

Response to request for qualifications

Morgan and Kimball Towers

SERVING
SENIORS



Response to Request for Qualifications for the Morgan and Kimball Towers

Cover Letter and Executive Summary

I. Experience and Qualifications

A. The Development Team

Serving Seniors
Managing general partner and service provider

Chelsea Investment Corporation
Developer

B. The Financing Team (see Appendix A for qualifications)

The Richman Group
Tax credit investor

Citi Community Capital
Construction and permanent lender

C. The Design Team (see Appendix A for qualifications)

Basis Architecture
Renovation architect

Joseph Wong Design Associates
New construction architect

Schmidt Design Group
Landscape architect

Ryan Young Interiors
Interior designer

Partner Energy
Efficiency, sustainability, LEED consultant

Everyday Energy
Renewable energy, solar consultant

Emmerson Construction
General contractor

D. The Services and Management Team (see Appendix A for qualifications)

San Ysidro Health Center
Service provider

Squire, Patton Boggs
Orlando Cabrera, HUD consultant / counsel

ConAm
Property manager

Overland, Pacific & Cutler
Relocation consultant

2. Leveraging
3. Financial Capacity
4. Operating Experience
5. Resident Services and Involvement

Appendix A: Team Qualifications

Appendix B: Developer Statement of Qualifications



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San Diego, CA 92101



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Carlsbad, CA 92008

May 12, 2016

Mr. Carlos Aguirre
Community Development Manager
City of National City
1243 National City Boulevard
National City, CA 91950

Dear Mr. Aguirre:

Serving Seniors and Chelsea Investment Corporation are very pleased to present our qualifications for the rehabilitation and recapitalization of the Morgan and Kimball Towers. We have assembled a development and design team that combines strong local knowledge and experience with nationwide resources and superior financial strength.

Our development team is led by Serving Seniors and Chelsea Investment Corporation, who have partnered together on several large senior projects in San Diego, with financial backing from The Richman Group, a multi-billion dollar national investor in affordable housing and Citi Community Capital, the nation's largest affordable housing lender.

Serving Seniors is the preeminent non-profit provider of meals, supportive services, learning, and affordable housing to low- and moderate-income seniors in San Diego County. Serving Seniors' President and CEO, Paul Downey, is a champion for seniors, having been invited by President Obama to participate in the White House Conference on Aging in 2015, and is currently serving as Chair of the California Commission on Aging. Under Paul's leadership, Serving Seniors has developed hundreds of apartments for low-income seniors and is responsible for development of the Gary and Mary West Senior Wellness Center, which was funded by a grant from the Gary and Mary West Foundation. The Wellness Center provides meals, health and supportive services, educational programs, and case-management—all at no cost to low-income seniors. If desired by National City, our development team would replicate all or a portion of the Wellness Center at the Towers, without cost to the City or its residents.

Chelsea Investment Corporation is the largest developer of affordable housing in San Diego, with more than 4,100 units of housing developed in the County, 25% of which are senior housing units. Chelsea has longstanding and close relationships with the nation's leading community investment firms, including Citi, US Bank, Bank of America, the Richman Group, and Raymond James. In all, Chelsea has developed almost 10,000 affordable units and raised over \$1.7 billion of affordable housing financing. In addition to Serving Seniors, Chelsea has

partnered with many non-profit organizations and municipalities, including the City of San Diego's Housing Development Partners, Father Joe's Villages, the Alpha Project, North County Solutions for Change (serving families experiencing homelessness), and the Southern California Housing Collaborative (serving those with developmental disabilities).

To complement our development expertise, we have teamed with two of the nation's top affordable financing firms. Citi Community Capital is the community lending and investing division of Citigroup, a global financial powerhouse with over \$1.7 trillion in assets. Citi has been the nation's leading affordable housing lender for nine of the last ten years, including last year, where they made nearly \$5 billion in affordable housing loans. Citi has provided funding for hundreds of urban senior housing rehabilitation projects with HUD HAP contracts, making them the ideal lender for the Morgan and Kimball Towers.

The Richman Group was founded shortly after the Low Income Housing Tax Credit program was established in 1986. Over the decades, Richman has become the premier sponsor of affordable housing investments, with over \$10 billion in equity raised from over 100 investors. Richman has invested in over 1,500 affordable housing projects, spanning 49 states, and has itself developed nearly 20,000 residential units.

In what could serve as a model for the Morgan and Kimball Towers, Serving Seniors and Chelsea Investment Corporation recently completed an extensive rehabilitation of Westminster Manor, a 16-story, 152-unit senior apartment tower in downtown San Diego, originally built in 1971. We secured a 20-year HUD Project-Based Section 8 contract, which, combined with an allocation of noncompetitive tax credits, allowed for \$12 million of rehabilitation and a strong balance sheet that will ensure long-term feasibility. The project underwent substantial renovation updating fire and security systems, asbestos abatement, sewer and water line repair, roofing, sound insulated windows, balcony resurfacing, exterior paint, full interior remodel of units and common areas, expanded community room and laundry facilities, new computer room and library, and improved outdoor recreation space.

The development, design, services, and property-management team we have assembled for the Morgan and Kimball Towers is substantially the same as the team that completed Westminster Manor. From the moment we are selected—and extending through the entire operating phase of the project—we will treat National City and the residents of the Morgan and Kimball Towers as our clients. Their vision and goals are ours. Collectively, we are prepared to deliver all of the following:

1. We will bring an array of services on-site that make the Morgan and Kimball Towers a model for senior living, not least a unique joint venture with San Ysidro Health Center, which will bring on-site health services that complement the social services that have made Serving Seniors a national model.
2. We will secure funding that ensures long-term affordability of every unit and preserves the towers as City-owned assets under a long-term ground lease.

3. We will work closely with National City to establish a local outreach program that ensures local hiring—during construction and after.
4. We will renovate both towers to the highest standard, with state-of-the-art efficiency and sustainability features, making them a showcase development on par with the best affordable and market-rate projects anywhere in the region.
5. We will conduct focus groups with existing and prospective tenants, ensuring that the housing and services deliver exactly what is needed.
6. If additional units are desired by the City, we have the team in place to design, finance, build, and manage them. Our team believes the rehabilitation of the Morgan and Kimball Towers will serve as a catalyst for additional redevelopment in the neighborhood, and we are prepared to work with the City to achieve that vision, as well.
7. We will recapitalize the George Waters Nutrition Center to preserve the City's ownership and control while eliminating the need for continued general-fund subsidy.

Serving Seniors and Chelsea Investment Corporation were selected when the City sought proposals for the Towers in 2013, before the project was terminated due to the elimination of the state's redevelopment agencies. Today, our team offers the City a complete renovation of the Towers, a transformation of the lives of the residents, and the development of a Wellness Center on premises, all at no cost to the City.

While we are very proud of our résumé of successful affordable housing development, we are even more proud of our programs for relocation of residents during the rehabilitation of their homes and of the life-sustaining services provided by Serving Seniors when they return to their new homes. That is, ultimately, the true measure of our success.

We look forward to working with National City to bring this project to fruition. Should you have any questions as you review our qualifications, please do not hesitate to contact either of us.

Sincerely,

Paul Downey
President and Chief Executive Officer
Serving Seniors

James J. Schmid
Chief Executive Officer
Chelsea Investment Corporation

Executive Summary

The following summarizes our proposal for the rehabilitation and recapitalization of the Kimball and Morgan Towers by a joint venture consisting of Serving Seniors and Chelsea Investment Corporation (“SS/CIC”):

1. SS/CIC will not request or require a cash contribution or other subsidy from the City. We will accomplish the City’s stated goals by leveraging the value of the Morgan and Kimball Towers (the “Towers”) with other financing for affordable housing, including the following:
 - a. Low Income Housing Tax Credits
 - b. Tax-exempt private-activity bonds
 - c. Vouchers and/or Housing Assistance Payment contracts
 - d. Loans and grants from other private, state, or federal sources
2. SS/CIC will bring fully renovated, state-of-the-art, and service-enriched housing to the current and future residents of the Towers. We have a Memorandum of Understanding with San Ysidro Health Center, which will allow us to combine health and social services in a way that will make the Towers a model for senior housing.
3. SS/CIC will purchase the Towers from the City of National City for the appraised value of the improvements, and subject to a ground lease of the site where the Towers are located (excluding any portion of the site that the City wishes to retain). In our recent rehabilitation of the Westminster Manor project which is very comparable to the each of the Towers, we purchased the improvements for approximately \$28 million, with \$8 million in cash paid to the owner at the close of escrow and with a \$20 million note to the seller. We will endeavor to provide comparable financial benefits to the City. In addition, SS/CIC expects to pay ground-lease rent to the City from the net operating income of the Towers, in an amount that will depend on the level of rehabilitation of the Towers and the level of services provided by Serving Seniors, all as approved by the City.
4. The Towers will be significantly rehabilitated to improve the livability, safety, energy efficiency and modernization of the units, the building systems, and landscaping—all to standards approved by the City. SS/CIC will extend both the useful life of the Towers and the affordability covenants (at or below 50% of AMI) on the Towers for twenty years or more, all to standards reasonably acceptable to the City.
5. Using our experience from the Westminster Manor project, SS/CIC will provide the residents with concierge and relocation services to minimize the disruption of their lives and possessions during the renovation process and with a full menu of supportive services for the residents (as approved by the City) upon their return to their living units.

6. SS/CIC understands that the City intends to continue to manage and operate the George Waters Nutrition Center. Using funds generated from the operation of the Towers, SS/CIC will eliminate the need for the City to subsidize the Nutrition Center from its general fund.
7. If requested by the City, SS/CIC will fund a study, based on the City's requirements, and will develop additional affordable seniors units on the site to increase the City's supply of affordable housing, as suggested in the RFQ.
8. SS/CIC, together with our financial partners at Citibank, the nation's largest affordable housing lender, and The Richman Group, a multibillion investor in low income housing tax credit and HAP contract projects, we have the experience and financial capacity needed to accomplish the foregoing to the complete satisfaction of the City and of the current and future residents of the Towers.

I. Experience and Qualifications

Development Team

Serving Seniors

Serving Seniors is transforming the aging experience for low income seniors in San Diego with our highly successful and innovative programs that help seniors live independently for as long as possible.

Since 1970, Serving Seniors has been the leading provider of programs and services for low-income seniors in San Diego County. We are the only organization in San Diego, and one of the few in the country, that provide such a broad base of vital services to a vulnerable, at-risk population of older adults. Our innovative approach to providing wrap-around services—including nutrition, case management, health education, housing, and lifelong learning—has earned national recognition as a model for keeping seniors healthy and independent.

Through our continuum-of-care model, we provide nutritious meals, health education, social services, case management, affordable supportive housing and lifelong learning opportunities. Each program plays a critical role in our mission of helping seniors live healthy and fulfilling lives.

In addition to two affordable senior residences developed in partnership with Chelsea Investment Corporation, Serving Seniors created the Gary and Mary West Senior Wellness Center (GMWSWC) as a state-of-the-art one-stop wellness center for low-income seniors in downtown San Diego. The wellness center is a “hub” for senior services. There is plenty of room for activities, and opportunities for socialization to keep minds and bodies active and healthy, including fitness, art, music, and special interests such as cooking or photography. Additionally, the wellness center has a Cyber Café with computer access for personal, educational, or recreational use that features high-school-age mentors/trainers to work with the seniors. Located at 4th Avenue and Beech Street in San Diego, California, the wellness center is an innovative mix of traditional services and state-of-the-art programs designed to meet the needs of a growing and increasingly diverse older adult population.

The building has five main areas:

1. The Nutrition Center

The Nutrition Center serves two daily meals in several congregate sittings, served by helpful volunteers.

2. The Center for Healthy Aging

The Center for Healthy Aging is located on the second floor and facilitates the efficient delivery of a variety of holistic health and wellness services to seniors who might not otherwise have access to them.

3. The Lifelong Learning Institute

The Lifelong Learning Institute offers no-cost or low-cost opportunities for older adults to remain physically and mentally active. The Institute features two state-of-the-art spaces – Cyber Café and the Enrichment Center, providing a variety of senior-focused activities designed to improve the quality of life for seniors of all ages and abilities. Civic engagement and volunteer opportunities play a large role in this effort. The Cyber Café is a fun, open, and uplifting area where seniors have access to computers offering Email, Internet and other programs. Those with no computer experience learn how to use them, while tech-savvy seniors enjoy the opportunity to jump online and do what they want to do. The Enrichment Center is a versatile room with space to hold large groups for a lecture or seminar, and small groups for interest-specific activities.

4. The Gathering Place

The Gathering Place is just that – a comfortable place to socialize, read the paper, play cards, work a crossword puzzle, or simply sit and watch life unfold. Those with a desire for more active games such as chess or checkers will enjoy the Game Room located nearby.

5. The Dental Center

As the relation between oral health and overall well-being is being better understood, the Gary and Mary West Senior Dental Center (opening in within the next few weeks) will provide dental care for seniors at very low, or even no, cost.

References

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Chelsea Investment Corporation

Chelsea Investment Corporation was organized in 1984, and has focused on affordable housing since 1992. We provide financial engineering, development, asset management and property management services to our clients and specialize in partnering with service-oriented not-for-profit organizations to provide affordable housing to their clients. We are experts in the affordable housing sector as a result of the hard work of our team of professionals who identify and implement timely and cost effective solutions to the many challenges of the affordable housing market niche.

Since 1992, Chelsea has developed nearly 10,000 affordable units, at a cost of nearly \$1.7 billion. Chelsea surpasses the level of experience necessary to develop affordable housing in today's complex financing environment. Chelsea has extensive experience in financing suburban, urban infill, rural, inclusionary, redevelopment, and acquisition-rehabilitation projects. Of the 10,000 apartment homes developed, 2,435 are located in urban infill environments, 3,399 are located in suburban environments, and 1,847 are located in rural areas. Approximately 2,800 have satisfied inclusionary obligations, 1,400 units are in senior projects, and 1,300 units are supportive housing.

Additionally, Chelsea has developed ten separate projects through acquisition and rehabilitation. Many of the projects have been developed using soft residual receipts loans through public-private partnerships with local jurisdictions. We have been selected by numerous public agencies because we understand and have always met their two main objectives: on-time and on-budget delivery of quality housing.

We have received numerous honors and awards for our work in affordable housing. In 2015 we were recognized as the Builder of the Year by the Building Industry Association of San Diego, in a competition that included developers of market-rate and affordable housing. Our Alpha Square project, which is described later in this response, was recognized as the Affordable Housing Project of the Year. We are annually acknowledged to place in the Top 50 Affordable Housing Developers in the country by Affordable Housing Finance magazine.

References

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Sustainability

Chelsea Investment Corporation

Chelsea is committed to incorporating sustainable elements into all of our projects, resulting in healthier, environmentally conscious homes for our residents. We implement renewable energy systems, energy-efficient appliances and lighting, low-water landscaping, and renewable materials.

In the last three years, Chelsea has developed and built nine LEED Gold- or Platinum-certified apartment communities throughout Southern California. Through good planning and effective management, Emmerson Construction, our in-house general contractor, has built these apartment communities to include such features as recycling/diverting more than half of construction waste and generating onsite renewable energy to offset the project's energy consumption. One of Chelsea's consultants, Brett Tullis with Sillman Wright Architects, noted that, "Chelsea's approach to sustainable design made it easy for us to work within the LEED Criteria." Indeed, we often far exceed the original LEED criteria specified during predevelopment.

Serving Seniors – The Gary and Mary West Senior Wellness Center

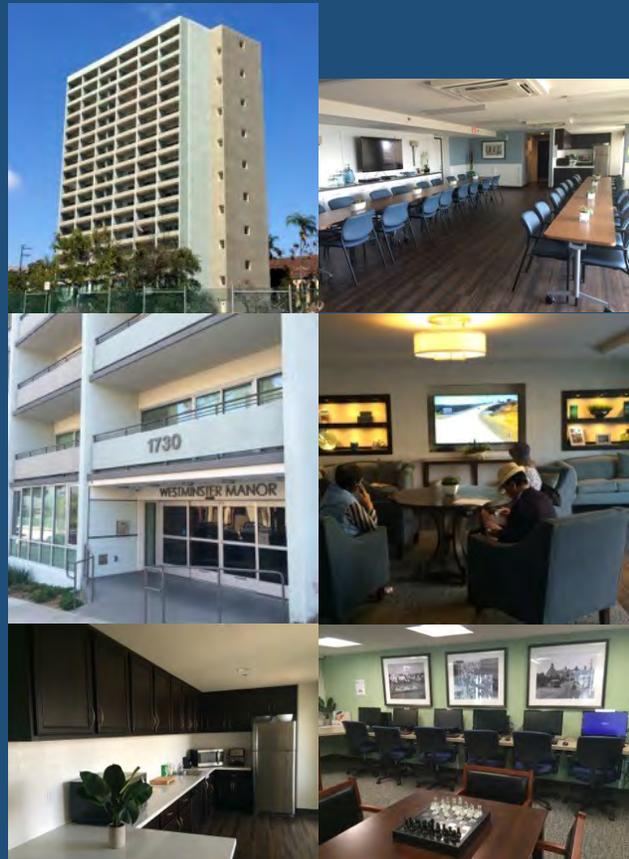
Originally built as an auto dealership in 1937, this 20,253 square foot building remodel is located in downtown San Diego and consists of a seismic retrofit, a 4,500-square-foot second-floor addition, and complete retrofit of the building exterior. New mechanical, plumbing and electrical systems resulted in exceeding the state's already stringent Title 24 efficiency standards by 45%. The building also achieved LEED Gold certification by the U.S. Green Building Council.

Among the sustainability features implemented during and after construction are:

- Parking spaces are reserved for low-emission and fuel-efficient vehicles, as well as ride-sharing.
- 95% of construction waste was recycled, and recycling facilities are located throughout the building.
- Landscaping incorporates recycled materials and low- or no-water plant substitutes.
- The concrete walls are made of locally harvested components.
- The building utilizes a urethane foam roofing system. Heating and cooling power use has been reduced through super-high efficiency, rooftop package units with gas heating and state-of-the-art "smart" thermostats.
- Overall building water use was reduced by half when compared to similar buildings. This equates to an annual water savings of 30,000 gallons per year.
- Natural daylighting provides most daytime lighting needs in the dining hall, offices, and recreation rooms.
- High efficiency lighting systems reduce building energy consumption by 27%.

Westminster Manor

Serving Seniors ▪ Chelsea Investment Corporation ▪ Emmerson Construction ▪ Basis Architecture
Overland, Pacific & Cutler ▪ Everyday Energy ▪ Partner Energy ▪ The Richman Group ▪ ConAm



1730 3rd Avenue, San Diego

Rehabilitation of a 16-story senior-housing tower with HUD HAP contract

Developer	Chelsea Investment Corporation
Project Cost	\$53,000,000
Completion Date	2015
Lender	Union Bank
Investor	The Richman Group
Total Units	152

Units	Type	Size
91	Studio	380 SF
61	1 - BR	529 SF

Westminster Manor is a 152-unit senior high-rise renovation comprised of studio and 1-bedroom units. The Project underwent a substantial renovation to the fire and security systems, asbestos abatement, sewer and water line repair, new roof, sound-insulated windows, balcony resurfacing, exterior paint, full interior remodel of units and common areas, expanded community room and laundry facilities, new computer room and library, and improved outdoor recreation space.

Westminster Manor consists of a single sixteen-story building with reception and lobby areas, a community room, outdoor patio, and laundry and storage rooms. There is a combination of on-site and adjacent surface parking with 29 parking spaces. The \$53 million development was financed with 4% LIHTCs, tax-exempt bonds, and a seller note.

Westminster Manor is representative of a large-scale rehabilitation and refinancing development undertaken by the development team, including Serving Seniors, Chelsea Investment Corporation, The Richman Group, Emmerson Construction, ConAm, Basis Architecture, and Overland, Pacific & Cutler (OPC).

Potiker Family Senior Residence

Serving Seniors • Chelsea Investment Corporation



525 14th Street, San Diego

*New construction of 3 & 5 story,
200 unit affordable, SRO apartments*

Developer	Chelsea Investment Corporation
Project Cost	\$19,209,309
Completion Date	2002
Lender	Bank of America
Investor	Simpson Housing Solutions
Total Units	200

Units	Type	Size
200	Studio	380 SF

Potiker Family Senior Residence (PFSR), opened in 2002, is comprised of 200 studio units. All units at PFSR serve as affordable housing for impoverished and at-risk elderly residents. All residents must qualify based on their income (which is lower than 35 percent to 45 percent of the Area Median Income). Serving Seniors is the Managing General Partner of Market Square Manor Associates, LP. PFSR provides residents with an economical, safe place to live with a full continuum of services designed to meet the needs of this particular population.

PFSR has a 7,800 square foot park, a fitness room, social/recreation room, television room, dining room and activities room. Laundry facilities are provided and the facility is fully accessible.

Potiker City Heights Residence

Serving Seniors • Chelsea Investment Corporation



4065 43rd Street, San Diego

*New construction of 5 story,
150 unit affordable, SRO and 1
-bedroom apartments*

Developer	Chelsea Investment Corporation
Project Cost	\$32,734,405
Completion Date	2006
Lender	Red Mortgage Capital, Inc.
Investor	Red Capital Markets, Inc.
Total Units	150

Units	Type	Size
71	Studio	340 SF
79	1-BR	500 SF
1	2-BR	1,096 SF

Potiker City Heights Residence (PCHR) boasts a variety of supportive amenities and “green” eco-friendly features to help save costs, protect the environment, and give seniors a safe and comfortable place to live. PCHR provides easy access to services, which are vital to the health and safety of its residents. In addition to the nutrition, medical, and mental health services provided on-site, residents have access to the surrounding community with bus stops, pharmacies, health clinics and shopping centers nearby.

Qualifying residents must be older than 62-years of age and have an annual income less than 30 percent to 45 percent of the Area Median Income. The building features laundry facilities, a computer lab and library, underground parking and an outdoor park. PCHR has 71 studio units, 79 one bedroom units and one two-bedroom manager’s unit.

The building’ energy-efficient and environmentally friendly features include a high-efficiency heating and cooling system, the use of many recycled materials, energy-saving windows and light bulbs, and roof-mounted solar panels, which help lower energy usage and costs.

Alpha Square

Chelsea Investment Corporation ▪ Emmerson Construction ▪ Joseph Wong Design Associates



550 14th Street, San Diego

New construction of 6 story, 203 unit affordable, SRO apartments with 5,400 square feet of ground floor retail

Developer	Chelsea Investment Corporation
Project Cost	\$46,966,416
Completion Date	2015
Lender	U.S. Bank
Investor	U.S. Bank
Total Units	203

Units	Type	Size
185	Studio	250 SF
16	Studio	350 SF
2	2- BR	750 SF

Alpha Square is a mixed-use new construction development producing 203 high efficiency micro-apartment units between 250 and 350 square feet, developed by Chelsea Investment Corporation for the Alpha Project, a non-profit organization serving homeless individuals. The Project is vertically subdivided into two legal parcels to allow for a split ownership and financing structure utilizing 9% low income housing tax credits for 150 of the residential units and 4% low income housing tax credits for the remaining 53 units.

Alpha Square consists of a single six-story building with a five-story Type IIIA residential structure above a Type I ground floor concrete podium deck. There is a single level of subterranean parking with 34 parking spaces. The ground floor includes two retail spaces at the corner of Market Street and 14th. The \$47 million development is financed with both 4% and 9% LIHTCs, tax exempt bonds, a \$1 per year ground lease and \$17.6 million residual receipts loan from the City of San Diego.

Alpha Square is representative of a large scale mixed use development undertaken by the development team, including; Chelsea Investment Corporation, Joseph Wong Design Associates, and Emmerson Construction.

Estrella del Mercado

Chelsea Investment Corporation ▪ Emmerson Construction ▪ Citi Community Capital ▪ ConAm



1985 National Avenue, San Diego

New construction of 5 story, 92 unit affordable, family apartments with 48,000 SF of ground floor commercial space

Developer	Chelsea Investment Corporation
Project Cost	\$64,112,391
Completion Date	2012
Lender	Citi Community Capital
Investor	Raymond James
Total Units	92

Units	Type	Size
19	1 - BR	550 SF
40	2 - BR	876 SF
33	3 - BR	1,010 SF

Mercado del Barrio was awarded the California APA Award of Excellence and was a 2013 San Diego Housing Federation Ruby Award winner. Mercado del Barrio features 92 housing units above 48,000 square feet of retail space, all wrapped around a secured parking structure. Additional retail and restaurants, as well as a 35,000-square-foot Northgate González Market, are part of this iconic mixed-use development. At the grand opening, residents of Barrio Logan spoke of waiting decades for such a revitalizing project to be built in their neighborhood.

15th & Commercial

Chelsea Investment Corporation ▪ Joseph Wong Design Associates ▪ The Richman Group



New construction of 12 story, 140 unit affordable, family apartments with 30,000 SF of commercial space

Developer	Chelsea Investment Corporation
Project Cost	\$62,000,000
Completion Date	2011
Lender	U.S. Bank
Investor	The Richman Group
Total Units	140

Units	Type	Size
140	Studio	250 SF

1506 Commercial Street, San Diego

15th and Commercial is a mixed-use 12-story high-rise developed by Chelsea Investment Corporation and owned and operated by Father Joe's Villages. The project includes three distinct uses in a single building. Floors 1-3 are a child-care center, floors 4-7 are transitional housing, and floors 8-11 are 64 units of supportive housing. In addition, the project includes event space, underground parking, TV and computer rooms, and a gymnasium.

Chelsea worked very closely with Father Joe's Villages to create an affordable housing project that will complement the surrounding mixed-use development. The project closed its financing in 2010 and completed construction in March 2011. It was constructed using fourteen different financing sources and has no permanent debt. Chelsea secured an extensive array of financing for the \$57,000,000 project by leveraging a significant amount of Redevelopment and Housing Commission funding with 9% tax credit equity.

2. Leveraging

Approach to Structuring the Public / Private Finance Plan

Most of the members of the development and design team that we have assembled for the rehabilitation and recapitalization of the Morgan and Kimball Towers recently collaborated on Westminster Manor, a 150-unit high-rise senior housing rehabilitation project in downtown San Diego.

We envision that the financing plan for the Morgan and Kimball Towers will be very similar to Westminster Manor. We expect that the public / private finance plan will include the following elements:

1. The value of the Towers, as determined by an appraisal, will be very significant and will allow us to use the 4% low income housing tax credit to raise Tax Credit Equity for the project. The 4% credit is readily available, so the timing of the project can be determined with certainty.
2. We will purchase the Towers from the City at the appraised value, pursuant to a purchase agreement with the City.
3. In order to assure the City's long term control of the Towers, we will lease the land underlying the Towers from the City under the terms of a ground lease that will be negotiated with the City.
4. The net operating income of the project will include rent paid by the residents and rental assistance from HUD in the form of one or more Housing Assistance Payment contracts from HUD and/or vouchers to assist residents with the payment of their rent. We anticipate that the use of these financing tools will materially increase the amount of net operating income from the Towers (while at the same time assuring the long-term affordability of the project for low-income seniors).
5. The net operating income of the Towers will also be increased by reducing the operating expenses of the project from improved energy efficiency and improvement of building systems that are repaired or replaced under the rehabilitation program that we will develop in collaboration with the City.
6. We will be able to leverage the enhanced net operating income of the Towers to obtain new Permanent Debt Financing that will be repaid solely from the net operating income of the Towers, and not from the City of National City.
7. We will apply for any third-party subsidies that may be available for the project. In particular, we have been very successful in obtaining Affordable Housing Program

grants from the Federal Loan Bank of San Francisco for similar senior projects. Specifically, we have obtained some \$17 million of AHP funds in recent years. We will apply for any Grants for which the Towers might qualify.

8. We anticipate that the financing sources we obtain (comprised of Tax Credit Equity, Permanent Debt Financing, and Grants) will be used as follows:
 - a. Purchase of the Towers from the City at the appraised value of the improvements. It is likely that the City will have to take a portion of the purchase price in the form of a seller note.
 - b. Repair, rehabilitation, and modernization of the Towers and other improvements, including the George Waters Nutrition Center.
 - c. Improvement of the neighborhood through enhancement of the exterior of the Towers and the surrounding landscaping and facilities.

9. We anticipate that the enhanced net operating income from the Towers will be used as follows:
 - a. Elimination of the operating deficit of the Nutrition Center.
 - b. Payment of the operating expenses of the Towers.
 - c. Payment for the social services to be provided to the residents by Serving Seniors, and other expenses of the partners, as approved by the City.
 - d. Payment of the ground lease with the City, on terms to be negotiated. The amount of the ground lease payment will depend on both the net operating income of the project and on the expenses of the project, including debt service on the Permanent Debt Financing, the amount of the deficit in operations of the Nutrition Center and the cost of services provided to the residents by Serving Seniors, which will be subject to approval by the City.

Chelsea's Financing Achievements

To date, Chelsea has participated in the development of more than 80 properties, with total development costs of approximately \$1.7 billion.

- Total tax credit equity of \$727 million.
- Total permanent loan proceeds of \$365 million.
- Total other public funding (grants or soft loans) of \$335 million.

Chelsea exceeds the experience required to secure both the competitive and non-competitive sources of funding required for affordable housing projects. Chelsea has successfully integrated AHP, MHP, CDBG, HOME, and redevelopment housing set-aside funds into many projects, in addition to 4% and 9% tax-credit equity and tax-exempt bond financing. In one project, Chelsea utilized loan and grant subsidies from fourteen different sources.

Chelsea obtained commitments from the **California Department of Housing and Community Development** under the **Multifamily Housing Program** for eleven affordable housing projects totaling approximately \$70 million.

Chelsea has been successful at financing projects using funding from Federal Home Loan Bank. Chelsea has obtained commitments from the FHLB for **Affordable Housing Program (AHP)** grants for 24 affordable housing projects totaling approximately \$17 million.

Ground Leases: Chelsea also has experience with structuring and executing financing involving ground lease transactions. Three of our recent projects have long-term ground leases with capitalized and residual receipts leases from the San Diego Housing Commission. These projects (Terramar, Estrella de Mercado, and Courtyard Terraces) show that our team is experienced in making landowners, lenders, and investors comfortable with the concept.

Seller Carry Back Financing: Chelsea's development team is experienced with structuring and executing seller carry back financing in related party sale transactions which can be collateralized with tax exempt bonds for compliance with certain regulatory requirements. The seller carry back structure allows for the existing owner to maintain a long term interest in the operations of the project and benefit from residual cash flow payments on their loan. We expect seller carry back financing to be used in the financing of the Morgan and Kimball Towers.

Mark to Market of HAP Contracts: Chelsea's development team has also assisted not-for-profit owners in renegotiating existing HAP contracts under HUD's mark to market program to increase rents to fair market values, based on rent comparability surveys. Under this approach the existing owner benefits through increased cash flow, which generates the ability to leverage more loan proceeds. The loan proceeds generally will be used for the purchase and rehabilitation of the project.

Serving Seniors' Financing Achievements

In addition to the many affordable seniors projects developed by Chelsea, Serving Seniors and Chelsea have collaborated on some of the best affordable seniors housing projects in San Diego. Serving Seniors serves as the managing general partner and Chelsea Investment Corporation serves as the administrative general partner of partnerships that developed and constructed the following affordable seniors projects.

Potiker Family Senior Residence

This project, which is located in downtown San Diego, consists of 200 affordable SRO units, restricted to low- and very-low-income seniors. It also includes a commercial kitchen, which was constructed at a cost of \$1 million and which not only provides meals to the project's residents, but also distributes meals to low-income seniors throughout the County, including

meals served at the Gary and Mary West Senior Wellness Center. Serving Seniors and Chelsea arranged financing for the project in the following approximate amounts:

- Permanent Loan – Bank of America -- \$1,000,000
- Affordable Housing Program Grant -- \$800,000
- Redevelopment Agency Loan -- \$2,200,000
- San Diego Housing Commission Loan -- \$1,600,000
- Tax-credit Equity -- \$13,000,000

The project has been owned and operated by the Serving Seniors / Chelsea partnership since 2003 and offers rents to low-income seniors as low as \$391 month. It has been in full compliance with all regulatory and financing requirements since it opened.

Potiker City Heights Residence

This project is located in the City Heights neighborhood of San Diego and provides a mix of 150 studio and one-bedroom units to low- and very-low-income seniors. Among many other services, it provides hot meals, which are provided from the kitchen in the Potiker Family Senior Residence downtown. Serving Seniors and Chelsea arranged the financing for the project in the following approximate amounts:

- Permanent Loan – Provident Bank -- \$2,600,000
- Affordable Housing Program Grant -- \$800,000
- San Diego Redevelopment Agency Loan -- \$9,100,000
- Tax-credit Equity -- \$20,800,000

The project has been owned and operated by the Serving Seniors / Chelsea partnership since 2007 and offers rents to low-income seniors as low as \$391 month. It has been in full compliance with all regulatory and financing requirements since it opened.

Gary and Mary West Senior Wellness Center

This 20,253 square foot building was originally constructed in 1937, on 4th Avenue in San Diego, and was recently rehabilitated and expanded with a 4,500-square-foot addition. It now serves as home to the award-winning Gary and Mary West Wellness Center. Serving Seniors and Chelsea arranged financing for the project in the following approximate amounts:

- Gary and Mary West Foundation Grant -- \$3,000,000
- US Bank permanent loan -- \$5,100,000
- US Bank Tranche B Loan -- \$1,850,000 (New Market Tax Credit Financing)

Serving Seniors arranged the Grant from the West Foundation and the US Bank permanent loan. Chelsea received an allocation of New Market Tax Credits from the US Treasury and facilitated the Tranche B loan.

