agreement and all other related financing documents, are hereby authorized. The Chairperson of the Board, the Vice-Chairperson of the Board, the Executive Director and the Deputy Executive Director of the Agency, or his or her designee, are hereby authorized and directed, in consultation with the Borrower and Co-Tax Counsel to the Agency, to specify the final terms of the Note, including, but not limited to, the exact principal amount, the interest rate or rates, the maturity schedule therefor, which shall not exceed 50 years, as provided in the Act, the redemption provisions applicable thereto, provided that the aggregate principal amount of the Note shall not exceed $70,000,000.

3. **Authorization of Documents**. The form of the Note, the Funding Loan Agreement, the Borrower Loan Agreement, the Tax Regulatory Agreement, the Tax Certificate and Agreement and all other related financing documents presented at this meeting are hereby approved. The Chairperson of the Board, the Vice-Chairperson of the Board, the Executive Director and the Deputy Executive Director of the Agency, or his or her designee, are hereby authorized to execute all such documents and any and all other documents (i) necessary for the issuance and delivery of the Note, with such changes, additions, insertions and deletions as are consistent with the financing of the Project and the Act; (ii) necessary to ensure the excludability of interest on the Note from gross income for federal income tax purposes and (iii) necessary to satisfy certain federal tax requirements with respect to the allocation of low-income housing tax credits. The execution or certification of any such officer shall be conclusive evidence of his or her approval of any such changes, additions, insertions or deletions.

4. **Issuance and Delivery of the Note**. The Note will be issued and delivered to the Funding Lender, or its designee (in such capacity, the "Funding Lender"), in accordance with the terms of this resolution and the Funding Loan Agreement. The issuance and delivery of the Note to the Funding Lender shall be conditioned upon the Funding Lender's delivery of an acknowledgment letter to the Agency, in a form acceptable to the Agency and its legal counsel.

5. **Ratification of Actions; Appointment of Fiscal Agent and Tax Counsel**. The Board hereby ratifies all previous actions of the Agency staff to issue and deliver the Note. The Board hereby ratifies the selection of U.S. Bank National Association as Fiscal Agent with respect to the Note, and the selection of Squire Patton Boggs (US) LLP and Lewis & Munday, A Professional Corporation, as Co-Tax Counsel to the Agency.

6. **Further Action**. If the conditions to closing set forth in the Funding Loan Agreement and the Borrower Loan Agreement are satisfied, the Chairperson of the Board, the Vice-Chairperson of the Board, the Executive Director and the Deputy Executive Director of the Agency, or his or her designee, are authorized and directed to execute and deliver all certificates and instruments and to take all such further actions as he or she may consider necessary or desirable in connection with the issuance and delivery of the Note. The Secretary to the Board, or his or her designee, is hereby authorized to affix the seal of the Agency to, and to attest to such seal, on documents necessary to implement the issuance and delivery of the Note.

7. **Ministerial Conformation**. All other ministerial acts by the Agency that are in conformity with the purposes and intent of this resolution and in furtherance of the undertaking of the Project and the offering of the Note are hereby authorized, approved and ratified. Staff is further authorized and directed to do any and all things necessary to execute and deliver all documents or certificates that the Chairperson of the Board, the Vice-Chairperson of the Board, or the Executive Director of the Agency may deem necessary or advisable.

8. **Effective Date**. This resolution shall take effect immediately.

DCHFA Resolution No. 2016-16

ADOPTED ON SEPTEMBER 28, 2016 AT A SPECIAL MEETING OF THE BOARD OF DIRECTORS.

Roll Call Vote:

Buwa Binitie	:
Stephen M. Green	:
Stanley Jackson	:
Scottie Irving	:
Sheila Miller	:

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Todd A. Lee
Secretary to the Board

District of Columbia
Housing Finance Agency

DEVELOPMENT FINANCING MEMORANDUM

FORT CHAPLIN PARK APARTMENTS

DEVELOPMENT OFFICER:	Carolyn Fischer
DATE:	September 28, 2016
DATE OF ELIGIBILITY:	May 10, 2016
AMOUNT OF ACTION:	$70,000,000
ACTION TYPE:	Final Bond Resolution Approval
PRIMARY PURPOSE OF ACTION:	Acquisition, Rehabilitation, and Construction Financing
DEVELOPER:	Standard Property Company/Standard East Coast LLC
SPONSOR NAME:	Standard FCP Venture LP
SPONSOR ADDRESS:	1901 Avenue of the Stars, Suite 395, Los Angeles, CA
PROJECT NAME:	Fort Chaplin Park Apartments
NUMBER OF UNITS:	549
PROJECT ADDRESS:	4212 E. Capitol Street, NE, Washington, DC (Square 5085 and 5405, Lot 0842 and 0852)
WARD NUMBER:	Seven (7)
NEIGHBORHOOD:	Capitol View

EXECUTIVE SUMMARY

The Public Finance underwriting staff recommends that the District of Columbia Housing Finance Agency's ("DCHFA" or the "Agency") Board of Directors (the "Board") adopt a Final Bond Resolution authorizing the issuance of a tax exempt loan in an amount not to exceed $70,000,000 to provide a portion of the financing for the acquisition, construction, demolition, and rehabilitation of Fort Chaplin Park Apartments (the "Project"), an existing 549-unit garden style apartment complex located at 4212 E. Capitol Street, NE, Washington, DC (the "Property") in the Capitol View neighborhood of Ward Seven (7).

The Project will consist of the acquisition and rehabilitation of the 549 units and the demolition of the existing management office/community center and construction of a new state of the art facility with expanded space for community activities and resident services. The Property, which is currently part of the Agency's portfolio and has an expiring restricted use covenant, was built in 1964 and last renovated in 2000.

The current owner (the "Seller") of the Property (an affiliate of the E&G Group) entered into an arm's length third party contract to sell the Property in October 2015. In response, under rights granted to it under the District of Columbia's Tenant Opportunity to Purchase Act (TOPA) regulations, Chaplin Hope Tenants Association (the "Tenants Association" or "CHTA") was formed and exercised its rights to purchase the Property under TOPA in October of 2015. CHTA subsequently entered into a purchase and sale agreement with the Seller and entered into a Development Agreement with Standard FCP Venture, LP (the "Sponsor" or "Developer") in May 2016 to effectuate the assignment of its rights to the Sponsor, which it selected through a Request for Proposals process in November 2015. At closing, Alliant Credit Facility, Ltd., the investor limited partner tax credit investor, will be admitted to provide for the infusion of equity, along with a tax exempt loan, that is required to rehabilitate the Property.

The Properties consist of a total of 549 units consisting of efficiencies, one, two and three bedroom units varying in size from 450 square feet to 1,075 square feet of living space. The Property is comprised of two efficiencies, 176 one bedroom units, 339 two bedroom units and 32 three bedroom units.

The management office for The Project is currently housed in what once was a community center but is now largely office space for the property manager. The existing facility will be demolished and a new larger two level facility will be built featuring enhanced amenities for the residents. There is ample parking (526 spaces) serving both sections of the Property which is separated by E. Capitol Street. One part of the Property features garden style apartments. The other half of the campus features garden style apartments and some townhouse units. Both sections of the Property will receive improvements to landscaping and outdoor community spaces. There will also be moderate rehabilitation to the living areas including upgraded electrical fixtures and heating and cooling systems. Additionally, kitchens and bathrooms will be completely rehabilitated and outfitted with EnergyStar appliances and fixtures.

The acquisition and rehabilitation of the Project, which is estimated to cost $99.3 million, will be financed by a combination of a tax exempt loan issued by DCHFA, interim income from operations, proceeds from the sale of low income housing tax credits, and deferred developer fee.

The Sponsor has elected to set aside at least 40% of the units for residents earning 60% or less of the area median income (AMI). A detailed matrix of the Project's affordability mix is contained in Section E of this memorandum.

DETAILED PROJECT OVERVIEW

SITE CONTROL

The current owner (the "Seller") of the Property (an affiliate of the E&G Group) entered into an arm's length third party contract to sell the Property in October 2015. In response, under the District of Columbia's Tenant Opportunity to Purchase Act (TOPA) regulations, Chaplin Hope Tenants Association (the "Tenants Association" or "CHTA") was formed. In October of 2015, CHTA officially exercised it rights under TOPA to purchase the Property. Subsequently, in November 2015, CHTA sent out a Request for Proposals (RFP) to the real estate development community and received more than 10 proposals from interested developers. After conducting interviews and extensive due diligence, the tenants dwindled the list down to three, including Standard. Subsequently, CHTA entered into a purchase and sale agreement (the "Agreement") with the Seller in February of 2016, and then by majority vote, selected Standard, through a to be formed affiliate, to be its development partner. CHTA, who is represented by Eric Rome of Eisen and Rome PC (at the Developer's expense), entered into an "Assignment of TOPA Rights and Purchase Agreement" and a "Developer-Tenant Association Agreement" (the "DATA") to effectuate the contractual relationship between the Developer and CHTA in May 2016. As part of the DATA, the Developer loaned CHTA the $2 million deposit required under the Agreement. Additionally under the DATA, the Developer has agreed to spend no less than $27 million on the rehabilitation hard and softs costs, keep the rents affordable to individuals and families who make 60% or less of the AMI for 30 years and caps rent increases to qualified existing tenants to CPI plus 2% for families and CPI for seniors.

In addition to the foregoing, the DATA spells out the tenant's rights to return, an outline of a resident services plan and proposed amenities plan, and an agreement to pay $50,000 annually (subject to cash flow from operations) to CHTA to maintain its corporate existence and to fund the resident services plan.

The contract purchase price for the property is $49 million. Based on an "as-is" appraisal by Integra Realty Resources delivered in September 2016 the purchase price does not exceed the appraised value of $49.2 million.

FINANCING OVERVIEW

Capital Structure

The estimated total development cost for the Project is $99.3 million dollars (or approximately $181,000 per unit). Included within the development cost is the acquisition and related costs of the Property at $50 million, construction and related costs of approximately $27.8 million, developer fee of $7.6 million, soft costs and financing costs totaling approximately $10.4 million, and project reserves of approximately $3.5 million.

The projected sources of funds include:

- $61.0 million in long term DCHFA tax exempt obligations.
- $ 4.8 million in interim project income from operations during construction
- $31.9 million in equity raised through the syndication of LIHTCs.
- $ 1.6 million in deferred developer fee

A detailed sources and uses statement is attached.

A. Loan Structure

DCHFA normally issues tax exempt bonds in order to finance affordable housing developments. However, a purchase of bonds by Citibank is considered an "investment" by Citibank's regulator, which precludes the bank from claiming Community Reinvestment Act (CRA) credit. Structuring the transaction as a tax exempt loan (the "Loan") from DCHFA to the Sponsor (funded by Citibank), allows the bank to claim CRA credit. This structure was used recently on other DCHFA-financed projects including: The Atlantics, St. Stephens, Bowen Flats and Plaza West, which all closed in the first and second quarters of Fiscal Year 2016.

The Project will be partially financed through the funding of a $61 million DCHFA tax exempt loan. Citi Community Capital, an affiliate of Citibank, N.A., received credit committee approval to fund the tax exempt loan. During the three year construction and lease up period, the Loan will be interest only and fully drawn at closing. The construction period rate will be based on the Securities Industry and Financial Markets Association (SIFMA) Swap Index plus a 2.30% spread. Including DCHFA issuer fees, this yields an estimated all-in construction period rate of 3.00%. Upon conversion, the Loan, in the amount of $61 million, will have a two year interest only period at the permanent rate, then convert to a permanent amortizing loan (15 year term, 35 year amortization). Citi has indicated a permanent base rate of 4.30%. Including DCHFA ongoing fees, this yields an estimated all-in permanent mortgage rate of 4.70%. Because the loan will amortize over a 35 year period, a balloon payment will be due when the loan matures. At that time the loan will be refinanced or repaid. The table below summarized the anticipated rate schedule for both the construction and permanent terms of the loan.

	Rate Schedule	
	Construction	Permanent
Base Rate	3.00%	4.30%
DCHFA Issuer Fee	0.50%	0.40%
Total	**3.50%**	**4.70%**

B. Credit Enhancement

Citibank will fund the loan through a direct funding and will conduct its own underwriting of the transaction. Neither the bank nor the Agency will require external credit enhancement or a rating. Although this transaction is not a private placement because it is a loan, covenants that are similar to those required for private placement transactions will be included in the loan documents. See the term sheet for details of these covenants.

C. Tax Credit Structure

Alliant Capital, Ltd. (the "Investor") issued a letter of intent in April 2016 evidencing its intent to directly (or through a designee) acquire 99.99% interest in the proposed special purpose entity. The Investor issued final credit approval on September 14, 2016. DHCD will allocate an estimated annual tax credit amount of $2,845,952 (10 year total of $28,459,516 to the Project. The Investor has indicated that it will invest approximately $31.9 million in equity in the Project or approximately $1.12 per total tax credits available. The table below shows the anticipated equity pay-in schedule for the Project.

LIHTC Installment	Installment Amount	% of Total	Conditions
First	$6,374,932	20%	Closing and Admission of Sponsor
Second	$637,493	2%	25% Construction Completion
Third	$3,506,212	11%	35% Construction Completion
Fourth	$3,506,212	11%	45% Construction Completion
Fifth	$2,868,719	9%	55% Construction Completion
Sixth	$2,231,226	7%	65% Construction Completion
Seventh	$2,549,973	8%	75% Construction Completion
Eighth	$2,549,973	8%	Substantial Construction Completion
Ninth	$7,331,171	23%	Achievement of Stabilization
Tenth	$318,747	1%	At receipt of executed 8609
Total	$31,874,658	100%	

D. Reserve Accounts

The Project will have the following reserve accounts:

An ***Operating and Lease up Reserve Account*** in the amount of $724,611 will be capitalized at stabilization from tax credit equity and be available to pay operating expenses in the event that construction is delayed and/or lease up is slower than anticipated. The operating and lease up reserve account will hold three months of operating expenses. The Agency will require that this account stay in place until the Project reaches stabilized occupancy (or stabilization) for a minimum of 36 consecutive months. Stabilization is generally defined as achievement of a certain occupancy level, typically 90% to 95%, over a specified period, 90 to 180 days, (depending on program and deal economics) and achievement of the required debt service coverage ratio (1.10/1.0 to 1.15/1.0, depending on the terms of credit enhancement or private investors). If the account is accessed during the lease up period, DCHFA will require that the Sponsor replenish funds withdrawn from this account within 45 days, in order to bring the account back up to full funding levels.

A ***Debt Service Reserve Account*** in the approximate amount of $837,946 or three months of debt service will be funded at construction completion. The Agency will require that this account stay in place for the life of the loan.

Replacement Reserve Account. A deposit of $500 per unit (or $274,500) will be required to capitalize replacement reserves. Additionally, deposits in the amount of $300 per unit per annum (pupa), or $164,700 from revenues generated by the Project, will be funded during operations. Funds from this account will be used to cover capital replacements over the life of the Project.

E. Regulatory Use Restrictions

In accordance with IRS Section 142 requirements for tax exempt bonds, the Sponsor has elected to set aside a minimum of 40 percent of the units for households with incomes at or below 60 percent of AMI. Pursuant to IRS Section 42 requirements for tax credits, the Sponsor has elected to set aside 90 percent of the units at or below 60 percent of AMI for 15 years following the year the Project is placed in service. The tax exempt bond qualified project period will be reflected in the Tax Regulatory Agreement between DCHFA and the Sponsor. The 15 year tax credit compliance period and the 30 year extended use period (which runs concurrently) will be reflected in the Indenture of Restrictive Covenants for Low Income Housing Tax Credits between DHCD and the Sponsor.

KEY TERMS AND ASSUMPTIONS SUMMARY

The key terms and assumptions of this transaction are detailed in the following table for easy reference:

• Par Value of the Bonds	$ 61,000,000 (3 yr i/o, 15 yr perm, 35 yr am)
• Operating and Lease Up Reserve	$ 724,611 (3 mos of operating expenses)
• Debt Service Reserve	$ 837,946 (3 mos of debt service)
• Reserve for Replacements	
○	$ 274,500 (initial deposit)
○	$ 164,700 annually or ($300 pupa)
• Total Estimated LIHTC Allocation	$ 2,846,236 per annum

DCHFA FEES

Below are the estimated fees that will be earned by the Agency on or before closing. The amount earned is subject to change based on adjustments in the bond amount, tax credit allocation and the final construction contract amount.

Application Fee (@ 0.1% of bond amount)	$ 61,000
Financing Fee(@ 2% of 1st $50mm + 1% of bond amount > $50 mm)	$1,110,000
Issuer's Counsel	$ 40,000
Tax Credit Allocation Fee (@ 6% of annual credit)	$ 170,757
Construction Monitoring Fee@ 1% of hard costs	$ 247,286
TOTAL =	**$1,629,043**

Pursuant to the Memorandum of Understanding dated May 14, 2015 between the Agency and DHCD, the Agency will earn a tax credit allocation fee of 6% at closing. DHCD will earn a 4% fee. DHCD will also collect an annual tax credit compliance monitoring fee of a minimum of $45 per unit after the Project is placed in service.

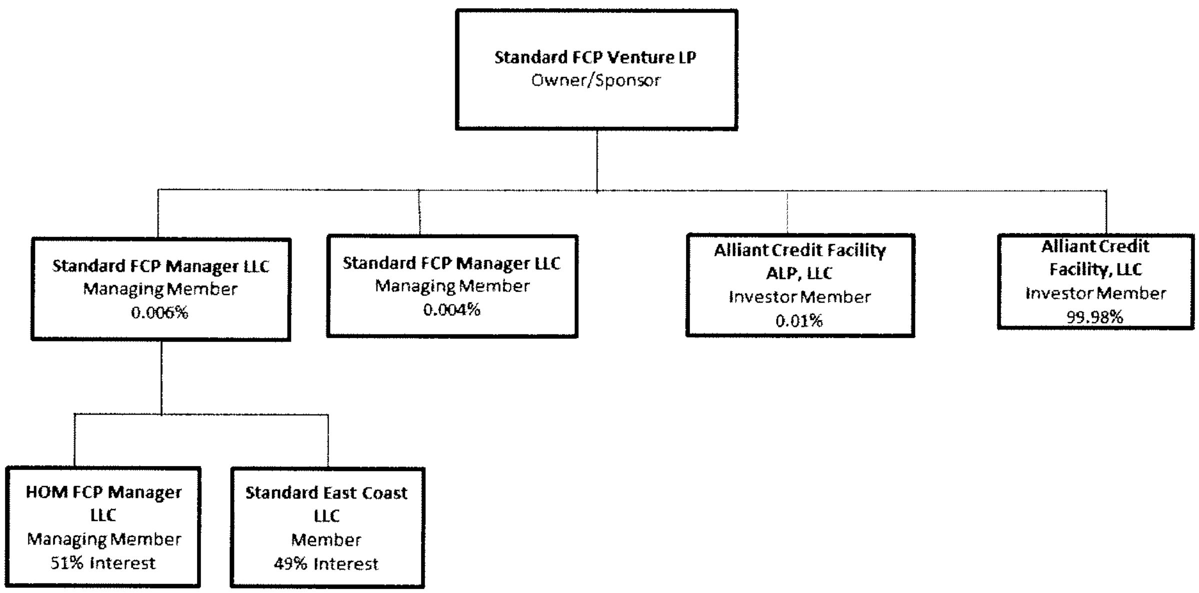
UNDERWRITING ANALYSIS

A. Mortgage Credit/Development Team Review

Standard FCP Venture LP will be the Sponsor/Owner of the Project. The managing member will be Standard FCP Manager LLC which will be comprised of HOM FCP Manager LLC (its managing member) and Standard FCP Manager LLC. Special purpose entities will be set up by Alliant Capital, the proposed syndicator, and will be admitted as part the final partnership structure, which is outlined below.

Fort Chaplin Park Apartments

OWNERSHIP STRUCTURE



Standard Property Company *(Standard).* Standard was established in 2010 by Scott J. Alter and Jeffrey E. Jaeger, co-founders of the company. The principal of Standard responsible for directing the efforts of this transaction is Mr. Joe Ouellette who became a partner in 2015 and manages the Washington, DC office. Headquartered in New York, New York, with offices in Los Angeles, CA and Washington, DC, Standard acquires and manages multifamily real estate in five major geographic locations including New York, San Francisco Bay area, Southern California, Chicago and the Washington, DC metropolitan area. Since its inception, Standard, through its acquisition and development arm, has acquired and developed real estate holdings and distressed loans valued in excess of $600 million. The assets include over 7,000 residential units, including 3,000 affordable units. Included in the portfolio are eleven LIHTC transactions consisting of nearly 2,200 units; representing debt and equity investments of over $350 million. Standard's investment strategy is focused on long term preservation of expiring affordable housing contracts and restricted use covenants in both urban and suburban markets.

The firm's key principals Scott Alter, Jeffrey Jaeger, and Joe Ouellette have more than 45 combined years of experience in the real estate industry. Prior to co-founding Standard, Mr. Jaeger was the co-founder and Chief Operating Officer of Jackson Square Properties, a value-added investment company with over 10,000 apartments and 1,000 mobile home park units at the time of his departure. Mr. Alter previously worked as an investment professional at Stockbridge Real Estate Fund, a $2.7 billion real estate fund. Mr. Ouellette has over 13 years of experience in the multi-family real estate industry, and formerly serves as Vice President of Transactions at Aimco, a real estate investment trust (REIT). He is also a current board member of Alexandria Housing Development Corporation and the City of Alexandria Affordable Housing Advisory Committee.

Jeffrey Jaeger and Scott Alter will provide construction and completion guarantees. A Standard affiliated corporate entity, Standard Capital LLC, will provide guaranties on agency fees and nonrecourse exceptions as well as environmental indemnity.

Staff analyzed both principle and corporate financial statements for the abovementioned guarantors to determine their financial capacity to complete the Project. Staff reviewed current ratio, working capital, and net worth. Current Ratio is a liquidity measure that gives an indication of an entity's ability to pay immediate liabilities and is calculated as current assets divided by current liabilities. Working capital is calculated by subtracting current liabilities from current assets and is used to determine available capital. The final measure is the net worth of the entity, which is the value of the company. It is calculated as total assets minus total liabilities. The charts below detail the key financial ratios for each guarantor:

Jeffrey E. Jaeger			
Financial Ratio	**2015**	**2014**	**2013**
Current Assets	$4,956,712	$2,087,451	$1,683,864
Current Liabilities	$750,000	$600,000	$362,500
Current Ratio (Liquidity)	6.61	3.48	4.65
Working Capital	$4,206,712	$1,487,451	$1,321,364
Total Assets	$62,753,593	$48,744,702	$32,667,926
Total Liabilities	$27,851,988	$25,616,354	$14,751,429
Net Worth	$34,901,605	$23,128,348	$17,916,497

Scott Alter			
Financial Ratio	**2015**	**2014**	**2013**
Current Assets	$5,978,688	$2,413,074	$1,516,757
Current Liabilities	$750,000	$600,000	$362,500
Current Ratio (Liquidity)	7.97	4.02	4.18
Working Capital	$5,228,688	$1,813,074	$1,154,257
Total Assets	$45,661,845	$32,428,880	$20,028,986
Total Liabilities	$15,829,264	$16,071,374	$7,000,831
Net Worth	$29,832,581	$16,357,506	$13,028,155

Standard Capital LLC			
Financial Ratio	**2015 (Accountant's Report)**	**2014**	**2013**
Current Assets	$7,906,047	N/A	N/A
Current Liabilities	$0	N/A	N/A
Current Ratio (Liquidity)	N/A	N/A	N/A
Working Capital	$7,906,047	N/A	N/A
Total Assets	$41,456,131	N/A	N/A
Total Liabilities	$0	N/A	N/A
Net Worth	41,456,131	N/A	N/A

The ratios indicate that jointly the guarantors have adequate working capital and net worth to guarantee construction and completion of the project. Standard Capital LLC was established in 2015 and valued at approximately $41.5 million with $5 million in liquidity. The value of Standard Capital LLC is primarily comprised of the net present value of expected project cash flows from ownership interests and development fees. DCHFA will require Standard Capital LLC to maintain at least $5 million in liquidity.

Housing on Merit (HOM) is a 501(c) (3) nonprofit organization, founded in 2011, that provides essential services and programs to assist homeless, precariously housed, and low income individuals and families transform their lives. HOM develops and manages affordable and transitional housing that couple facilities management with comprehensive growth and support programs. HOM works with residents to identify their community's unique needs to create services and programs that address those needs and empower residents. HOM currently provides comprehensive support services and enrichment programs to over 3,750 residents to ensure economic and housing self-sufficiency. HOM's growth and support services include, but are not limited to job training, life skills, wellness and education. HOM is also involved in several partnerships totaling 1,250 units as the Managing General Partner. HOM is not a guarantor of the Project.

B. Contractor and Construction Contract

Whiting-Turner Contracting Company ("Whiting-Turner") has been selected as the general contractor for this Project. Whiting Turner is headquartered in Baltimore, Maryland and has thirty (30) regional offices nationwide, including one in the District of Columbia. They provide construction management, general contracting and design-services for multi-family residential, senior living mixed-use and hospitality projects. Whiting-Turner has completed renovation projects in the area including DCHFA financed Capitol Hill Towers (201 units) in Washington, DC and Timbercroft Apartments (284 units) in Owing Mills, MD.

Construction and rehabilitation costs for the Project are projected to be $27.8 million (or approximately $51,000 per unit). Included in the cost above is a hard cost contingency of $2.7 million (12% of construction/hard costs).

A September 2016 Comprehensive Dun & Bradstreet report on Whiting-Turner rated the company with a credit score class between "Average" and "High" (4 on a scale of 5, lower is better), a financial stress rating of "Average" (3 on a scale of 5, lower is better), and a payment record (Dun & Bradstreet PAYDEX) of "30 Days Slow". There is no record of judgments in the D&B database.