Serving Seniors and Chelsea will work with the City to replicate all or a portion of the Wellness Center at the Morgan and Kimball Towers if requested by the City.

3. Financial Capacity

Given our track records and reputations, Serving Seniors and Chelsea Investment Corporation have our choice of the nation's leading equity and community-lending institutions. For this project, we have identified The Richman Group to provide Low Income Housing Tax Credit equity and Citi Community Capital to provide construction and term financing. Each has extensive experience with urban acquisition and rehabilitation projects similar to the Morgan and Kimball Towers.

Please see the attached letters of support from The Richman Group and from Citi Community Capital.

Investor References for Chelsea Investment Corporation

The Richman Group

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Municipal Capital Appreciation Fund

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Candeur Group

Catherine Talbot
Partner
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Raymond James

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Vice President
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St. Petersburg, FL 33716
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Bank References for Chelsea Investment Corporation

Citi Community Capital

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Managing Director
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richard.gerwitz@citi.com

Bank of America

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213-621-4816
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US Bank

Kyle M. Hansen
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Rabobank

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Vice President
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PNC Bank

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Vice President
26901 Agoura Road, Suite 200
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Public Agency References for Chelsea Investment Corporation

City of Carlsbad

Debbie Fountain, Housing Program Director
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Carlsbad, CA 92008
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Civic San Diego

Reese Jarret, President
401 B Street, 4th Floor
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San Diego Housing Commission

Rick Gentry, President and CEO
Debbie Ruane, Senior Vice President
1122 Broadway, #300
San Diego, CA 92101
619-578-7585
debbier@sdhc.org

City of Chula Vista

Leilani Hines, Housing Manager
276 Fourth Avenue
Chula Vista, CA 91910
(619)691-5263
lhines@chulavistaca.gov

4. Operating Experience

Serving Seniors

Executive Leadership

The current President and CEO of Serving Seniors is Paul Downey. Paul has led the organization for more than twenty years, successfully addressing the growing demand by expanding programs and services, and spearheading the organization's move into affordable permanent housing. He administers the agency's annual budget, determines program priorities with the senior management team, and oversees agency public relations and advocacy efforts. Paul serves on several local, state and national boards and is widely recognized as an expert on aging issues. Paul is currently the Chair of the California Commission of Aging and is the past President of the National Association of Senior Nutrition and Aging Service Providers (NANASP).

Who We Serve

The seniors we serve are one of the lowest income and most vulnerable populations in San Diego County. All are over the age of 60 and most are single, with no familial support. They typically live alone in nearby apartments, single room occupancy hotels, or on the street.

More than three-quarters of the seniors who rely on assistance from Serving Seniors have incomes well below the poverty level, averaging just \$850 per month. Our clients represent an increasingly culturally diverse population, with a third from minority communities. Each year, we serve 4,500 seniors throughout the county annually.

Serving Seniors has been providing supportive housing services since 2003. The organization currently owns and operates two affordable senior housing complexes with a total of 350 units:

- Potiker Family Senior Residence
200 studio units
525 14th Street
San Diego, CA 92101
(619) 237-8004
- Potiker City Heights Residence
150 one-bedroom and studio units
4065 43rd Street
San Diego, CA 92105
(619) 281-0483

Serving Seniors' Supportive Housing Program provides low-income seniors with an affordable place to live where they can access, at their option, social services and health and wellness

resources, all in one convenient location. Our Supportive Housing Program has been recognized as a Best Practice by the Shelter Partnership. We currently offer the following services at our two housing sites:

- *Meals* – Seniors living at our affordable housing complexes are given two warm and nutritious meals a day in our congregate dining room.
- *Social Services* – The team assists seniors with issues such as accessing health and retirement benefits, arranging visits with health care and mental health care providers and with our community partners, legal and entitlement services, banking and financial options, arranging transportation, home health care options, and other services as needed.
- *Mental Health Services* – For nearly 20 years, a partnership with Sharp Mesa Vista Hospital provides a psychiatric nurse for on-site education, assessments, early interventions, and referrals to in-patient services as necessary. In addition, the Director of Supportive Services provides one-on-one mental health counseling, group counseling, and assessments in a nontraditional, less invasive manner.
- *Nurse Case Management* – An on-site registered nurse provides health screenings, health assessments and case management services. The nurse spends the majority of the day helping seniors manage the complexities of chronic illness, while providing health advice and referrals.
- *Socialization Opportunities and Outings* – Residents are able to participate in a variety of social, educational, and recreational activities including outings, computer classes, brain fitness club, fitness classes, and writing classes.

Seniors who live at our housing complexes have minimal incomes, limited support systems, and often arrive with underlying medical and mental health issues. Their life is precarious, and any impediment can put their independence at risk. It has been proven that increased levels of social support are associated with a lower risk for physical disease, mental illness, and death. Our support-services case managers work closely with residents to help them build their independence and maintain safe and affordable housing for as long as possible. Case managers even help residents avoid eviction by providing appropriate interventions such as substance abuse assistance, financial counseling, and on-going health assessments. We have a 97% eviction intervention success rate.

Chelsea Investment Corporation

Chelsea has developed fifteen new construction affordable senior projects, three acquisition/rehabilitation senior projects, and is currently under construction on four additional new construction senior projects, for a total of twenty two senior communities. The projects range from 54 to 200 units and are located in rural, urban, and suburban market areas, with development budgets from approximately \$5 million to over \$50 million.

Each of these projects was completed safely, on time, and on budget. None has been the subject of contractor liens, defaults, or judgments.

Affordable Senior Housing	Yr.	
	Built	units
Alejandro Rivera I & II (Calexico, CA)	1993/4	134
Hotel De Anza (Calexico, CA)	1997	94
Hotel San Carlos (Yuma, AZ)	1997	60
Villa de las Flores (Calexico, CA)	2000	80
Villa Serena (Chula Vista, CA)	2000	132
Potiker Family Senior Residence (San Diego, CA)	2002	200
Holtville Senior Apts (Holtville, CA)	2003	81
Imperial Gardens Senior Apartments (Imperial, CA)	2003	81
Brawley Elks Senior Apartments (Brawley, CA)	2004	81
Potiker City Heights Residence (San Diego, CA)	2006	150
Courtyard Terraces (San Diego, CA)	2009	88
De Anza II (Calexico, CA)	2012	54
M Street Apartments (Dinuba, CA)	2013	62
Fairbanks Square (San Diego, CA)	2014	100
Versa (San Diego, CA)	2015	150
Mill Creek Courtyard (Bakersfield, CA)	2015	62
Westminster Manor (San Diego, CA)	2015	152
Millenia (Chula Vista, CA)	*	127
Portola (Lake Forest, CA)	*	57
Fairbanks Terrace (San Diego, CA)	*	83
Mill Creek Village (Bakersfield, CA)	*	63

* pre-closing / under construction

5. Resident Services and Involvement

A dedicated team provides services to senior housing facilities throughout downtown San Diego to help residents remain independent and housed. Our team works hand and hand with property management to identify and address challenges, increase access to resources, and to help residents remain independent in their homes.

Services Offered:

- Meals
- Social Service Case Management
- Nursing Case Management
- Lifelong Learning

Our staff currently serves more than 350 seniors at Westminster Manor, the New Palace Hotel, and San Diego Square.

Westminster Manor Apartments Project

Serving Seniors and Chelsea Investment Corporation collaborated during the renovation of Westminster Manor Apartments. To implement the extensive renovation, a detailed relocation plan was drafted by Overland, Pacific and Cutler (OPC). During the renovation period from November 2014 to September 2015, 120 residents were relocated to nearby extended-stay hotels, in phases that lasted from four to six months. All lodging, meals, and transportation costs were included in the project's development budget.

To considerately and professionally manage this temporary relocation process, Chelsea and Westminster Manor contracted with Serving Seniors to provide a social-service professional who, along with a ConAM property management representative and an OPC relocation consultant, formed a relocation team. The relocation team worked with the residents starting before they moved out, and extending beyond the time they moved back in. Movers were hired to move the residents' belongings to the hotels and into short-term storage. Individually and in groups, residents were regularly visited by the relocation team to see how they were doing and to provide renovation updates. The relocation team planned activities at the hotels and organized various excursions around town. Several residents commented that the relocation process forged a bond among neighbors that had not previously existed, and continued even after everyone had moved back into Westminster Manor.

Upon completion of the renovation, Chelsea and Westminster Manor contracted with Serving Seniors to provide onsite services for 20 hours a week, as well as to encourage residents to take full advantage of the Gary and Mary West Wellness Center, located only four blocks away. Onsite services include individual counseling, nursing consultations, computer tutoring,

and social activities. The new financing structure Chelsea implemented for Westminster Manor (which includes a new, highly-coveted 20-year Project-Based Section 8 voucher contract) has enabled funding to be available for these life-enriching services—something that was not financial possible prior to Chelsea’s rehabilitation and recapitalization of the project.

Gary and Mary West Senior Wellness Center

Serving Seniors’ flagship location is the Gary and Mary West Senior Wellness Center, located in downtown San Diego. This state-of-the-art, one-stop wellness center is the only site of its kind for low-income seniors in San Diego. The wellness center is a critical “hub” for senior services, and is recognized as a national model for the future of healthy aging that is replicable in other cities.

Located in close proximity to several senior high-rise apartments and smaller hotel-type buildings, the wellness center is perfectly situated to attract these seniors as well as others with more resources who live in the surrounding area and could travel to other locations but would prefer to have a center close to home. Lots of light and modern, uplifting design and furnishings sets the center apart from senior centers of the past. A palette of warm, inviting colors welcomes senior clients into a safe and comfortable environment that, for many, will be a home away from home.

The first floor includes the main lobby with lots of seating, plus the Gathering Place, an area for socialization or reading, as well as the Game Room for chess, cards, or other board games. Our Lifelong Learning Institute is available for lectures, art or exercise classes, demonstrations, and other group activities. The Cyber Café is a fun place for seniors to learn and develop computer skills, send emails to friends and family, use the Internet, and interact with youth from nearby schools, who serve as teachers and mentors. The kitchen and dining room are extremely popular with the hundreds of seniors who come for the nutritious and tasty breakfast and lunch served each day.

The second floor is home to our Center for Healthy Aging, where clinical staff and our collaborative partners provide a full range of health assessments, interventions, case management, and activities designed to promote optimum health and wellbeing. Relationships with collaborative partners from leading San Diego health care, social service, legal, and educational organizations (including San Diego State University, Sharp HealthCare, and the Consumer Center for Health Education and Advocacy) allow a wide spectrum of activities and innovative programs to be offered, all designed to improve the self-efficacy of a growing, and potentially more discerning, client base. Serving Seniors’ caring and committed staff act as the vital link that ties it all together.

Collaborative Partners

Serving Seniors has developed an extensive network of providers and collaborative partners that provide services to enhance, expand, and sustain our in-house programs. Before entering into a partnership, Serving Seniors' staff conducts a thorough evaluation of the potential partner, including their current programs, leadership, mission and culture. An analysis of the services to be offered versus the needs of our senior clients is a key part of the due-diligence process. All potential partners must support Serving Seniors' vision of transforming the aging experience for seniors in San Diego County. Our collaborative partners provide over \$1 million in services to our clients annually at no cost to Serving Seniors or to the clients.

Physical and Behavioral Health

Access to Independence

- They work with our Homeless Prevention Program and assist seniors with finding new housing or staying in their current housing. They may provide seniors with funding such as first and last month's rent and other expenses. Their other services include:
 - IL (Independent Living) Advocates can assist with housing options and information, personal assistant services, accessing benefits or making their homes accessible to suit their needs.
 - IL Advocates can help clients navigate their options for assistance, including the Department of Rehabilitation, and continue to work with clients through the transition process and after they move into independent living situations.

Community Research Foundation

- Their IMPACT Program provides rental assistance for persistently mentally ill/chronically homeless seniors. The funding is from the Mental Health Services Act.

Family Health Centers

- Serving Seniors has partnered with Family Health Centers to implement a joint, evidence-based Collaborative Care-model program for low-income seniors who seek services at Downtown Family Health Center at Connections or at a Serving Seniors' site. This program entails a team-based environment with FHCS and Serving Seniors' staff to ensure that seniors diagnosed with depression – who are referred to the program by FHCS or Serving Seniors – receive the appropriate healthcare, mental health, psychosocial, and material needs services offered by each organization.

Gary and Mary West Senior Dental Center

- In an effort to address this critical care gap among seniors, the Gary and Mary West Foundation constructed the Gary and Mary West Senior Dental Center stationed at the Gary and Mary West Senior Wellness Center. The Dental Center is slated to open in the summer of 2016, and offers a unique model of providing dental services within a thriving senior center ensures the senior clients will receive holistic, patient centered care that is affordable and accessible.
- The Gary and Mary West Senior Dental Center plans to expand beyond the Wellness Center location by providing mobile services to sites around the County.

PACE - St. Paul's Senior Homes and Services

- St. Paul's PACE is a non-profit Program of All-Inclusive Care for the Elderly (PACE) health plan for seniors age 55 and older who prefer not to move into a nursing home but whose health problems make it impossible for them to stay at home without the help of caregivers. Older adults can maintain their independence, dignity and quality of life because St. Paul's PACE provides all medical care (emergency care 24 hours-a-day), a PACE Day Center, home care services and transportation so they do not need to move to a nursing home. The PACE team conducts outreach at our sites and we co-case manage residents at our buildings.

SDSU School of Social Work

- BSW and MSW students provide supportive services to seniors seeking assistance in a variety of areas such as health care, financial assistance, housing, legal issues, etc.

Sharp Downtown Senior Health Clinic

- Primary care clinic staff work closely with Serving Seniors case managers to deliver coordinated health care services and provide one voice who delivers health care messages from provider to patient in order to avoid confusion, duplication, and non-compliance.

Sharp Mesa Vista Hospital

- In-kind provision of professional mental health staff, bi-lingual psychiatrist (4 hours/week) and 2 multilingual psychiatric nurses (28+ hours/week).

Sharp Senior Outpatient Program

- A weekly support group is hosted at the Gary and Mary West Senior Wellness Center for clients with mild depression.

UCSD Department of Family Medicine and Public Health

- UCSD developed a Pep4PA program, which is led by senior volunteer leaders to engage, encourage, and motivate seniors to participate in healthy lifestyles through walking groups.

UPAC – Positive Solutions Program

- Provides short-term prevention and early intervention mental health services to 500 homebound seniors. Using the Program to Encourage Active and Rewarding Lives for Seniors (PEARLS), seniors receive help addressing feelings of isolation, decreasing risk factors for depression and suicide, and improving access to mental health care and support.

211 - Medi-Cal Recertification Project

- Serving Seniors and Infoline of San Diego County, also known as 2-1-1 San Diego, in partnership with the County of San Diego's Health and Human Services Agency (HHSA), provides targeted outreach and education to individuals and families enrolled in Medi-Cal about Medi-Cal retention and provide assistance with the recertification process.

Benefits/Legal Assistance:

Consumer Center for Health Education and Advocacy (CCHCA), division of Legal Aid Society

- Developed an intergenerational program providing computer training at Potiker and City Heights Square to teach seniors how to access their government benefits online. This program has been expanded at the new wellness center's Cyber Café and involves students from Hoover High and the Monarch School.
- This program also collaborates with our Home Delivered Meals Coordinator and provides in-home services to homebound seniors.

Elder Law & Advocacy

- Lawyers volunteer twice a month at the Wellness Center and Potiker Family Senior Residence to provide legal guidance

Other Supportive Services:

County of San Diego, Aging and Independent Services

- Provides funding toward the case management for the Homeless Housing Program

County of San Diego, Aging & Independence Services

- Provides group exercise classes (Feeling Fit) at the Wellness Center

NAMI

- Serving Seniors is collaborating with NAMI and the Consumer Center to provide a Senior Mobile Technology Lab throughout San Diego County. This team holds workshops and one-one-one trainings to empower seniors through the utilization of technology. This mobile team travels to senior congregate meal sites, senior housing facilities, and various community and civic sites.

PAWS'itive Teams

- Paws'itive Teams placed a facility dog at the Wellness Center. Christa is being sponsored by Mary West. She visits with the seniors waiting to go into the dining room and has attended the Civic Engagement Classes. She has had a "Meet and Greet" and interacts with seniors who would like to play with a dog.

Traveler's Aid

- The mission of Travelers Aid is to assist individuals and families who, in times of crisis or transition, are disconnected from their support systems. Travelers Aid provides access to critical services for those who have no other means to reach those services.

Veteran's Village

- A case manager from Veteran's Village comes to the Gary and Mary West Senior Wellness Center twice a month to assist clients with enrolling in veteran housing.

May 10, 2016

Tim Baker
Project Manager
Chelsea Investment Corporation

Dear Tim,

Please accept this letter of reference on behalf of The Richman Group Affordable Housing Corporation.

The Richman Group Affordable Housing Corporation (“TRG”) is excited to be working with Chelsea Investment Corporation (“CIC”), a group with whom we have partnered on nearly 30 affordable housing deals during the last two decades and one whom we consider to be among the premier affordable housing developers in the country. CIC’s record for developing affordable housing throughout California and in the neighboring states is unmatched. We share the same principles at TRG in our dedication to the development and preservation of affordable housing and value the opportunity to work with a great partner like CIC.

In the course of our relationship with CIC, we have worked to provide housing for hundreds of individuals and families. Our teams have partnered with local communities and service providers to ensure that the needs of the people within those communities are met. Populations served in the cities in which we have worked together include families, seniors, veterans, and persons at risk of homelessness.

National City has a rich history that stretches back into the early days of California, and during the second half of the 20th Century, the city began to experience tremendous growth, which continues today. The demand for housing in the city remains strong, with the current stock of units for seniors outpaced by the aging population. It is in these times that it is imperative to ensure that affordable housing options continue to be available for the citizens in a community. For the seniors currently living in Kimball and Morgan Towers, the rehabilitation of the structures is of the utmost importance.

TRG fully embraces the opportunity to restore and improve these properties. Partnering with CIC to serve the needs of the seniors at Kimball and Morgan Towers in National City offers TRG another opportunity to demonstrate the capacity for achievement when an experienced and dedicated team works together to serve a community.

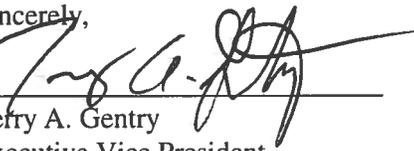
TRG is a multi-faceted real estate organization specializing in affordable housing, with expertise in investment banking, development, asset management and property management. TRG has been a program sponsor, property manager, asset manager, and developer in the affordable housing industry since 1979.

With the capacity for a comprehensive set of activities, including equity investment, development, mortgage financing, asset management and property management, TRG has a significant presence in both the luxury rental apartment and affordable housing sectors.

TRG is one of the nation's leading sponsors of low income credit ("Housing Tax Credit") programs. Since the creation of the Housing Tax Credit in 1986, TRG has sponsored both public and institutional Housing Tax Credit funds, which have raised in excess of \$8 billion in equity capital and have invested in approximately 1,500 Housing Tax Credit properties, 115,000 rental units. TRG has developed over 50 projects representing over 6,000 units.

I invite you to please feel free to contact me if you have any questions or would like to discuss any details.

Sincerely,



Terry A. Gentry
Executive Vice President

THE RICHMAN GROUP OF COMPANIES



One of the Nation's Leading Housing Organizations

A QUARTER CENTURY OF EXPERIENCE AND THE TRUST AND EXPERIENCE OF A PRIVATELY HELD COMPANY

From its start in 1979, Richman has grown into one of the nation's largest privately-owned real estate investment, development and asset management firms and the 10th largest owner of multi-family units in the United States.

Richman's core focus has always been affordable housing, and as the leading sponsor of Low Income Housing Tax Credit ("LIHTC") funds, Richman has raised almost \$10 billion in equity and debt for investment in almost 1,400 apartment projects located in 49 states, Puerto Rico, Guam and the U.S. Virgin Islands and provide asset management services to nearly 100 public, private and institutional investment funds which own approximately 115,000 housing units

In addition to being the nation's pre-eminent sponsor of affordable housing tax credit funds, Richman is also a leading developer and manager of affordable, market-rate and luxury rental housing. Richman affiliates have developed more than 18,000 residential units, provide, and have capital under management approaching \$10 billion.

Richman is an approved FHA MAP mortgage lender and underwrites and places loans for market rate and affordable multifamily and health care facilities.



The Richman Group's Main Office, Greenwich CT



RICHMAN AFFILIATED ENTITIES

THE
RICHMAN
GROUP
DEVELOPMENT CORP.

RICHMAN
ASSET
MANAGEMENT, INC.

RICHMAN
PROPERTY
SERVICES, INC.

RICHMAC
FUNDING LLC

THE
RICHMAN
GROUP, INC.

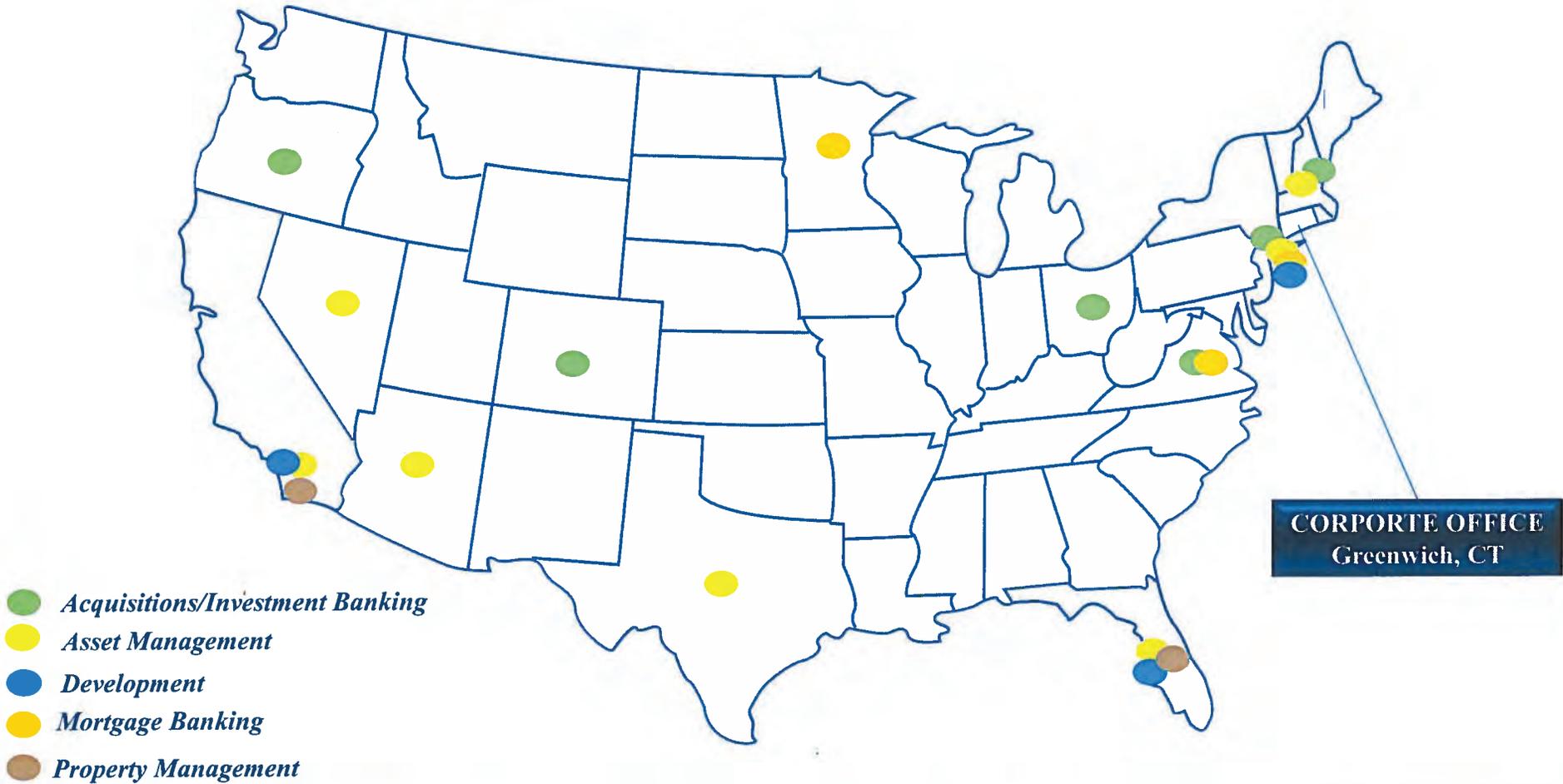
RICHMAN
REAL ESTATE
INVESTMENTS, INC.

MOONBEAM
COMMUNICATIONS & EQUIPMENT, LLC

CITRUS
CONSTRUCTION
SERVICES, INC.



REGIONAL OFFICES



RICHMAN REAL ESTATE INVESTMENT, INC.



Park Vista at Croton Heights, Yonkers, NY
U.S.A. Institutional Tax Credit Fund LV, L.P.

- ❖ **Industry-leading sponsor of over 150 investment funds**
- ❖ **Raised almost \$10 billion in equity in equity from 88 institutional investors**
- ❖ **Over 1,300 properties acquired consisting of 112,000 units in 49 states and 3 US territories**
- ❖ **Offer developers a “one-stop-shop” for both debt and equity executions through Richmac**

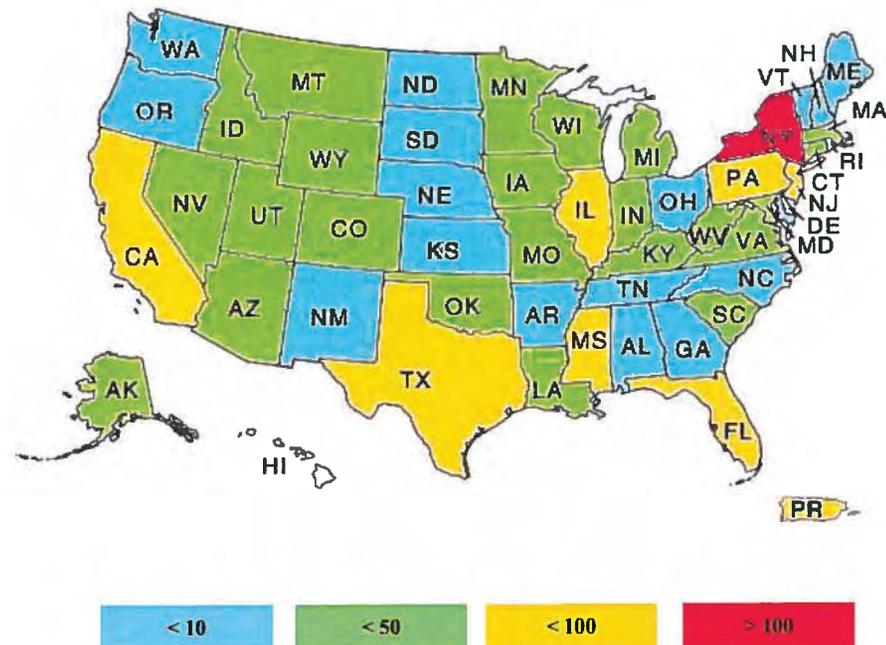
RICHMAN ASSET MANAGEMENT, INC.



16th and Market Apartments, San Diego, CA
U.S.A. Institutional Tax Credit Fund LX, L.P.

- ❖ **Monitors LIHTC assets from construction through disposition on behalf of the fund**
- ❖ **Assesses each asset based on rigorous risk-ratings criteria**
- ❖ **Engaged as third-party asset manager by direct LIHTC buyers and state/local housing authorities**
- ❖ **Third-party portfolio consists of over 15,000 units in nine states**

Number of Properties



Principals and Other Key Personnel

Richard Paul Richman, Chairman, is the Chief Executive Officer of The Richman Group. Mr. Richman co-founded a predecessor company to The Richman Group in 1979. From 1973 until 1979, Mr. Richman practiced corporate law in New York City. Mr. Richman is nationally known as an expert on affordable housing and Housing Tax Credits. He is a frequent speaker on real estate syndication and has appeared on National Public Radio and ABC's *Nightline*. He also is a member of and holds leadership positions in a number of national affordable housing industry associations. Mr. Richman received a J.D. degree from the Columbia University Law School, an M.B.A. degree from the Columbia University Graduate School of Business Administration, and a B.A. degree from Syracuse University.

David A. Salzman, President, oversees property acquisitions for The Richman Group. In addition to acquisitions, Mr. Salzman participates extensively in the underwriting of the development and rental operations of multifamily housing. Prior to joining The Richman Group in 1984, Mr. Salzman was engaged in the development and rehabilitation of residential property in the New York metropolitan area. Mr. Salzman received an M.B.A. degree from New York University and a B.B.A. degree from Emory University.

Stephen B. Smith, Executive Vice President, is responsible for all marketing and investment program development for The Richman Group. From 1989 until joining The Richman Group in 1993, Mr. Smith was an independent advisor to developers, lenders and institutional investors on real estate investments. From 1976 until 1989, Mr. Smith was President and Chief Executive Officer of The Investment Group, Inc., a firm engaged in the acquisition, development and syndication of real estate, including affordable housing, throughout the United States. Mr. Smith received an M.B.A. degree from the Harvard Graduate School of Business Administration and B.A. and B.S.E.E. degrees from Rice University.

Neal Ludeke, Treasurer, is Chief Financial Officer for The Richman Group. He is responsible for financial management of The Richman Group and its affiliates, including all Richman-sponsored investment partnerships. He also is responsible for all investor reporting. Prior to joining The Richman Group in 1986, Mr. Ludeke, a certified public accountant, was employed by Weiner and Company, Certified Public Accountants. Mr. Ludeke holds a Bachelor of Science degree from Ramapo College.

Brian Myers, Vice President, oversees asset management for The Richman Group. Prior to joining The Richman Group in 1997, Mr. Myers served as Vice President for Sentinel Real Estate Corp., one of the nation's premiere multi-family pension fund advisors and property management companies. From 1989 to 1993, Mr. Myers was Asset Manager for another syndication firm specializing in Housing Tax Credit programs, where he managed a portfolio of 130 multi-family properties. From 1986 to 1988 he was employed as an associate in the Real Estate Lending Group at Chemical Bank. Mr. Myers graduated from the Stony Brook University with a B.S. degree in Economics and Applied Math and holds a Certified Property Manager (CPM) designation from the Institute of Real Estate Management.

Richard Doetsch is President of WRMC, Inc., the property management affiliate of The Richman Group. Upon joining The Richman Group in January 2001, he assumed responsibility for all of WRMC's operations. Since 1982, Mr. Doetsch has been involved in real estate

management; most recently, he was the Vice President-Managing Director of Insignia Financial Group/Insignia Residential Group overseeing a budget in excess of \$200 million. Mr. Doetsch holds a B.S. degree in business Administration from Marist College and a Masters Degree in Real Estate Investment and Development from the University of New York.

Steve Palermo, Vice President, is The Richman Group's chief analyst and oversees all financial projections related to Richman-sponsored tax credits funds and the properties which they acquire. Prior to joining The Richman Group, Mr. Palermo was an Assistant Vice President in the Major Assets Division at Home Savings of America. He was responsible for monitoring, analyzing and assessing credit risk of the Eastern U.S. commercial and multi-family loan portfolio, which exceeded \$500 million in assets. Prior to that position, Mr. Palermo was a manager in the Real Estate Valuation Services Group at Arthur Andersen & Company. Mr. Palermo holds a B.S. degree in Accounting from New York University and is a Certified General Real Estate Appraiser in the States of New York and New Jersey.

Terry A. Gentry, Vice President of The Richman Group Affordable Housing Corporation, manages The Richman Group's regional office in Portland, Oregon and will serve as the primary contact during construction and conversion to permanent. He specializes in the acquisition of tax credit properties in the Western and certain other areas throughout the United States. Prior to joining The Richman Group in 1999, Mr. Gentry was an acquisition specialist for U.S. Affordable Housing, a subsidiary of U.S. Bank N.A. Mr. Gentry joined U.S. Bank in 1988. Mr. Gentry holds an M.S. degree in Political Science with specialization in sustainable development and a B.A. in Business Administration from Portland State University. He is a 1999 graduate of the Pacific Coast Banking School at the University of Washington.

Projects

Westminster Manor

Westminster Manor, located in San Diego, is a 155 unit development consisting of 93 studio and 62 one bedroom units in a single 16 story building, originally built circa 1970 as an age-restricted development.

The project was developed by Chelsea Investment Corporation with the project being owned by Westminster Manor LP and Senior Housing Corporation. Emerson Construction, a related entity of CIC, was the general contractor.

The rehabilitation included the conversion of three units into common area amenities and the final unit mix was 91 studio and 61 one-bedroom units. The units are restricted to tenants earning no more than 50% and 60% of Area Median Income ("AMI"). Two units are non-revenue producing managers' units. A new 20-year contract Section 8 contract was signed prior to closing. As such, all tenants under the contract will pay 30% of their income towards rents regardless of the LIHTC set aside.

A related entity of TRG provided equity of \$17,479,988.