DCHFA staff reviewed the construction contract, specifications and permit set drawings and found all construction documents to be in accordance with Agency guidelines and standards. Additionally, the bank's construction consultant and the Agency's engineer reviewed the project's constructability and schedule of values and have found the costs to be reasonable for the planned construction and rehabilitation work.

Primary assurance of completion from the construction company will be in the form of payment and performance bonds backed by a bonding company. DCHFA staff has received draft versions of these documents, which will be finalized before closing.

C. Property Management Review

Apartment Management Consultants, LLC ("AMC") will provide management services including marketing and leasing, tax credit compliance, rent collection, and preventative and routine maintenance. AMC currently manages over 350 properties consisting of approximately

75,000 apartment units, primarily in the western United States, of which approximately 25 projects and just over 5,000 units have HAP contracts. AMC manages both Village Oak Apartments (181 units) in Catonsville, MD and Lakeview House (152 units) in Bethesda, MD, both of which were recently renovated and are owned by the Sponsor.

A September 2016 Comprehensive Dun & Bradstreet report on AMC rated the company with a credit score class of "High" (5 on a scale of 5, lower is better), a financial stress rating between "Average" and "High" (4 on a scale of 5, lower is better), and a payment record (Dun & Bradstreet PAYDEX) between "30 Days Slow" and "Prompt". There is one judgment against AMC in the D&B database for less than $2,500.

The Sponsor submitted the management agreement, form of lease agreement and its Fair Housing and EEO policies. All documents were reviewed by DCHFA's Compliance and Asset Management department. Other than technical corrections, the documents were found to be in compliance with Agency and Federal standards.

D. Minority and Local Business Entities' Participation

The borrower will be required by the Tax Regulatory Agreement to comply with all District and federal laws concerning contracting and procurement, including the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended (DC Code § 2-218.01 et seq.), the Workforce Intermediary Establishment and Reform of First Source Amendment Act of 2011, as amended (DC Code § 2-219.01 et seq. (First Source Act)), D.C. Law 2-156, Section 5 (Apprenticeship Program), as applicable.

E. Tenancy, Rent Levels and Market Feasibility

1. Current Tenancy and Future Feasibility

The Property is comprised of a total 549 units consisting of efficiencies, one, two and three bedroom units varying in size from 450 square feet to 1,075 square feet of living space. The Developer holds the right to transfer an existing project-based Section 8 Housing Assistance Payment (HAP) contract; however, the contract transfer will not occur prior to closing. The HAP contract is not included in the current underwriting. There also exists an agreement with CHTA to cap rent increases for various residents under a Rent Assurance Plan and special treatment for a subset of units in which increases will be patterned after those allowed under the DC rent control program (the "Non Rental Assurance Plan" units).

<u>Rent Assurance Plan</u>

- The rent assurance agreement with the tenants impacts 236 existing tenants. The rent assurance plan sets the rents for the following three years for these tenants. These increases, which are estimated at approximately 3.8% per year on average, are locked for this three year time period so long as the tenant stays at the property.

Non Rental Assurance Plan

- The Sponsor and CHTA agreed to limit rent increases for the non-Rent Assurance Plan tenants in place to increases allowed under the provisions of DC rent control.
- For 112 non-senior existing tenants, rent increases are limited to 2.00% plus consumer price index adjustments (CPI).
- For 37 senior existing tenants, rent increases are limited to CPI.
- The Developer has conservatively assumed a CPI of 1% going forward, so the assumed rent increases are 1% for the 65 senior tenants and 3% for the 194 non-senior existing tenants, respectively.

With the exception of normal unit turnover, all existing tenants are expected to stay.

2. Relocation

The proposed plan and schedule will allow residents to remain in place and enjoy the use of their homes during the rehabilitation process. The developer has extensive experience in executing in-place rehabs utilizing a 'phased-in' process where each apartment rehabilitation is typically completed within five days/steps. The management company, along with the construction team, will provide additional convenience suites for the residents' enjoyment as well as any assistance the residents may need during the process.

The rehabilitation will be phased-in based upon the number of units being rehabilitated at one time, with each phase expected to be completed in five business days. The work will be completed between the hours of 8:00 am and 4:30 pm. Once each phase of in-unit rehabilitations is complete, in-unit rehabilitations will begin on the next phase. This will likely follow a building-by-building sequence. All utilities and appliances will remain intact throughout the five day process, which will allow residents to use their homes throughout the rehabilitation process. Each day a different element of the rehabilitation will be completed. An example of this schedule from a recent project is detailed below:

- Day 1 – cabinets are replaced in the kitchens/bathrooms and light fixtures changed
- Day 2 – units are painted
- Day 3 – carpets and kitchen/bathroom flooring are replaced
- Day 4 – new appliances are installed and plumbing fixtures replaced
- Day 5 – the unit is cleaned and punched

A total of 192,150 ($350 per unit) is included in the project budget for relocation. The Developer will also provide convenience suites to residents who may choose to use these suites during the day while their unit is being rehabilitated. Residents will be able to prepare meals, watch television or just relax in these suites. In preparation for rehabilitation, residents will be required to pack up any loose or breakable items. Boxes for packing will be provided to residents at least two weeks prior to their scheduled unit rehabilitation start date. The Developer will assist in moving the boxes and any furniture, if needed. Packing assistance will be provided to any resident that requests or requires assistance.

3. Tenant Services

Housing on Merit, the non-profit partner in the transaction, will be responsible for providing resident services for the residents of Fort Chaplin Park. Around the country, HOM provides essential services and programs to assist homeless, precariously housed, and low income individuals and families transform their lives. HOM will work with CHTA and the larger resident population to identify Fort Chaplin Park residents' unique needs to create services and programs that address those needs to empower residents. A detailed tenant services plan will be drawn up following closing and once HOM has the opportunity to survey the tenant population's needs. As previously mentioned, HOM's growth and support services include, but are not limited to, job training, life skills, wellness and education. A Memorandum of Understanding regarding tenant services and the use of the community space will be executed prior to closing between HOM, CHTA, and Standard.

The following chart shows the anticipated rents for year one of the Project, which is the first year of the construction period. This methodology is used to reflect the agreements made between the developer and CHTA.

RENTS AND OTHER REVENUE								
Residential								
Unit Type	**% AMI**	**#**	**Unit Size (Sq Ft)**	**Rent/Wtd Avg.**	**Utility Allowance**	**Net Underwriting Rents / Wtd Avg.**	**Monthly Rent**	**Annual Rent**
Efficiency	**60%**	**2**	450	**794**	**66**	**728**	1,455	17,460
1 BR	**60%**	**176**	768	**976**	**88**	**888**	156,231	1,874,775
2 BR	**60%**	**339**	984	**1,097**	**110**	**987**	334,449	4,013,392
3 BR	**60%**	**32**	1075	**1,493**	**132**	**1,361**	43,556	522,672
Total Units		**549**	**918**	**976**		**976**	**535,692**	**6,428,299**
Miscellaneous Income								
Fees, Vending, Cable TV, Telephone & Internet						13,940.00	**13,940**	167,280
Commercial Income				-				
Subtotal								**167,280**
TOTAL ANNUAL GROSS POTENTIAL REVENUE								**6,595,575**

Note: A 1% increase is assumed on the 194 non-senior units given that the increases will be allowed as units turnover.

F. Appraisal and Market Study

Appraisal

Integra Realty Resources ("Integra") completed an appraisal in September 2016 on behalf of the project lenders. Integra utilized the income capitalization approach to determine the value of the Property. The appraisal concluded that the stabilized market value upon completion of the Project will be \$69.4 million (\$126,400 per unit) based on a 6.25% cap rate. The loan to value (LTV) for the loan amount of \$61 million, using the stabilized market valuation, yields a permanent LTV of 88%, which meets DCHFA's underwriting standards.

Market Study

Integra's appraisal also included a market analysis section. Statistical data regarding market conditions within the subject's apartment submarket of Anacostia/Northeast DC were derived from Reis, Inc. ("Reis"). The subject is located within the Capitol View area of the Northeast quadrant of DC. The submarket encompasses areas to both the east and west of the Anacostia River. To the west of the Anacostia River, the submarket is generally bounded by the Anacostia River to the east, the Maryland State line to the north, North Capitol Street to the west, and H Street/Benning Road NE to the South and to the east the submarket is generally bounded by the Anacostia River to the west, Eastern Avenue to the north, East Capitol Street to the south, and the Maryland State line to the east. The scope of the analysis includes 24,092 units in the submarket, distributed between 93 properties. The Reis data indicates a current vacancy rate for class B/C property is 4.9%. Five hundred ninety five units were absorbed in 2015 and 318 units had been absorbed at the time that the study was conducted, according to the data provided by Reis. According to the analysis, the demand for subsidized rentals is strong and the demographics of the area indicate demand should remain strong in the coming years.

G. Environmental

In April 2016, Partner Assessment Corporation (Partner) conducted a Phase I Environmental Site Assessment (ESA) of the Project site. Historical data shows that the property consisted of undeveloped wooded land prior to the construction of the existing improvements in 1964. The ESA revealed no recognized environmental conditions (RECs) on the Project site.

In 2009, E&G Group conducted a lead based paint inspection and observed the presence of lead based paint at the subject property primarily on interior common area surfaces of the club house and some painted exterior surfaces. Interior and exterior painted surfaces were noted to be in good condition and, therefore, are not expected to represent a hazard. Lead safe work practices will be used when preforming work on surfaces where lead is present. Partner conducted a comprehensive asbestos inspection of the on site improvements. Nineteen of the 129 samples obtained tested positive for asbestos. The demolition portion of the construction budget, which totals approximately $1.5 million, includes an allowances for lead based paint and asbestos abatement.

H. Architectural, Engineering and Construction Documents

Zavos Architecture + Design, LLC ("Zavos" or "ZA+D, LLC") will complete design and construction documents and will be the architect of record for the Project. Zavos, which was founded in Frederick, Maryland in 2003, is a full-service architectural firm which has experience in new construction as well as the renovation, rehabilitation, and adaptive re-use of existing structures, including those of historical significance. Zavos provided interior design and construction administration services for DCHFA financed Wesley House apartments.

As part of the Stage III application, the Sponsor submitted the Project final specifications and drawings, and the final construction contract. DCHFA's in house construction engineer reviewed the construction documents and the detailed cost breakdown and specifications and concluded that the documents are in accordance with local and federal building codes.

I. Scope of Work

The Project involves the substantial rehabilitation, greening and modernization of the existing residential units and community spaces. There will also be an extensive landscaping program and overall modernization of the site including a newly constructed community center. The buildings, which were last renovated in 2000, have been well maintained but need an infusion of capital to bring them up to modern energy efficient standards. The general scope of the rehabilitation, pursuant to the line item detail is as follows:

- Demolish, remove and remediate environmental concerns as required during interior and exterior work
- Replace/repair exterior sidewalks, curbs, storm drains, and general landscaping
- Cut out, patch and resurface parking areas as necessary. Restripe parking lots
- Repair concrete steps and risers as necessary
- Install new flooring in common areas as necessary
- Repair balconies and railings as necessary
- Replace, repair and reseal roof as needed
- Replace all windows and sliding glass doors, as needed, to improve aesthetics, performance and energy efficiency
- Replace all unit HVACs
- Repair all bathroom water infiltration issues. Supply low-flow plumbing fixtures throughout
- Replace/upgrade all plumbing and electrical fixtures as necessary. Provide energy efficient LED light fixtures.
- Replace all kitchen fixtures and appliances with stainless steel EnergyStar rated equipment and install new kitchen cabinetry and countertops.
- Create new modern building entries; and provide enhanced security features including electronic strike entry and intercom system door release and upgraded lighting, and security cameras
- Improve site lighting and repair and replace perimeter fencing as necessary
- Create new landscaped play areas
- Demolish existing community room / management office and build new state of the art community center

J. Zoning and Entitlements

The Property is zoned R-5-A which permits matter-of-right low density development of general residential uses, including single-family dwellings, flats, and apartment buildings, to a maximum lot occupancy of 60%, a maximum FAR of 2.5 and a maximum height of fifty (50) feet. The Project specifications do not involve any significant increases in square footages or changes of use that require additional zoning approvals. No changes are being made with respect to the density or use of the Property; therefore the Property is in conformance with the zoning code.

The Sponsor has indicated that the issuance of building permits for the residential portion of the project is imminent. DCHFA will not close on the financing until the building permit is issued.

Green Building Requirements

The Sponsor will be required to fulfill the requirements of the Green Building Act. In order to receive building permits, the Sponsor will be required to receive confirmation that it has complied with all Green Building Act regulations or provide evidence that the residential portion of the project is exempt from Green Building Act regulations.

Inclusionary Zoning

The scope of the Project, the rehabilitation of an existing residential structure without the expansion of the gross building area does not trigger any of the provisions of the inclusionary zoning regulations.