C.L. Dellums

C.L. Dellums in Oakland, constructed in 1912 and rehabilitated in 1993, consists of one seven-story high-rise building offering 73 single room occupancy units and operating with a project-based Section 8 contract in which 72 units received rental subsidies. All tenants pay only 30% of their income towards rent. The project targets homeless households, many with mental illness or substance abuse.

C.L. Dellums was developed by West Coast Affordable Housing and Alpha Project for the Homeless. Chelsea Investment Corporation was the developer consultant. A related entity of TRG provided equity of \$5,783,806 to the partnership.

The Douglas

Located in Harlem, New York City, The Douglas is new construction of an eight story brick building with 69 units of low income housing for families at or below 60% AMI. The Richman Group Development Corporation is the developer and the management agent is Richman Property Services Inc.

A mix of one, two and three-bedroom units occupy the 2nd through 8th floors of the building. In the lower level of the building is a cellar which features a fitness facility, central laundry room, bicycle storage, mechanical rooms, and retail storage.

A related entity of TRG provided \$11,500,000 in equity to the partnership.

References

Brad Ingerman

Founder, President and CEO of Ingerman Development Group

856.662.1730

bingerman@ingerman.com

Andy Rosen

SVP Bank of America

617.346.4241

andrew.rosen@baml.com

Dan Kraus

Partner at Holland & Knight

312.578.6676

dan.kraus@hklaw.com

Community Capital



May 10, 2016

Tim Baker
Chelsea Investment Corporation
5993 Avenida Encinas, Suite 101
Carlsbad, CA 92008

Re: Morgan and Kimball Towers

Dear Tim,

Thank you for contacting Citi Community Capital (CITI) about the possibility of providing financing for the construction of the above-referenced property. As you know, CITI is a national leader in the field of affordable housing finance. Citi continues to reign as the No. 1 in Affordable Housing Finance Magazine's annual survey of affordable housing lenders, having provided over \$4.8 billion of lending to finance affordable housing rental projects in 2015, more than any other institution. In 2015, Citi Community Capital has helped to finance over 269 affordable housing projects in 160 cities across the country in LIHTC and equity investments. We have expertise with virtually every financing tool available for your affordable housing financing needs.

It is our perspective that Chelsea Investment Corporation (Chelsea) is one of the best developers of affordable housing across the nation. We have closed fourteen transactions with Chelsea over the last five years, including five in 2016. They hold the highest praise across the firm for consistently delivering exceptional quality projects to the communities they serve. Furthermore, Chelsea has an impeccable track record of completing projects on-time and within budget. We have financed several senior HUD rehabilitation projects and would be honored to partnering with Chelsea on Morgan and Kimball Towers.

To provide Chelsea with a binding commitment letter, we would need formal approval from our Credit Committee which we reasonably believe could be obtained within 8-10 weeks. For closing we would require completion of third party due diligence reports including a CITI-commissioned appraisal and review of environmental reports for the Property.

If you have any questions about our proposed terms or, if we can be of any further assistance, please do not hesitate to contact me at (213) 486-7138 or via email at richard.gerwitz@citi.com

Sincerely,

A handwritten signature in black ink that reads "Richard Gerwitz". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Richard Gerwitz
Managing Director
Citi Community Capital



CITI COMMUNITY CAPITAL (CITI) is Citigroup’s community development lending and investing group and offers the industry's most comprehensive affordable housing and community development financial products. From single-project transactions to portfolio-wide solutions, CITI combines unparalleled community development expertise with industry leading capital markets capabilities to offer financial solutions to preserve and build stronger communities.

FIRM EXPERIENCE

CITI ranked #1 in Affordable Housing Finance’s 2015 list of lenders with \$4.82 billion of total volume (as seen on chart at the right). CITI has been ranked #1 among affordable housing lenders in the U.S. for 9 of the last 10 years. CITI is divided into the Project Finance (affordable real estate finance) and Structured Lending and Investing (LIHTC, NMTC, Fund Investments, and Structured Lending) groups. The 30+ person Project Finance team focuses on projects secured by multifamily affordable housing loans or bonds.

Top 10 Affordable Housing Lenders in 2015	
By Volume, in millions	
1. Citi Community Capital	\$4,829.20
2. Wells Fargo	\$3,020.80
3. Bank of America Merrill Lynch	\$2,573.00
4. JP Morgan Chase Bank	\$1,406.00
5. JLL Capital Markets	\$1,052.00
6. Capital One	\$864.00
7. Berkadia	\$760.00
8. PNC Real Estate	\$740.00
9. US Bank	\$725.00
10. Pillar	\$604.40

Source: Affordable Housing Finance March 2016, VOL. 24 No.2

KEY TEAM MEMBERS

Richard Gerwitz, Managing Director and Co-head of Citi Community Capital

Richard Gerwitz is Co-Head of Citi Community Capital, the community development lending and investing division of Citi, with over 35 years of experience in the tax-exempt securities and real estate markets.

He began his career with Merrill Lynch in 1978 as a municipal securities analyst, subsequently moving into the investment banking division. In 1984 Mr. Gerwitz was retained to help start the municipal securities division at Security Pacific National Bank. In 1992 Mr. Gerwitz left the bank and negotiated the formation, and became president of a real estate limited partnership whose partners were the Ford Motor Company and the Federal Deposit Insurance Corporation. The partnership was funded with more than \$1 billion in performing and non-performing real estate assets designated for liquidation. He returned to the tax-exempt bond investment banking industry in the late 1990s when he joined Citi Community Capital, formerly known as Newman & Associates, focusing exclusively on the financing of affordable multifamily rental housing.

In Richard's role as Co-Head of Citi Community Capital he directs the activities of the unit's affordable rental housing lending, mortgage and investment banking team, as well as its involvement with Low Income Housing Tax Credits (LIHTC), New Market Tax Credits (NMTC) and other Community Reinvestment Act lending and investment activities. His credit training has resulted in his being named a Senior Credit Officer (SCO) of Citigroup, and he is a voting member of Citi Community Capital's credit committees.

He is a frequent speaker at industry events, is ex-chair of the Santa Monica Housing Commission, and is a member of the advisory boards of the Journal of Tax Credits, the New York State Association for Affordable Housing (NYSAAFAH), the New York Housing Conference (NYHC), and the Citizens Housing and Planning Council (CHPC).

Email: Richard.gerwitz@citi.com
Phone Number: (213) 486-7138

Sonia Rahm, Director

Sonia Rahm, a Director at Citi Community Capital, originates construction and permanent financing for community development projects in the U.S. She primarily works with builders and operators of affordable housing developments. While Mrs. Rahm focuses on the Southern California region she originates deals across the country. Mrs. Rahm works closely with nonprofit and for-profit developers, city, county and state agencies and low-income tax credit syndicators to structure and close transactions.

Mrs. Rahm joined Citi as summer intern in the affordable housing lending group in 2006 and returned to Citi full-time in 2007. Previous to her current role, Mrs. Rahm was a Vice President within Citi Commercial Banking providing financial services to middle market companies. She also spent two years in a management associate program rotating through various business units and obtained formal credit training. Prior to business school, she worked in litigation consulting.

Mrs. Rahm was born and raised in Southern California. She graduated from the University of California, San Diego Magna Cum Laude with degrees in Management Science and Social Psychology and earned an MBA with Honors from UCLA Anderson.

Email: Sonia.m.rahm@citi.com
Phone Number: (213) 239-1726

Kelly Boyer, HUD FHA/MAP Director

Kelly Boyer joined the Citi Community Capital team in July, 2014 as HUD FHA/MAP Director and is focused upon launching the CCC FHA Multifamily platform. Prior to joining CCC, Kelly was the Owner and Manager of K2U, LLC an independent consulting services company specializing in HUD multifamily and public housing redevelopment, HUD rental assistance programs and FHA financing. Kelly has a particular focus upon affordable deals with FHA financing and layered secondary sources such as LIHTCs, RD, HOME and CDBG as well as local sources of funding. Prior to starting her own company, Kelly was a partner in a California based development company that focused upon the acquisition, rehab and preservation of HUD rental assisted projects with LIHTCS and bonds.

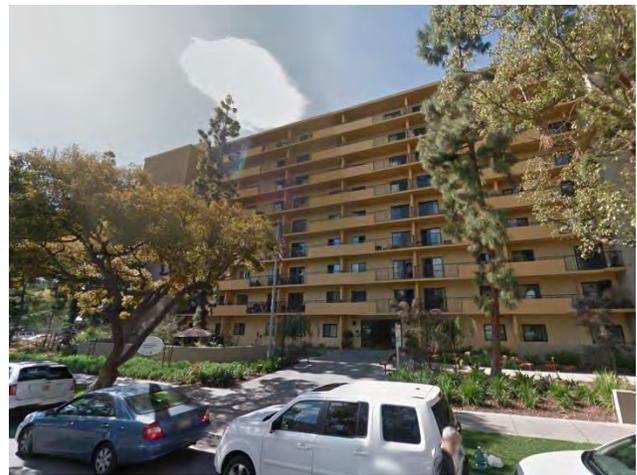
Kelly is the former Director of HUD's Los Angeles, California, Multifamily hub and left the office in mid-2012. During her tenure at HUD she assisted the Department with aligning FHA resources to work more closely with LIHTCs and other sources of financing; worked closely with state agencies to remove obstacles to FHA financing on affordable transactions; was a key member of the FHA Commissioner's Risk Mitigation team revising FHA underwriting standards; was an original member of the FHA National Loan Committee; and assisted in the development of key preservation programs; such as the §236 prepayment process and preservation program; and, the FHA LIHTC Pilot Program.

Email: Kelly.s.boyer@citi.com

Phone Number: (213) 239-2071

SENIOR / HUD PROJECTS

Casa De La Pomona (the "Property") is an existing 167 unit affordable seniors' project (age 62+), covered by a Section 8 HAP contract located in Glendale, CA. Citi provided the tax-exempt construction to permanent financing for the moderate rehabilitation of this 4% LIHTC project. The property consists of one 9-story building that was originally built in 1979 and has not undergone a full renovation since. The project is covered by a project based HAP contract that covers 166 of the 167 units, with the sole uncovered unit reserved for management use.



Covenant Manor is an existing 100 unit affordable seniors' project (age 62+) covered by a Section 8 HAP contract located in the City of Long Beach, CA. This was a Freddie Mac transaction where Citi purchased the tax-exempt bonds issued by the California Municipal Finance Authority. The financing facilitated the acquisition and rehab of the property. The property is a 11-story residential tower that was originally built in 1984. In total, 99 of the total 100 units are currently subsidized by a project-based Section 8 HAP Contract.



REFERENCES

Equity Syndicator Reference

Raymond James Tax Credit Funds

Contact: Kevin Kilbane, Managing Director, West Coast Acquisitions

Telephone: (216) 509-1342

Email: kevin.kilbane@raymondjames.com

Developer(s) Reference

be.group

Contact: Ben Beckler, Vice President, Project Development

Telephone: (818) 247-0420

Email: ben.beckler@thebegroup.org

LINC Housing Corporation

Contact: Rebecca Clark, President & CEO

Telephone: (562) 684-1101

Email: rclark@linchousing.org

Mr. Tim Baker
Chelsea Development Corporation
5993 Avenida Encinas, Suite 101
Carlsbad, CA 92008

May 8, 2016

RE: Morgan and Kimball Towers RFP

Dear Mr. Baker,

It is with great pleasure that we present to you a brief synopsis of our firm's unique qualifications to team up with Chelsea to preserve and enhance Morgan and Kimball Towers for CDC-HA National City. Simply put:

- Basis knows how to rehabilitate occupied multi-family apartments,
- Basis knows how to extract the most value from high rise apartments,
- Basis has recently completed three such projects in San Diego, and
- Basis and Chelsea Development Co are a proven team in this project typology.

We are proud of our achievements in preserving affordable housing of all types, but our reputation for problem solving in the context of high rise rehabilitations is now unmatched. Unique in our industry, our services are based on the synergy between due diligence consulting and full service project architecture. From assessment to construction, Basis can meet the different goals of different clients, with a similar result: the preservation and enhancement of multi-family housing, now with over 150 multi-family rehabilitation projects complete containing over 8000 units. In our due diligence practice, we have evaluated more than one thousand other multi-family properties.

Because our rehabilitation work involves occupied renovations, we know how to work with staff, residents and contractors to minimize disruptions and inconvenience. We employ a design methodology that minimizes the rehabilitation's impact on the residents. We respect and work for the residents, the end user, our ultimate customer.

A few years ago, we rehabilitated Sorrento Tower on Claremont Mesa. The property was entirely transformed and modernized with bold design and modest cost that took many in the affordable housing industry by surprise. We were called on to do it again. Over the last two years, Basis has completed two downtown San Diego high rise rehabilitations simultaneously – San Diego Square and Westminster Manor. Both have proved to be tremendously successful. While each project presented varied challenges, the approach to the work, putting the residents first, was consistent.

At Westminster Manor, Chelsea and Basis were always in close contact with the residents and their Board to enable a successful outcome. Resident meetings and input contributed to the project programming, prioritization and design. Throughout the project, Chelsea's closely integrated construction team immediately responded to ongoing input and Basis kept focus on both technical and design aspects of the project to produce long term results. All the while, Chelsea and Basis collaborated in the background to maintain compliance with all tax credit regulatory mandates.

Basis is intimately familiar with all aspects of the CTCAC requirements and how to meet them. At least 75% of our projects have been LIHTC financed. Basis is part of the affordable housing community here in California. We are proactive in our dealings with CTCAC. We keep up to date on their regulations and participate in their formation.

Finally, our experience with Department of Housing and Urban Development (HUD) projects is among our greatest strengths. Since we know HUD-MAP, 221d4 and 223f so well, HUD staff members have told us that no other architecture firm is more involved in the 223f pilot program than Basis. We also know the other funding program requirements. HOME, CDBG, USDA-RD – we've done them all. We also work with CDCs and public housing authorities directly.

The grand re-opening of Westminster Manor is scheduled for this month. We wish to keep the team together. Let's collaborate again to assist CDC-HA National City preserve this invaluable affordable housing asset. We would be happy to provide more information and details concerning our approach. Please find enclosed three project summaries for local high rises we have completed including Westminster Manor attached.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Pick', is written over a light blue circular stamp.

CHARLES PICK, ARCHITECT #C 21,406
BASIS ARCHITECTURE & CONSULTING INC

CHELSEA INVESTMENT CO + WESTMINSTER MANOR Westminster Manor

Contact: Tim Baker, 760-456-6000

Firm's Role

- Preparation of PNA reports, scoping and budget development.
- Full service architectural design and construction phase services.

Locations/Type/# Units

- Westminster Manor, 1740 Third Avenue, San Diego, CA
- Senior Affordable Housing - 16 Story tower:155 Units

Construction Budget/Contractor

- Approximately \$13.5M hard cost.
- Emmerson Construction, 5993 Avenida Ensinas, Suite 101
- Date of Completion: Spring 2016

Project Funding

- 4% LIHTC and Owner's Funds

Before



New Library



After

HOUSING DEVELOPMENT PARTNERS + SAN DIEGO HOUSING COMMISSION San Diego Square

Contact: Michael Pavco, 619-630-7050

Firm's Role

- Project evaluation and scoping for rehabilitation project.
- Full service architectural design and construction phase services.

Locations/Type/# Units

- San Diego Square, 1055 9th Avenue, San Diego, CA 92101
- Senior Affordable Housing - 12 Story tower and entire city block: 156 Units
- Conversion of Unused "Ballroom" to new 7,500 Square Foot Senior Center

Construction Budget/Contractor

- Approximately \$15.5M hard cost.
- Allgire General Contractors, Inc, 3278 Grey Hawk Court, Carlsbad, CA 92010
- Date of Completion: Spring 2016

Project Funding

- 9% LIHTC and City of San Diego Housing Commission



Before



Senior Center



RAHD GROUP + SAN DIEGO HOUSING COMMISSION Sorrento Tower Senior Apartments

Contact: Casey Haeling, Project Manager: 619-548-0160

Firm's Role

- Preparation of PNA reports, scoping and budget development.
- Full architectural services including design and specifications for full interior and exterior rehabilitation. Project featured redesign of exterior envelope and glazing systems.

Locations/Type/# Units

- Sorrento Tower, 2875 Cowley Way, San Diego, CA 92110
- Senior Affordable Housing – 14 Story Tower, 198 Units

Construction Budget/Contractor

- Project Budget: \$5.2 million hard cost
- Icon Construction
- Date of Completion: February 2012

Project Funding

- Tax credits, bonds and bank financing.



Before



After



MORGAN AND KIMBALL TOWERS

REHABILITATION AND RECAPITALIZATION PROJECT | NATIONAL CITY



JWDA

ARCHITECTURE | PLANNING | INTERIOR DESIGN



Overview

Joseph Wong Design Associates, Inc. (JWDA) is a firm that has provided outstanding architecture and planning since its formation in 1977. As a firm, we are proud of our reputation for on-time and on-budget delivery of architectural services and believe that our client's success is the key to our success. Evidence of this commitment is the fact that most of our projects in the last ten years have been with repeat clients.

JWDA is a full service, multi-disciplinary firm offering proven experience on all types of projects, as evidenced by over 150 local and national awards of excellence. JWDA's diversified practice has developed a breadth of experience in a broad range of projects for both the public and private sectors. These projects include office and retail developments, educational complexes, and master planning for residential communities and hotels/resorts.

The Team

The choice of an architect is based upon professional trust vested in the principals, key employees, and staff of the architectural firm. Our team includes the creative talents of architects, planners, interior designers, specifications writers, and business support personnel. We pride ourselves on a solid record of delivering architectural service in a manner consistent with each client's pragmatic concerns. All individuals in our firm are sensitive to the importance of the client's needs and understand that the continued success of our firm depends on our record of client satisfaction. To strengthen our methodology, we employ the flexibility of computer graphics for conceptual development and presentation. We also utilize the precision of Building Information Modeling (BIM) for production processes.

Value Engineering and Quality Control

JWDA projects receive extensive review in project budgeting and value analysis. Throughout the project, alternatives are consistent with the design intent. We commonly review all systems and details with the client and cost estimator. This process has proven to be highly successful in both the competitive private sector and the cost conscious government sector. Our goal is to minimize cost without compromising the project's design or objectives. This commitment to rigorous value engineering assures a successful project that stays within the outlined budget.

Design Philosophy

Excellent design, creative planning, and technical expertise provide the foundation of the design philosophy at JWDA. The firm's diversity allows it to respond to the uniqueness of each project, creating spaces which are functional and deliver the highest quality of architectural design.

JWDA

Joseph Wong Design Associates
A California Corporation

Established Date

1977

Address

2359 Fourth Avenue
San Diego, California 92101

Telephone

619 | 233.6777

Facsimile

619 | 237.0541

Project Types

Affordable Housing
Mixed Use / Residential
Public Buildings

Disciplines Architecture

Urban Design
Interior Design
Planning

Staff

30+ Professionals

Persons to Contact

Joseph O. Wong, FAIA
Bert Shear, RA
Rick Rounds, AIA

Website

www.jwdainc.com

16th & Market Affordable Development

Downtown San Diego, California



JWDA provided comprehensive architectural services for this award-winning 136-unit affordable housing development located in the heart of San Diego's East Village. The 12-story residential building with two underground parking levels fulfills the inclusionary housing agreements of Ballpark Village - a large mixed-use market rate residential development adjacent to Petco Park. 16th & Market offers 40 one-bedroom units, 51 two-bedroom units, and 45 three-bedroom units. Development team included SVDP Management Inc, Chelsea Investment Corporation and JMI Realty/Lennar

2009 *Contract Magazine Inspiration Award*

2009 *Builder's Choice Award*

2010 *Housing Project of the Year: San Diego County Housing Federation*

15th & Commercial Affordable Development

San Diego, California



JWDA is the Architect of Record and Interior Designer for this affordable housing and child development project. Located at Commercial Street & 15th Street, this 12-story mixed-use complex provides contemporary accommodations for a wide array of community services provided by St. Vincent de Paul Villages. 15th & Commercial is the home of an extensive child development center, staff offices, community rooms, outdoor terrace, long-term transitional housing, and affordable housing in addition to below grade parking. The project achieved GreenPoint Rated status.

2012 *American Institute of Architects Design Award*

2012 *American Society of Interior Designers Design Award*

2012 *Builder's Choice Award*

2013 *San Diego County Housing Federation Ruby Award & Special Housing Project Recognition*

Millenia Affordable Development

City of Chula Vista, California



The Millenia Affordable Development is comprised of two apartment communities in the up-and-coming Millenia Master Plan Community in Chula Vista, California. The project includes 5-story Multi-family and Active Senior Apartments comprised of 210 units, 30,000-square-feet of active outdoor area and interior amenities including leasing lobby, community room, business center, laundry facilities and support areas. JWDA was retained by Chelsea Investment Corporation to provide full architectural services for this project.

Alpha Square Apartments

Downtown San Diego, California



JWDA provided architectural and interior design services on the recently completed Alpha Square Apartments. Located in downtown San Diego's East Village neighborhood, this \$47.6-million, 203-unit affordable housing project is comprised of a single six-story building with one level of subterranean parking. Services on-site include street-front retail and commercial space on the building's ground floor, along with case management, financial support and access to long-term treatment and other services for all residents through Alpha Project's numerous programs and those of more than a dozen community-based partners. The facility will provide common dining and recreational facilities, a computer lab for resident use, and a roof-top garden.

Alexan Residential Tower

San Diego, California



JWDA has been retained by Trammell Crow Residential to provide full architectural services for Alexan Residential Tower; a mixed use development located on 13th and J Street/14th and K in the East Village neighborhood of Downtown San Diego. This 320-unit project is an eighteen-story residence that will provide a variety of unit types including studio, one-bedroom, one-bedroom plus, two-bedroom and loft-style units. Approximately 7,500 square-feet of common area will be dedicated on the ground floor to promote street interaction with the surrounding community. Resident amenities include a clubhouse, with pool and spa facilities, as well as exterior courtyard.

Portola Affordable Senior Housing

City of Lake Forest, California



JWDA provided preliminary design services on the Portola Affordable Senior Housing Project. Located in the City of Lake Forest, California, this four-story mixed-use project is comprised of 58 one-bedroom senior apartments with 10,000-square-feet of ground-floor retail. Landscaping features include common and private courtyards with nearby access to a local park and recreation center. The 2-acre site accommodates two surface parking lots to service residents and tenants separately.

Joseph O. Wong, FAIA, NCARB

Principal in Charge | Architect of Record



Pertinent Experience:

As Principal Architect, Mr. Wong is responsible for the performance of all services called for on the project. As founder of Joseph Wong Design Associates, Inc., Mr. Wong directs and oversees all design and implementation of the firm's residential and hospitality projects. He has over thirty-nine years of design management experience.

Mr. Wong has managed numerous small- and large-scale design projects. His experience includes programming, feasibility studies, master planning, design guidelines, public workshops and full architectural services. This includes the preparation of construction documents, as well as, construction management for projects over 1,000,000 square feet.

Awards of Note

AIA Design Award: 1987, 1989, 1991, 1993-1996, 1998, 1999, 2001-2003, 2006, 2009, 2010, 2012, 2014, 2015
 San Diego Public Arts / Cultural Committee Member 2009-2011
 1996 Multicultural Heritage Award
 Committee Member, Earl Hayden Award, City of San Diego 1995
 "Joseph Wong Day", Honored by City of San Diego 1994
 Board of Directors, Centre City Development Corporation 1991-1994

Selected Project Experience

- **Millenia Affordable Development** | Chula Vista, CA
- **16th and Market Affordable Development** | Downtown San Diego, CA
- **15th and Commercial Affordable Development** | Downtown San Diego, CA
- **5th and Palm Residential** | Downtown San Diego, CA
- **Alpha Square Apartments** | Downtown San Diego, CA
- **Broadway Block Mixed-use Residential Tower** | Downtown San Diego, CA
- **Alexan Residential Tower** | Downtown San Diego, CA
- **Broadstone at Makers Quarter** | Downtown San Diego, CA
- **Ballpark Village Mixed-use Development** | Downtown San Diego, CA
- **Paseo Mixed-use District** | San Diego State University, San Diego, CA
- **Portola Affordable Senior Housing** | City of Lake Forest, CA

Education

Master Landscape Architecture
 Harvard University | 1975

Master of Architecture
 UC Berkeley | 1974

Bachelor of Arts in Architecture
 UC Berkeley | 1972

Professional Affiliations

Fellow, American Institute of
 Architects
 Member, National Council
 of Architectural Registration
 Boards

Registered Architect

California #C9136
 Arizona #25189
 Nevada #3411
 Utah #96-332516-0301

Professional Activities

University of California, Berkeley
 Dean Advisory Council:
 2012 - present

Harvard University
 Graduate School of Design
 Alumni Council Advisory
 Board Member:
 1991 - 1995

San Diego Chamber of
 Commerce Board Member:
 2010-2012

Bert Shear, RA

Principal | Project Manager



Education

*Bachelor of Science
in Architecture*
California Polytechnic
San Luis Obispo | 1976

Professional Affiliations

Member, National Council
of Architectural Registration
Boards

Registered Architect

California #C15933

Professional Activities

*Supervisor, Intern Development
Program*

Pertinent Experience:

As Project Architect for Joseph Wong Design Associates, Mr. Shear is in charge of all phases of Architectural Design including planning and programming, schematic design, design development, design drawings, and construction documents as well as coordination with consultants and contractors. In addition to the duties listed above, Mr. Shear will also take lead for specifications, programming, and pre-design for this project. Complementing his architectural design and management experience, Mr. Shear also has many years of construction management experience.

Selected Project Experience

- **Millenia Affordable Development** | City of Chula Vista, CA
- **16th and Market Affordable Development** | Downtown San Diego, CA
- **15th and Commercial Affordable Development** | Downtown San Diego, CA
- **5th and Palm Residential** | Downtown San Diego, CA
- **Alpha Square Apartments** | Downtown San Diego, CA
- **Alexan Residential Tower** | Downtown San Diego, CA
- **Broadstone at Makers Quarter** | Downtown San Diego, CA
- **Ronald McDonald House and Parking Structure** | San Diego, CA
- **Ballpark Village Mixed-use Development** | Downtown San Diego, CA
- **Station B Mixed-use Development** | San Diego, CA
- **Paseo Mixed-use District** | San Diego State University, San Diego, CA

Chris Fassler

Senior Designer | Project Architect



Education

Master of Architecture
Swiss Federal Institute of
Technology, Zürich | 1999

Professional Affiliations

Member, National Council
of Architectural Registration
Boards

Registered Architect

California #C35246

Pertinent Experience:

Mr. Fassler has over 16 years of residential, hospitality, and mixed-use design experience. He has also worked on projects that have involved complex programming. Mr. Fassler is involved from initial client contact and programming to final facility design. He combines client needs with planning and building code requirements to create workable, cost-effective solutions. His approach is artistic as well as practical.

Mr. Fassler maintains constant contact with the draftsmen to ensure all design requirements are included in the construction documents. He has completed numerous design projects for corporate clients, local governments, and public Southern California clients. His residential, hospitality, and public project experience includes programming, feasibility studies, master planning, urban planning, and interior design.

Selected Project Experience

- **Broadway Block Mixed-use Residential Tower** | Downtown San Diego, CA
- **Alexan Residential Tower** | Downtown San Diego, CA
- **16th and Market Affordable Development** | Downtown San Diego, CA
- **15th and Commercial Affordable Development** | Downtown San Diego, CA
- **5th and Palm Residential** | Downtown San Diego, CA
- **Lane Field Mixed-use Development** | Downtown San Diego, CA
- **Ballpark Village Mixed-use Development** | Downtown San Diego, CA

Catherine Arreaza, Associate AIA

Designer | Assistant Project Manager



Education

*Bachelor of Science
in Architecture*
University of Michigan | 2007

Continuing Studies in Real Estate
Georgetown University | 2009

Master of Architecture
School of the Art Institute
of Chicago | 2011

Professional Affiliations

Member, American Institute of
Architects

Member, National Council of
Architectural Registration Boards

Registered Architect

Architect Registration Exam
in Progress

Pertinent Experience:

Mrs. Arreaza has seven years of residential, commercial and mixed-use design experience. She is involved from initial client contact and programming to final facility design. Mrs. Arreaza maintains constant contact with the client to ensure the effective coordination of all design requirements from planning to permit approval. She assists the design team with material research, preparing contract documents, and construction administration.

Selected Project Experience

- **Broadway Block Mixed-use Residential Tower** | Downtown San Diego, CA
- **Millenia Affordable Development** | Chula Vista, CA
- **Portola Affordable Senior Housing** | City of Lake Forest, CA
- **Alpha Square Apartments** | Downtown San Diego, CA

JWDA



Bill Bolstad
Chief Development Officer

Father Joe's Villages
3350 E Street
San Diego, CA 92102
(O) 619-446-2128

Bill.Bolstad@neighbor.org

15th & Commercial Affordable Development
16th & Market Affordable Development

Atmosphere Affordable Development



Mathew Packard
Former Vice President of Housing
Innovations/Operations
San Diego Housing Commission

Former Director at St. Vincent de Paul
Village

(C) 619-756-3785

keys2packard@gmail.com

Alpha Square Apartments



Bob McElroy
President

Alpha Project
1230 Columbia Street, Suite 950
San Diego, CA 92101
(O) 619-542-1877

bob@alphaproject.org

JEFF JUSTUS, ASLA, RLA, QSP/QSD

PRINCIPAL



Jeff Justus has in-depth experience in all aspects of private and public landscape architectural practices and is a principal for Schmidt Design Group, Inc. Mr. Justus has also worked as project manager for numerous large-scale landscape projects in the region. As project manager, his responsibilities have included LID projects, streetscapes, slope revegetation, pump stations and other many other projects with stormwater-management features. He is a certified landscape irrigation auditor and qualified stormwater preparer/developer in the state of California.

For nearly ten years prior to joining the Schmidt Design Group, Inc., Mr. Justus was a civilian staff landscape architect for the Navy Public Works Center in San Diego, California. Mr. Justus acted as the Division Manager in designing and managing industrial sites, slope stabilization and revegetation, recreational facilities, club facilities, hospitals, family housing, streetscapes, and coastal waterfront developments.

PROFESSIONAL LICENSE

Registered Landscape Architect, CA #4028

Certified Playground Safety Inspector #
2308-1106

Certified Landscape Irrigation Auditor CA
#85457

Qualified Stormwater Preparer/
Qualified Stormwater Developer, #24959

California Licensed Landscape Contractor
#C-27 #631473 (inactive)

EDUCATION

Bachelor of Science in Landscape
Architecture, California State University
San Luis Obispo, 1990.

PROFESSIONAL AFFILIATION

Chair, Independent Rates Oversight
Committee (IROC), San Diego, (Member
2012-Present)

Member, American Society of Landscape
Architects

Member, California Parks and Recreation
Society

- Versa Senior Homes @ Civita, San Diego, CA
- Saint Paul's Senior Services, Chula Vista, CA
- Merrill Gardens Senior Living, San Diego, CA
- Silvergate Senior Apartments/Assisted Living, Ramona, CA
- Renaissance at North Park, San Diego, CA
- Cordova Village Low-Income Housing, Chula Vista, CA
- Santa Luz Family Apartments, San Diego, CA
- Fairbanks Ridge Apartments, San Diego, CA
- Affordable Housing, Calipatria, CA
- Los Vientos Low Income Apartments, San Diego, CA
- Rachel's Center, San Diego, CA
- Brawley Affordable Family Apartments, Brawley, CA
- Calexico Affordable Family Apartments, Calexico, CA
- Cedar Creek Apartments, Santee, CA
- Multi-Family Recycled Water Sites, San Jose, CA
- North Santa Fe Apartments, Vista, CA
- Silver Sage Apartments, Lakeside, CA
- Torrey Highlands Low Income Apartments, San Diego, CA
- South Mill Creek Low Income Housing, Bakersfield, CA
- North Park Renaissance, San Diego, CA
- Black Mountain Ranch, San Diego, CA
- Eastlake Low Income Multi-family Apartments, Chula Vista, CA
- Hunter's Pointe, Carlsbad, CA
- Tierra Del Cielo Apartments, Somerton, AZ
- Vista Terrace Apartment, San Diego, CA



GLEN SCHMIDT, FASLA, RLA

PRESIDENT



Glen Schmidt's 39 years of planning and landscape architectural design experience for innovative projects within the Southwest have earned him a reputation for professionalism, quality, artistic integrity, and environmental sensitivity. Mr. Schmidt is the lead design professional in the firm, his projects have won more than 110 local, state, and national awards for design and technical excellence. Mr. Schmidt has been invited to speak at more than 50 conferences. In 2005, Mr. Schmidt was inducted as a Fellow in the American Society of Landscape Architects, a national honor based on his "significant works of landscape architecture" over an extended period of time.

Mr. Schmidt is skilled and experienced in leading public meetings. On numerous occasions, he has demonstrated his ability to integrate the ideas of diverse public and municipal groups toward a consensus which reflects the concerns of all involved. He is also a skilled presenter and has led many educational seminars and talks conveying technical issues to a wide range of audiences at local, state, and national levels.

PROFESSIONAL LICENSE

Registered Landscape Architect:
CA #2138 | NV #219 | AZ #34139

Qualified SWPPP Developer (QSD)/
Qualified SWPPP Practitioner (QSP)
#24955

EDUCATION

Bachelor of Science Environmental
Planning and Management,
University of California at Davis, 1977

PROFESSIONAL AFFILIATION

Member, American Society of Landscape
Architects

Member, California Parks and Recreation
Society

Member, U.S. Green Building Council

Member, Urban Land Institute

Member, Society of Marketing
Professionals

SELECTED PARK EXPERIENCE

- Versa Senior Homes @ Civita, San Diego, CA
- Saint Paul's Senior Services, Chula Vista, CA
- Merrill Gardens Senior Living, San Diego, CA
- Silvergate Senior Apartments/Assisted Living, Ramona, CA
- Renaissance at North Park, San Diego, CA
- Cordova Village Low-Income Housing, Chula Vista, CA
- Santa Luz Family Apartments, San Diego, CA
- Fairbanks Ridge Apartments, San Diego, CA
- Affordable Housing, Calipatria, CA
- Los Vientos Low Income Apartments, San Diego, CA
- Rachel's Center, San Diego, CA
- Brawley Affordable Family Apartments, Brawley, CA
- Calexico Affordable Family Apartments, Calexico, CA
- Cedar Creek Apartments, Santee, CA
- Multi-Family Recycled Water Sites, San Jose, CA
- North Santa Fe Apartments, Vista, CA
- Silver Sage Apartments, Lakeside, CA
- Torrey Highlands Low Income Apartments, San Diego, CA
- South Mill Creek Low Income Housing, Bakersfield, CA
- North Park Renaissance, San Diego, CA
- Black Mountain Ranch, San Diego, CA
- Eastlake Low Income Multi-family Apartments, Chula Vista, CA
- Hunter's Pointe, Carlsbad, CA
- Tierra Del Cielo Apartments, Somerton, AZ
- Vista Terrace Apartment, San Diego, CA

SCHMIDT DESIGN GROUP, INC.

BALANCING ARTISTIC EXPRESSION IN DESIGN WITH ENVIRONMENTAL SENSITIVITY



Certifications

SBE | SLBE

Areas of Expertise / Scope of Services

Landscape Architecture licensed in CA, NV, AZ, UT
LEED AP professional staff (2)

City Data

SLBE, City of San Diego, No. 12Do752

State Data

SBE, California Department of General Services, No. 10702

Federal Data

DUNS No.: 601244551
CAGE Code: ok989

NAICS Codes

Landscape Architectural Services > 541320

SIC Codes

0781 > Landscape Counseling & Planning
0781-03 > Landscape Designers

Contact

Mr. Glen Schmidt, FASLA
President/Principal in Charge
Phone: 619-236-1462
Email: info@schmidtsg.com

Schmidt Design Group, Inc. provides comprehensive landscape architecture and planning services, with an emphasis on balancing artistic design with environmental sensitivity. We are a client-centered, service-oriented small business dedicated to creating signature spaces that reflect the character and vision of the communities in which we work.

Firm Background >>>

Founded in 1983 by landscape architect and planner Glen Schmidt, FASLA, Schmidt Design Group has received more than 100 local, state, and national awards for design and technical excellence. The firm is headquartered in San Diego, California with a branch office in Sacramento. A portfolio of the firm's award-winning work can be viewed at www.schmidtsg.com. Experience includes:

- Affordable Housing
- Urban In-Fill/Mixed-Use Developments
- Multi-Family Residential/Single Family Residential
- Parks and Open Space
- Low Impact Design and Stormwater Management
- Design/Build Collaborations
- Campus Planning and Design
- Commercial and Industrial Sites
- Office and Retail Environments
- Museums and Interpretive Facilities
- Healthcare/Healing Gardens

Capabilities >>>

Schmidt Design Group, Inc. specializes in public-realm design and has provided innovative design solutions and community facilitation for dozens of public municipalities throughout California. The staff includes 21 employees, comprised of five licensed landscape architects, two LEED professionals, a certified arborist, a certified playground safety inspector, two qualified SWPPP developers/preparers, and a certified landscape irrigation auditor.



SCHMIDT DESIGN GROUP, INC.
WWW.SCHMIDTSG.COM

LOS VIENTOS

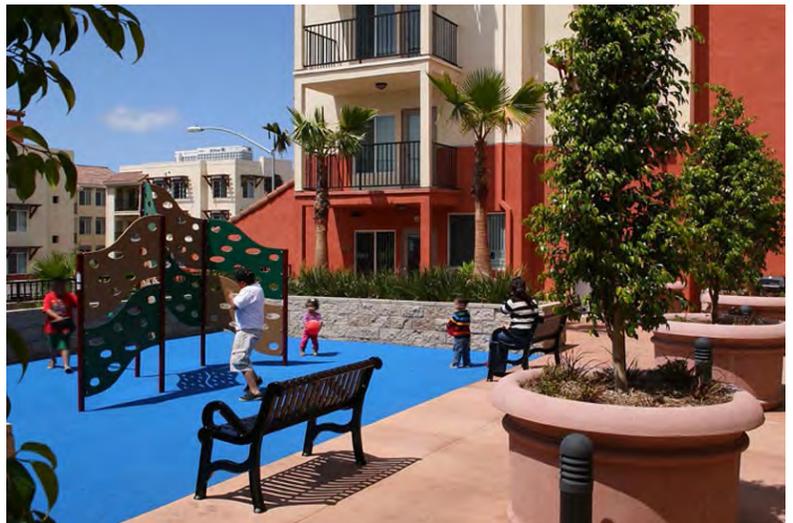
location - san diego, california / client - amcal multi-housing

This affordable housing project replaced underutilized industrial parcels and helped to revitalize Barrio Logan, which is located next to downtown, near San Diego's new baseball Stadium.

The contemporary Spanish development is located on two parcels of 1.04-acres and consists of two buildings with 89 affordable family units of two to four bedrooms. Amenities include a children's play area in the courtyard, outdoor barbeque area, and a 1,400-square-foot community clubhouse with a computer lab. Schmidt Design Group, Inc. provided landscape architecture services for the project.

Awards:

Project of the Year, San Diego Housing Federation



SCHMIDT DESIGN GROUP, INC.
WWW.SCHMIDTDESIGN.COM

MERRILL GARDENS

location - san diego, california / client - merrill gardens at bankers hill, llc



Schmidt Design Group, Inc. provided schematic design, design development, construction documents, and construction administration for this independent and assisted living retirement community in San Diego, California. Merrill Gardens is an 84-unit senior residential community located on a 1.38-acre site in the Uptown area of San Diego. The five-story project features a green roof terrace offering views of downtown San Diego and the San Diego Bay. Schmidt Design Group, Inc. focused on the outdoor hardscape and landscape areas along the right-of-way, entrances, patios and terraces, and a linear courtyard along the east side of the building.



RENAISSANCE AT NORTH PARK

location - san diego, california / client - carter reese & associates

Schmidt Design Group, Inc. provided design development, construction documents, and construction administration for landscape, planting and irrigation for this mixed-use development project in North Park, San Diego. The project includes a four-story, mixed-use structure on El Cajon Boulevard and town homes on Kansas Street and 30th Street. The mixed-use component provides 96 affordable homes, 6,000 square feet of commercial space, and a 6,000-square-foot space to be used as either a public community center or for retail establishments. A pedestrian plaza accessible to the public provides a link between El Cajon Boulevard, shops, and 187 new parking spaces. Renaissance at North Park is a mix of housing and retail use that will begin to revitalize a community and create a new landmark.





COMPANY FACT SHEET

Company Name:	Ryan Young Interiors, Inc.
Location:	Southern California: 2200 Cleveland Avenue National City, CA 91950
Principals:	Tara F. Ryan, President
Company History:	Ryan Young Interiors was established in 1991 to provide effective interior design for the building industry. Now celebrating its 25 th year in business, Ryan Young has completed hundreds of projects both domestically and internationally. RYI's international work encompasses projects in Mexico, Egypt, and China. Our twelve years of work in China includes over 90 villa models and three Golf Clubhouses installed over 9 provinces in China to date.
Company Description:	Interior Design Company specializing in the design and merchandising of hospitality, commercial, clubhouse, apartment communities, residential & model homes.
Design Philosophy:	Ryan Young is dedicated to creating and implementing interior design projects with integrity. Through the development of our employees, each member of the Ryan Young team is committed to providing creativity and quality service in partnership with our clients to create memorable projects that captivate the imagination and motivate the buyer.
Company Personnel:	36 employees
Company Revenue (3 year Avg.):	\$5.6 Million



PROJECT TEAM MEMBERS

Tara Ryan, Co-founder and President of Ryan Young Interiors. Ms. Ryan brings her clients an impressive set of credentials and over twenty-five years of qualified design experience. In addition to her Bachelor of Fine Arts degree from the Design Institute of San Diego and her certification California Interior Design (C.I.D), she has obtained the Certified Marketing Professional (C.M.P.) designation from the National Association of Homebuilders (N.A.H.B.) and has completed all four courses for membership in NAHB's Institute of Residential Marketing (M.I.R.M.). Her designs have been recognized by over 150 Building Industry Association Awards on both a local and national level. Ms. Ryan's work has been published in numerous magazine and newspaper publications in the US and has been highlighted over 5 times internationally with publications throughout Asia.



Sara Kilburn, Vice President - Sara Kilburn joined Ryan Young Interiors initially in 2005 and again in 2015. Sara brings more than 15 years of sales experience in the areas of hospitality design, model home, multi-family and senior living. She graduated from the Fashion Institute of Design and Merchandising in San Francisco with both a Design degree and a Professional Designation. In 1998, Ms. Kilburn participated in a European Tour with design students of the FIDM, studying all aspects of Interior, Fashion and Architectural Design. Sara has served on the boards of the Sales and Marketing Council of the San Diego BIA and is an active member of the BIA and other industry organizations.



Rosenilyne Hopson, Senior Vice President - Rosenilyne Hopson joined Ryan Young in 1997 and as Senior VP she is accountable for the financials, operations, accounting, purchasing, warehousing, administration and information technology departments. Rosenilyne also works closely with the Commercial Division to respond to RFP's and generate contracts for all commercial projects. She received her education in Accounting from Howard University in Washington, DC, and Business Administration from the University of Phoenix.



Suzanne Hazell, Commercial Department Director - Suzanne Hazell joined Ryan Young Interiors initially in 2011 with over 20 years of design experience. Her expertise ranges from high end residential, merchandising, corporate interiors and senior living, spanning from new and remodel construction. Ms. Hazell has worked for large architecture firms and interior design firms in both the Orange County and San Diego areas. Her department director role at Ryan Young includes managing the team of designers ensuring projects are done in a timely manner within budget while at the same time encompassing the clients' vision. In our commercial division, Ms. Hazell spearheads FF& E budgeting, drawing and specification quality assurance. Project specific coordination includes client interaction, site meetings, installations and project follow up. Ms. Hazell's knowledge base is critical to guiding the design efforts for commercial, multifamily, senior housing and hospitality projects.



Taylor Yates- Commercial Design Lead

Taylor Yates has been with Ryan Young for 6 years. His education has been a combination of studying architecture and interior design which has given him a unique advantage at Ryan Young. Taylor started his education in technical design and initially worked in Ryan Young's technical department. With his continued education in architecture at the New school of Architecture in San Diego and then moving on to the Design Institute of San Diego to study interior design, Taylor has crossed over to work in both the model home department, clubhouse department and the commercial division. Taylor is currently managing several mid-rise apartment complexes in Sunnyvale, Santa Rosa, Del Mar and Seattle and was a key member on two award winning projects in Santa Monica and Irvine. In addition, Taylor has worked extensively on our China projects in Chengdu and Shanghai.



Jennifer Bien – Senior Commercial Designer

Jennifer joined Ryan Young in 2015 with 7 years of experience in interior design focusing on affordable senior and family housing design. Jennifer has also worked on all ranges of market rate multi-family housing, private residences and award winning model homes throughout the Continental U.S. Jennifer obtained her first BA degree in Fashion Design/Clothing and Textiles at Ewha Women's University in South Korea then transitioned into Interior Design with a BA degree from The Art Institute of San Diego. Jennifer is currently the project lead on Senior Living and Market Rate projects in San Diego, Sacramento, and Folsom, CA.





MULTI-FAMILY, HIGH-RISE, MID-RISE COMMUNITIES & HOSPITALITY PROJECTS

High & Mid Rises & Apartment Communities:

Talavera

**Mid-Rise Urban Apartments & Leasing
USA Property Fund, Folsom, CA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Specifications, Corridor & Unit Entry Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Outdoor living and Procurement.

The Landing

**Garden Apartments- Clubhouse & Leasing
USA Property Fund, Sacramento, CA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Specifications, Corridor & Unit Entry Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Procurement.

Platinum Pasadena

**Mid-Rise Urban Apartments & Leasing
SummerHill Apartments, Pasadena, CA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Specifications, Corridor & Unit Entry Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Outdoor Living, and Procurement.

Westminster Manor

**Senior Affordable Living*
Chelsea Investment, San Diego, CA**

New Construction High-Rise, Scope includes: Conceptualization, Space Planning & Programming, Lobby, Leasing Office, Way Finding, Common Spaces, Amenities, Procurement.

Versa at Civita

**Senior Affordable Living*
Chelsea Investment, San Diego, CA**

New Construction Mid-Rise, Scope includes: Conceptualization, Space Planning & Programming, Lobby, Leasing Office, Common Spaces, Amenities, Procurement.

Westmont of Morgan Hill

Assisted and Independent Retirement Living
JF Construction, Morgan Hill, CA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Leasing Office, Common Spaces, Amenities, Procurement.

Origin

**Mid-Rise Urban Apartments
SummerHill Apartments, Seattle, WA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Specifications, Corridor & Unit Entry Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Procurement.

The Villas at Pacific Mountain Ranch

**Mid-Rise Urban Apartments
Wermers Properties, Del Mar, CA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Specifications, Corridor & Unit Entry Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Procurement for two buildings and common areas.

Villas on the Boulevard

**Mid-Rise Urban Apartments
SummerHill Apartments, Santa Rosa, CA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Specifications, Corridor & Unit Entry Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Procurement.

481 Mathilda

**Mid-Rise Urban Apartments
SummerHill Apartments, Sunnyvale, CA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Specifications, Corridor & Unit Entry Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Procurement.

Riverview

**Mid-Rise Urban Apartments
RPM Investments, San Jose, CA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Specifications, Corridor & Unit Entry Specifications, Lobby, Leasing Office, Common Spaces, Amenities. Purchasing completed by ownership.

The Grand

**Mid-Rise Urban Apartments
Northwestern Mutual/Alliance, Sherman Oaks, CA**

Re-Positioning Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Corridor & Unit Entry Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Procurement.

C on Pico Apartments**Mid-Rise Urban Luxury Apartments
Amoroso Communities, Santa Monica, CA**

New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Review and Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Procurement. Southern Cal and National Award winning project.

Glendale Triangle**Mid-Rise Urban Luxury Apartments
Camden Living, Glendale CA**

Project opening in 2014. New Construction Mid-Rise. Scope includes: Conceptualization, Space Planning & Programming, Unit Review and Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Procurement

1600 Vine**Mid-Rise Urban Luxury Apartments
Legacy Partners & Klein Financial Group -
Hollywood, CA**

Project Re-Positioning - opening in late 2012. Mid-Rise in the heart of Hollywood at the W Hotel & W Residences Compound at the intersection of Hollywood Ave. & Vine St. Featuring extensive amenity space and unit upgrades. Scope includes: Conceptualization, Space Planning & Programming, Unit Review and Specifications, Lobby, Leasing Office, Common Spaces, Sky Deck, Roof Deck, Dog Park, Amenities, Procurement. Southern California Award Winning Project.

Met Lofts**Mid-Rise Urban Luxury Apartments
Alliance Residential – LA Live – Los Angeles, CA**

Project Re-Positioning - opening in late 2012. Mid-Rise featuring Club/Lobby, Exterior Theatre, Club Pool & BBQ, Cyber Café, Roof Deck with 253 units. Scope includes: Conceptualization, Space Planning & Programming, Unit Review and Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Procurement

Wilshire Vermont**Mid-Rise TOD Luxury Apartments
Klein Financial Group – LA Live – Los Angeles, CA**

Project Re-Positioning - opening in late 2012. Transit Oriented Mid-Rise featuring courtyard based retail and mixed use project with residential above consisting of 449 units. Scope includes: Conceptualization, Space Planning & Programming, Unit Review and Specifications, Lobby, Leasing Office, Common Spaces, Amenities, Pool & BBQ area, Dog Park, Procurement

La Belle at Hollywood Tower**Mid-Rise Urban Luxury Apartments
Alliance Residential - Hollywood, CA**

Project Awards included: Multi-Family Housing Magazine Mid Rise Project of the Year, 2010; 2011 “Charlie Award” by Hollywood Arts Council for “Architectural Arts”; Best Unique Space 2011 – “The Nationals” at IBS. Scope included: Conceptualization, Space Planning & Programming, Lobby, Leasing Office, Common Spaces, Amenities, Procurement

The Crest at Fair Oaks by Sixells	Clubhouse – Sacramento, CA
Terra Cotta by BRIDGE Housing	Clubhouse – San Diego, CA
The Reserve by Spanish Trails Associates	Clubhouse & Models – Las Vegas, NV
Seabridge Villas by JMB	Clubhouse & Condominiums – San Diego, CA
Sunscape by Prometheus	Clubhouse – Scottsdale, AZ
Rancho Mirage	Clubhouse – Phoenix, AZ
Metropolitan by Prometheus	Clubhouse – Phoenix, AZ
Eastgate	Clubhouse – Las Vegas, NV
Trilogy at Glen Ivy by Shea Homes	Clubhouse – Corona, CA
Kensington by Prometheus	Clubhouse – San Francisco, CA
Allegro at Tanoan by SNK	Clubhouse – Albuquerque, NM
Alborado by SNK	Clubhouse & Models – Fremont, CA
Allegro by SNK	Clubhouse – Phoenix, AZ

Clubhouses & Leasing Centers (Repositioning/Re-Branding):

Jamboree by Lewis Management	Clubhouse, Leasing, - Rancho Cucamonga, CA
Beverly Plaza by Shapell Properties	Clubhouse, Amenities, Colorization – Long Beach , CA
Harbor Park by Alliance Residential	Clubhouse & Amenities – Vallejo, CA
Vaseo by Alliance Residential	Clubhouse, Leasing Center & Amenities
Forty-55 by Behringer Harvard	Lobby-Leasing & Amenities– Marina del Rey
The Summit by BRE Properties	Clubhouse – Chino Hills, CA
Emerald Pointe by BRE Properties	Clubhouse – Diamond Bar, CA
Carmel Summit by BRE Properties	Clubhouse & Model – San Diego, CA
Tierra Nova by BRE Properties	Clubhouse & Model – Chula Vista, CA

Villa Sienna by BRE Properties

Clubhouse – Costa Mesa, CA

Carmel Landing by BRE Properties

Leasing Center – San Diego, CA

Hospitality Projects – Hotels & Restaurants:

The Carolina Inn – Doubletree Hotel 4 Star Doubletree Hotel Flag –
Chapel Hill, NC

Guest Rooms

Marriott Suites Hotel by Frisas

**3 Star Destination Golf Resort –
Real Del Mar, Baja Mexico**

Lobby, public spaces & Hotel Suites

Gio's Restaurant

**Restaurant, Wine Bar & Coffee Bar Design
La Mesa, CA – Gabriel Giordano Proprietor**

Complete renovation of restaurant to an award-winning independently owned restaurant including Interior, Exterior Patio Bathrooms, TI recommendations, FF&E for all areas.

Special Projects

2500 Troon Mountain Drive

Saddleback Homes- Phoenix, AZ

Custom Home

Plan 5B by Chengdu Wide Horizon

5,000 Sq. Ft. Executive Home – Chengdu, China

Chen Residence

Riverside, CA

Zhao Residence

Chengdu, China

Tour d' Elegance by McMillan

Executive Homes – Scripps Ranch, CA

Scripps Information Center by McMillan

Information Center – San Diego, CA

Completed by Jen Bien while at a previous firm *

Completed by Suzie Hazell while at a previous firm **



RYAN YOUNG INTERIORS
2200 CLEVELAND AVE.
NATIONAL CITY, CA
91950





Statement of Qualifications

PARTNERENERGY

Maximizing building efficiency, sustainability, and profitability for clients nationwide.

www.ptrenergy.com | 888.826.1216 | sales@ptrenergy.com
2154 Torrance Boulevard Torrance, CA 90501

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COMPANY INFORMATION



Background and Philosophy

We are a technology and product agnostic company that works with building owners and managers to identify, capitalize, and implement accretive energy efficiency, renewable energy and sustainability projects.

Partner Energy, a Small Business Enterprise and Minority-Owned Business, was founded in 2009 by real estate and engineering professionals, Tony Liou and Joe Derhake. Tony and Joe started Partner Energy after noticing an increase in demand for energy efficiency and sustainability consulting services. The demand arose due to the onset of complex energy efficiency and disclosure laws, rising energy costs, and global awareness of climate change.

Partner Energy's headquarters is based in Southern California with a network across the nation. Our professionals work with building owners and users to increase asset values, lower ownership costs, and promote environmental stewardship. By recommending and implementing fiscally responsible energy efficiency measures, our team helps clients reduce energy usage and energy costs. Our recommended solutions are economically sound, as we take into consideration the client's energy goals as well as their investment return criteria.

Partner Energy works alongside Partner Engineering and Science, Inc. The sister company was founded in 2007 and is a nationwide provider of environmental and building science services. Partner is a leader in due diligence services nationwide, with over 30 offices across the country.

Experience and Skills

Our dedication to providing consistent, appropriate, and quality services nationwide has awarded us a reputation that separates us from the competition.

Our team of experienced energy engineers, sustainability and building science specialists, technical directors, and project managers help our clients achieve their sustainability, energy efficiency and alternative energy goals, both on a portfolio and individual building level.

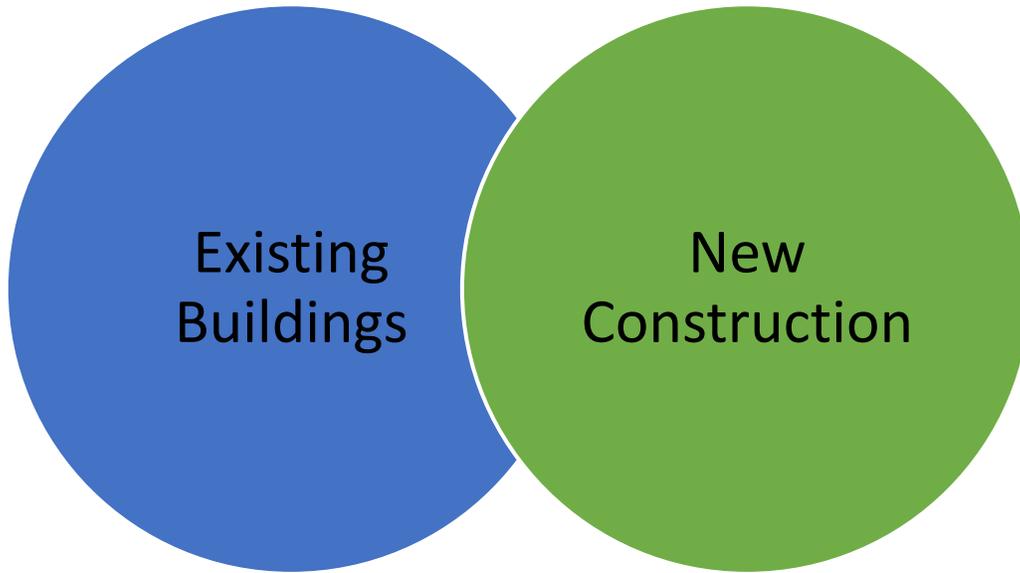
Our staff is dedicated to providing high quality services with integrity. Our clients include utility providers, real estate owners and managers, lenders, government agencies, higher education institutions, developers, architects, contractors, and national Energy Services Companies (ESCOs).

Partner Energy has experience working with diverse building types, including: low-rise and high-rise multifamily developments, condominiums and garden style complexes, educational facilities such as K-12 schools and higher education, municipalities and other institutional agencies, industrial and commercial, hospitality and resorts, military bases, office and retail spaces, and mixed-use buildings.

With our understanding of the latest in sustainable technologies, we work to provide quality energy saving solutions and remedies for all our clients.

Our Services

Partner Energy provides services for every aspect of a building’s life cycle from existing to new buildings.



For existing building projects, we provide:

- Energy & Water Benchmarking
- Energy & Water Audit
- Green Property Condition Assessment
- Measurement & Verification
- Retro-Commissioning
- Rebates & Incentives
- LEED-EB Certification
- GreenPoint Rated Certification
- Third Party Certification
- Training
- Portfolio Management & Reporting
- Continuous Commissioning

For new construction projects, we provide:

- Procurement & Construction Administration
- Engineering & Performance Specifications
- Construction Support - Sustainability Review
- Commissioning
- CALGreen Compliance
- HERS, CAS & Other Diagnostic Testing
- Energy Modeling
- LEED Certification
- GreenPoint Rated Certification
- Third Party Certification

Our Professional Designations and Licenses

Our team of experienced energy engineers holds various types of professional and industry designations and licenses, including the following:

Professional Engineer (PE)

A Professional Engineer is a state issued license that indicates the engineer has had their qualifications and references thoroughly reviewed by the state. The engineer has a college degree in an engineering science, has progressed logically through his or her career performing responsible engineering work, and is knowledgeable in disciplines outside his or her own specialty. In many cases all final plans, including drawings, specifications, and reports, are required to bear the seal and signature of a licensed PE.

Registered Architect (RA)

A Registered Architect is a state provided license that indicates the architect has had their design, code compliance, life safety, engineering, and construction skills approved by the state. An architect is required to have a bachelors and/or master's degree in architecture and has completed an internship and examination process. In many cases all final plans, including drawings, specifications, and reports, are required to bear the seal and signature of a licensed architect.

Certified Energy Manager (CEM)

A Certified Energy Manager is a professional certification issued by the Association of Energy Engineers. Professionals are eligible for this certification only after demonstrating their expertise in several areas including engineering standards, air quality, energy audits, lighting, procurement and even financing.

Home Energy Rating System (HERS I & II Rater) Certified

A Home Energy Rating System is a measurement of a home's energy efficiency in a new or existing home. A HERS certified analyst is a professional certification issued by the Energy Commission. The Energy Commission certifies HERS raters who perform third-party inspections when verification of duct sealing, thermostatic expansion valves (TXVs), refrigerant charge, airflow measurement, and building envelope sealing measures are used to comply with Title 24, Part 6 of the Building Energy Efficiency Standards.

LEED Accredited Professional (LEED AP BD+C, EB O+M)

A LEED Accredited Professional is a credential issued by the Green Building Certification Institute (GBCI). Professionals with this designation demonstrate exceptional expertise in the design and construction phases of sustainable, healthful and durable buildings, including those serving the commercial, residential, educational and healthcare sectors. Credential holders demonstrate a thorough knowledge of the LEED rating system.

Certified Building Commissioning Professional – Building Commissioning Association (CBCP)

A Certified Building Commissioning Professional (CBCP) is a professional certification issued by the Building Commissioning Association. Professionals become eligible for this certification after demonstrating the required education, experience, project leadership, and client references. A prerequisite for the CBCP certification is the Building Energy Modeling Professional Certification – ASHRAE (BEMP). To earn the CBCP designation, participants must complete an application that is reviewed by the Building Commissioning Certification Board and pass a comprehensive two-hour examination.

All designations our team has earned include:

- American Institute of Architects (AIA)
- ASHRAE Building Energy Modeling Professional Certification – ASHRAE (BEMP)
- ASHRAE Healthcare Facility Design Professional Certification – ASHRAE (HFDP)
- Building Performance Institute AC & Heat Pump Professional
- Building Performance Institute Building Analyst (BPI BA)
- Building Performance Institute Envelope Professional (BPI EP)
- Building Performance Institute Heating Professional
- Building Performance Institute Multifamily Building Analyst (BPI MFBA)
- Building Performance Institute Multifamily Building Operator (BPI MFBO)
- Building Performance Institute Proctor/Super Proctor
- Certified Building Commissioning Professional (CBCP)
- Certified Energy Analyst (CEA)
- Certified Energy Manager (CEM)
- Certified Energy Plan Examiner (CEPE) Residential/Nonresidential
- Certified Green Building Professional (CGBP)
- Certified Green Point Rater (GPR)
- Certified Sustainable Building Advisor
- Energy Auditor/ Retro-Commissioning Agent
- Existing Building Commissioning Professional (EBCP)
- HERS Rater (I&II) – CalCERTS
- LEED Accredited Professional (LEED AP)
- LEED AP Building Design + Construction (LEED AP BD+C)
- LEED Existing Building Operations & Maintenance (LEED EB+OM)
- LEED Fellow
- LEED Green Associate
- LEED Homes Green Rater
- Professional Engineer (PE)
- Registered Architect (RA)
- Whole House Rater – CalCERTS



Incentive Programs

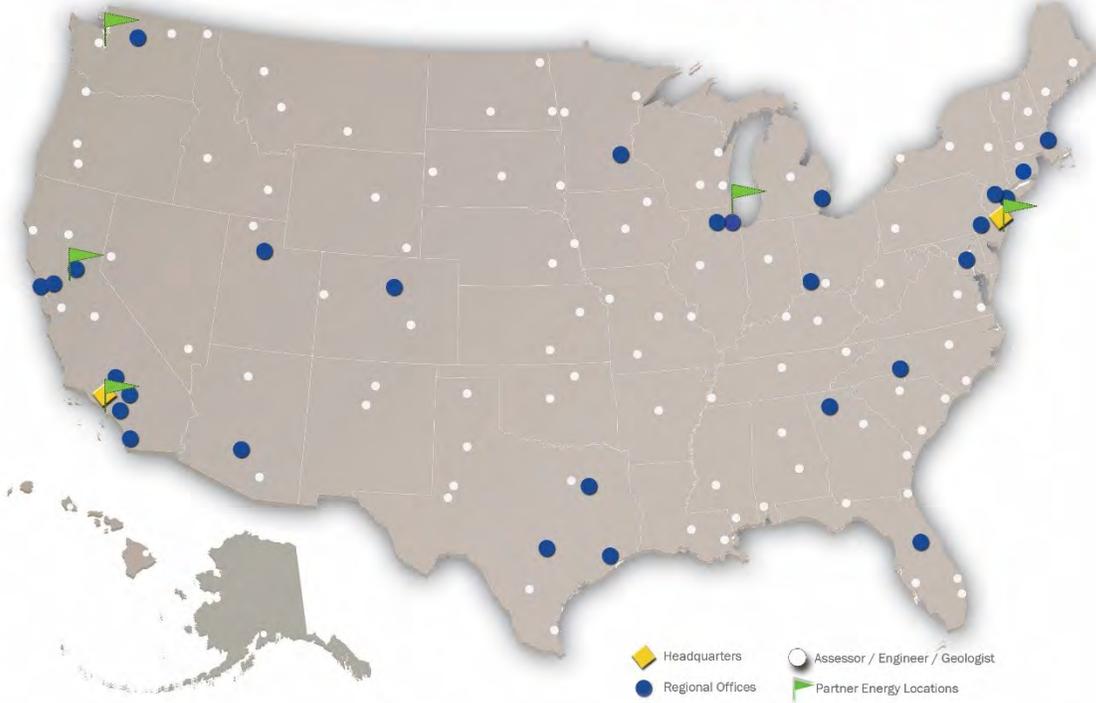
Partner Energy is an approved consultant for a variety of past and current energy efficiency programs administered by utilities or government agencies, including:

- CenterPoint Energy – Houston Metro Retro-Commissioning Program (RCx)
- ComEd Retro-Commissioning Program
- DTE Retro-Commissioning (RCx) Pilot Program
- Energy Upgrade CA – San Diego Gas & Electric
- Energy Upgrade CA – Southern California & Southern California Gas
- Los Angeles Department of Water and Power (LADWP) Customer Performance Program
- Los Angeles Department of Water and Power (LADWP) Energy Efficiency Technical Assistance (EETAP)
- Los Angeles Department of Water and Power (LADWP) Retro-commissioning (RCx) Fast Track Program
- New Jersey Pay for Performance Program Existing Buildings
- NVEnergy Sure Bet
- NYSERDA Multifamily Performance Program – Existing Buildings
- Pacific Gas & Electric Co (PG&E) Multifamily Upgrade Program
- Pacific Gas & Electric Co (PG&E) RCx Program
- Sacramento Municipal Utility District (SMUD) Energy Upgrade CA Program
- San Diego Gas & Electric (SDGE) Energy Upgrade CA Program
- San Diego Gas & Electric (SDGE) Retro-commissioning (RCx) Program
- Southern California Edison (SCE) Enhanced Retro-commissioning (RCx) Program
- Southern California Edison (SCE) Retro-commissioning (RCx) Program
- Southern California Gas Company (SoCalGas) Retro-commissioning (RCx) – SCE Program
- Southern California Gas Company (SoCalGas) Retro-commissioning (RCx) Express
- Southern California Regional Energy Network (SoCalREN) Energy Upgrade CA Program (Multifamily)
- Xcel Energy Recommissioning Program

Our Office Locations

PARTNER
Engineering and Science, Inc.