K. Neighborhood Impact and City Development Agenda

The Project is located in the Capitol View neighborhood of Ward 7 and is comprised of two (2) separate parcels located on the north and south sides of East Capitol Street in Northeast Washington, DC. Today, the Capitol View neighborhood is mainly residential with a large concentration of multifamily and government subsidized housing. The two most notable features of the area are the 400 acre Fort Dupont Park along the neighborhood's western edge, and the Woodlawn Cemetery which dates back to 1895. Located less than a half mile from both the Benning Road Metro Station (Blue and Silver lines), bus stops along the 96 and 97 routes, and Anacostia Freeway (I-295), the Project offers good transportation access. The East Park Shopping Center is a grocery anchored retail center that is approximately one-half mile driving distance from the site.

Minnesota Avenue and Benning Road are designated as Great Streets corridors, and as such are targeted for street scape improvements. Businesses in these corridors are eligible for grants. The Benning Stoddart Recreation Center, located less than a half mile from the site, is slated to be modernized. Notable projects either completed or planned in the area include: the mixed use Park 7 development (financed with DCHFA bonds), the $20 million Nannie Helen project (financed with DCHFA bonds), and the $51.1 million Conway Center that, when complete, will provide affordable housing, retail and community health care services (partially financed with DCHFA bonds). The preservation, and modernization of Fort Chaplin Park Apartments, is another critical step in the revitalization of the Capitol View neighborhood.

KEY OUTSTANDING ISSUES:

The following issues will need to be resolved prior to final underwriting and the issuance of a final loan resolution.

- Resolution / completion of the TOPA process.
  - *As indicated in the Site Control Section of this memorandum, all requirements have been met.*
- Completion of updated, Phase I ESA and other environmental due diligence as required.
  - *As indicated in Section G of the Underwriting Analysis section this memorandum, all requirements have been met.*
- An updated appraisal, market study and a physical needs assessment completed by third party vendors.
  - *As indicated in Sections B, F and H of the Underwriting Analysis section of this memorandum, all requirements have been met.*
- Evidence of all financing commitments to include the construction lender and the tax credit investor.
  - *As indicated in Sections C and H of the Financing Overview section of this memorandum, all requirements have been met.*
- Evidence of the approval of all zoning and entitlements required to build the Project as contemplated and fulfillment of all green building requirements.
  - *Except as indicated in Section J of the Underwriting Analysis section of this memorandum, all requirements have been met.*
- Small Business Enterprise contracting plan.
  - *As indicated in Section D of the Underwriting Section of this memorandum, all requirements have been met.*

Fort Chaplin Park Apartments

PROJECT INFORMATION SHEET

Item	**Facts**
Project Type:	Acquisition, Rehabilitation and Construction Financing
Project Name:	Fort Chaplin Park Apartments
Location:	4212 E. Capitol Street, NE
Ward:	Seven (7)
Tax Exempt Bond Amount:	Not to exceed $70,000,000
Credit Enhancement:	None / Private Placement
Land Acquisition Costs/Unit:	$49,000,000 or $89,253 per unit
Construction, Sitework Costs/Unit:	$ 27,186,956 or $ 50,668 per unit
Total Development Cost/Unit:	$99,348,855 or $180,963 per unit
Evidence of Site Control:	Purchase and Sale Agreement/Assignment Agreement
Mortgagor/Sponsor:	Standard FCP Venture LP
General Contractor:	Whiting-Turner Contracting Company
Architect:	Zavos Architecture + Design LLC
Management Agent:	Apartment Management Consultants LLC
Sponsor's Attorney:	Rutan and Tucker LLP/Klien Hornig LLP
# of Buildings:	19
# of Units:	549
# of Parking Spaces:	526
Current Zoning:	R-5-A
Census Tract/QCT:	96.03, 77.03 / Yes
Land Size:	16.63 acres
Building Size:	528,588 sf

District of Columbia Housing Finance Agency

MULTIFAMILY
TAX-EXEMPT / TAXABLE
BOND FINANCING

MULTIFAMILY REVENUE BOND PROGRAM
TERM SHEET

Project/Sponsor Information:	*Applicant: Standard FCP Venture LP* *Sponsor: Standard FCP Venture LP* *Project Name: Fort Chaplin Park Apartments* *Project Address/Ward: 4212 E. Capitol St, NE / Ward 7* *Application Received: April 21, 2016* *Eligibility Resolution Received: May 10, 2016*
Action:	*Final Bond Resolution Approval*
Tax Exempt Loan Information:	*Income Election: 40% @ 60% of AMI* *Bond Amount (credit ceiling): $70,000,000* *Bond Amount (actual): $61,000,000* *Rate: 4.7% (all-in long term rate)* *Amortization: 35 years* *Term: 18 years (3 year construction loan, 15 year permanent loan)* *Loan to Value (max LTV): 90%*
Credit Enhancement:	*Private Placement. The Agency's private placement protections are as follows: The Agency's bond documents for unenhanced/unrated bond transactions provide that in the case of a mandatory redemption and to the extent there remains any principal and interest due on the bonds after such redemption, such outstanding principal and interest shall be deemed paid in full. The bond holder may exercise any other remedies it may otherwise have at its disposal outside of the Indenture. To ensure that only experienced investors purchase the bonds, the Agency requires that all purchasers of unenhanced/unrated bonds execute an investor letter, acknowledging the risk of purchasing any such bonds.*
LIHTC Information:	*Income Election: 90% of the units will be set aside for individuals / families who make 60% of AMI or less.* *LIHTC Allocation / AFR: $2,846,362 /annually* *LIHTC Purchase Price / Estimated Proceeds: $1.12 /$28,462,362*
Tenancy:	*100% of the units will be available for tenants with households at or below 60% of AMI.*
Operating Subsidy:	*None (as currently underwritten)*
Debt Service Coverage Ratio:	*1.15x*
Lease Up and Operating Reserve Account:	*$724,611 (approximately 3 months of operating expenses)*
Debt Service Reserve Account:	*$837,946 (approximately 3 months of debt service)*
Replacement Reserve Account (annual deposits):	*Initial deposit of $500 per unit ($274,500) Annual reserve deposits of $300 per unit for a total contribution of $164,700 per year.*
Guarantees:	*Jeffrey Jaeger and Scott Alter will provide construction and completion guarantees. A Standard affiliated corporate entity, Standard Capital LLC, will provide guaranties on agency fees and nonrecourse exceptions as well as environmental indemnity.*
DCHFA Fees:	*Application Fee: $61,000* *Financing Fee: $1,110,000* *Issuer's Counsel: $40,000* *LIHTC Allocation Fee: $170,757* *Construction Monitoring Fee: $247,286*

District of Columbia
Housing Finance Agency

Fort Chaplin Pak Apartments

		549 Units Per unit	%age
Construction Debt			
1st Mortgage - Short Term Bonds	61,000,000	111,111	61.40%
1st Mortgage - Permanent Bonds		0	0.00%
Capitalized Interest During Constructi	4,803,750	8,750	4.84%
Citi Community Capital Sub Debt		0	0.00%
DCHA Sub Debt		0	0.00%
Total	65,803,750	119,861	66.24%
Construction Equity			
LIHTC Syndicaiton Proceeds	31,874,658	58,059	32.08%
Deferred Developer Fee	1,670,447	3,043	1.68%
Total	33,545,105	61,102	33.76%
TOTAL CONSTRUCTION SOURCES	99,348,855	180,963	100.00%

Permanent Debt		Per unit	%age
1st Mortgage - Permanent Bonds	61,000,000	111,111	61.40%
Capitalized Interest During Constructi	4,803,750	8,750	4.84%
Citi Community Capital Sub Debt		0	0.00%
DCHA Sub Debt		0	0.00%
Total	65,803,750	119,861	66.24%
Permanent Equity			
LIHTC Syndicaiton Proceeds	31,874,658	58,059	32.08%
Deferred Developer Fee	1,670,447	3,043	1.68%
Total	33,545,105	61,102	33.76%
TOTAL PERMANENT SOURCES	99,348,855	180,963	100.00%

Gap/Surplus (Construction)	(0)
Gap/Surplus (Permanent)	(0)

		549 Units Per unit	%age
Acquisition			
Building	43,876,426	79,921	44%
Land Costs	5,123,574	9,333	5%
Other Acquisition Costs	1,029,623	1,875	1%
	50,029,623	91,129	50%
Construction		-	0%
Construction	22,059,442	40,181	22%
Sitework (Incl Public Work)		-	0%
Demo/Environmental Remediation		-	0%
Profit	1,323,567	2,411	1%
Overhead	441,189	804	0%
General Conditions	1,323,567	2,411	1%
Bond Premium		-	0%
Contingency	2,669,192	4,862	3%
	27,816,956	50,668	28%
Soft Costs		-	0%
Architect & Engineer	1,394,161	2,539	1%
Architect & Engineer Supervision		-	0%
A&E Reimbursables (Cost Review, LEED Cert)		-	0%
Civil Engineering		-	0%
Owner's Rep (Construction Monitoring)		-	0%
Borrower Legal	398,429	726	0%
Appraisal	12,000	22	0%
Permits and Tap Fees (Incl Permit Expediter)	150,000	273	0%
Builder's Risk Insurance	65,000	118	0%
Upfront MIP		-	0%
Market Study	7,650	14	0%
Environmental & Soil Reports	53,765	98	0%
Testing and Inspection	7,392	13	0%
Title, Transfer and Recordation		-	0%
Interim Insurance	165,446	301	0%
Interim Taxes		-	0%
Accounting Fees & Cost Certification		-	0%
Working Capital		-	0%
Marketing		-	0%
Survey (incl in Civil Engr Fee)		-	0%
FFE		-	0%
Tenant Relocation	192,150	350	0%
Tenant Services / Completion Reserve		-	0%
Tenant Improvements (Retail)		-	0%
Construction Bonding	459,108	836	0%
Clerk of the Works		-	0%
Other Consultants		-	0%
Soft Cost Contingency (Incl Other Misc)		-	0%
	2,905,100	5,292	3%
Financing		-	0%
DCHFA Bond Application Fee	61,000	111	0%
DCHFA Financing Fee	1,110,000	2,022	1%
DCHFA Construction Monitoring Fee	247,286	450	0%
DCHFA/Issuer's Counsel Fee	40,000	73	0%
DCHFA Bond Administration Fee		-	0%
Bond Counsel	100,000	182	0%
Bond Purchaser's Fee		-	0%
Bond Purchaser Counsel	50,000	91	0%
Underwriter Fee	457,500	833	0%
Underwriter's Counsel	75,000	137	0%
Trustee Set Up	6,500	12	0%
Trustee Legal	5,000	9	0%
Rating Agency/Printing Fees		-	0%
Negative Arbitrage		-	0%
DCHFA LIHTC Allocation Fee (6%)	170,757	311	0%
DHCD LIHTC Allocation Fee (4%)	113,838	207	0%
Tax Credit Fees/Legal	74,705	136	0%
Construction Period Interest - Capitalized	4,803,750	8,750	5%
Construction Period Principal-Capitalized		-	0%
Construction Lender's Application Fee		-	0%
Construction LoC Fee		-	0%
Construction LoC Annual Fee		-	0%
Construction Lender's Fee		-	0%
Construction Lender's Counsel		-	0%
Construction Lender's Inspection Fee		-	0%
Permanent Lender's Application Fee	25,000	46	0%
MIP		-	0%
Permanent Lender Financing Fee		-	0%
Permanent Lender Inspection Fee		-	0%
Permanent Lender Counsel Fee		-	0%
Permanent Lender Expenses	100,000	182	0%
Credit Enhancer Commitment Fee		-	0%
Credit Enhancer Standby Fee		-	0%
Credit Enhancer Counsel		-	0%
Other Lender's Interest / Fees	40,000	73	0%
Financial Advisor		-	0%
Cash Flow Verification Analyst		-	0%
GIC Brokerage Fee / Brokerage Fee		-	0%
Dissemination Agent Set Up Fee		-	0%
Financing Contingency		-	0%
	7,480,337	13,625	8%
Developer Fee		-	0%
Developer Overhead		-	0%
Developer Fee	7,568,899	13,787	8%
	7,568,899	13,787	8%
Reserves and Escrows		-	0%
Operating and Lease Up Reserve	724,611	1,320	1%
Replacement Reserve Deposit (Initial Payment)	274,500	500	0%
Capitalized Interest Reserve	533,750	972	1%
Tax and Insurance Escrow	25,487	46	0%
Service & TA Reserve	313,700	571	0%
Debt Service Reserve	1,675,892	3,053	2%
	3,547,940	6,463	4%
TOTAL USES	99,348,854	180,963	100%

District of Columbia
Housing Finance Agency

Public Finance Group

Fort Chaplin Park

blue = inputs

RENTS AND OTHER REVENUE								
Residential								
Unit Type	**% AMI**	**#**	**Unit Size (Sq Ft)**	**Rent/Wtd Avg.**	**Utility Allowance**	**Net Underwriting Rents / Wtd Avg.**	**Monthly Rent**	**Annual Rent**
Efficiency	**60%**	**2**	450	**794**	**66**	**728**	1,455	17,460
1 BR	**60%**	**176**	768	**976**	**88**	**888**	156,231	1,874,775
2 BR	**60%**	**339**	984	**1,097**	**110**	**987**	334,449	4,013,392
3 BR	**60%**	**32**	1075	**1,493**	**132**	**1,361**	43,556	522,672
Total Units		**549**	**918**	**976**		**976**	**535,692**	**6,428,299**
Miscellaneous Income								
Fees, Vending, Cable TV, Telephone & Internet						13,940.00	**13,940**	167,280
Commercial Income			-					
Subtotal								**167,280**
TOTAL ANNUAL GROSS POTENTIAL REVENUE								**6,595,575**