PARTNER
ENERGY



Northern California
135 L Street
Sacramento, CA 95814
P: 888 826 1216
F: 310-817-2745

East Coast
611 Industrial Way West
Eatontown, NJ 07724
P: 888 826 1216
F: 310-817-2745

West Coast Headquarters
2154 Torrance Blvd., Suite 100
Torrance, CA 90501
P: 888 826 1216
F: 310-817-2745

EXISTING BUILDING SERVICES

Energy & Water Benchmarking

Benchmarking is the process of measuring, tracking energy and water consumption in order to identify and prioritize opportunities. We quantify, compare, and track a building's baseline energy and water consumption and cost. We develop a comprehensive summary of key performance metrics by analyzing utility data. For organizations looking to develop a long-range plan for energy or water reduction, Partner Energy conducts an assessment of the physical and operational elements to identify opportunities for optimized performance.

Key performance metrics such as electric, gas, water, and total energy consumption, cost and intensity, are calculated as part of the benchmarking analysis.

Energy & Water Audit

A feasibility analysis identifies and recommends energy efficiency and renewable energy projects, and includes information such as installation cost, savings, rebates and incentives, and payback. Throughout this audit process, we work with property managers to identify, select, and implement projects.



Green Property Condition Assessment

PCA Report alerts the buyer of what building systems are failing and predicts when the building systems will require replacement in the future. By adding an energy audit to a PCA Report before buying or refinancing there is a chance to identify energy efficiency opportunities.

Measurement & Verification

Quantifying and verifying improved performance for energy efficiency, demand management and/or renewable energy projects, is often a utility or customer requirement. We specialize in conducting industry accepted protocol to verify savings such as international Performance Measurement and Verification Protocol (IPMVP) process and standards.

Retro-Commissioning

Retro-commissioning, or building energy optimization, is a process that seeks to improve how building equipment and systems function together. Like any complex system, buildings lose their operating efficiency over time and need a “tune up” to help re-align factory settings, or in many situations, correct settings for energy optimization. Retro-commissioning can often resolve problems that occurred during design or construction, or address problems that have developed throughout the building’s life. Once an investigation is conducted, calculations can be made to determine how to optimally configure building optimization using low cost measures.

Rebates & Incentives

Partner Energy is an industry leader in navigating the energy compliance landscape, with extensive experience in project financing opportunities, energy efficiency incentive programs and regulatory requirements. As a pre-approved technical service provider, our specialty expertise has enabled our clients comply with regulations and benefit from numerous local and federal opportunities.

LEED-Existing Buildings Certification

We provide certification assistance for all of the LEED rating systems, such as LEED-EB. Partner Energy provides all of the necessary services for certification in an integrated delivery model from schematic design all the way through the completion of the construction process.

GreenPoint Rated Certification

We are familiar with the GreenPoint Rated protocol and we work with building owners to achieve certification for New Homes, Existing Homes and CA Multifamily: Existing Buildings. Our Certified GreenPoint Raters (CGPR) help existing building projects earn points toward GreenPoint Rated certification across all recognized categories including Energy Efficiency, Resource Conservation, Indoor Air Quality, Water Conservation and Community.

Third Party Certification

In addition to LEED and GreenPoint Rated, Partner Energy provides assistance with other third-party building certifications including:

Energy Star

Partner Energy works with building owners in achieving the Energy Star label, based on benchmarking their energy consumption as compared to the national average for that building type.

Training

We provide all levels of training from basic user training, facilities staff and O+M training, to professional development training and post-secondary education. Our continued education

services are recognized by numerous agencies including USGBC and AIA, and may help owners qualify for a number of tax rebate programs.

Portfolio Management & Reporting

Portfolio management combines our full suite of energy efficiency and sustainability services to proactively maximize building performance. We lead your portfolio through a continuous energy management process in order to reduce ongoing energy consumption. As an Associate Member, Partner Energy provides support for Global Real Estate Sustainability Benchmark (GRESB), an annual benchmark survey used to measure the sustainability performance of commercial real estate portfolios.



Continuous Commissioning

Once a building has been optimized, we help maintain benefits through ongoing monitoring in order to identify new issues, improve comfort, and continually optimize building performance through continuous commissioning (CCx). Through CCx we analyze data through by various software to interpret trends and to identify improvements in optimizing energy savings.

NEW CONSTRUCTION SERVICES

Procurement & Construction Administration

Once specifications are set, we help define the Scope of Work (SOW), identify and select contractor(s), and coordinate all bid document submittals and reviews. Our team then oversees all aspects of the construction process, by monitoring progress and quality.

Engineering & Performance Specifications

Partner Energy provides comprehensive implementation support service such as developing specifications, and mechanical, electrical, and plumbing (MEP) design, to maximize energy savings.

Construction Support - Sustainability Review

Our team will perform a sustainability review for compliance with local codes and ordinances pertaining to sustainability. Our team will review various drawings and submittals, and perform period site observation to ensure that a site meets sustainability requirements.

Commissioning

We provide third party performance testing to ensure operational and energy efficiency goals for the project are successful. This includes review and submittals, testing, equipment, and verifying control sequences. Partner Energy provides various types of commissioning including:

Fundamental Commissioning

Fundamental Commissioning is a prerequisite for LEED certification for all rating systems (except EBOM and ND). LEED Energy and Atmosphere Prerequisite 1: Fundamental Commissioning of the Building Energy Systems (EA Prerequisite 1) requires HVAC, lighting, hot water heating, controls, and renewable energy commissioning.

Enhanced Commissioning

Enhanced Commissioning provides optional credit, LEED Energy and Atmosphere Credit 3: Enhanced Commissioning (EA Credit 3) that expands upon the fundamental commissioning requirements to include scope during the design phase and during post-occupancy of the building.

CALGreen Commissioning

For properties in California, CALGreen Commissioning is a requirement by CALGreen that all buildings over 10,000 square feet need to be commissioned. In the state of California, commissioning is required per the CALGreen building code (section 5.410.2) for all newly constructed, non-residential buildings over 10,000 square feet. Commissioning is also a mandatory prerequisite for the USGBC's LEED rating systems (NC, CS, and CI).

CALGreen Compliance

As of January 1, 2011, all new construction or major renovation of buildings in the state of California is required to comply with the CALGreen Building Code for minimum standards for energy and water efficiency, materials use, indoor air quality, and site impact reduction.

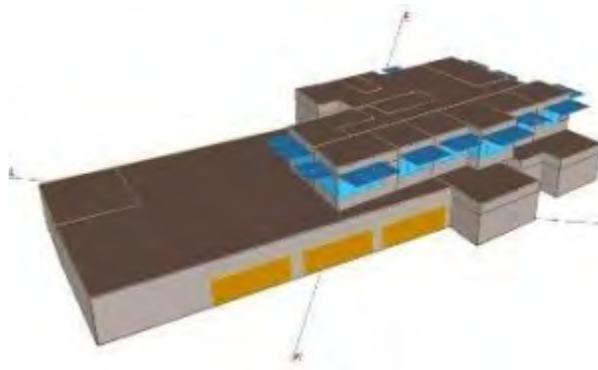
Partner Energy provides assistance to design teams for complying with all of the CALGreen building code requirements per jurisdiction. This includes completing building department forms, and on-site verifications and sign-off.

HERS, CAS & Other Diagnostic Testing

In order to meet state energy code compliance, Energy Star, LEED, or GreenPoint Rated regulations, our team performs required testing such as: thermal bypass checklist, quality insulation inspection, duct leakage, refrigerant charge, blower door testing, and ventilation effectiveness. We also perform combustion appliance safety (CAS) testing, required for many utility rebate programs and financing programs for low income housing tax credits.

Energy Modeling

For Title 24 or certification purposes, develop whole building energy simulations for compliance with energy code or third party certification purposes. Our team has extensive experience creating energy models to demonstrate project compliance with LEED Energy and Atmosphere Prerequisite Two (EA Prerequisite 2): Minimum Energy Performance (Basic) and Credit One (EA Credit 1): Optimize Energy Performance (Enhanced). Our process utilizes whole building analysis and/or systems approach to show energy consumption and cost savings versus California energy code Title 24 or ASHRAE 90.1-2007. We have extensive experience with the following energy modeling software tools: eQuest, EnergyPro, Treat, EAQuip, and Energy Plus.



LEED Certification

We provide certification assistance for all of the LEED rating systems, including NC, CI, EBOM, Homes, and ND. Partner Energy provides all of the necessary services for certification in an integrated delivery model from schematic design all the way through the completion of the construction process.

Feasibility Studies & Gap Analysis

Our team will work with owners and design teams during the early stages of a project development to identify the potential for certification, strategies for compliance and cost impacts and benefits for pursuing certification.

Design Charrettes

Partner Energy can conduct design charrettes with key project stakeholders to identify necessary decisions and design elements to be incorporated into a project's scope of work necessary to achieve certification.

GreenPoint Rated Certification

We are familiar with the GreenPoint Rated protocol and we work with building owners to achieve certification for New Homes, New Construction and CA Multifamily: New Construction. Our Certified GreenPoint Raters (CGPR) help projects earn points toward GreenPoint Rated certification across all recognized categories including Energy Efficiency, Resource Conservation, Indoor Air Quality, Water Conservation and Community.

Third Party Certification

In addition to LEED and GreenPoint Rated, Partner Energy provides assistance with other third-party building certifications including:

Energy Star

Partner Energy works with building owners in achieving the Energy Star label, based on benchmarking their energy consumption as compared to the national average for that building type.

Enterprise Green Communities

For multifamily new construction or rehab projects, our team assists in the compliance documentation necessary to be rated as a Green Community per the Enterprise Community Partners protocols.

Collaborative for High Performance Schools (CHPS)

The Collaborative for High Performance Schools (CHPS) is a leading national movement to improve the educational experience by building the best possible schools. New schools, new buildings, and major modernization/renovation projects can register for CHPS Verified and CHPS Designed. A major modernization/renovation is defined as a project in which at least four of the major building systems are replaced or upgraded. Partner Energy has extensive experience managing modernization/renovation projects and assisting clients with their CHPS compliance and registration.

NetZero

Net Zero buildings are buildings that produce all the energy they use through on-site renewables, also defined as buildings that produce zero net emissions per year.

International Living Building Challenge

The International Living Building Challenge is the highest and can be considered an distinguished level of certification. Projects that meet this standard must be both net zero for energy and water and be regenerative back to their immediate site context.

KEY MULTIFAMILY STAFF

Team Overview

Partner Energy’s multifamily team has a specific expertise in California tax credit and bond sustainability requirements, and we have provided energy audits, LEED and GreenPoint Rated support services, code compliance services and sustainability project management for hundreds of multifamily properties for a variety of funding protocol including CTCAC, CDLAC, HUD, CalHFA, Fannie Mae and Freddie Mac. Partner Energy works alongside Partner Engineering and Science, Inc., a nationwide provider of environmental and building science services. Our team of experienced energy engineers, sustainability and building science specialists, technical directors, and project managers help our clients achieve their sustainability, energy efficiency and alternative energy goals, both on a portfolio and individual building level.

Name	Title	Key Certifications
Kyle Brumfitt	Multifamily Team Manager	LEED AP BD+C, LEED AP Homes, Green Rater, HERS I & II, CGBP, GreenPoint Rater, EBMFR, BPI Multifamily BA, CEPE, CEA
Lance Collins	Director of Sustainability	AIA, LEED AP (BD+C), CSBA
Kelsey Shaw	Account Manager	MBA

Christine Nguyen	Project Manager	BPI BA, BPI MEEBO
Philip Phongsak	Project Manager	EIT, BPI BA
Ruby Yopez	Sustainability Consultant	LEED AP BD+C, LEED for Homes Green Rater, CGBP, CGPR, CEPE, CEA
Tony Liou	Company President	MBA

REFERENCES

Reference 1

Name: Nick Tufano, Director of Construction
Company: Preservation Partners Development
21515 Hawthorne Blvd., Suite 390, Torrance, CA 90503
Contact: D: 310-802-6682 | F: 310-802-6680 | M: 310-691-2300
nick@preservationpartners.org

Reference 2

Name: Belinda Lee
Company: Community Development Partners
3416 Via Oporto - Suite 301
Newport Beach - California
Contact: 530-207-9893
blee@communitydevpartners.com

FEATURED PROJECTS

Project	Description	Client	Services Provided
<p>Flower Terrace Senior Apartments Existing Building</p> 	<p>200 units Low-income senior property</p> <p>Santa Ana, CA</p>	<p>Vitus Group</p>	<p>CTCAC/CDLAC Energy Audit</p> <p>CTCAC/CDLAC Placed-in-Service Sustainability Support</p> <p>Energy Upgrade CA Rebate Support</p>
<p>Norwalk Towers Existing Building</p> 	<p>185 units Low-income senior property</p> <p>Norwalk, CA</p>	<p>Preservation Partners Development, Inc.</p>	<p>CTCAC/CDLAC Energy Audit</p> <p>CTCAC/CDLAC Placed-in-Service Sustainability Support</p> <p>Energy Upgrade CA Rebate Support</p> <p>Commissioning</p>
<p>615 Manhattan Existing Building</p> 	<p>156 units Low-income senior property</p> <p>Los Angeles, CA</p>	<p>Vitus Group</p>	<p>CTCAC/CDLAC Energy Audit</p> <p>CTCAC/CDLAC Placed-in-Service Sustainability Support</p> <p>LADWP Utility Rebate Support</p>

Project	Description	Client	Services Provided
<p>Whittier Towers Existing Building</p> 	<p>156 units Low-income senior property</p> <p>Whittier, CA</p>	<p>Thomas Safran & Associates</p>	<p>CTCAC/CDLAC Energy Audit</p> <p>CTCAC/CDLAC Placed-in-Service Sustainability Support</p> <p>Energy Upgrade CA Rebate Support</p>
<p>Bellflower Friendship Manor Existing Building</p> 	<p>144 units Low-income senior property</p> <p>Bellflower, CA</p>	<p>WNC Preservation</p>	<p>CTCAC/CDLAC Energy Audit</p> <p>CTCAC/CDLAC Placed-in-Service Sustainability Support</p> <p>Energy Upgrade CA Rebate Support</p>
<p>Brethren Manor Existing Building</p> 	<p>296 units Low-income senior property</p> <p>Long Beach, CA</p>	<p>LOMCO</p>	<p>CTCAC/CDLAC Energy Audit</p>

Project	Description	Client	Services Provided
<p>Gateway Exchange New Construction</p> 	<p>132-unit, Low-income property</p> <p>El Monte, CA</p>	<p>Jamboree Housing</p>	<p>LEED-Homes Documentation</p> <p>Energy Modeling</p> <p>HERS Verification</p>
<p>Taylor Yard New Construction</p> 	<p>108-unit, Low-income property</p> <p>Los Angeles, CA</p>	<p>McCormack Baron Salazar</p>	<p>LEED Documentation T24</p> <p>Energy Modeling</p> <p>HERS Verification</p> <p>Rebate Processing</p>
<p>Clark Commons New Construction</p> 	<p>70 unit- property, Low-income property</p> <p>Buena Park, CA</p>	<p>Jamboree Housing</p>	<p>CTCAC Application</p> <p>LEED-Homes certification</p> <p>HERS Verification</p> <p>Energy Modeling</p>

Project	Description	Client	Services Provided
<p>Veteran's Village New Construction</p> 	<p>44 unit-property, Low-income property</p> <p>Glendale, CA</p>	<p>Thomas Safran and Associates</p>	<p>GreenPoint Rated Certification</p> <p>Energy Modeling</p> <p>HERS Verification</p> <p>CUAC</p>
<p>Santa Cecilia New Construction</p> 	<p>80 unit-property, Low-income property</p> <p>Boyle Heights, CA</p>	<p>McCormack Baron Salazar</p>	<p>CTCAC Application</p> <p>LEED Homes Certification</p> <p>Energy Modeling</p> <p>HERS Verification</p> <p>CTCAC PIS</p>

Qualifications

Everyday Energy

Everyday Energy has designed, financed, and installed the most Multi-family Affordable Solar Housing projects in state of California. Based in Carlsbad, California, Everyday Energy is exclusively focused on bringing the benefits of renewable energy to the affordable housing community. We provide no cost and low cost options for non-profit community housing companies to place solar electricity on their properties that offset tenant and common area electric bills through virtual net metering. This is accomplished through the use of our proprietary solar service agreement.

Everyday Energy is a Mission driven solar company that is dedicated to working with the affordable housing community. In fact, many of our projects have provided a training ground for those aspiring to develop green job skills. Everyday Energy has also consequently hired people that it helped to train through these types of programs that are from the communities where the solar was installed.

Everyday Energy has worked closely with non-profit community housing property owners and we understand their needs. We have developed a program that allows the non-profit affordable housing property owner to drastically reduce their monthly common area electricity bill while helping to significantly reduce the electricity bills of their low income tenants.

The main reason Everyday Energy has installed the most MASH projects of any company in the state of California and was the first company to install a MASH project in the SDG&E territory is because we solved the **single largest** issue facing a non-profit affordable housing property owner– which is **Financing**. Because Everyday Energy developed its Solar Services Agreement and does not use a third party PPA company, it is able to pass the savings it gains from scalability onto its clients so that the electricity generated from a MASH project has the maximum impact possible on those the MASH Program was designed to help.

Data Points

- California General Contractor's License # 949535
- Installers with over 26 years of PV installation and C-10 electrician experience
- 240 separate installations on multi family affordable housing.
- Provide technical assistance to White House in Connection Climate Action Plan as it relates to multi family affordable housing solar PV
- Provide technical assistance to US Department of Energy's Sunshot program for virtual net metering and its application on affordable housing
- Provide technical assistance to the California Tax Credit Allocation Committee regarding utility allowance policy.
- Helped to implement solar interconnection standards for virtual net metering in SDG&E, SCE, and PG&E service territories.
- Implemented AB 693 allocating \$1 Billion toward solar on affordable housing.
- NABCEP certified installers

- Great working relationship with CSE and SDG&E
- The first PV installer to establish a virtual net metering arrangement with SDG&E and has now implemented 43 virtual net metering arrangements.
- Experts in Public Relations for MASH projects.
- Duns number: 020391693
- Tax ID number: 020553145
- Better Business Bureau rating: A+
- All required insurance
- Strong balance sheet
- Financing Structure that has been approved by the US Department of Treasury and the California Solar Initiative
- Web page: www.EverydayEnergy.us
- Member of San Diego Housing Federation
- Member of Housing California
- Member of Southern California Association for Non Profit Housing



Leading Developer of Solar PV for
Affordable Housing in California

Multi-Family Project Highlights

www.everydayenergy.us | 760.607.7200



Hacienda Townhomes

San Diego, CA

Hacienda Townhomes | San Diego, CA

System Size: **54.06 KW DC**

Estimated Annual Production: **80,441 KWh**

Units: 52

Property Owner: San Diego Community Housing Corporation

Interconnection Type: Virtual Net Metering

Tenant/Common Split: 70/30

Highlights

- First installation of Multi-family Affordable Solar Housing (MASH) project in San Diego
- 10,000th solar installation and first to use Virtual Net Metering in San Diego Gas & Electric service area
- Featured Training Program for Grid Alternative/SASH volunteers
- Saves 56 tons of CO2 a year- equivalent to planting 2262 trees



**Winner!
Project of
the Year -
Innovation**

Park Villas

National City, CA

Park Villas | National City, CA

System Size: **464 KW DC**

Estimated Annual Production: **775,000 KWh**

Units: 268

Property Owner: San Diego Community Housing Corporation

Interconnection: Virtual Net Metering

Tenant/Common Split: 95/5

Highlights

- The largest Multi-family Affordable Housing (MASH) project in California
- Winner of 2013 Intersolar Project of the Year – Innovation for North America
- Nearly 2,000 solar panels spanning 18 rooftops
- Featured Training Program for residents
- Saves 536 tons of CO2 a year- equivalent to planting 21,793 trees



Centertown

San Rafael, CA

Centertown | San Rafael, CA

System Size: **42.3 KW DC**

Estimated Annual Production: **64,388 KWh**

Units: 60

Property Owner: EAH Housing

Interconnection Type: Virtual Net Metering

Tenant/Common Split: 0/100

Highlights

- Saves 45 tons of CO2 a year- equivalent to planting 1,811 trees



Mayberry Townhomes

San Diego, CA

Mayberry Townhomes | San Diego, CA

System Size: **204 KW DC**

Estimated Annual Production: **293,955 KWh**

Units: 70

Property Owner: MAAC Project

Interconnection Type: Virtual Net Metering

Tenant/Common Split: 100/0

Highlights

- Outperforms CSI estimates by 12%
- Reduces the energy costs of the property owner by 100%
- Featured Training Program with customer partner Youth Build
- Saves 203 tons of CO2 a year- equivalent to planting 8267 trees



Park Crest Apartments

San Diego, CA

Park Crest Apartments | San Diego, CA

System Size: **232 KW DC**

Estimated Annual Production: **346,066 KWh**

Units: 144

Property Owner: San Diego Community Housing Corporation

Interconnection Type: Virtual Net Metering

Tenant/Common Split: 100/0

Highlights

- Featured Training Program for residents
- Saves 239 tons of CO2 a year- equivalent to planting 9731 trees



Hamilton Meadows

Novato, CA

Hamilton Meadows | Novato, CA

System Size: **124 KW DC**

Estimated Annual Production: **185,105 KWh**

Units: 60

Property Owner: EAH Housing

Interconnection Type: Virtual Net Metering

Tenant/Common Split: 100/0

Highlights

- Project is part of the Hamilton Air Force Base reuse plan
- Affordable Housing Project in the hills of Marin County
- Saves 128 tons of CO2 a year- equivalent to planting 5205 trees



Town & Country Apartments

San Diego, CA

Town & Country Apartments | National City, CA

System Size: **137 KW DC**

Estimated Annual Production: **204,923 KWh**

Units: 145

Property Owner: San Diego Community Housing Corporation

Interconnection Type: Virtual Net Metering

Tenant/Common Split: 100/0

Highlights

- Outperforms CSI estimates by 5%
- Saves 142 tons of CO₂ a year- equivalent to planting 5762 trees



Los Robles Apartments

Vista, CA

Los Robles Apartments | Vista, CA

System Size: **167 KW DC**

Estimated Annual Production: **240,451 KWh**

Units: 76

Property Owner: Community Housing Works

Interconnection Type: Net Metering

Tenant/Common Split: 100/0

Highlights

- Featured Training Program for residents
- Saves 166 tons of CO₂ a year- equivalent to planting 6761 trees



Madonna Road

San Luis Obispo, CA

Madonna Road | San Luis Obispo, CA

System Size: **281.5 KW DC**

Estimated Annual Production: 431,099 **KWh**

Units: 120

Property Owner: Vitus Group

Interconnection Type: Net Metering

Tenant/Common Split: 97.7/2.3

Highlights

- Modules mounted on both ballasted roof solar racking and solar awnings on the side of buildings
- Modules installed on 18 buildings and interconnected via 17 NEM interconnection points
- System designed to offset 100% of tenant and common electrical usage
- Installation done at same time property underwent major rehab project
- Saves 299 tons of CO₂ a year – equivalent to planting 12,123 trees



Hillside Village Apartments

Poway, CA

Hillside Village Apartments | Poway, CA

System Size: 92.12 **KW DC**

Estimated Annual Production: 127,716 **KWh**

Units: 71

Property Owner: Community Housing Works

Interconnection Type: Virtual Net Metering

Tenant/Common Split: 80/20

Highlights

- Modules were mounted on 4 solar parking canopies
- Saves 88 tons of CO₂ a year – equivalent to planting 3591 trees



Oak Knoll Villas Apartments

Poway, CA

Oak Knoll Villas Apartments | Poway, CA

System Size: 139.12 **KW DC**

Estimated Annual Production: 206,568 **KWh**

Units: 52

Property Owner: Community Housing Works

Interconnection Type: Virtual Net Metering

Tenant/Common Split: 80/20

Highlights

- Modules were mounted on both elevated roof solar racking and solar parking canopies
- Saves 143 tons of CO₂ a year – equivalent to planting 5,809 trees

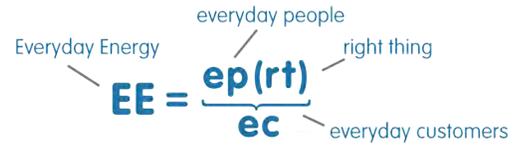


Everyday Energy specializes in the design, finance, and installation of solar PV and solar Thermal projects for the Affordable Housing Community.

We are **the largest Affordable Housing Solar Contractor** in California and have a proven track record of working with most major Affordable Housing Developers and lenders. We provide an approved, accepted, and bankable underwriting package in our proprietary funding model.

To date we have installed **over 4 Megawatts of Solar PV** on Affordable Housing Properties throughout California and are the recognized experts for MASH projects and in Virtual Net Metering installations by the California Public Utilities Commission.

www.everydayenergy.us | 760.607.7200



Everyday Energy References:

Laura Hall, Chief Operation Officer EAH Housing
 Phone: 414.258.1800
 Email: lhall@eahhousing.org

Recent Projects: Hamilton Meadow Apartments
 Novato, CA
 Size: 124.32 kW DC Status: Completed

 Centertown Apartments
 San Rafael, CA
 Size: 42.3 kW DC Status: Completed

Rosemary Stabrawa, Vice President Asset Management Company Housing Works
 Phone: 760.755.5451
 Email: rosemary@chworks.org

Recent Projects: Oak Knoll Villas Apartments
 Poway, CA

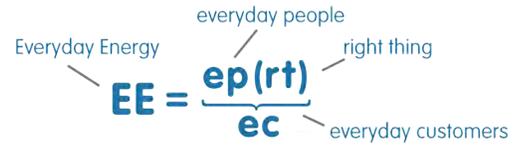
 Size: 139.12 kW DC Status: Completed

 Hillside Village Apartments
 Poway, Ca
 Size: 92.12 kW DC Status: Completed

 Parkview Terrace
 Poway, CA
 Size: 43.5 kW DC Status: Completed

Randal Simmrin, Asset Manager, San Diego Community Housing Corporation
 Phone: 619.876.4218
 Email: rsimmrin@ots-sdchc.org

Recent Projects: Park Villas Apartments
 National City, CA
 Size: 464 kW DC Status: Completed



Park Crest Apartments
San Diego, CA
Size: 232 kW DC Status: Completed

Bob Havlicek, Director of Finance & Operations, Housing Authority of the County of Santa Barbara
Phone: 805.736.3423 ext. 4012
Email: bobhavlicek@hasbarco.org

Recent Projects: Santa Rita Village
 Lompoc, CA
 Size: 85 kW DC Status: Completed

Ted Zenich Garden Apartments
Santa Maria, CA
Size: 88.95 kW DC Status: In Progress

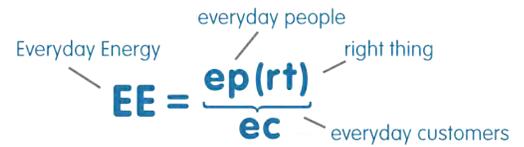
David Beacham, Director of Vitus Development, Vitus Group
Phone: 760.557.1480
Email: david.beacham@vitusgroup.com

Recent Projects: Madonna Road Apartments
 San Luis Obispo, CA
 Size: 281.5 kW DC Status: Completed

Meadowbrook Apartments
San Diego, CA
Size: 325 kW DC Status: In Progress

Industry References

Benjamin Airth, MASH Program Manager, California Center for Sustainable Energy
Phone: 858.244.1177
Email: agnes.stupak@energycenter.org



Wayne Waite, Manager of Field Energy and Climate Operations, Department of Housing and Urban Development

Phone: 775.824.3407

Email: wayne.w.waite@hud.gov

Gabe Petlin, California Public Utilities Commission, Energy Division

Phone: 415.703.1677

Email: gpl@cpuc.ca.gov



5993 Avenida Encinas, Suite 101
Carlsbad, CA 92008
Phone: (760) 456 - 6020

Corporate Resume

History and Experience

Emmerson was formed in 2000 to construct housing for Chelsea Investment Corporation and its affiliates. Thus, Emmerson's goals are squarely aligned with the developer and owner: the creation of quality cost-efficient housing delivered safely, on time, and on budget. ECI has assembled a team of professionals with several decades of combined experience on a variety of product types and has completed some fifty projects including new construction and renovation of garden style, podium, and mid-rise buildings and high-rise renovation.

Emmerson's projects have won numerous awards including the San Diego Building Industry Association Affordable Housing Project of the Year, the San Diego Housing Federation Ruby Award, and numerous sustainability awards including the prestigious LEED Platinum award.

Emmerson also offers construction management services when there is a different firm acting as the general contractor. Under this arrangement, Emmerson provides owners project oversight, budget and schedule review, quality assurance and related services.

Comparables for Morgan and Kimball Towers

- Westminster Manor
- Alpha Square
- Estrella Del Mercado apartments
- Courtyard Terraces

Please see Chelsea Investment Corporation's information section for narratives on each comparable. For Emmerson's complete list of projects, please see the attached exhibits.

Key Team Members

President - Charles Schmid

Charles started with Chelsea in 1986, and applies experience with real estate finance, development and management in his role at Emmerson. With a background in development of multifamily projects and as a licensed general contractor, he has supervised the construction of more than 4,000 units in California and Arizona. Charles has a degree from the University of

California, San Diego, and has a thorough understanding of the life cycle of apartment development, from feasibility analysis through lease-up and operations.

Controller – Tim Gray

Tim has over 25 years of professional accounting experience with a primary focus on the construction industry. He obtained his CPA while working with Ernst & Young and PricewaterhouseCoopers and holds an accredited CCIFP designation. Formerly with Viewpoint Construction Software, Tim’s experience includes managing accounting teams of up to 50 in various leadership roles. Companies also include Holiday Retirement, Matrix Development, Zephyr Communities, Legend Homes and DR Horton. Tim has been involved in over 300 communities during all stages of development, construction and property management. He currently serves on several construction associations including CFMA-Treasurer, ABC-Director, and ICCIFP-Secretary.

Director of Construction – Zion Patton

Zion has more than 25 years of experience constructing affordable and market rate multi-family housing. Contract values have ranged from \$10 to \$120 million and include projects in excess of 300 units. Zion has completed more than 2,500 new construction units. Additionally, Zion has completed the rehabilitation of over 900 units and has also helped establish rehabilitation programs for other general contractors. He created schedules allowing the complete rehabilitation on a highly expedited basis while maintaining quality and efficiency without displacing tenants.

Senior Project Manager - Janice Patterson

Previously with Barratt American as Project Manager Janice’s project experience included multifamily projects and subdivisions from 8 to 175 homes built in multiple phases. During her time at Emmerson, Janice has completed 10 family and senior apartment projects from two to five stories. Her completed projects at Emmerson have a combined contract value of approximately \$100 million.

Project Manager - Theresa DeMarco

Theresa has been in the construction industry for over 20 years. In addition to multifamily construction, she has extensive renovation and tenant improvement experience. She was previously with Crown Acquisitions as a Project Manager, where she managed multifamily construction projects and was responsible for implementing project management software and establishing in-house protocols for construction operations. Theresa’s prior experience also includes time at Centex Homes as a Senior Superintendent. As a general contractor, Theresa has designed and completed extensive multifamily remodeling projects on complexes with 280-320 units.

Project Manager - Jeff Brand

Jeff is a Construction management professional with over 30 years of experience. He has managed mid-rise and high-rise housing, hospital and clinical and commercial construction, and renovation projects. His previous experience includes project management and executive roles at Fluor, CH2M Hill, and ZCON Builders. Jeff holds CCM, PMP, and LEED AP certifications. Jeff and his projects have received numerous awards and commendations for safety and efficient delivery.

List of Projects & Status
By Emmerson Construction and Affiliates

As of May 10, 2016

Completed Projects			
	Completion Date	Units	Contract
Villa Lara Apartments	2003	80	6,525,658
Brawley Family Apartments	2003	81	6,452,208
Calexico Family Apartments	2003	80	5,561,540
Holtville Senior Apartments	2004	80	6,215,752
Imperial Garden Senior Apartments	2004	80	6,443,020
Westmorland Family Apartments	2004	64	6,900,000
Brawley Elks Senior Apartments	2005	81	6,994,322
Countryside Family Apartments	2005	80	7,155,000
Rancho Buena Vista	2005	150	16,200,000
Rancho Del Norte	2005	120	13,706,694
Brawley Garden	2005	81	9,191,326
Heber Wood	2005	81	9,417,954
Fairbanks Ridge	2006	204	29,254,314
Calexico II Family Apartments	2007	80	10,080,426
Hunters Pointe	2007	166	30,389,918
Heber Wood II	2007	72	9,864,435
Calipatria Family Apartments	2008	74	10,318,586
Tierra del Cielo - Arizona	2009	34	3,913,810
Beachwind Court	x 2009	16	891,747
Dawson Avenue Senior/Courtyard Terraces	2010	88	17,700,000
Lakeside Silver Sage	2010	80	12,794,227
St. Regis Park- Remodel	2010	119	400,000
Glen Ridge - Solar and Landscape	2010	78	473,937
Cedar Creek	2010	48	7,332,286
Oakridge - Rehab - Oakdale, CA	x 2011	41	1,336,266
Verbena	2011	80	13,296,599
DeAnza Hotel Earthquake Repairs/Rehab	x 2011	94	688,402
South Mill Creek Apts	2011	72	11,463,750
Villa Fortuna	2011	76	9,569,612
Villa de Sol	2011	52	6,094,330
Estrella De Mercado	2012	95	14,485,997
Las Brisas	2012	71	10,375,713
St Regis Energy Upgrades & renov	x 2012	119	412,471
El Quintero	2012	54	5,051,346
Emperor Estates	2012	62	10,559,939
Terramar	2012	21	460,377
Iris - Site Upgrades	2013	20	265,560
Vista Terrace	x 2013	48	3,218,327
Vista Montana	2013	56	8,489,988
Fairbanks Commons	2014	165	21,164,232
Versa	2015	150	17,615,491
Fairbanks Square	2015	100	9,200,000
Mill Creek Courtyards Sr.	2015	62	7,063,498
Villa Primavera	2015	48	8,503,475

Las Palmeras	2015	56	9,256,950
Alpha Square	2015	203	28,727,538
Westminster Manor (Rehab)	x 2015	156	12,579,705
Willie James Jones	2015	32	7,949,583
Rancho Del Sol	2015	94	12,563,178
("X" = renovation)			
Subtotal Completed		4,144	464,569,487
In Progress and Immediate Pipeline			
	Start Date		
Trolley Park Terrace	Started June 2015	52	13,568,298
Ouchi Courtyard	Started Nov. 2015	45	11,616,272
Torrey Vale	Started Dec. 2015	28	4,985,553
Mill Creek Village	Started Nov. 2015	63	12,444,783
Millenia Family - Duetta	Started Feb. 2016	87	14,452,135
Millenia Seniors - Volta	Started Feb. 2016	123	18,772,332
Mesa Verde	Started April 2016	90	17,174,144
Fairbanks Terrace	Started April 2016	83	10,228,891
Quarry Creek	Start June 2016	64	10,187,426
Subtotal In Progress and Immediate Pipeline		635	113,429,834
Commercial/Other Construction			
Meadow Village Road	2005		724,153
DDE HQ - Office Building - El Centro	2007	-	1,130,219
Subtotal Commercial/Other		-	1,854,372
Construction Management			
City Heights Square		150	600,000
Landings II		143	116,667
Casa Hermosa Apartments		88	154,270
CL Dellums Apartments		76	45,327
Subtotal Construction Management		457	916,264
TOTALS		5,236	580,769,957

San Ysidro Health Center

San Ysidro Health Center (SYHC) is a Federally Qualified Health Center that provides the highest quality, most compassionate, accessible and affordable health care to over 90,000 patients annually throughout South Bay. Established in 1969, SYHC delivers innovative care through a vast and integrated network of program sites including: medical clinics, dental clinics, behavioral health centers, HIV centers, WIC nutrition centers, mobile medical units, school-based health centers, chiropractic care, Pediatric Developmental Clinic, Teen Clinic, Senior Health Center and Program of All Inclusive Care for the Elderly (PACE) Center.



CORPORATE OFFICE
1275 30th Street
San Diego, CA 92154

(619) 662.4100
www.syhcc.org

**PRIMARY CARE AND
DENTAL CLINICS**

Chula Vista Medical Plaza
678 3rd Avenue
Chula Vista, CA 91910

Comprehensive Health Center
3177 Ocean View Blvd.
San Diego, CA 92113

Comprehensive Health Center
286 Euclid Avenue, Suite 302
San Diego, CA 92114

King-Chavez Health Center
950 S. Euclid Avenue
San Diego, CA 92114

Maternal and Child Health Center
4050 Beyer Blvd.
San Ysidro, CA 92173

**MI Clínica
at Northgate González Market**
1058 3rd Avenue
Chula Vista, CA 91911

National City Family Clinic
1136 D Avenue
National City, CA 91950

Otay Family Health Clinic
1637 3rd Avenue
Chula Vista, CA 91911

Paradise Hills Family Clinic
2400 E. 8th Street
National City, CA 91950

San Diego Children's Dental Clinic
8110 Birmingham Way, Bldg. 28
San Diego, CA 92123

**San Diego PACE
Senior Health Center**
3364 Beyer Blvd.
San Ysidro, CA 92173

San Ysidro Health Center
4004 Beyer Blvd.
San Ysidro, CA 92173



May 9, 2016

Mr. Paul Downey
President & CEO
Serving Seniors
525 14th Street, Suite 200
San Diego, CA 92101

Dear Mr. Downey:

On behalf of San Ysidro Health Center, I am pleased to offer this Letter of Support for Serving Seniors' proposal for the Morgan and Kimball Towers Rehabilitation and Recapitalization Project.

San Ysidro Health Center recognizes this opportunity to partner with Serving Seniors to support older adults of the Morgan and Kimball Towers to remain safely at home by providing a caring network of medical and social services. This partnership would entail the implementation of a joint, collaborative care model to address medical, dental, behavioral, and social needs through a seamless referral process between the two organizations.

Our team-based environment would designate appropriate staff available to participate in weekly Case Review sessions, focusing on identifying patients who are not showing improvement, discussing treatment recommendations and implementing those deemed appropriate by the joint care team on an as needed basis.

If you have any further questions, please feel free to contact me.

Sincerely,

Kevin L. Mattson
President & CEO



MEMORANDUM OF UNDERSTANDING
BETWEEN SERVING SENIORS
AND SAN YSIDRO HEALTH CENTER

CORPORATE OFFICE
1275 30th Street
San Diego, CA 92154

(619) 662.4100
www.syhc.org

PRIMARY CARE AND
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San Ysidro, CA 92173

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4004 Beyer Blvd.
San Ysidro, CA 92173

This Memorandum of Understanding is between Serving Seniors and San Ysidro Health Center to establish a joint program aimed at providing collaborative care for low-income seniors with medical, dental, behavioral and social needs at the Morgan and Kimball Towers in National City, other Serving Seniors' sites, and at any San Ysidro Health Center site.

The Goals of this agreement are to:

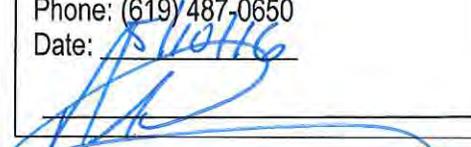
1. Better understand, reach, and treat medical, dental, behavior and social needs by implementing a joint, collaborative care model program for low-income seniors who seek services at any San Ysidro Health Center site or at a Serving Seniors' site.
2. Increase collaboration and coordination between programs.

San Ysidro Health Centers and Serving Seniors each agree:

1. To participate in a team-based environment with the San Ysidro Health Center and Serving Seniors' staff members to ensure that seniors who are referred to either San Ysidro Health Center or Serving Seniors – receive the appropriate healthcare, mental health, psychosocial, and social services offered by each organization.
2. To make appropriate staff available to participate in case review sessions, focusing on identifying patients who are not showing improvement, discussing treatment recommendations and implementing those deemed appropriate by the joint care team on an as needed basis.

This Memorandum of Understanding shall remain in effect for one year, renewable annually.

Paul Downey
President and CEO
Serving Seniors
525 14th Street, Suite 200
San Diego, CA 92101
Phone: (619) 487-0650
Date: 5/9/16



Kevin L. Mattson
President & CEO
San Ysidro Health Center
1275 30th Street
San Diego, CA 92154
Phone: (619) 662-4100
Date: 5/9/16




Capability Statement Prepared For:

Tim Baker
Chelsea Investment Corporation

May 10, 2016



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Squire Patton Boggs is the trade name of Squire Patton Boggs (US) LLP, a limited liability partnership organized under the laws of the state of Ohio, USA. Squire Patton Boggs (US) LLP is part of the international legal practice Squire Patton Boggs which operates worldwide through a number of separate legal entities. Please visit squirepattonboggs.com for more information.

Affordable Housing/Real Estate

Our affordable housing practice combines legal talent in all of the major tax credit and non-tax credit programs needed in today's environment to bring your community development projects to successful completion. All parties involved in tax credit, affordable housing and other development transactions – investors, lenders, for-profit, non-profit, faith-based and other developers, community development entities, and state and local governments – can rely on our team for creative and experienced legal counsel to help structure financially sound projects.

We have decades of combined experience in the following areas:

- Low-Income Housing Tax Credits (LIHTC)
- Historic Rehabilitation Tax Credits (HTC)
- New Markets Tax Credits (NMTC)
- Capital Magnet Fund (CMF) investments
- Production Tax Credits
- Energy Tax Credits (ETC)
- HUD programs including:
 - FHA financing, Rental Assistance Demonstration (RAD) and mark-to-market
 - HUD regulatory issues
 - Affordable housing bonds
 - State and local credit and grant programs

Our team comprises lawyers from our real estate, tax strategy and benefits, public finance and infrastructure practices who work together as an integrated group to guide clients through the full range of development transactions. Our tax lawyers offer comprehensive expertise in analyzing and resolving the tax structuring issues involved in these programs. This blend of cross-practice knowledge and experience creates one of the leading tax credit, community development and affordable housing finance practices in the nation.

We believe that no legal practice in the US has more experience representing both private sector and public-sector participants as they work to improve our nation's communities to provide affordable housing and economic opportunities for lower-income families, rehabilitate historic buildings and expand our renewable energy capacity.

Practice Highlights

- We advise on all aspects of a community development project, including tax credit and non-credit subsidies and real estate, environmental, construction, securities and financial regulatory matters.
- Our team can coordinate all major tax credit subsidies with HUD and other subsidies to achieve completion of a successful project.
- We have many years of experience in thousands of LIHTC, NMTC, HTC and HUD financed or guaranteed projects.
- We provide efficient representation based on documents and forms we have developed over many years.

Areas of Expertise

Low-Income Housing Tax Credits

With one of the premier LIHTC practices in the country, we have been extensively involved in all aspects of the program since its inception in 1986 and have participated in more than 1,500 low-income housing projects. We represent clients with various interests in LIHTC projects, including as lenders, investors (either directly in tax credit projects or in funds formed solely to invest in such projects), and for-profit or non-profit developers, in all phases of development, operations, disposition, bankruptcies and workouts. Our experience includes many projects financed in part with tax exempt bonds or financed or insured by HUD, as well as projects that involve new construction, acquisition, rehabilitation, solar, geothermal and other energy credit incentives.

New Markets Tax Credits

We have been at the forefront of advising participants in the NMTC program since its enactment in 2000 and first roll-out in 2003. We are one of the leaders in this area of the law, having handled hundreds of transactions over the last 10 years and literally having "written the book" on NMTCs – one of the members of our practice is the author of the *Bloomberg-BNA Tax Management Portfolio* on this topic. We assist national and regional banks, insurance companies and other investors in NMTC transactions, as well as community development entities, lenders, developers, community organizations and a range of other businesses as borrowers under the program. We help resolve the tax and structuring issues present in NMTC transactions, and document and manage all aspects of the NMTC transaction to a successful closing.

Historic Tax Credits

We have advised participants in transactions using the HTC since the mid-1980s. We have helped facilitate the restoration of dozens of historic buildings through use of the HTC and are one of the nation's leading law firms in this area. We assist national banks, insurance companies and other investors in HTC transactions, and also represent national and local commercial and multifamily developers. We help resolve the complex tax and structuring issues present in HTC transactions, including compliance with the "Boardwalk" guidance.

Housing Bonds and Affordable Housing Financing

As affordable housing became an avenue for social change profiting both communities and investors, we have become one of the leading advisers to affordable housing projects in the US. Drawing from the talent of lawyers in our public finance, real estate and tax practices, with additional support from our litigation, bank regulatory and environmental lawyers, we have served in multiple roles – bond counsel, underwriters' counsel, developer counsel, issuer counsel, trustee counsel and credit enhancement provider counsel – on hundreds of affordable housing projects, helping to provide more than US\$3 billion in financing since 2000.

Successfully completing an affordable housing transaction requires the marriage of many resources from both the public and private sectors. Our lawyers have earned a reputation as public-private dealmakers who seamlessly bring together local government, for-profit and non-profit housing developers, community leaders and private financial institutions to establish valuable relationships. Our experience in affordable housing debt finance cuts across a broad spectrum of the varied types of tax exempt bond structures, FHA, GSE and conventional bank lending, mark-to-market transactions and mixed finance transactions involving various federal grant and low-interest loan programs.

Community Development

Since the late 1950s, we have represented developers, private companies and public bodies in connection with the planning, financing and implementation of economic and community development projects designed to obtain new private development or renovation, create or preserve jobs and economic opportunities, eliminate blight, build or improve public facilities and infrastructure, and undertake land assembly by negotiation or eminent domain. These projects include downtown and neighborhood development, hotels, museums, housing, office buildings and commercial/industrial parks, and marina and waterfront development.

Accomplishing this often requires mixing and matching multiple federal, state or local incentive programs. Our extensive public law and public finance knowledge and the expertise gained from our decades of handling bond counsel and economic development matters enable us to effectively work out the requirements for such layering of incentives and to develop innovative ways to utilize existing incentive programs to achieve economic development objectives.

Public Policy

If your project requires legislative or policy advice or action, we can provide that as well. We have been consistently recognized as Washington DC's top public policy and regulatory advocacy law firm. Our tax and public policy practitioners have worked for decades advocating before the Executive and Legislative branches of the US government at all levels to assist individual companies, trade associations and industry groups achieve desired legislative outcomes. Our background in public policy also allows us to advise on application of the Fair Housing Act and the USDA Rural Development program.

Real Estate Advice

We provide comprehensive, results-driven legal services to guide you through all aspects of commercial real estate activity. We act as trusted advisors to investors, developers and lenders, helping to maximize the benefits of their activities. We can share our expertise across the full range of real estate legal services, from acquisition, planning, financing, construction and leasing through the disposal of real estate assets. We represent clients in all real estate sectors: office, retail, industrial, multi-family residential, health care and hospitality. Our real estate services include:

- Transactions:
 - Acquisition
 - Financing
 - Investment
 - Commercial and retail leasing
 - Asset management – lease negotiation and renewal, rent reviews and disposal
 - Tax structuring
 - Refinancing and loan workouts and restructuring
- Planning/development approvals:
 - Negotiating and drafting agreements
 - Obtaining required government approvals
 - Compulsory purchase and compensation
 - Counseling with respect to tax incentives
 - Power generation consents
 - Regulatory compliance
- Construction:
 - Procurement and contracts
 - Project development and finance
 - Dispute avoidance and resolution
 - Adjudication and litigation
 - Project finance initiatives
 - Documentation and tax implications

Representative Experience

Developer Representations

- Representing an owner in the restoration of a historic building in the old Navy base in southeast Washington DC into retail and multifamily use.
- Representing a multifamily developer in the renovation of several tobacco warehouses in Richmond, Virginia into low-income and market rate apartments.
- Representing a national developer in the renovation of a century-old manufacturing facility in New Haven, Connecticut into office buildings and apartments.
- Representing a developer in renovating a historic hospital in the Presidio in San Francisco into a multifamily project.
- Representing various CDEs in the construction or renovation of office buildings, warehouses, mixed-use facilities and other commercial facilities in more than 10 states, including an office building owned by the Navajo Nation.
- Representing various CDEs in connection with the acquisition, installation and operation of solar energy panels in school districts throughout Ohio.
- Representing a CDE in a targeted population transaction in the West involving migrant workers.
- Representing various CDEs in the construction, renovation or development of numerous arts, cultural and civic facilities across the country, including arts centers; theaters; a House of Blues; a YMCA facility; a community and child care center; university student unions; a youth hostel; a film, video and television production and post-production facility; a civil rights center and museum; and an addiction recovery and education facility for women and children.

Investor Representations

- Representing bank investors in connection with investments in a variety of projects across the country, such as an historic cotton mill in Mississippi, a rehabilitation of historic buildings for use as a charter school in New Orleans and a hotel development in Texas.
- Representing a state HTC investor in multiple projects.
- Representing a regional bank in a multi-building renovation in Mississippi.
- Representing insurance companies with investments in numerous projects, including hotels, apartments, theaters, museums, office buildings and charter schools in California, Texas, New York, Massachusetts, Ohio, Michigan, Wisconsin, Maryland, North Carolina and other states.
- Representing equity investors in connection with investments in CDEs making loans in a variety of projects across the country, such as a non-profit charter school in Massachusetts, a senior living center in Alaska, several projects located in the GO Zone and a hotel development in Texas.
- Representing a federal NMTC investor and a state NMTC syndicator in connection with the construction and development of a children's museum in Florida that combined federal and state NMTCs.
- Representing a federal NMTC investor in connection with the renovation of an historic building into commercial, retail and event space in Atlanta that combined HTCs and NMTCs.
- Representing an investor in connection with the construction of an ambulatory surgical center and medical office in Ohio that combined NMTCs and Recovery Zone Facility Bonds.
- Representing an investor in connection with the rehabilitation of a recreational facility in Pennsylvania, including the creation of an ice rink to be used by a National Hockey League team.

QALICB Representations

- Representing a Fortune 50 company and its affiliates in connection with the construction of a new manufacturing facility.
- Representing a waste management company and its affiliates in connection with the receipt of QLICs totaling US\$25 million.
- Representing a regional hospital in obtaining QLICs to build a new outpatient facility in California, and representing a hospital in Phoenix in connection with the build-out of a surgical floor.
- Representing a QALICB in connection with the construction and development of a park and underground parking garage in Cincinnati.

Leverage Lender Representations

- Representing a bank as the back-up leverage lender in a complicated transaction involving state tax credits, EB-5 funds and tax exempt bonds.
- Representing the State of Ohio as leverage lender in connection with the development of an industrial logistics and distribution facility in Cleveland.
- Serving as bond counsel for a renewable energy project involving tax exempt bonds, taxable grant anticipation notes, NMTCs and investment tax credits.

Biography



Orlando J. Cabrera

Of Counsel, Washington DC
T +1 202 626 6211
orlando.cabrera@squirepb.com

Miami, Florida
T +1 305 577 2810

Tampa, Florida
T +1 813 202 1300

Practice Focus

- Real Estate
- Tax Credit Finance & Community Development

Education

- University of Wisconsin - Madison, J.D., 1989
- University of Michigan, A.B., 1984

Admissions

- District of Columbia, 2010
- Florida, 1991
- Illinois, 1989
- Wisconsin, 1989

Languages

- English
- Spanish

Orlando Cabrera advises clients including financial institutions, investors, syndicators, developers, public housing authorities, housing finance agencies, community development agencies, cities and counties on successfully navigating complex affordable housing matters. Orlando has significant experience with United States Department of Housing and Urban Development (HUD) regulatory matters (including Native American housing issues), housing finance agency issues, low-income housing tax credits, private activity bonds, debt financing, non-federal state financing programs, tribal financing programs and general real estate.

Orlando's prior experience includes serving as the president and chief executive officer of a major affordable housing developer that operated in six states. He raised more than US\$50 million for capital improvements for the company and US\$100 million in general equity investment for new and rehab construction, restructuring of the company's finances, and successfully developing or rehabbing more than 2,500 units during his four-year tenure as CEO.

After his Senate confirmation in late 2005 through early 2008, he served as Assistant Secretary for Public and Indian Housing at HUD. As Assistant Secretary, Orlando oversaw the administration of a US\$24 billion program, which included public housing, Section 8 vouchers, moderate rehabilitation (Mod Rehab) and most federal housing programs for Native American tribes nationwide. He is one of three recipients of the Office of Inspector General's Golden Eagle Award for Public Integrity.

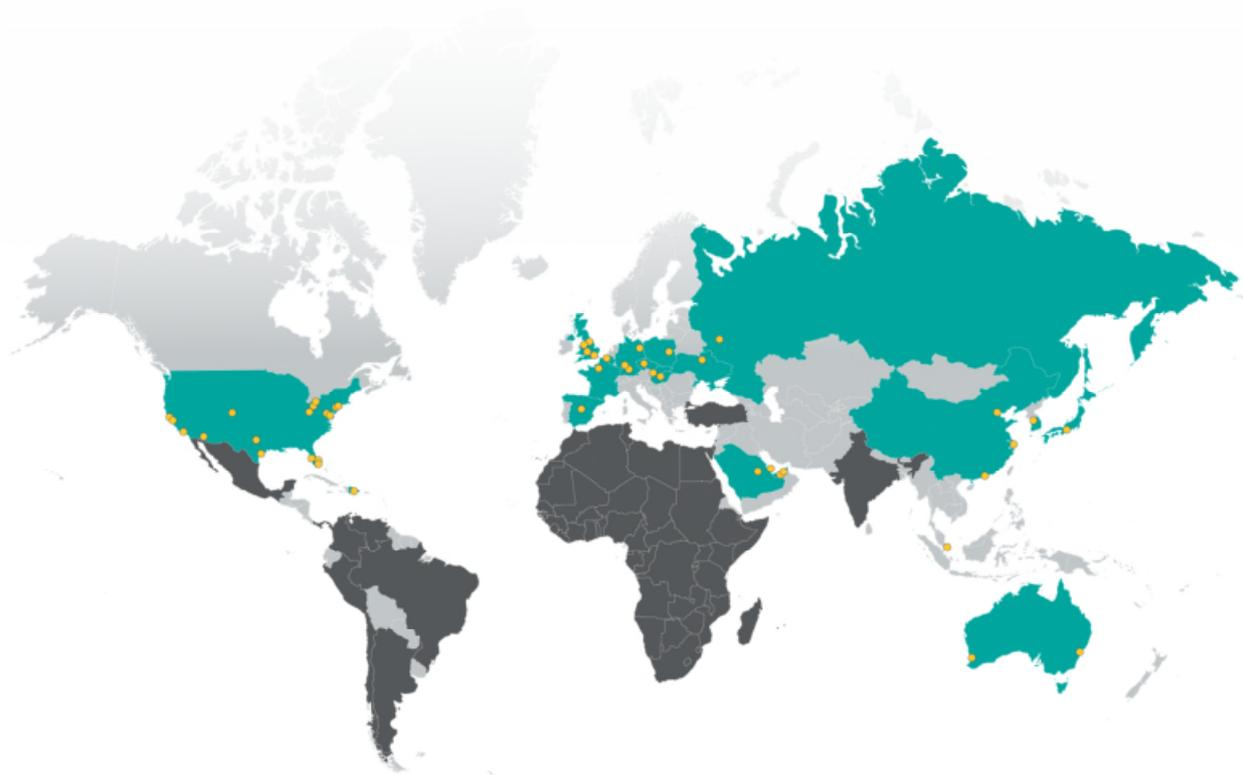
Prior to his role at HUD, Orlando served as Executive Director and Chief Executive Officer of the Florida Housing Finance Corporation, the nation's fourth largest housing finance agency, where he developed policies for managing the allocation of the low-income housing tax credit, private activity bonds, HOME Investment Partnership Fund, State Housing Trust Fund and Local Government Housing Trust Fund. During his tenure at Florida Housing, he also served on the Board of the National Council of State Housing Agencies.

Orlando also has extensive experience in the area of disaster recovery, having worked closely through more than a dozen natural disasters with the Federal Emergency Management Agency and various state disaster recovery agencies during his time at HUD and Florida Housing. Prior to heading Florida Housing, Orlando was the chair and vice chair of Florida Housing's Board of Directors and a partner in the real estate department of a major Florida-based law firm. He has acted as developer's, investor's or lender's counsel for hundreds of real estate transactions throughout his career. Orlando has extensive experience in most areas of real estate law including airport, office, commercial, and single and multifamily residential development.

He has been a frequent speaker and presenter before various committees in the US Congress, the Florida legislature, many state and local governments,

and many affordable housing and real estate industry trade groups. He has served, and still serves, on the board of directors for a variety of industry-related groups.

Orlando is a member of the American Bar Association, the District of Columbia Bar Association, The Florida Bar, the Illinois State Bar Association and the State Bar of Wisconsin.



Offices					Regional Desks & Alliances	
Abu Dhabi	Cleveland	Kyiv	Northern Virginia	Seoul	Africa	Israel
Beijing	Columbus	Leeds	Palo Alto	Shanghai	Argentina	Mexico
Berlin	Dallas	London	Paris	Singapore	Brazil	Panama
Birmingham	Denver	Los Angeles	Perth	Sydney	Chile	Peru
Böblingen	Doha	Madrid	Phoenix	Tampa	Colombia	Turkey
Bratislava	Dubai	Manchester	Prague	Tokyo	India	Venezuela
Brussels	Frankfurt	Miami	Riyadh	Warsaw		
Budapest	Hong Kong	Moscow	San Francisco	Washington DC		
Cincinnati	Houston	New York	Santo Domingo	West Palm Beach		

**Affordable
Property Management
and Consulting Services**
For
Morgan and Kimball Towers

May 2016



The ConAm Group



Affordable Property Management and Consulting Services

For
Morgan and Kimball Towers

May 2016



The ConAm Group

Corporate Office: 3990 Ruffin Road, Suite 100, San Diego, CA 92123 • Tel: 858.614.7200

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www.ConAm.com

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1. Marketing Strategy

Community Marketing

Marketing

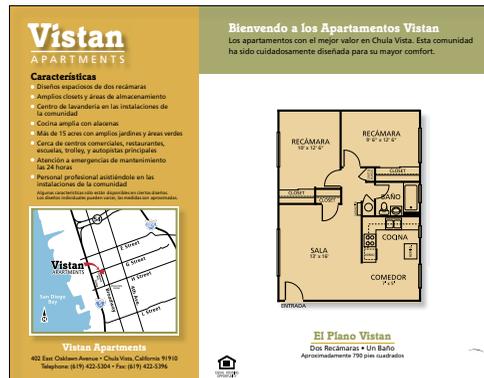
Marketing is intended to shape our residents' perceptions from start to finish. ConAm performs the marketing function with our residents' interest and satisfaction our number one goal.

The marketing strategy includes:

- Internet strategy
- Outreach marketing
- Design services
- Resident survey

Brochures

Full-color community flyer/brochures will serve as an outside marketing piece to distribute to prospective residents, local business and Preferred Employers.



Multilingual Flyers



Flyers

Banners, Signs, Flags

ConAm recommends the use of temporary banners, flags, and directional signage to build drive-by awareness and attract prospective residents. These cost-effective marketing tools should be utilized as part of the community's marketing efforts.



Banners

Craigslist and Weblisters

Craigslist, is a free Internet site which is both a popular and successful way to drive traffic and leases to the community. Craigslist ads will be created and posted by using a posting tool known as Weblisters. This posting tool supplies the community with multiple professional templates, simple steps to post, and analytical reporting detailing which ads receive the most views, in addition to the best times to post. This service also reduces the community's exposure to over saturating the platform, getting "ghosted", violating terms of use, and possibly being fined and/or blacklisted from the platform indefinitely.



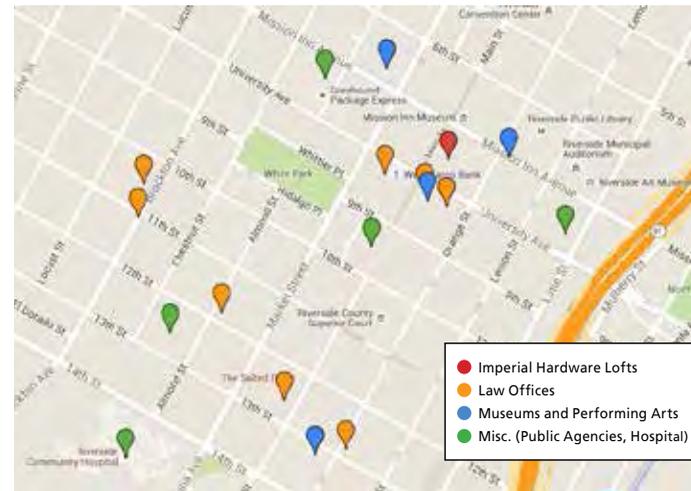
Digital



Community Marketing

Outreach Marketing

Outreach marketing is successful when relationships are built with major companies in the vicinity of the community. The outreach marketing effort generally identifies and develops business-to-business relationships within a commutable radius of the community. Outreach marketing is not a one-time event, but a series of interactions that provides beneficial business relationships.



Sample Community Outreach Target Map

Outreach Marketing

Annual Resident Survey (optional)

In addition to providing a variety of feedback mechanisms (both printed and online), for communities to measure ongoing resident satisfaction, ConAm conducts a proprietary annual resident survey. In the last three years, more than 85% of the responding residents said that they would recommend their apartment community to others.

The results of the resident survey are used to formulate service improvement and marketing plans. Each community addresses areas of customer concerns, and areas of exceptional customer satisfaction are used in resident retention and marketing messages.

Areas of measurement in the survey include:

- Repair and upkeep
- Safety
- Community cleanliness
- Office staff
- Maintenance staff
- Overall service and satisfaction



2. Management Specifics

Management Specifics

Management Fee

Management fees are negotiated based upon each community's needs and the extensiveness of the agreement. Below is a partial summary of items that are included and excluded from base management fees.

Reimbursable Expenses

ConAm does not include corporate overhead costs, or costs related to the activities of the regional portfolio manager as expenses paid by the property. In the interest of operational efficiency, however, certain costs are advanced by ConAm, and are reimbursed by the property. These are expenses incurred for the direct benefit of the property, for example:

- Payroll costs for associates working at or directly for the property.
- Payroll taxes, worker's compensation, insurance for such associates.
- An allocable portion of pre-employment testing and payroll processing charges.
- Approved payroll costs for necessary marketing, technical, and maintenance support.
- Copying of materials used at or for the property.
- Postage for mailings that directly benefit the

property, such as resident correspondence and/or marketing pieces.

- Delivery services
- Excess banking charges (based on the balance carried in property's account)
- Employee enhancement (i.e., uniforms for administrative and maintenance personnel, employee awards, education, etc.)
- Software licensing costs and technical support costs (see below).

These costs will be estimated and included in the operating budget and will be subject to approval by the owner.

Software Licensing and Technical Support Costs

ConAm will implement MRI/BostonPost software at the property.

The cost of the MRI/BostonPost software license: \$95.86 for the community, monthly; plus \$1.97 per unit monthly.

Help desk support is provided as part of the monthly software cost. This technical support is for issues relating to the MRI/BostonPost program and connectivity-related problems, but not hardware repair costs. Software and support services are on a month-to-month basis and will terminate if ConAm

discontinues management for any reason.

Help desk support for learning center computers is available on a time plus materials basis.

Ancillary Services

Certain ancillary services are included as part of ConAm's management services. These include Insurance and Risk Management and Safety Engineering and Inspection.

Regional Maintenance Director Assistance

Capital projects supervision (i.e., exterior painting, asphalt repairs, tree trimming, concrete work and wood replacement) at \$65 per hour.

Management Specifics (continued)

Graphic Design and Interior Design Services

Graphic Design Services are quoted by the job for such projects as:

- Logo and Community Identity Design
- Brochure Design and Production
- Signage and Display Design
- Ad Design
- Direct Mail
- Website and Digital Marketing Campaigns
- Collateral Print Materials (flyers, flags, banners, promotional items, invitations, etc.)

Interior Design Services are quoted by the job for such projects as:

- Space Planning for Clubhouse, Rental Center and Business Offices
- Design Plan Review
- Interior Specifications for Fixtures, Furniture, and Equipment
- Color Recommendations
- Clubhouse Décor and Furnishings
- Custom Mill Work Design
- Model Furnishing and Décor Selections, including set-up

3. The ConAm Group

The ConAm Group

Lines of Business

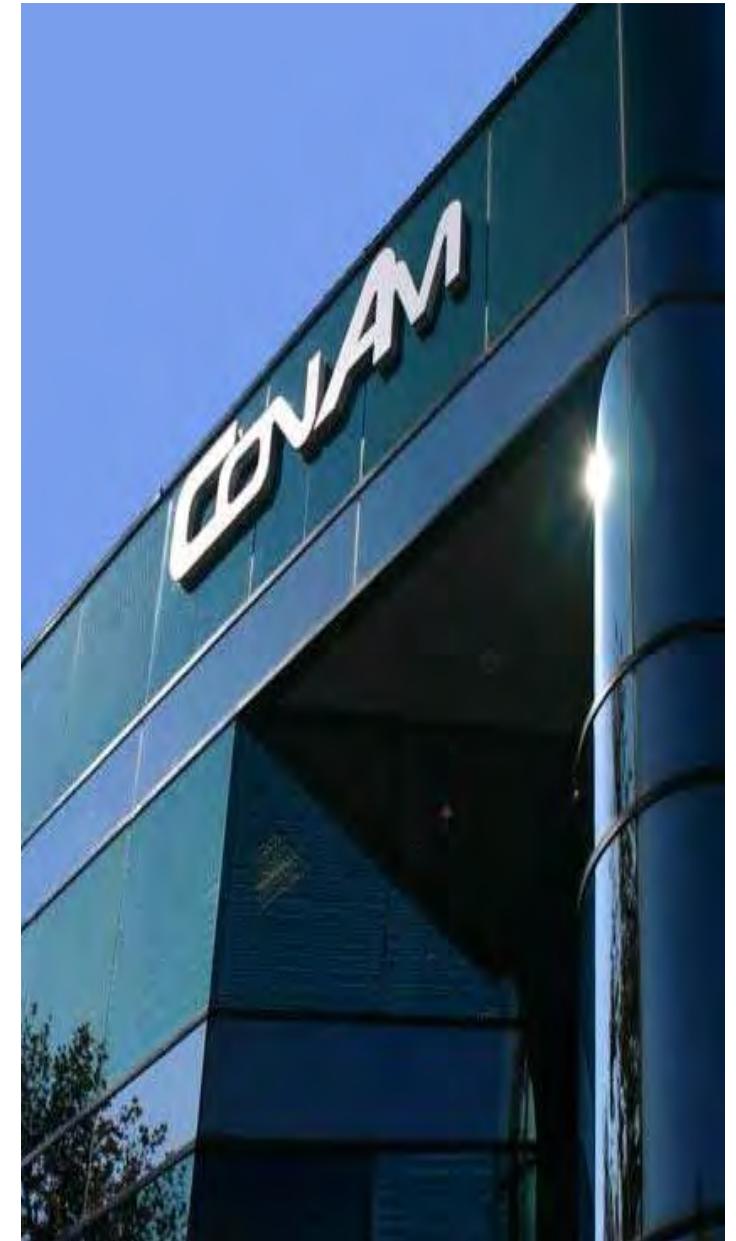
Real Estate Services

- Property Management
- Renovation and Construction Management
- Interior and Graphic Design Services

Investment

- Acquisitions
- Development
- Investment Management

ConAm's investment philosophy has always focused on the creation of asset value and producing superior risk-adjusted returns for its capital partners. With four decades of investment and operating history and an experienced executive team providing strong leadership, ConAm has successfully navigated real estate cycles, and consistently demonstrated superior investment performance for its partners, investors and clients.