District of Columbia
Housing Finance Agency

Public Finance Group

Fort Chaplin Park

PROJECTED OPERATING EXPENSES 549

HUD Code	Administrative Expenses	Amount	Per unit	%age
6203	Conventions & Meetings	0	0	0.00%
6204	Management Consultants	0	0	0.00%
6210	Advertising & Marketing	50,000	91	1.73%
6235	Apartment Resale Expenses (Coops)	0	0	0.00%
6250	Other Renting Expenses	0	0	0.00%
6310	Office Salaries	199,680	364	6.89%
6311	Office Expenses	0	0	0.00%
6312	Office or Model Apartment Rent	0	0	0.00%
6317	Resident Services Expenses	0	0	0.00%
6320	Management Fee	192,737	351	6.65%
6330	Manager or Superintendent Salaries	70,720	0	2.44%
6331	Administrative	160,000	291	5.52%
6340	Legal Expense (Project)	0	0	0.00%
6350	Audit Expense	0	0	0.00%
6351	Bookkeeping Fees/Accounting Services	0	0	0.00%
6370	Bad Debts	0	0	0.00%
6390	Miscellaneous Administrative Expenses	0	0	0.00%
	Total	**673,137**	**1,226**	**23.22%**
HUD Code	**Operating and Maintenance**	Amount	Per unit	%age
6510	Payroll	183,040	333	6.32%
6515	Supplies	0	0	0.00%
6520	Contracts	335,000	610	11.56%
6521	Operating & Maintenance Rent Free Unit	0	0	0.00%
6525	Garbage & Trash Removal	0	0	0.00%
6530	Security Payroll/ Contracts	120,000	219	4.14%
6531	Security Rent Free Unit	0	0	0.00%
6546	Repairs & Maintenance	137,250	250	4.74%
6548	Landscaping	0	0	0.00%
6570	Vehicle & Maintenance Equip. Operation & Repair	0	0	0.00%
6590	Miscellaneous Operating & Maintenance	137,250	250	4.74%
	Total	**912,540**	**1,662**	**31.48%**
HUD Code	**Utilities**	Amount	Per unit	%age
6420	Fuel Oil/ Coal	0	0	0.00%
6450	Electricity	53,326	97	1.84%
6451	Water	312,697	570	10.79%
6452	Gas	160,633	293	5.54%
6453	Sewer	312,697	570	10.79%
	Total	**839,352**	**1,529**	**28.96%**
HUD Code	**Taxes and Insurance**	Amount	Per unit	%age
6710	Real Estate Tax	25,000	46	0.86%
6711	Payroll Taxes (project share)	0	0	0.00%
6720	Property & Liability Insurance	127,919	233	4.41%
6721	Fidelity Bond Insurance	0	0	0.00%
6722	Workmen's Compensation	0	0	0.00%
6723	Health Insurance & Other Benefits	155,796	284	5.38%
6790	Misc. Taxes, Licenses, Permits & Insurance	0	0	0.00%
	Total	**308,715**	**562**	**10.65%**
	Replacement Reserves	164,700	300	5.68%
	TOTAL ANNUAL OPERATING EXPENSES	**2,898,444**	**5,279**	**100.00%**
	TOTAL MONTHLY OPERATING EXPENSES	**241,537**	**440**	

HFA District of Columbia Housing Finance Agency

Public Finance Group

Fort Chaplin Park

15-YEAR PRO FORMA

Year to Year Assumptions	
Revenue Inflation	2%
Residential Vacancy	5%
Commercial Vacancy	0%
Operating Expenses Inflation	3%

	Construction Period (First 3 years) 2017	2018	2019	1st Year Stabilized Occupany 2020	2021	2022	2023	2024
Residential Rent Revenue	6,769,949	7,074,552	7,377,966	7,525,525	7,676,036	7,829,557	7,986,148	8,145,871
Residential Vacancy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Miscellaneous Income	167,280	170,626	174,038	177,519	181,069	184,691	188,384	192,152
Miscellaneous Income (Discount)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commercial Rent Revenue	0	0	0	0	0	0	0	0
Commercial Rent Revenue (Vacancy)	0	0	0	0	0	0	0	0
Effective Gross Income	**6,590,368**	**6,891,379**	**7,191,129**	**7,334,952**	**7,481,651**	**7,631,384**	**7,783,910**	**7,939,588**
Operating Expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Replacement Reserve	[illegible]	[illegible]	[illegible]	[illegible]	(190,932)	(196,660)	(202,560)	(208,637)
Net Operating Income	**3,629,870**	**4,016,900**	**4,230,416**	**4,385,417**	**4,340,630**	**4,396,032**	**4,451,600**	**4,507,309**
DCHFA 1st Mortgage Debt Service	[illegible]	[illegible]	[illegible]	[illegible]	(2,867,000)	(3,555,456)	(3,555,456)	(3,555,456)
CF before Partnership Distribution	**1,610,870**	**1,997,800**	**2,211,316**	**1,418,417**	**1,473,630**	**840,576**	**896,144**	**951,853**
DCHFA 1st Mortgage Debt Service Cov Ratio	1.80	1.99	2.10	1.49	1.61	1.24	1.25	1.27

	2025	2026	2027	2028	2029	2030	2031
Residential Rent Revenue	8,308,788	8,474,964	8,644,463	8,817,352	8,993,699	9,173,573	9,357,045
Residential Vacancy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Miscellaneous Income	195,995	199,915	203,913	207,992	212,151	216,395	220,722
Miscellaneous Income (Discount)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commercial Rent Revenue	0	0	0	0	0	0	0
Commercial Rent Revenue (Vacancy)	0	0	0	0	0	0	0
Effective Gross Income	**8,098,360**	**8,260,347**	**8,425,554**	**8,594,068**	**8,765,947**	**8,941,266**	**9,120,091**
Operating Expenses	(3,566,916)	(3,673,924)	(3,784,142)	(3,897,666)	(4,014,596)	(4,135,034)	(4,259,065)
Replacement Reserve	(214,896)	(221,343)	(227,983)	(234,823)	(241,868)	(249,124)	(256,597)
Net Operating Income	**4,563,133**	**4,619,042**	**4,675,011**	**4,731,003**	**4,786,995**	**4,842,945**	**4,898,821**
DCHFA 1st Mortgage Debt Service	(3,555,456)	(3,555,456)	(3,555,456)	(3,555,456)	(3,555,456)	(3,555,456)	(3,555,455)
CF before Partnership Distribution	**1,007,676**	**1,063,587**	**1,119,555**	**1,175,549**	**1,231,539**	**1,287,489**	**1,343,366**
DCHFA 1st Mortgage Debt Service Cov Ratio	1.28	1.30	1.31	1.33	1.35	1.36	1.38

DCHFA Multifamily Cost Comparison Chart For Fort Chaplin Park Apartments

Development Name	# of Units	Building Size (SF)	Project Closing Year	Construction Type/ Infrastructure	Building Type	Bond Amount	Total Development Costs (TDC)	TDC / unit	Acquisition Costs	Acquisition Costs /Unit / Occupancy	Construction Costs	Construction Costs/Unit	Construction Cost Per SF
LOW/MID-RISE REHAB													
Fort Chaplin Park	**549**	**528,588**	**2016**	**Substantial Rehabilitation/ None**	**37 Low-rise building 28 townhomes**	**$61,000,000**	**$99,348,854**	**$180,963**	**$49,000,000**	**$8,925/ Occupied**	**$27,816,956**	**$50,668**	**$52.63**
The Atlantics	303	256,269	2016	Substantial Rehabilitation/ None	11 Garden style buildings	$34,400,000	$70,153,552	$231,529.87	$19,393,495	$64,005/ Occupied	$28,904,548	$95,394.55	$112.79
Ontario Court	27	29,532	2015	Moderate Rehabilitation/Private	Low-rise/3 stories	$4,810,000	$10,510,039	$389,260.70	$6,580,948	$243,739/ Occupied	$1,446,794	$53,584.96	$48.99
Brightwood Properties	140	89376	2014	Substantial Rehabilitation/Private	4 garden style buildings	$13,433,107	$26,719,427	$190,853.05	$10,000,000	$71,429/ Occupied	$9,321,524	$66,582.31	$104.30
Highland Dwellings	208	210,000	2014	Substantial Rehabilitation & New Const.	55 low-rise buildings	$35,950,000	$64,349,450	$309,372.36	$4,739,000	$22,783.65	$40,784,317	$196,078.45	$194.21
The Gregory Apartments	124	128,808	2014	Substantial Rehabilitation/ Private	9 low-rise buildings	$9,200,000	$19,786,277	$159,566.75	$5,960,000	$48,064.52	$8,165,480	$65,850.65	$63.39

Google Maps 4212 East Capitol St NE

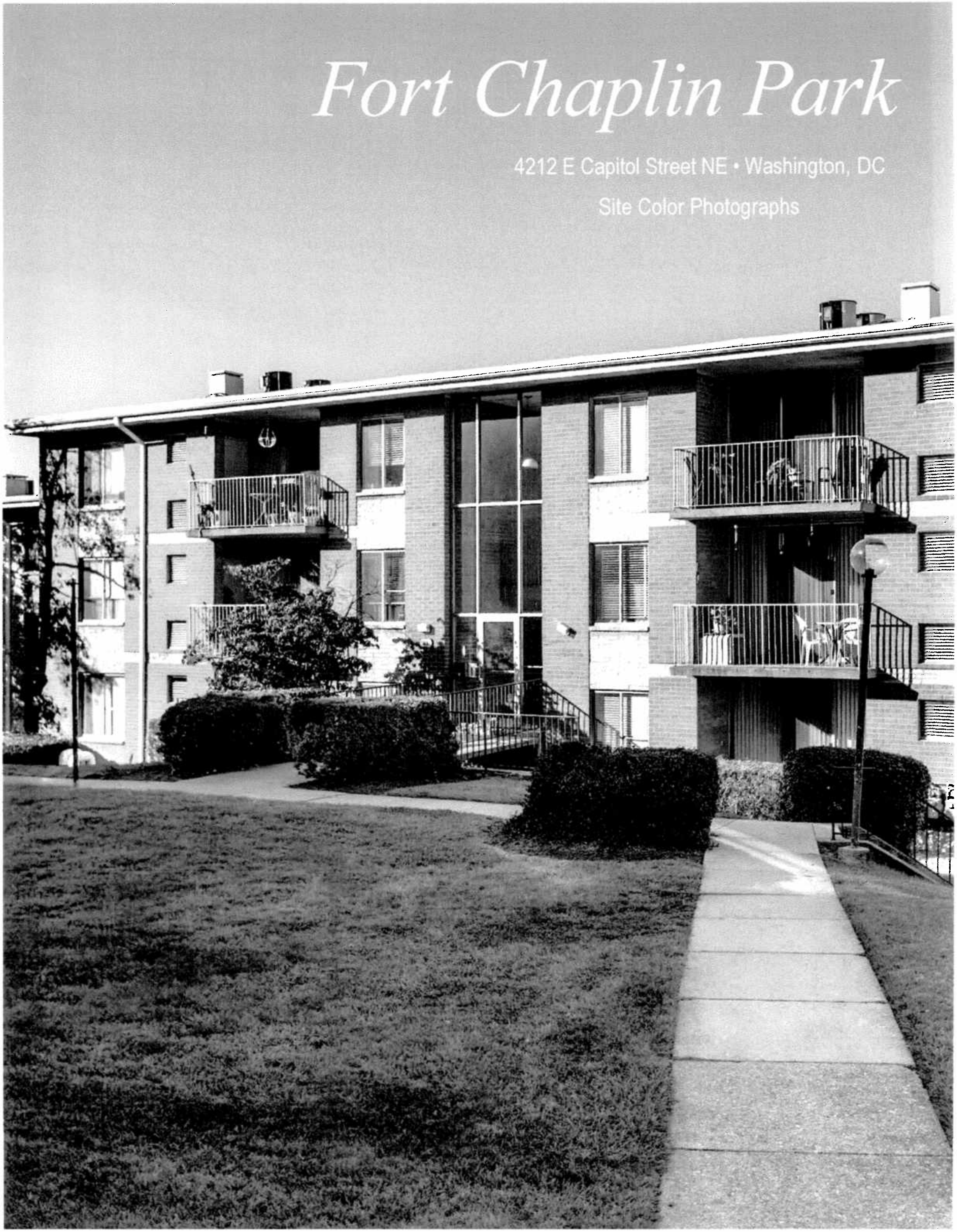
4212 East Capitol St NE
Washington, DC 20019

At this location

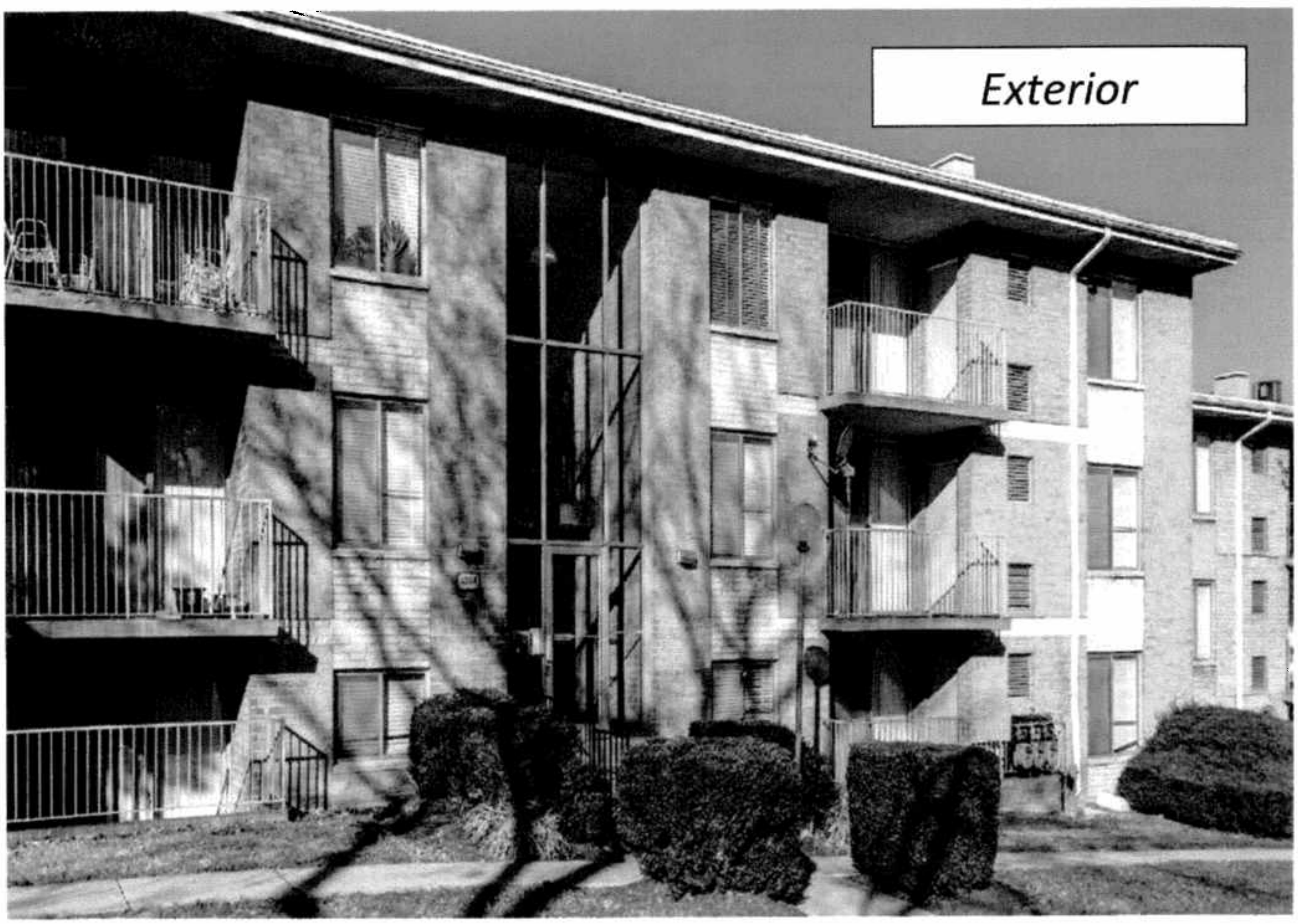
Fort Chaplin Park

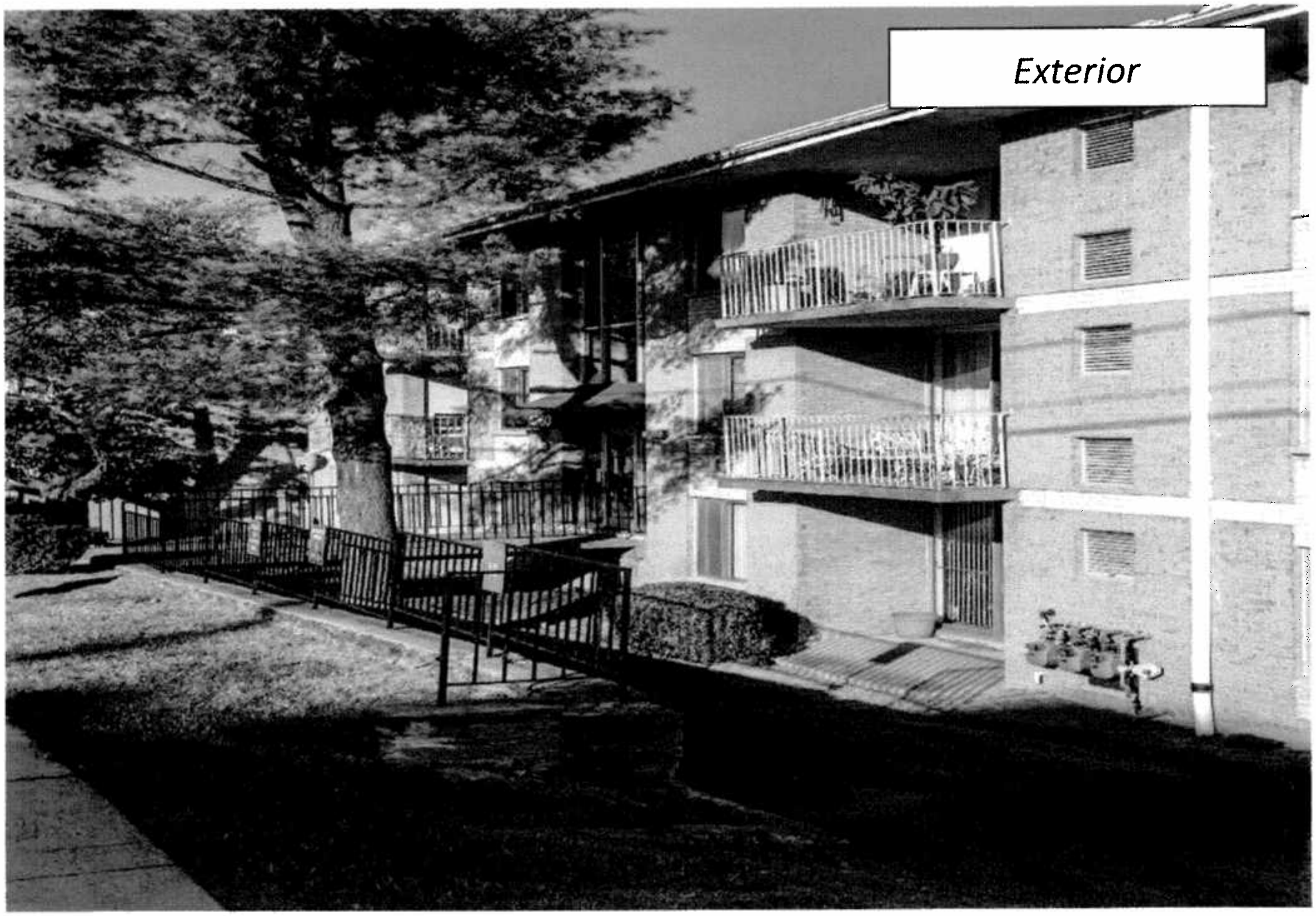
4212 E Capitol Street NE • Washington, DC