ConAm Management Corporation

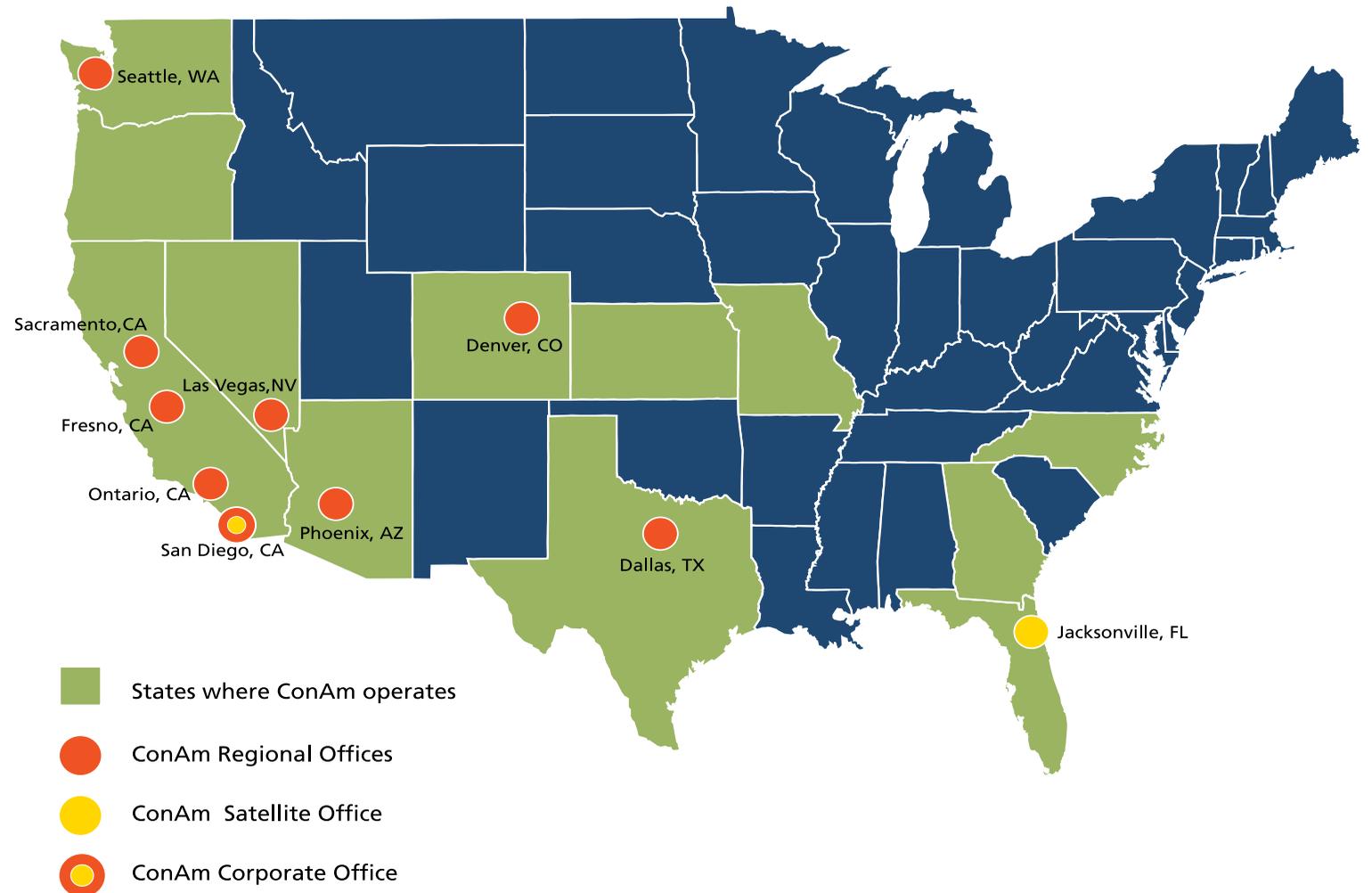
ConAm Management Corporation is part of The ConAm Group (ConAm), a multi-disciplined real estate investment and services firm based in San Diego, California. Established in 1975, ConAm has become recognized as one of the nation's most astute multifamily investment firms and an experienced and dependable provider of multifamily real estate services. The firm's activities include:

- Property management
- Investment and asset management
- Project development and pre-development consulting, marketing and design
- Property acquisition and due diligence
- Renovation and construction management
- Property disposition

ConAm Management Corporation (ConAm) currently manages a diverse portfolio of multifamily properties comprising more than 50,000 units located in 12 states and 26 metropolitan areas.

The company employs 1,400+ associates at more than 344 apartment communities throughout the United States. These associates are supported by talented regional staff comprised of real estate professionals who are among the most experienced in the multifamily industry. Specialists in ConAm's corporate office provide support to property level associates and regional staff in accounting, risk management, information technology, construction

services, graphic and interior design, marketing and advertising, human resources and regulatory compliance.



For more than forty years, ConAm Management Corporation has experienced many cycles in the real estate market. Through this history, ConAm has learned to recognize and take advantage of opportunities. This opportunism requires confidence in the practices that have contributed to success, along with an inquisitive spirit that continually looks for practical ways to improve.

The core capabilities of the company include:

- The ability to identify, attract, engage and retain professional associates
- A dedication to service
- Fiduciary devotion to its partners and clients
- High standards of property maintenance
- Economy and expense controls
- Diligent adherence to risk management
- Accurate, timely, and transparent accounting and reporting
- Strategic, measured, and productive marketing
- The ability to focus on key factors that drive value
- Candor and clear communication

ConAm also explores new possibilities in the ever-changing landscape of property management:

- Economical and effective ways to connect with customers—new and present
- Real-time market knowledge and pricing
- Performance metrics that drive better results
- Critical evaluation of the latest innovations, while remaining dedicated to core capabilities

The personality of ConAm is open, supportive, and positive, without sacrificing accountability. It is a place where associates learn and grow, both professionally and personally.



Management Philosophy

ConAm's management philosophy focuses on the preservation and creation of real estate value in concert with the investment goals of property owners. The hallmark of ConAm's success in property management is the clear understanding that superior property management and average property management are different businesses, altogether.

Superior multifamily property management requires extraordinary attention to detail, systems which quickly and accurately detect opportunities for value enhancement, and the people to implement and monitor effective measures in a timely manner. Implementation of this approach is achieved through a regional operations structure, supplemented by centralized systems and specialized support services.

The Regional Approach

While the use of regional offices is obviously not unique to the industry, the responsibilities and authority vested in its regional management groups distinguishes ConAm from many of its competitors. ConAm's regional portfolio managers average over fourteen years of real estate experience. Each regional portfolio manager has bottom line responsibility for the communities in his/her region. Each regional office is typically staffed with a regional vice president, regional portfolio managers, director of education, accounting support, human resources,

and supervisory maintenance specialists. Given their knowledge of local market conditions, regional managers and their staff are encouraged to devise and implement marketing, leasing and management strategies aimed at creating asset value. Creativity is encouraged provided that ConAm's general operating policies are followed. This strong local market knowledge is critical to maximizing individual property performance.

People, Training and Retention

ConAm strives to attract and retain quality individuals throughout the organization. The importance of stable, well-trained personnel in achieving optimal property performance cannot be overstated. The regional portfolio manager interviews candidates for on-site positions. Training begins immediately and is ongoing, whether to introduce new systems and techniques, or to provide a refresher course in previously covered topics. ConAm stresses careers in property management, rather than simply providing a place of employment. Examples abound of employees who joined ConAm years ago in entry-level positions, and who have advanced within the organization. Providing the opportunity for advancement, coupled with competitive salary and incentive programs, has resulted in an experienced, motivated work force that is capable of superior performance.

Support

In the day-to-day operation of a real estate investment, the regional portfolio manager and on-site associates are faced with a diverse set of problems and opportunities. To deal effectively with these challenges, they often need to draw upon specific expertise beyond that available at the regional level. ConAm has developed centralized resources to support its regional operations, including:

- Risk management
- Financial accounting
- Compliance and auditing
- Management information services
- Legal services
- Leasing/marketing specialists
- Marketing/graphics and interior design
- Property services

The availability of these support services is a key factor in ConAm's history of achieving superior investment results for its clients.

Supervision

Supervision is essential to successfully property management. Although the day-to-day operations of individual apartment communities are conducted by community managers, regional portfolio managers are responsible for inspecting books and records, applications for residency, vacant apartments,

and the general condition of the property. The information system used by ConAm provides excellent data on property performance, which is reviewed on a weekly basis by the regional portfolio manager and the community manager. A staff accountant and the controller review all financial reports before publication. In addition, the executive vice president of property management and the regional vice president review a weekly occupancy and availability report, and monthly financial reports. A variance analysis is provided to owners on a monthly basis by the regional portfolio manager. The regional portfolio manager is responsible for preparation of the variance analysis and narrative, along with explanatory comments.

Management/Marketing Planning

A Management/Marketing Plan is prepared for each property on an annual basis. This plan is formulated within the context of the owners' investment goals, and defines the overall strategic direction of the property. Each property is evaluated in terms of its overall operational efficiency, with special attention given to cost containment. The property's position within its market is thoroughly analyzed, and a tailored marketing strategy is developed to ensure maximum income performance in the rental market.

By defining goals, direction and programs in a formal manner, the plan ensures that subsequent efforts are properly directed, consistent and ultimately effective in meeting established objectives.

Customer Service

ConAm is a service-based company. In every service opportunity, whether it is a new customer looking for housing, or an existing customer with a service need, ConAm associates provide service in conformance with four core service values:

Care – Genuine, close attention to customers, cleanliness and safety.

Hospitality – Friendly and courteous treatment of customers and guests.

Productivity – Efficient work that produces results and creates value.

Honesty – Truthful and ethical treatment of others.

These four core values, closely applied, result in clean communities, prompt and courteous attention to customers' needs, efficient problem solving, and an atmosphere of superior service quality.

ConAm's service commitment extends in all directions, including residents, associates, department-to-department services, vendor relations, and of course, client services.

Leasing and Marketing

All marketing at ConAm is directed to attract the most desirable customers to an apartment community. Leasing at ConAm is considered a dimension of customer service, and it is conducted with care and hospitality. All efforts are directed toward understanding the needs of prospective residents, and helping fill those needs at the apartment community.

Specific policies are designed for each community regarding the length of time that apartments may be held vacant for new residents, the minimum holding deposits, security deposits and, of course, rental rates. These policies and rates are reviewed on a continuous basis to ensure that apartments are being leased efficiently, and at optimum rent levels. Market surveys are consistently conducted for competing properties, and included in revenue management tools to achieve price optimization to ensure optimum rents. Particular attention is paid to the number of days that an apartment may be vacant, and the time that it takes to make an apartment ready for the market.

Lease Expirations and Renewals

Because the turnover of existing residents causes higher expenses and lost revenues through vacancies, ConAm focuses attention on the retention of existing residents. The foundation of resident retention is careful criteria for leasing apartments and excellent customer service during a renter's residency. When renters do not need to move for compelling personal reasons, they will stay at an apartment community, as long as they are comfortable with the location, the service, the neighbors, their individual apartment, and the value received for the rental rate paid. Knowing this, ConAm takes care to address these criteria for resident satisfaction. The result is typically 60% or higher, lease renewal success.

A proactive program designed to stay closely in touch with residents regarding satisfaction and needs is implemented at all communities.

Prior to the expiration of leases, ConAm closely evaluates the current resident rent levels, and contacts each resident personally to propose the appropriate lease renewal term and rental rates.

Lease renewal strategies are discussed with clients monthly.

Budgeting

The strategic plan outlined in the Management/Marketing Plan is quantified, resulting in a detailed annual budget in a standardized format. Explanations of key assumptions and trends are provided in support of individual line items. The budget becomes a working document for the on-site personnel and regional portfolio managers as well as the owner. The projected result of variances from key budget assumptions can be quickly assessed, enabling the management team to anticipate situations affecting financial performance and to institute specific management actions to mitigate possible adverse effects.

Information Systems and Reporting

ConAm uses MRI software as its primary on-site information system. The data contained in MRI is hosted on MRI's secure mainframe system and is accessible by the management staff at all times. The data is updated in real-time, giving the management team the most effective and efficient means to manage the property. Using the MRI system, ConAm can produce clearly formatted and incisive financial reports. ConAm is also able to support clients who

use Yardi property management software products.

Cash Control

All cash received at the property is recorded in the resident's record on the community's database. Bank deposits are made daily and the deposit must agree with the cash receipts journal for that day.

The daily deposit is reported via the Internet to the ConAm banking department, and the bank deposit report is extracted daily to the ConAm corporate office. The bank deposit report is compared to the amounts logged to the website, and late or inaccurate deposit slips are investigated and reconciled immediately.

ConAm provides an ACH file to our lead bank so that all deposits are transferred from the local depository account to the property's disbursement bank account. The cash deposits are recorded immediately so that cash balances are updated daily. All accounts payable checks are written on the individual property's disbursement bank account.

This daily information provides flexibility with respect to the cash management activities of distressed communities. At any time, an open accounts payable listing is available. Critical vendors can be identified and paid, as cash is available.

The accounts payable system at the property includes property budget information. Purchase orders entered into the system are compared against budget, and expenditures in excess of budget require regional portfolio manager approval before acceptance.

Spending is therefore controlled at the time an expense is initiated.

All of these key components of management are designed to make the management process efficient, customer-friendly, and financially productive for property owners.

Performance at ConAm-managed communities is measured against ConAm's Standards of Excellence. These standards embody the company's overriding dedication to results and productivity.

Purchasing and Expense Controls

ConAm places great emphasis on economy and expense controls through the following:

- National purchasing power through relationships with HD Supply, PPG Paints, Sherwin Williams, GE, Moen, and Dogwood Building Supply
- Locally approved vendors and contractors for plumbing, landscaping, etc.
- Clearance of all vendors through Compliance Depot
- National relationships with Internet Listing Services and other on-line services
- Close monitoring of purchases versus the approved budget
- Strict adherence to ConAm's purchase order policies, which require purchase orders at the time that services or products are ordered

- Automatic warnings when purchases approach budgeted limits
- Comparison metrics that identify expense anomalies
- Comprehensive scope and bidding procedures for large capital projects

Insurance and Risk Management

ConAm's insurance policy for property, liability, and environmental coverage is available to owners of managed properties, often at significantly lower rates than are generally available.

As an owner of property, ConAm has developed a comprehensive program for risk management and claims handling, including:

- A dedicated risk manager who inspects properties for OSHA, liability, and property loss exposure
- A diligent process for reporting and managing incidents involving people and property
- Claims adjustment
- In-house legal counsel who handles liability, fair housing, and resident dispute issues
- Safety training and meeting requirements for on-site staff
- Regular and formalized property inspections by regional staff

Capital Improvements and Remodeling

ConAm's Property Services Department works with regional teams to supervise major capital projects:

- Large scale maintenance projects—parking lots, exterior painting, roofing, etc.
- Complete interior remodeling—cabinets, counters, plumbing and electrical fixtures, floor and window coverings, etc.
- Major renovations to amenities and common areas—pool areas, clubhouses, landscaping, etc.
- Structural repairs—decks, siding, erosion control, etc.
- Marketing enhancements—signage, displays, branding, etc.

ConAm uses the leverage of its national and local purchasing power to achieve the best quality at the most favorable pricing.

The Property Services Department reviews project scope and specifications, bid documents, bidding, contracting, supervision, and contract accounting and administration.



Affordable/Tax Credit Management Experience

ConAm has extensive experience in the management of affordable housing. Since 1985 the firm has been involved in the management of over 34,000 affordable/tax credit and government-regulated housing units, throughout the United States.

Currently, ConAm manages more than 19,000 affordable and government-regulated units in Arizona, California, Colorado, Florida, Kansas, Missouri, Nevada, New Mexico, Texas and Washington.

The company's affordable management portfolio includes:

- LIHTC
- Tax Exempt Bond
- Section 8
- Rural Development
- HOME
- Special Needs (HOPWA, MHSA, etc.)

ConAm understands that the management of affordable housing is significantly different than the management of conventional housing and that it demands specialized expertise, staffing and support—all of which ConAm has in place.

Technology, Training and Education

Software:

- ConAm utilizes BostonPost, a specialized, web-based software solution that is specifically tailored to the management of affordable housing.

Community staff training consists of:

- Operations Policy and Procedures (ConAm Tax Credit Policies and Procedures and forms available upon request)
- Accounting software for HUD manager/ShofCorp for voucher submittal and maintenance
- Tax Credit compliance training with corporate compliance staff using corporate training manual and DVD training guides
- HUD compliance training with in-house certified National Center for Housing Management (NCHM) trainers, training manuals, PowerPoint presentations, exams and certification provided by NCHM
- Online certificate programs offered by HCC (Housing Credit College)
- Training with consultants and vendors including, but not limited to:
 - National Center for Housing Management (NCHM)
 - Affordable Housing Management Association (AHMA)
 - State Regulatory Agency training session where available

The Affordable Housing Compliance Process

- Preliminary approval by compliance auditor, based in regional/corporate offices, of initial, interim and annual certification after on-site documentation completion and screening
- Documentation is stored digitally off-site and transmitted electronically to the site
- Annual certification letters are sent to residents on a 120-90-60 day basis
- Annual certification and voucher submittals transmitted via web-based software
- Completion and transmission of required periodic regulatory agreement documentation to government, lender and owner/developer

Comparable Senior Communities Managed by ConAm



Westminster Manor

1730 3rd Avenue • San Diego, CA 92101

152 Units • Built 1970

Studio and one-bedroom floor plans

Interior Amenities

- Patio/Balcony
- Air Conditioning
- Pantry
- Microwave

Community Amenities

- Controlled Access
- Elevators
- Business Center
- Laundry Facility
- Resident Services Program
- Reserved Parking



Courtyard Terraces

4321 52nd Street • San Diego, CA 92115

88 Units • Built 2010

One and two-bedroom floor plans

Interior Amenities

- Patio/Balcony
- Air Conditioning
- Breakfast Bar
- Microwave
- Vertical Blinds
- Some Paid Utilities

Community Amenities

- Gated Access
- Elevator
- Clubhouse
- Business Center
- Laundry Facility
- Garage Parking

Comparable Senior Communities Managed by ConAm (continued)



Citronica Two

7701 North Avenue • Lemon Grove, CA 91945

80 Units • Built 2014

Two and three-bedroom floor plans

Interior Amenities

- Air Conditioning
- Patios in select apartments
- All-Electric Kitchen

Community Amenities

- Controlled Access
- Elevator
- Garden and Courtyard
- Community Club Room
- Computer Center
- Laundry Facility
- LEED Certified
- Adjacent to Trolley Station



Alabama Manor

3836 Alabama Street • San Diego, CA 92104

67 Units • Built 1984

Studio, one and two-bedroom floor plans

Interior Amenities

- Private Patio (in some plans)
- Low Emission Windows

Community Amenities

- Gated community
- Elevator
- Community room with kitchen
- Computer Center and Library area
- Courtyard with outdoor seating area
- Laundry facility
- Off street parking

Comparable Senior Communities Managed by ConAm (continued)



Buena Vida at Town Center

30824 La Miranda, Rancho Santa Margarita, CA 92688

115 Units • Built 2006

One and two-bedroom floor plans

Interior Amenities

- 9-foot Ceilings
- Private Patio/balcony
- Gas Range and Oven
- Walk-in shower
- Central Heat and A/C
- Ceiling Fans

Community Amenities

- Controlled Access
- Elevators
- Clubhouse
- Pool and Spa
- Fitness Center
- Theatre
- Pet Welcome
- Reserved Parking



El Quintero

444 Rockwood Avenue • Calexico, CA 92231

54 Units • Built 2012

Studio floor plans

Interior Amenities

- Air Conditioning
- Intrusion Alarm

Community Amenities

- Clubhouse
- Business Center
- Laundry Facility
- Picnic Area

Renovation Consulting

ConAm provides expert asset renovation management and repositioning consultation services to its clients.

Over the last several years, the firm has successfully completed the renovation, rehabilitation and repositioning of more than 20,000 multifamily units throughout the United States.

A profitable renovation and repositioning project depends as much on the ability to coordinate various disciplines as it does on competence in each individual discipline—from market research, feasibility studies, design and construction to transition management and final lease-up.

ConAm's full-service in-house investment management, finance, accounting, construction and property management capabilities uniquely position the company to better control a project's 'destiny' from concept to completion. With numerous successes to its credit, the ConAm team has repeatedly demonstrated the ability to identify, plan and implement effective renovation programs.

With more than three decades of solid construction and real estate management experience, we know what makes a good apartment community, and we know what works best for both owners and residents.

Every project is undertaken with one simple goal in mind: creating real, long-term asset value for our clients.



San Diego Regional Team — Key Biographies

Wes Daniel, ARM®
Senior Vice President, Affordable Housing, Southern California

Mr. Daniel currently serves as a senior vice president with operational responsibility for approximately 12,000 affordable units in Southern California.



Having joined ConAm in 2013 as a regional vice president responsible for oversight of approximately 4,000 units of rental housing, Mr. Daniel has over 20 years of property management experience with exposure to most markets throughout the country. He has a proven track record of success in all facets of property management and a background in varying portfolios including conventional, mixed-income loft conversions, mixed-use developments and rent- and income-restricted communities.

Prior to joining ConAm, Mr. Daniel was the vice president of affordable housing for U.S. Residential Group and was responsible for oversight of various portfolios in multiple states as well as overall management and direction of their national compliance department. Previously, he was a regional property manager for Simpson Property Group's Long Beach, California, office where, at various times, he was responsible for overseeing the operations of a Southern California portfolio,

serving as asset manager for Simpson-owned fee-managed communities in California and Hawaii, as well as managing the day-to-day activities of the Southern California branch office. Mr. Daniel also served as director of compliance for Simpson from 2003 through 2004. In this role he was responsible for ensuring compliance with Internal Revenue Service and HUD guidelines for 40 affordable housing properties throughout the U.S.

Mr. Daniel is a licensed California Real Estate Salesperson and has earned multiple designations including, Accredited Residential Manager, Housing Credit Certified Professional, National Compliance Professional Executive, Site Compliance Specialist, Tax Credit Specialist and Certified Occupancy Specialist.

Michelle Sites
Vice President

Ms. Sites currently oversees the operations of multiple apartment communities within San Diego County.



Her responsibilities include the preparation of annual property operating budgets financial reporting, overseeing the daily operations of properties to maximize productivity and profitability, as well as the hiring and coaching of on-site staff.

Ms. Sites has more than 10 years experience in multifamily real-estate management; working with market rate, commercial and affordable communities within southern California. She has extensive first-hand experience as a regional property supervisor and on-site manager along with various affordable housing programs, property development, the rehabilitation of assets and the lease-up of multiple communities.

Ms. Sites holds a California real estate license and is currently a CPM® candidate through IREM.

Ms. Sites has served on the IREM Public Relations and Marketing Committee, as well as on the San Diego Apartment Association's Rental Owner Magazine Committee.

Lisa Young
Sr. Regional Portfolio Manager

Ms. Young currently serves as a Senior Regional Portfolio Manager overseeing two Regional Portfolio Managers and a portfolio of 30 communities. Ms. Young has more than 16 years 16 years experience in the real estate industry, having been involved in asset management, multifamily development and property management.



Prior to joining ConAm in 2013, she worked for Chelsea Investment Corporation, as their director of administration, overseeing the administrative functions for more than 45 properties throughout Southern California. Before that she worked for GMAC Residential Equity.

Ms. Young has completed numerous real estate and accounting courses throughout the years, and holds certificates in TCAC and Fair Housing compliance.

Karen Moore
Director of Education

Ms. Moore is responsible for the training and recruiting for 64 apartment communities (6,655 units) consisting of affordable, conventional and mixed-use properties throughout Southern California. Her responsibilities include the development and implementation of training initiatives as well as the education and career development of on-site staff with regards to customer service, leasing, and apartment community operations.



Ms. Moore has been a member of the ConAm team since 2005. Prior to joining ConAm, she was employed for seven years as the marketing and training manager for E&S Ring Management. She also has six years of experience in the advertising industry.

Ms. Moore has a bachelor's degree from California State University Long Beach. She is a member of the California Apartment Association and a certified customer service trainer through Achieve Global.

Melanie Sutherlin
Regional Systems Coordinator

Ms. Sutherlin's responsibilities include assisting ConAm's Southern California affordable communities' teams with support in policies and procedures, as well as software, training and audits. She works closely with all aspects of the property management team including regional managers, and the Information Technology and Compliance Departments



Ms. Sutherlin began her property management career in 2008, working with a local management company in San Diego. Wanting a challenge with a national company, Melanie came to ConAm in late 2010, as a business manager of what was at the time, the largest affordable community in ConAm's Southern California portfolio. She quickly found her niche and has held two community manager positions, prior to her joining the regional office team in 2014.

Kerry Menchin
Director of Compliance

Ms. Menchin currently oversees an affordable portfolio of over 18,000 units in 5 states. Ms. Menchin has been in the affordable housing industry for over 13 years. She is responsible for compliance for several different affordable programs and currently oversees a staff of 8 employees.



Prior to joining ConAm, Ms. Menchin worked for JRK as the vice president of compliance for 6 years and prior to that, for 8 years she was the national director of compliance for AIMCO.

Ms. Menchin graduated from State University of New York and holds several housing designations and certifications including Tax Credit Specialist (TCS), Certified Occupancy Specialist (COS), Management Occupancy Review Specialist (MORS), and Specialist in Housing Credit Management (SHCM) and others.

Al Priester
**Regional Maintenance Director,
Southern California**

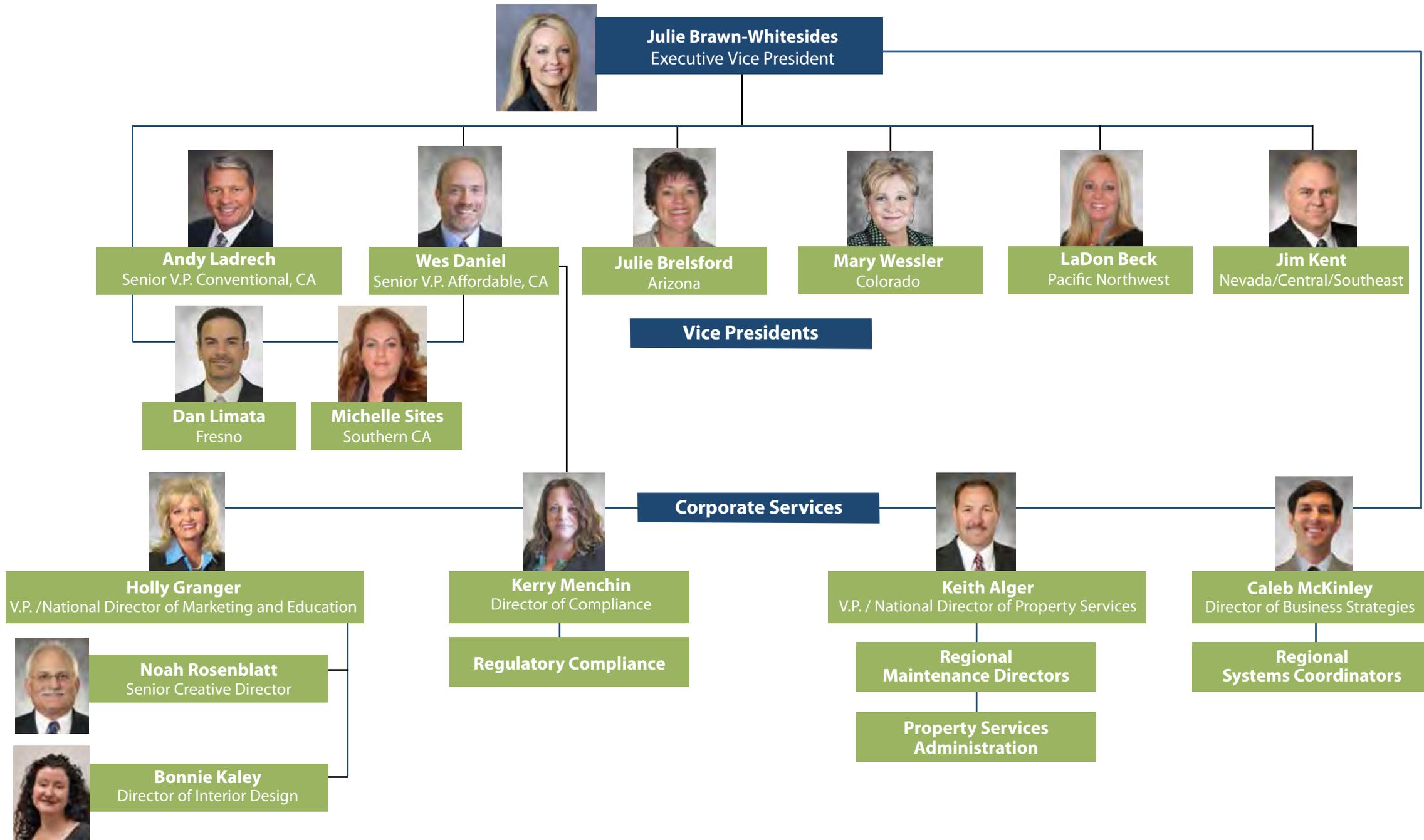
Mr. Priester and has more than 25 years of experience in the multifamily industry. He joined ConAm as a regional maintenance supervisor in 2011.



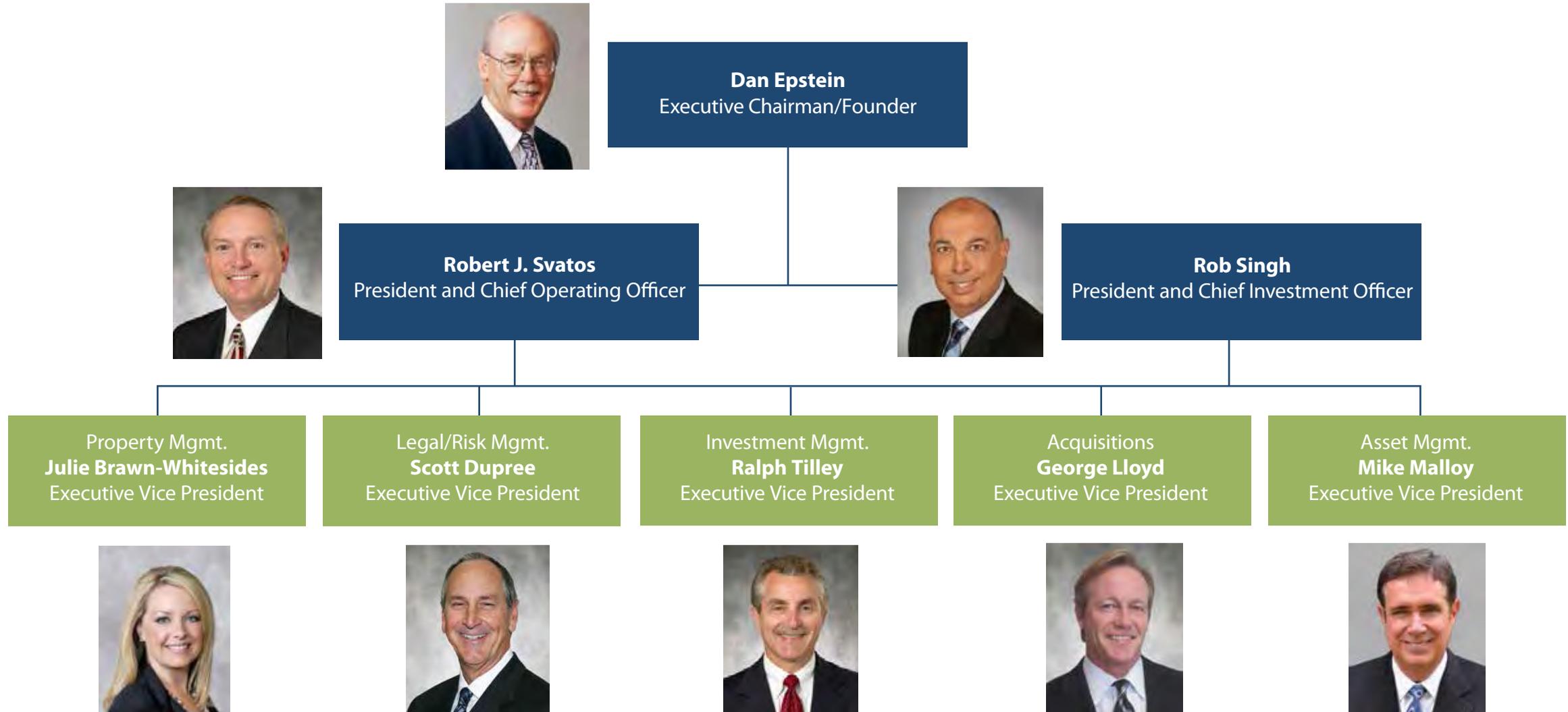
In 2015, he was promoted to regional maintenance director, and is now responsible for overseeing on-site maintenance operations, maintenance personnel training and capital improvement projects for a portfolio of 160 properties—14,000 apartments—throughout Southern CA. The portfolio includes conventional and affordable properties, as well a number of mixed-use and commercial projects. Mr. Priester currently has a staff of six regional maintenance supervisors reporting directly to him.