Site Color Photographs

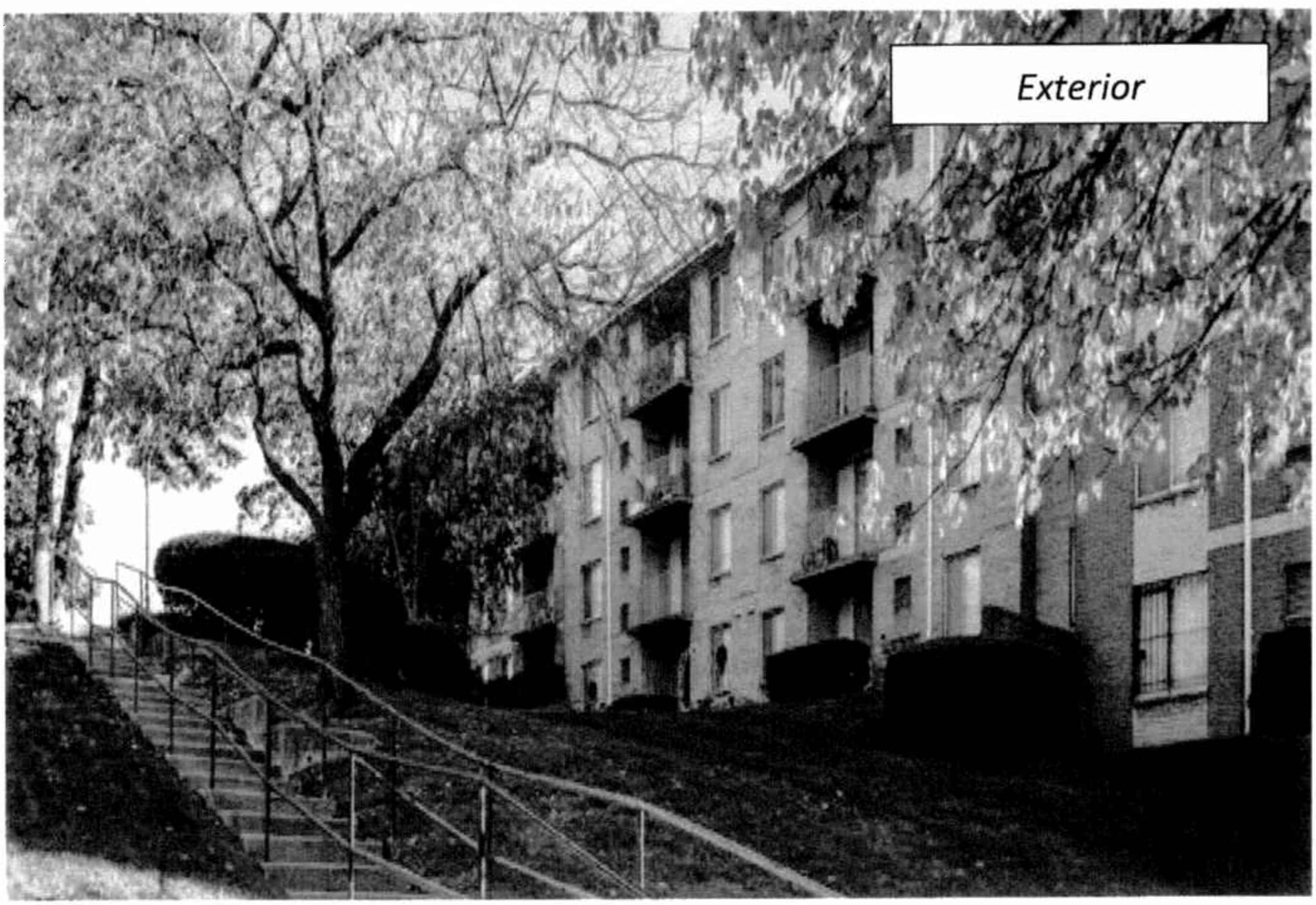


Entrance

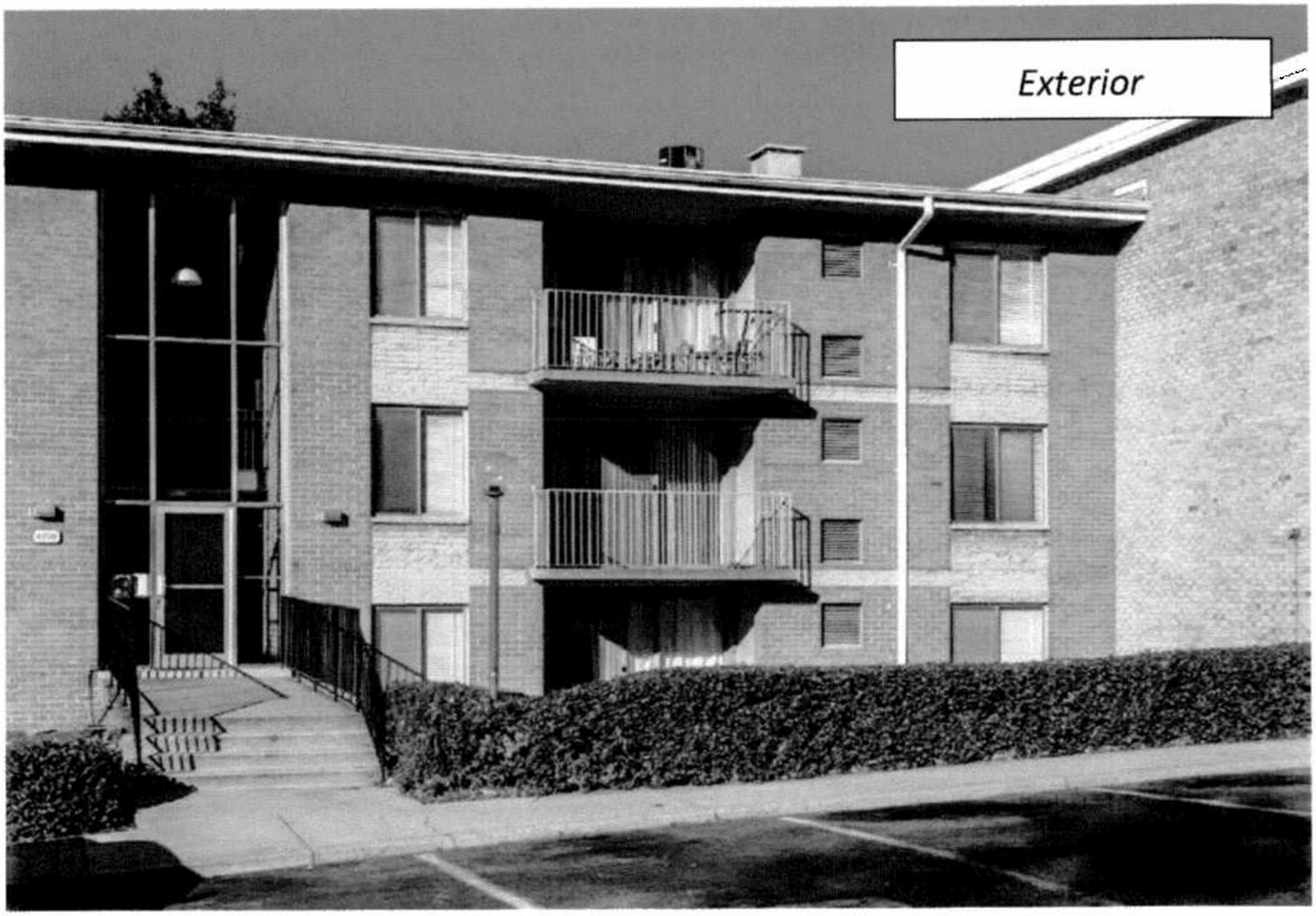

Exterior



Exterior



Exterior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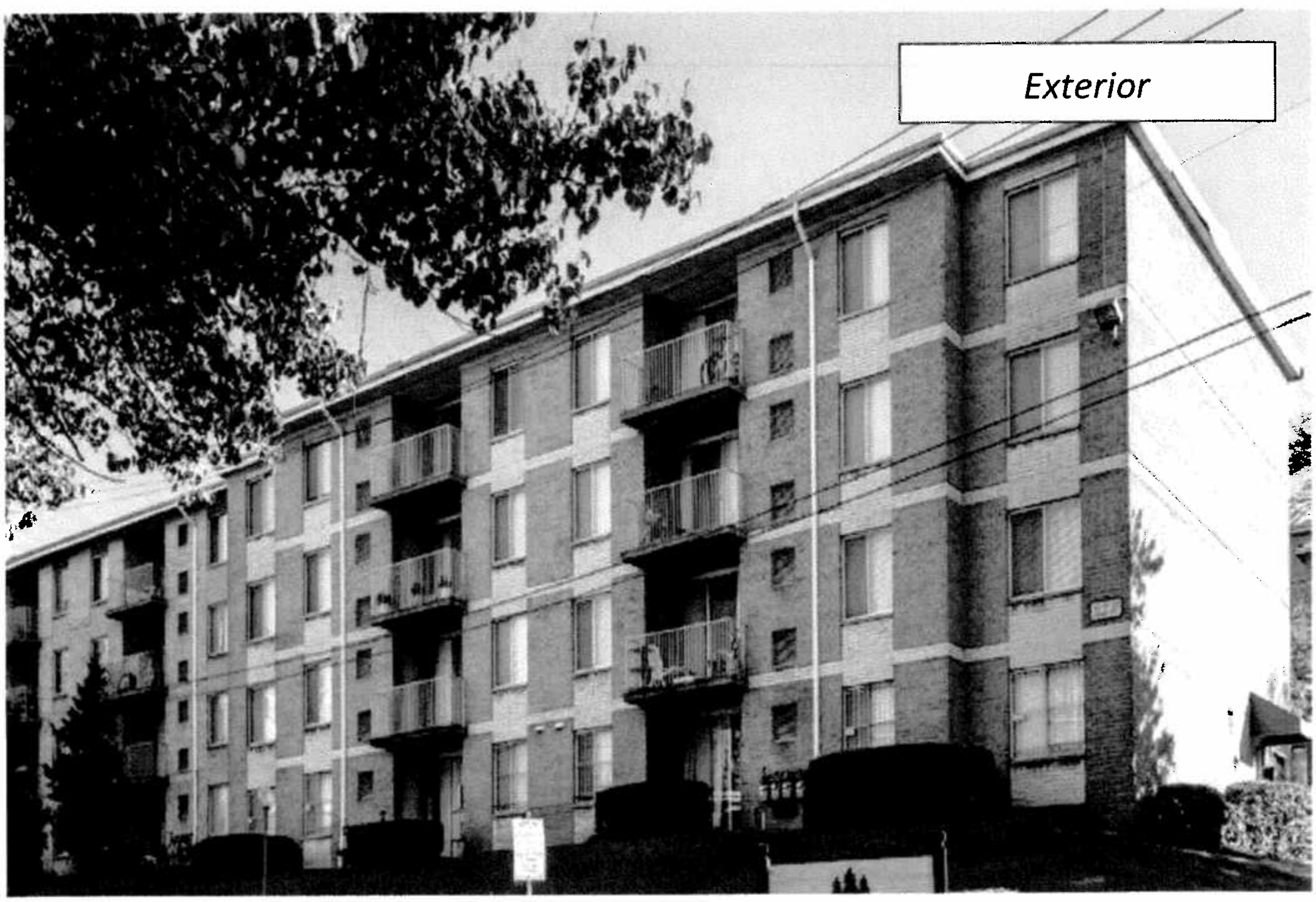
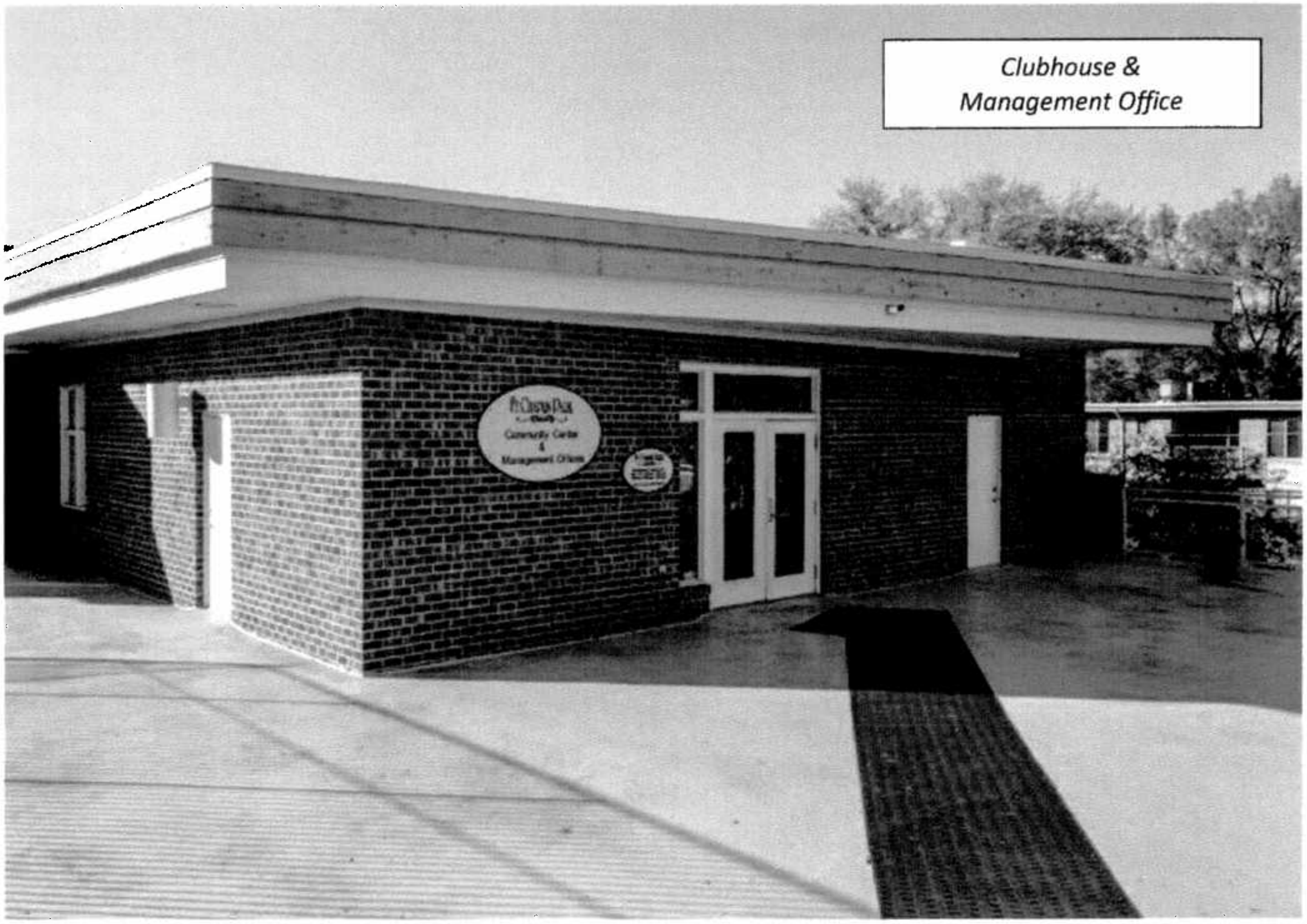
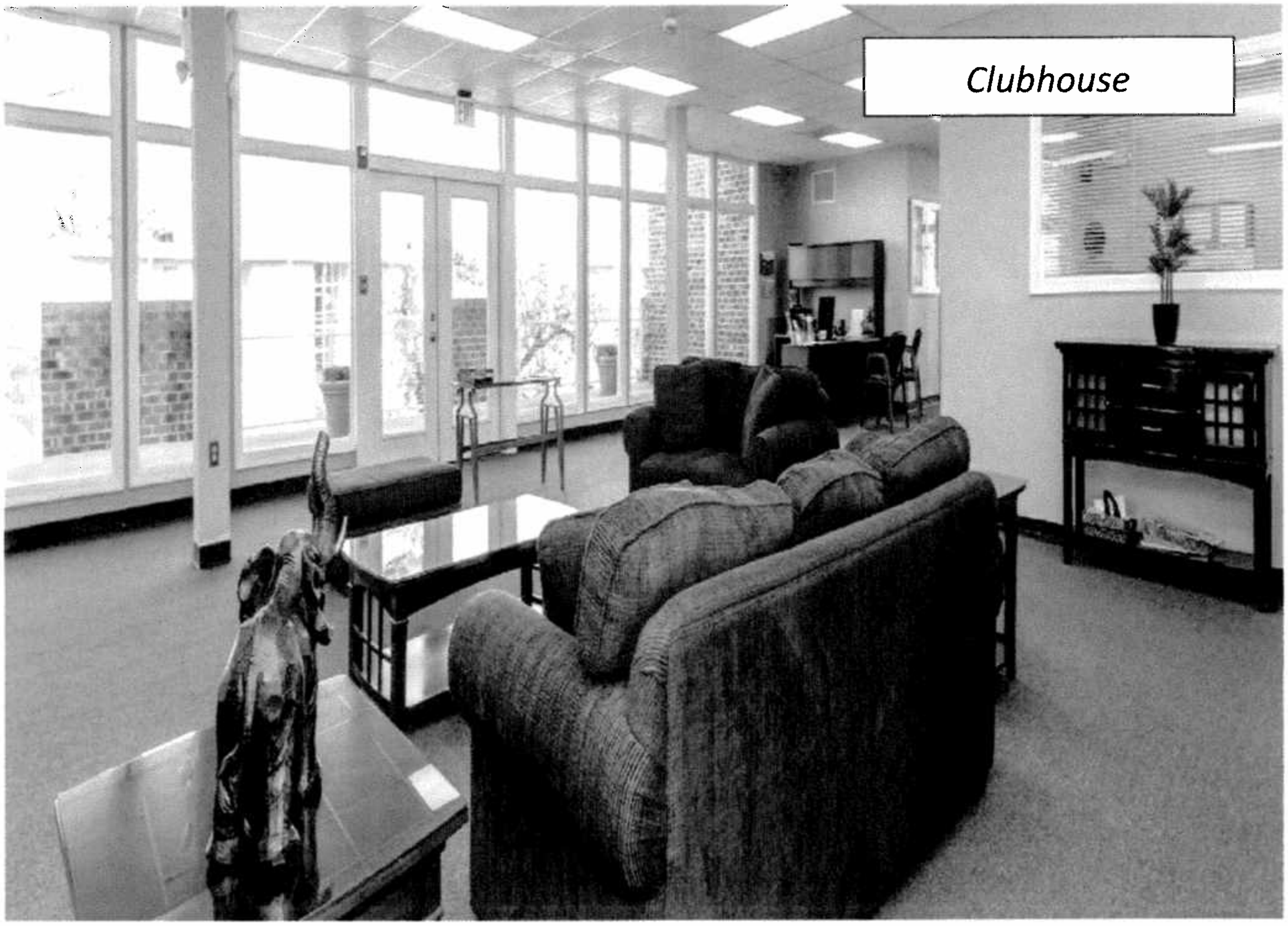
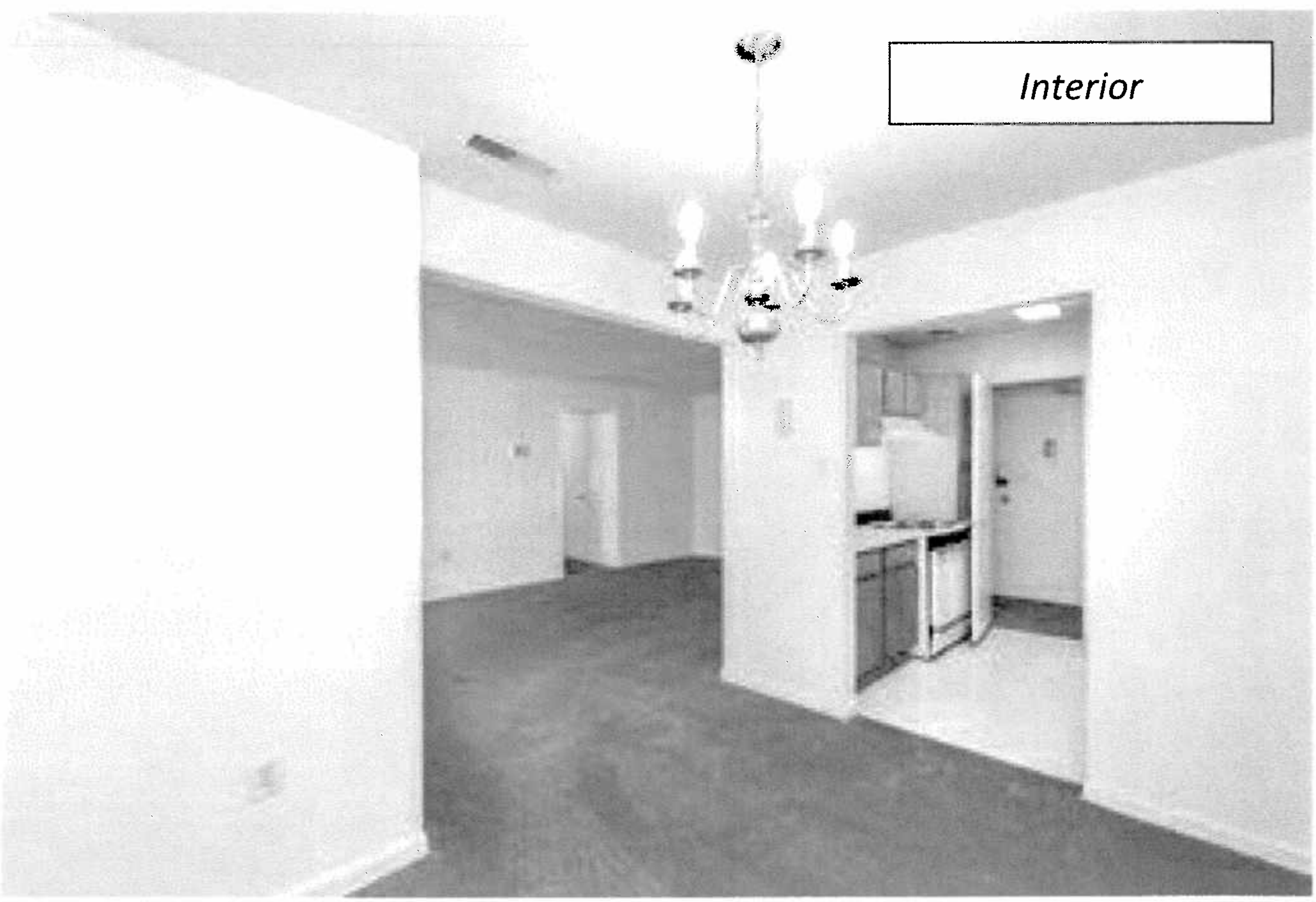
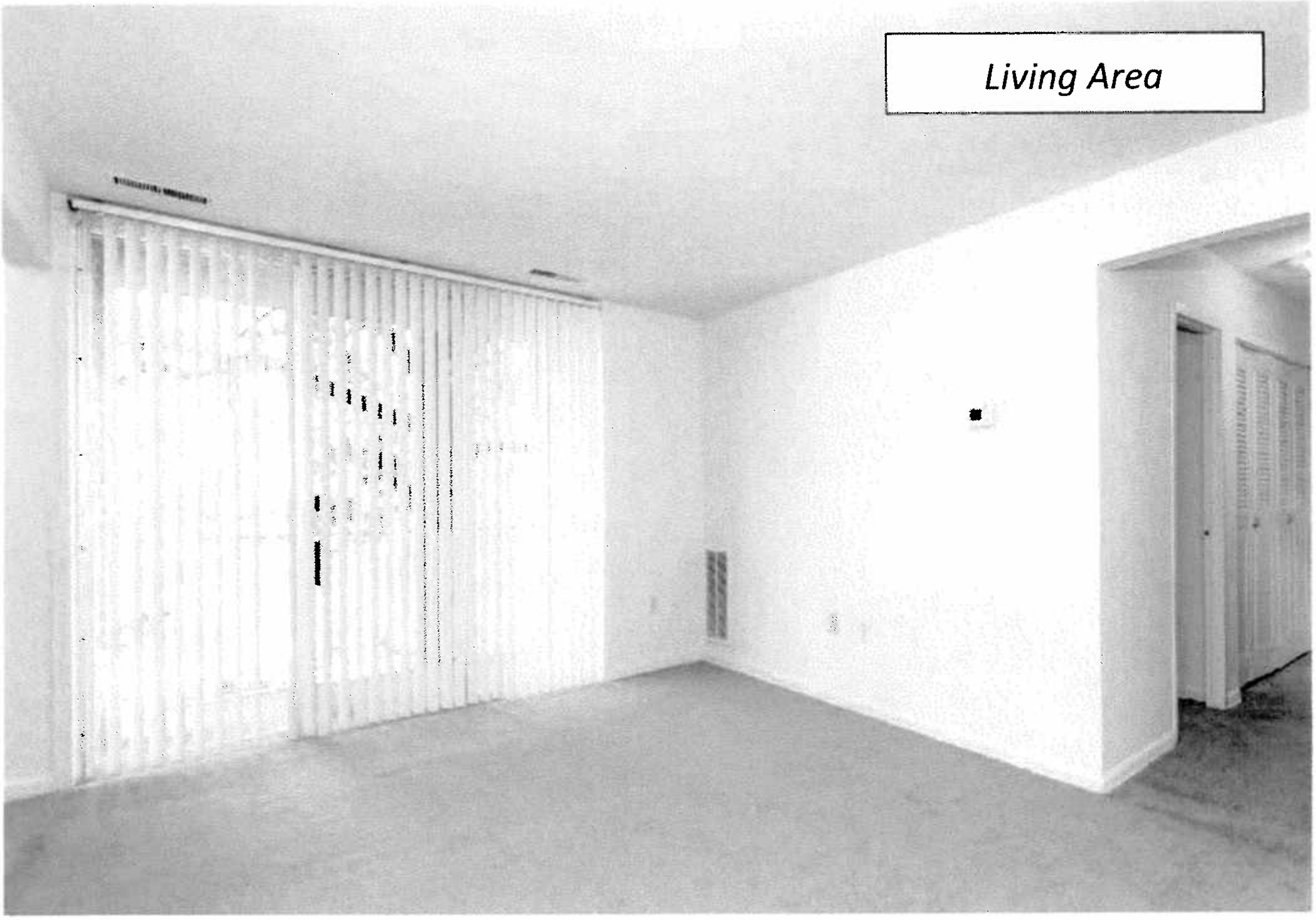

Exterior


Clubhouse & Management Office


Management Office


Clubhouse


Interior



Living Area

Kitchen

DCHFA Resolution No. 2016-16(G)
Regarding the Renewal of the
Contract with Goldblatt Martin Pozen
LLP to Serve as Outside Legal
Counsel to the Agency's Board of
Directors

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY RESOLUTION REGARDING THE RENEWAL OF THE CONTRACT WITH GOLDBLATT MARTIN POZEN LLP TO SERVE AS OUTSIDE LEGAL COUNSEL TO THE AGENCY'S BOARD OF DIRECTORS

WHEREAS, the District of Columbia Housing Finance Agency ("Agency") is a corporate body and an instrumentality of the District of Columbia which has a legal existence, separate from the District of Columbia and is empowered to act pursuant to the District of Columbia Housing Finance Agency Act (Chapter 27 of Title 42 of the District of Columbia Code, as amended) (the "Act");

WHEREAS, § 42.2703.01(7) of the Act, in pertinent part, provides that the Agency has the power to employ advisors, consultants, and agents, including but not limited to, financial advisors, appraisers, accountants and legal counsel, and to fix their compensation;

WHEREAS, on July 9, 2013, the Agency's Board of Directors (the "Board") adopted a resolution (DCHFA Resolution No. 2013-02(G)) regarding the selection of Goldblatt Martin Pozen LLP ("Goldblatt") as the firm to serve as outside legal counsel to the Agency's Board of Directors (the "Contract");

WHEREAS, Goldblatt has provided timely and efficient outside legal counsel services to the Agency's Board of Directors;

WHEREAS, in the past the Board has renewed the Contract on an annual basis; and

WHEREAS, the Agency and Goldblatt now desire to renew their Contract to continue the outside legal counsel services of Goldblatt to the Agency's Board of Directors for Fiscal Year 2017.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors (the "Board") of the Agency:

1. Based upon the favorable recommendation of the Executive Director, and upon due consideration, the Board hereby approves the renewal of the Contract with Goldblatt to provide outside legal counsel services for the Agency's Board of Directors to be billed at not more than Three Hundred Fifty Dollars ($350) per hour and shall not exceed Four Thousand Five Hundred Dollars ($4500) per month.
2. The Contract shall not exceed one (1) year.
3. This Resolution shall take effect immediately.

DCHFA Resolution No. 2016-16(G)

ADOPTED ON SEPTEMBER 28, 2016
AT A SPECIAL MEETING OF THE
BOARD OF DIRECTORS

ROLL CALL VOTE:

Buwa Binitie	:
Stephen M. Green	:
Scottie Irving	:
Stanley Jackson	:
Sheila Miller	:

____

Todd A. Lee
Secretary to the Board

DCHFA Resolution No. 2016-17(G)
Regarding the approval of the Agency's
revised Employee Handbook

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY RESOLUTION REGARDING THE APPROVAL OF THE AGENCY'S REVISED EMPLOYEE HANDBOOK

WHEREAS, the District of Columbia Housing Finance Agency ("Agency") is a corporate body and an instrumentality of the District of Columbia which has a legal existence, separate from the District of Columbia and is empowered to act pursuant to the District of Columbia Housing Finance Agency Act (Chapter 27 of Title 42 of the District of Columbia Code, as amended) (the "Act");

WHEREAS, § 42.2702.03(a) of the Act, in pertinent part, provides that the Executive Director of the Agency shall administer, manage and direct the affairs and activities of the Agency in accordance with the policies, control and direction of the Agency's Board of Directors (the "Board");

WHEREAS, on June 6, 2006 the Board approved DCHFA Resolution No. 2006-08(G) for a revised employee handbook (the "June 2006 Employee Handbook");

WHEREAS, Agency staff and outside employment counsel reviewed and evaluated the June 2006 Employee Handbook and revised and updated it as necessary;

WHEREAS, Agency staff recommends that the revised employee handbook (the "October 2016 Employee Handbook") be approved and the June 2006 Employee Handbook be rescinded; and

WHEREAS, Agency staff recommends that the October 2016 Employee Handbook take effect on October 1, 2016.

NOW THEREFORE, BE IT RESOLVED, by the Board of the Agency:

1. Based upon the favorable recommendation of the Executive Director, and upon due consideration, the Board hereby approves the October 2016 Employee Handbook.
2. The June 2006 Employee Handbook is hereby rescinded.
3. This Resolution shall take effect on October 1, 2016.

DCHFA Resolution No. 2016-17(G)

ADOPTED ON SEPTEMBER 28, 2016
AT A SPECIAL MEETING OF THE
BOARD OF DIRECTORS

ROLL CALL VOTE:

Buwa Binitie	:
Stephen M. Green	:
Scottie Irving	:
Stanley Jackson	:
Sheila Miller	:

____
Todd A. Lee
Secretary to the Board