Mr. Priester holds certifications in Mold Remediation, Air Conditioning & Heating, Swimming Pool Operations, and Asbestos Removal.

ConAm Management Corporation • Property Management Team



The ConAm Group — Senior Management Team



4. References

Affordable Client References

Theresa Roberts
Palm Communities
73929 Larrea Street, Suite #4
Palm Desert, CA 92260
Telephone: (949) 878-9361

Adam Gutteridge
Chelsea Investment Corporation
5993 Avenida Encinas, Suite #101
Carlsbad, CA 92008
Telephone: (760) 795-5638

Ginger Hitzke
Hitzke Development
251 Autumn Drive, Suite#100
San Marcos, CA 92069
Telephone: (760) 798-9809

Michael Roos
ColRich Multifamily
444 West Beech Street, Suite 300
San Diego, CA, 92101
Telephone: (858) 490-2314

Michael Snowdon
Highridge Costa Investors, LLC
330 West Victoria Street,
Gardena, California 90248
Telephone: (424) 258-2878



CONAM

The ConAm Group

About OPC

Overland, Pacific & Cutler (OPC) was established in 1980 to provide a core of professional services for clients with projects involving right of way program management, land and right of way acquisition, real estate appraisal, relocation planning and implementation, utility coordination, and property management. Our firm was created to perform these services for redevelopment, public works, housing, community development, transportation, energy, utilities, and school districts. Local, regional, state, and federal agencies call upon OPC to provide on-call and project based real estate services for their most challenging assignments.

Our people place emphasis on the early planning and the implementation of land and right of way acquisition programs for public projects. Our firm is innovative and creative when **consulting on today's** increasingly complex real estate and right of way programs. Our clients have come to rely on us to provide reliable real estate and right of way guidance from project planning through implementation. Our experience has demonstrated that regular communication from the beginning of a project forms a cohesive and effective project delivery unit. We include the various involved members from design, real estate, engineering, program management, legal, and public relations to create effective project delivery.

A significant advantage that OPC provides is a deep resource of highly educated, experienced, and devoted staff. Our professionals consist of licensed real estate brokers, designated Senior Right of Way (SR/WA) Professionals, and designated Right of Way Relocation Assistance Certified (R/W-RAC) Professionals. We take industry leadership very seriously. Senior professionals from our organization routinely make presentations about the changing dynamics of our profession and participate in all major industry associations including ULI, APWA, WTS, and ACEC. OPC is actively involved in the advancement of the right of way profession on local and international levels through our memberships in the International Right of Way Association (IRWA).

Our firm provides all disciplines associated with the acquisition of land and right of way, as well as expert relocation assistance and related services. We pride ourselves in our integrated start-to-finish service, which includes project cost studies and estimates, project planning and management, appraisal and appraisal review, site selection and acquisition, right of way acquisitions and negotiations, title and escrow, relocation plan preparation, relocation assistance, utility coordination, property management/maintenance, eminent domain support, and expert witness testimony. This breadth of experience enables us to have a true understanding of each specific real estate function necessary for the delivery of infrastructure, transportation, and community development projects. **This results in a 'synergy' unique to our firm that allows us to provide exceptional services to our clients.**



At OPC, we know the importance of the timely delivery of needed real estate or right of way to meet project schedules, and do so in a manner that maintains full eligibility **for funding participation from any source. OPC's objective is to provide our clients with exceptional service and innovative solutions while delivering projects in a cost effective manner. We deliver value and we empower our employees to make decisions, making us the "no hassle" choice for clients everywhere. When you choose OPC, you get consistency of performance – no matter who you deal with, you will receive the same level of great service – every time. Clients across the nation have learned to benefit from the strength of our experience and the commitment of our people.**

Company Snapshot

- Privately Owned Corporation founded in 1980
- Successful projects across the Country
- Multidisciplinary Staff of more than 120 employees
- 35% Bi-Lingual Staff
- Experienced, Dedicated project team

Relocation Assistance Services

OPC provides comprehensive residential, business, commercial, and industrial relocation assistance services to public and private sector clients. Our clients include local, regional, state, and federal agencies; school districts; transportation authorities; and developers. **OPC's business relocation services** are second to none. Our clients have seen innovative solutions to complex commercial and industrial relocations that provided project cost savings, less litigation, and adherence to project schedules for both **the public agency and the displaced business**. This "win-win" environment fosters an atmosphere of trust and respect among the stakeholders.

Residential Relocation Assistance

The basis of OPC's relocation work plan is the formation of a highly qualified team of professionals who have the technical expertise required to successfully relocate the displaced occupants. Our field experience encompasses a varied assortment of projects and settings. We work within both rural and urban environments, handling complex cases in our city's urban cores, as well as farm and ranch cases. OPC is a trusted partner to many public agencies, providing development or review and modifications of agency relocation guidelines and establishing relocation policies and procedures in compliance with federal and state regulations.



The overriding goal in our approach is to complete our work in a timely and technically correct manner, as well as to treat people impacted by the project in a respectful and equitable manner. It is imperative **that we address the displacees' concerns equitably while attaining the goals of our client's project**. The benefits of this approach are cost effectiveness, reduction in project delays, and an increase in public confidence.

OPC has dealt with thousands of individuals and families from high poverty and blighted areas and we are particularly sensitive to low-income families who often require additional advisory services. OPC will **create solutions within the project's applicable regulations and guidelines to deal with real-life** challenges and unique situations that we always see in low-income communities. We deal effectively and compassionately with all types of project occupants, providing the highest level of service to each and every household within our project sites. OPC is particularly successful in preserving home ownership and assisting renters to become first time home-buyers.

OPC has an extensive network of associated disciplines to call on that may be needed for ultimate achievement of any relocation project. OPC can develop a planning team that includes architects, engineers, and finance consultants if required. We provide the following components of a relocation program:

- Relocation plans
- Relocation budget estimates
- Replacement housing surveys & plans
- Public meetings & community outreach
- Multilingual assistance & document translation
- Rent control compliance
- Audits for regulation compliance
- Section 8 & HQS inspection services
- Residential relocations (including permanent & temporary displacement)
- Public & private mobile home closures
- Large-scale relocation efforts
- Tracking & management of payments to Last Resort Housing benefit recipients
- Eminent domain litigation support

Relevant Project Experienc

The following project includes relevant local experience of our proposed team.

Chelsea Investment Corporation, CA Westminster Manor

This project is for a \$53.6M acquisition and rehabilitation of an existing 155-unit senior apartment complex, which included Section 8 eligible households. Special care was given to the existing senior population during the rehabilitation. Arrangements were made in advance and all qualified tenants were temporarily relocated off-site for three months during the rehabilitation phases. All non-qualified tenants were permanently relocated.



Christian Church Homes of Northern California Westlake Christian Terrace and Fargo Senior Center

For the Westlake Terrace Project, OPC developed the relocation plan and implemented the relocation program for the temporary relocation of over 175 senior households for the rehab of a high rise senior tower in Oakland, CA. OPC provided advisory services and move coordination during the project. OPC also provided language translation services in Chinese, Korean, and Spanish. The project involved the pre-payment of a HUD 236 loan, which prevented involuntary permanent relocations, however, OPC successfully voluntarily permanently relocated five households. The project was financed with Low Income Housing Tax Credits and AHP funds. CCHNC also received tenant protection vouchers for the property from the Oakland Housing Authority.



For the Fargo Senior Center Project, OPC developed the relocation plan and implemented the relocation program for the temporary relocation of 75 senior households during the rehabilitation of the property in San Leandro, CA. OPC provided advisory services and move coordination during the project. OPC also coordinated the leasing and occupancy management of off-site temporary housing and cleaning services of the temporary housing. Additionally, OPC provided language translation services in Chinese, Russian, and Spanish. The project involved the pre-payment of a HUD 236 loan, which prevented involuntary permanent relocations, however, OPC successfully voluntarily permanently relocated three households. The permanent relocations were scrutinized by the San Leandro City Council, however, all parties were satisfied with the results. The project was financed with Low Income Housing Tax Credits and AHP funds. CCHNC also received tenant protection vouchers for the property from the Alameda County Housing Authority.



References

John Meyer
Director of Redev. & Housing
City of Vista
760 639-6191

John Riley
Deputy City Attorney
City of San Diego
619 533-5800

DEVELOPER STATEMENT
OF
QUALIFICATIONS/
FINANCIAL SUMMARY

DEVELOPER STATEMENT OF QUALIFICATIONS & FINANCIAL SUMMARY

I. DEVELOPER INFORMATION

Name: Chelsea Investment Corporation

Address: 5993 Avenida Encinas, Suite 101 Carlsbad, CA 92008

Telephone/Fax: (760) 456-6000/(760) 456-6001

Contact Name: Tim Baker

Is the Developer a subsidiary of/or affiliated with, any other Corporation(s), Joint Venture(s) or Firm(s)? No Yes

If yes, list each such Corporation, Joint Venture, or Firm by name & address, specify its relationship to the Developer, the % of interest of the partners & identify the Officers & Directors or trustees common to the Developer & such other Corporation or Firm:

Name of Corporation/Joint Venture/Firm: Chelsea Investment Corporation

Address: 5993 Avenida Encinas, Suite 101, Carlsbad, CA 92008

Relationship to Developer: Developer

Officers/Directors/Trustees: Jim Schmid, Lynn Harrington Schmid

%of Interest of the partners: 0.995

Individual(s) authorized to negotiate, on behalf of the development entity/team & responsible for project execution:

Name(s): Jim Schimd, Cheri Hoffman

Position: CEO, President

Telephone/Fax: (760) 456-6000/(760) 456-6001

Email: jim@chelseainvestco.com cherih@chelseainvestco.com

II. FINANCIAL CAPACITY

A. Sources & amount of cash available to Developer to meet equity requirements of the proposed undertaking in Bank(s):

1) Bank Name: Banner Bank

Address: 5901 Priestly Drive, Suite 160, Carlsbad, CA 92008

Amount: \$: 1,000,944

2) Bank Name: Vanguard Securities

Address: P.O. Box Atlanta, GA 30348-9531

Amount: \$: 2,048,286

B. By loans from affiliated or associated corporations or firms:

Name: Banner Bank

Address: 5901 Priestly Drive, Suite 160, Carlsbad, CA 92008

Source: Line of Credit

Amount: \$: 2,500,000 Max

C. The Following are Three Bank References:

1) Bank Name: Citi Community Capital

Address: 444 S. Flower St., 29th Floor, Los Angeles, CA 90071

Contact Person: Richard Gerwitz, Managing Director

Telephone: (213) 486-7138

2) Bank Name: U.S. Bank Commercial Real Estate

Address: 800 Nicollet Mall – 3rd Floor

Contact Person: Kyle Hansen, Executive Vice President

Telephone: (612) 303-3685

3) Bank Name: The Richman Group of Companies

Address: 599 west Putnam Ave., Greenwich, CT 06830

Contact Person: David Salzman, Vice President

Telephone: (203) 869-0900

D. The Following are Three Bank References:

- 1) Company: _____
Address: _____
Relationship: _____
Contact Person: _____
Telephone: _____
- 2) Company: _____
Address: _____
Relationship: _____
Contact Person: _____
Telephone: _____
- 3) Company: _____
Address: _____
Relationship: _____
Contact Person: _____
Telephone: _____

- E. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the developers officers or principal members, shareholders or investors been adjudged bankrupt, either voluntary or involuntary, within the past ten years? No Yes

If yes, please provide the following information:

Date:

Location:

Bankruptcy was filed under the following name (s):

- F. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the Developer's officers or principal members, shareholders or investors been involved in litigation relating to a development project either voluntary or involuntary, within the past three years? No Yes

If yes, please provide the following information:

See attached (Chelsea Litigation – 2012-16)

- G. Total amount of development work completed by developer during the last three years: **15 projects totaling 1,307 units**
- H. Projects currently in planning or development by the Developer or Principals of the development entity: **14 projects totaling 1,535 units**
- I. Does any member of the Developers' Corporation/Partnership have any known relationship in connection with purchasing & implementing the Project with any member of the governing body of the Agency to which the accompanying proposal is being made, or to any officer or employee of the local public agency who exercises any functions or responsibilities in connection with the carrying out of the Project under which the local public agency covered by the Developers proposal is being made available? No Yes

If yes, explain:

- J. Statements & other evidence of the Developers Qualifications & Financial Responsibility are attached thereto & hereby made a part hereof as follows:

See attached (REO Schedule and Financial Statement)

CERTIFICATION

I/We Cheri Hoffman certify that this Developer Statement of Qualifications and Financial Responsibility & the attached evidence of the Developers qualifications and financial responsibility are true and correct to the best of my/our knowledge and belief, and that the information contained in this statement is considered public record and will be made available for public inspection and copying upon request. Availability of these public records begins when the Developer selection process includes public meetings.

Cheri Hoffman

Name

President

Title



Signature

5/11/15

Date

5993 Avenida Encinas, Suite 101

Street Address

Carlsbad, CA 92008

City, State, Zip

Name

Title

Signature

Date

Street Address

City, State, Zip

If the Developer is a Corporation, this statement should be signed by the President & Secretary of the Corporation; if an individual or proprietorship, by such individual; if a partnership, by one of the general partners; if an entity not having a President & Secretary, by one of its Chief Officers having knowledge of the financial status & qualifications of the Developer.

Chelsea Litigation – 2012-2016

Maryann Patterson-Gage v. Chelsea Investment Corp, et al.

Filed 6/16/11

Sacramento Superior Court

Slip & Fall at trash enclosure at Willow Glen property

Settled 5/14/13

Harcharan Sandha v. Chelsea Investment Corporation, et al.

Filed 10/24/11

San Diego Superior Court

Breach of Contract due to lack of quiet enjoyment (noisy neighbors) –Hunters Point property

Settled 7/31/12

Sandra Carrara v. Chelsea Investment Corporation

Filed 3/14/12

San Diego Superior Court

Slip & Fall – City Heights property

Settled 12/11/12

Leatrice Price v. Chelsea Investment Corporation, et al.

Filed 6/6/12

San Diego Superior Court (Small Claims)

Rental Dispute – Regency Centre property

Settled 7/27/12

Carolyn Robertson/Lisa Lilly v. Chelsea Investment Corporation, et al.

Filed 7/16/12

Kern County Superior Court (Small Claims)

Breach of Covenant of Quiet Use & Enjoyment (noise complaints) – Cityplace property

Settled 9/6/12

Julie Noel v. Chelsea Investment Corporation, et al.

Filed 7/27/12

San Diego Superior Court

Slip & Fall – Courtyard Terrace property

Settled 3/6/14

Victoria Wills v. Chelsea Investment Corporation, et al.

Filed 6/3/14

San Diego Superior Court

Slip & Fall – St. Regis Park property

Settled 5/18/15

Landon Whitby, et al. v. Chelsea Investment Corporation, et al.

Filed 7/23/14

United States District Court, Southern District of California

Windwood property – allegations that property rules against unsupervised children is discrimination against families with children

Dismissed 4/15/15 (Consolidated)

Josephine Harper-Thornton v. Chelsea Investment Corporation, et al.

Filed 10/2/14

San Diego Superior Court (Small Claims)

Damage to personal property– Fairbanks Ridge property

Settled May 19, 2015

Mordecai Levine, et al. v. Chelsea Investment Corporation, et al.

Filed 12/17/14

San Diego Superior Court

Erroneously sued

Dismissed as to Chelsea defendants 3/3/15

Ethan Whitby, et al. v. Chelsea Investment Corporation, et al.

Filed 2/19/15

United States District Court, Southern District of California

Allegations that property rules against unsupervised children is discrimination against families with children – 6 properties

Dismissed 4/15/15 (Consolidated)

Hector Virgen, et al. v. Chelsea Investment Corporation, et al.

Filed 3/19/15

San Diego Superior Court

Versa Property - A subcontractor was injured by the faulty work of another subcontractor

Dismissed as to Chelsea 4/17/15

Landon Whitby, et al. v. Chelsea Investment Corporation, et al.

Filed 4/28/15

United States District Court, Southern District of California

Allegations that property rules against unsupervised children is discrimination against families with children – 6 properties

Consolidation of 2 prior cases – Settled 11/24/15

Manuchehr Riazati v. Chelsea Investment Corporation, et al.

Filed 5/30/13, Amended 12/5/14 & 7/20/15

San Diego Superior Court

Fairbanks Ridge – General Damages, Negligence

Demurrer sustained 12/4/15 without leave to amend

Danielle Sullivan v. Chelsea Investment Corporation, et al.

Filed 1/12/16

San Diego Superior Court (Small Claims)

Versa – Misrepresentation, Failure to Disclose Death in Unit

Settled 4/7/16

Property Name	Partnership Name	City	County	State	Units	Type	Year			
							Acquired	LIHTC Investor	Lender	
1	De Anza Hotel	De Anza Hotel, LP	Calexico	Imperial	CA	94	Senior/9%	1997	The Richman Group	CHRP
2	St. Regis Park	St. Regis Park, LP	Chula Vista	San Diego	CA	119	Family	2000	Boston Financial	Bank of America
3	Villa Serena	Serena Sunbow, LP	Chula Vista	San Diego	CA	132	Senior	1999	Boston Financial	Bank of America
4	Regency Centre	SD Regency Centre LP	San Diego	San Diego	CA	100	Family	2000	Boston Financial	PNC
5	Seabreeze Farms	Longacres at Seabreeze Farms, LP	San Diego	San Diego	CA	38	Family/9%	2000	N/A	Bank of America
6	Villa de Las Flores	VDLF, LP	Calexico	Imperial	CA	80	Senior/9%	2000	The Richman Group	Rabobank
7	Torrey Highlands	THA, LP	San Diego	San Diego	CA	76	Family	2001	N/A	PNC
8	Brawley Family	BFA, LP	Brawley	Imperial	CA	80	Family/9%	2002	The Richman Group	Rabobank
9	Calexico Family	CFA, LP	Calexico	Imperial	CA	80	Family/9%	2002	The Richman Group	Rabobank
10	Market Square Manor	Market Square Manor Associates, LP	San Diego	San Diego	CA	200	Senior/9%	2002	Highridge Costa	Berkadia
11	Villa Andaluca	CIC Villas, LP	San Diego	San Diego	CA	32	Family	2002	Boston Financial	Wells Fargo
12	Villa Glen	CIC Villas II, LP	San Diego	San Diego	CA	26	Family	2002	Boston Financial	Wells Fargo
13	Villa Lara	VLA, LP	Imperial	Imperial	CA	80	Family/9%	2002	Boston Financial	Rabobank
14	Windwood Village	CIC PHR, LP	San Diego	San Diego	CA	92	Family	2002	Boston Financial	US Bank
15	Countryside	CIC Countryside, LP	El Centro	Imperial	CA	73	Family	2003	The Richman Group	US Bank
16	Holtville Gardens	Holtville Gardens, LP	Holtville	Imperial	CA	81	Senior	2003	Boston Financial	US Bank
17	Imperial Gardens	IGA, LP	Imperial	Imperial	CA	81	Senior	2003	Boston Financial	US Bank
18	Mariposa	CIC Calavera, LP	Carlsbad	San Diego	CA	106	Family	2003	Wentwood	Red Capital
19	Rancho Buena Vista	CIC Eastlake, LP	Chula Vista	San Diego	CA	150	Family	2003	Wentwood	Red Capital
20	Rancho del Norte	Santaluz Family Apartments, LP	San Diego	San Diego	CA	119	Family	2003	Boston Financial	Wells Fargo
21	Westmorland Family	WFA, LP	Westmorland	Imperial	CA	65	Family	2003	The Richman Group	US Bank
22	Brawley Gardens	Brawley Gardens, LP	Brawley	Imperial	CA	81	Family	2004	The Richman Group	US Bank
23	Brawley Senior	BESA, LP	Brawley	Imperial	CA	81	Senior	2004	Boston Financial	Citibank
24	Heber Woods	Heber Family, LP	Heber	Imperial	CA	81	Family	2004	The Richman Group	US Bank
25	Fairbanks Ridge	CIC Fairbanks, LP	San Diego	San Diego	CA	204	Family	2005	The Richman Group	US Bank
26	The Crossings	CIC Crossings, LP	San Diego	San Diego	CA	108	Family	2005	Boston Financial	Berkadia
27	City Heights	City Heights Square, LP	San Diego	San Diego	CA	150	Senior/9%	2006	Wentwood	Red Capital
28	Hunters Pointe	CIC La Costa, LP	Carlsbad	San Diego	CA	168	Family	2006	Boston Financial	Oak Grove Capital
29	Villa Dorada	Calexico II, LP	Calexico	Imperial	CA	80	Family	2006	Boston Financial	USDA
30	Villa Paloma	Heber Family II, LP	Heber	Imperial	CA	72	Family	2006	The Richman Group	US Bank
31	Glen Ridge	CIC Glen Ridge, LP	Carlsbad	San Diego	CA	78	Family	2007	Boston Financial	US Bank
32	The Landings	CIC Landings, LP	Chula Vista	San Diego	CA	92	Family	2007	Boston Financial	US Bank
33	Villa Esperanza	Calipatria Family Apts., LP	Calipatria	Imperial	CA	72	Family	2007	The Richman Group	CCRC
34	Willow Glen	CIC Natomas, LP	Sacramento	Sacramento	CA	135	Family	2007	The Richman Group	MMA
35	Beachwind Court	Beachwind Court, LP	Imperial Beach	San Diego	CA	15	Family	2008	The Richman Group	US Bank
36	Courtyard Terraces	Dawson Ave. Senior Apts., LP	San Diego	San Diego	CA	88	Senior/9%	2008	Bank of America	CCRC
37	Cedar Creek	Fanita 48, LP	Santee	San Diego	CA	48	Family	2009	Boston Financial	US Bank
38	Silver Sage	Silver Sage CIC, LP	Lakeside	San Diego	CA	80	Family	2009	Boston Financial	US Bank
39	City Place	CIC South Mill Creek, LP	Bakersfield	Kern	CA	70	Family/9%	2010	US Bank	US Bank
40	Oakridge	CIC Oakridge Apts., LP	Oakdale	Stanislaus	CA	41	Family	2010	Boston Financial	Bonneville
41	The Landings II	Landings II, LP	Chula Vista	San Diego	CA	143	Family	2010	Raymond James	US Bank
42	Verbena	Verbena San Ysidro, LP	San Ysidro	San Diego	CA	80	Family/9%	2010	The Richman Group	Impact CIL LLC
43	Estrella del Mercado	Mercado CIC, LP	San Diego	San Diego	CA	92	Family/9%	2011	Raymond James	Citibank
44	Las Brisas	CIC El Centro Family Apts., LP	El Centro	Imperial	CA	72	Family	2011	Boston Financial	Rabobank
45	Park Terramar	Terramar CIC, LP	San Diego	San Diego	CA	21	Family	2011	US Bank	US Bank
46	Villa Del Sol	Calexico Andrade, LP	Calexico	Imperial	CA	52	Family/9%	2011	Boston Financial	USDA
47	Villa Fortuna	Brawley Pioneers, LP	Brawley	Imperial	CA	76	Family/9%	2011	The Richman Group	USDA
48	El Quintero	De Anza II CIC, LP	Calexico	Imperial	CA	54	Senior	2012	The Richman Group	Rabobank
49	Emperor Estates	Dinuba Senior Apartments CIC, LP	Dinuba	Tulare	CA	62	Senior/9%	2012	The Richman Group	Rabobank
50	Iris	Iris Apartments CIC, LP	Encinitas	San Diego	CA	20	Family/9%	2012	Raymond James	Citibank
51	Fairbanks Commons	Fairbanks Commons CIC, LP	San Diego	San Diego	CA	165	Family	2012	US Bank	Citibank
52	Casa Hermosa	Michigan Drive CIC LLLP	Hobbs	Lea	NM	88	Family	2013	The Richman Group	US Bank
53	Cesar Chavez	Vista Montana Coachella, LP	Coachella	Riverside	CA	56	Family	2013	US Bank	US Bank
54	Fairbanks Square	Fairbanks Square CIC, LP	San Diego	San Diego	CA	100	Senior	2013	US Bank	Citibank
55	Versa	Versa CIC, LP	San Diego	San Diego	CA	150	Senior	2013	Raymond James	Citibank
56	Alpha Square 4%	Alpha Square 4%, LP	San Diego	San Diego	CA	53	Family	2014	US Bank	US Bank
57	Alpha Square 9%	Alpha Square 9%, LP	San Diego	San Diego	CA	150	Family/9%	2014	US Bank	US Bank
58	Independence Point	WJJ CIC, LP	San Diego	San Diego	CA	32	Family	2014	US Bank	N/A
59	Mill Creek Courtyard	Mill Creek Courtyard CIC, LP	Bakersfield	Kern	CA	62	Senior	2014	US Bank	Rabobank
60	Las Palmeras	Las Palmeras Imperial, LP	Imperial	Imperial	CA	56	Family	2014	Raymond James	USDA
61	Villa Primavera	Villa Primavera CIC, LP	Calexico	Imperial	CA	48	Family	2014	CREA	Rabobank
62	Westminster Manor	Westminster Manor, LP	San Diego	San Diego	CA	200	Senior	2014	The Richman Group	Union Bank
63	Rancho Del Sol	Unit 24 CIC, LP	San Diego	San Diego	CA	96	Family	2015	Raymond James	Union Bank
64	Trolley Residential	Trolley Residential CIC, LP	San Diego	San Diego	CA	52	Family	2015	Raymond James	Citibank
65	Mill Creek Village	Mill Creek Village CIC, LP	Bakersfield	Kern	CA	63	Senior	2015	The Richman Group	Rabobank
66	Ouchi Courtyard	Ouchi CIC, LP	San Diego	San Diego	CA	45	Family	2015	Union Bank	Union Bank
67	Torrey Vale	Torrey Vale CIC, LP	San Diego	San Diego	CA	28	Family	2015	The Richman Group	Citibank
68	Duetta	F Street Family CIC, LP	Chula Vista	San Diego	CA	87	Family	2016	Raymond James	Citibank
69	Volta	G Street Seniors CIC, LP	Chula Vista	San Diego	CA	123	Senior	2016	Raymond James	Citibank
70	Mesa Verde	Mesa Verde CIC, LP	San Diego	San Diego	CA	90	Family	2016	The Candeur Group	Citibank
71	Fairbanks Terrace	Fairbanks Terrace CIC, LP	San Diego	San Diego	CA	83	Senior	2016	US Bank	Citibank

TOTALS

6,147

Chelsea Investment Corporation
And Subsidiaries
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2015
with
Independent Accountants' Review Report

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Independent Accountants' Review Report

To the Stockholder of
Chelsea Investment Corporation and Subsidiaries
Carlsbad, California

Report on the Financial Statements

We have reviewed the accompanying consolidated financial statements of Chelsea Investment Corporation, an S Corporation (the "Company") and Subsidiaries, which comprise the balance as of December 31, 2015, and the related consolidated statement of operations, stockholder's equity, and cash flows for the year then ended, and related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Novogradac & Company LLP

San Francisco, California
March 28, 2016

Chelsea Investment Corporation and Subsidiaries

CONSOLIDATED BALANCE SHEET

December 31, 2015

ASSETS

Current assets:

Cash and cash equivalents	\$ 872,372
Marketable securities	2,013,012
Accounts receivable	21,079
Prepaid expenses	51,876
Current portion of developer fees receivable - related parties	1,670,663
Current portion of project cost advances - related parties	798,042
Current portion of notes receivable - related party	92,004
Current portion of note receivable - third party	67,399
Total current assets	<u>5,586,447</u>

Fixed assets:

Property and equipment	373,516
Leasehold improvements	76,288
Accumulated depreciation	<u>(275,637)</u>
Fixed assets, net	174,167

Other assets:

Developer fees receivable - related parties, less current portion	121,984
Management fees receivable	707,158
Project cost advances - related parties, less current portion	592,905
Notes receivable - related parties, less current portion	69,040
Deposit and other assets	23,900
Deferred income tax benefit	21,000
Total other assets	<u>1,535,987</u>

Total assets	<u><u>\$ 7,296,601</u></u>
--------------	----------------------------

See accompanying notes and independent accountants' review report.

Chelsea Investment Corporation and Subsidiaries

CONSOLIDATED BALANCE SHEET (Continued)

December 31, 2015

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities:	
Accounts payable	\$ 16,196
Accrued expenses	98,248
Accrued loss contingency	50,000
Unearned developer fees	2,874
Total current liabilities	<u>167,318</u>
Long-term liabilities:	
Security deposits	14,310
Other long-term liabilities	93,252
Total long-term liabilities	<u>107,562</u>
Total liabilities	274,880
Stockholder's equity:	
Controlling interest	
Common stock, no par value	
1,000 shares authorized	
100 shares issued and outstanding	100
Additional paid in capital	2,967,000
Retained earnings	<u>4,054,522</u>
Total controlling interest	7,021,622
Non-controlling interest	<u>99</u>
Total stockholder's equity	<u>7,021,721</u>
Total liabilities and stockholder's equity	<u>\$ 7,296,601</u>

See accompanying notes and independent accountants' review report.

Chelsea Investment Corporation and Subsidiaries
CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2015

Revenue:	
Developer fees	\$ 4,536,388
Management fees	160,825
Other revenue	7,745
Total revenue	4,704,958
Operating expenses:	
Compensation and benefits	2,703,348
Consulting and professional fees	465,374
Insurance	336,534
Rent	212,688
Payroll taxes	190,324
General and administrative	147,846
Depreciation expense	53,019
Other expenses	52,873
Travel	51,066
Meals and entertainment	38,709
Utilities	30,648
Office expenses	23,993
Repairs and maintenance	17,055
Recovery of bad debt expense	(3,203)
Total operating expenses	4,320,274
Operating income	384,684
Other income (expenses):	
Investment and interest income	78,768
Loss contingency	(50,000)
Interest expense	(52,067)
Total other income (expenses)	(23,299)
Income before provision for income taxes	361,385
Provision for income taxes	(15,160)
Net income	\$ 346,225

See accompanying notes and independent accountants' review report.

Chelsea Investment Corporation and Subsidiaries
CONSOLIDATED STATEMENT OF STOCKHOLDER'S EQUITY

For the year ended December 31, 2015

	Controlling Interest						
	Common Stock	Additional	Retained	Total	Total	Total	Total
	Shares	Paid-in	Earnings	Controlling	Non-controlling	Controlling	Stockholder's
	Amount	Capital	Earnings	Interest	Interest	Interest	Equity
BALANCE, JANUARY 1, 2015	100	\$ 2,967,000	\$ 3,793,710	\$ 6,760,810	\$ 99	\$ 6,760,909	\$ 6,760,909
Stockholder distributions	-	-	(75,149)	(75,149)	(10,264)	(85,413)	(85,413)
Net income	-	-	335,961	335,961	10,264	346,225	346,225
BALANCE, DECEMBER 31, 2015	100	\$ 2,967,000	\$ 4,054,522	\$ 7,021,622	\$ 99	\$ 7,021,721	\$ 7,021,721

See accompanying notes and independent accountants' review report.

Chelsea Investment Corporation and Subsidiaries
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2015

Cash flows from operating activities:	
Net income	\$ 346,225
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation expense	53,019
Recovery of bad debt expense	(3,203)
Loss on contingency	50,000
(Increase) decrease in operating assets	
Marketable securities	(15,998)
Accounts receivable	(837)
Project cost advances - related parties	(500,679)
Developer fees receivable - related parties	753,926
Management fees receivable	(103,985)
Incentive management fees receivable	43,946
Interest receivable	(1,002)
Prepaid expense	(42,655)
Increase (decrease) in operating liabilities	
Accounts payable	15,882
Accrued expenses	(11,601)
Unearned revenue - related parties	(312,886)
Net cash provided by operating activities	<u>270,152</u>
Cash flows from investing activities:	
Funding of notes receivable - related parties	(69,044)
Repayment of notes receivable - related parties	146,639
Repayment of notes receivable - third party	9,060
Purchase of property and equipment	(17,060)
Net cash provided by investing activities	<u>69,595</u>

See accompanying notes and independent accountants' review report.

DEVELOPER STATEMENT
OF
QUALIFICATIONS/
FINANCIAL SUMMARY

DEVELOPER STATEMENT OF QUALIFICATIONS & FINANCIAL SUMMARY

I. DEVELOPER INFORMATION

Name: SERVING SENIORS
 Address: 525 14TH STREET, SUITE 200, SAN DIEGO, CA 92101
 Telephone/Fax: 619-235-6572 / 619-235-9829
 Contact Name: PAUL DOWNEY

Is the Developer a subsidiary of/ or affiliated with, any other Corporation(s), Joint Venture(s) or Firm(s)? No Yes

If yes, list each such Corporation, Joint Venture, or Firm by name & address, specify its relationship to the Developer, the % of interest of the partners & identify the Officers & Directors or trustees common to the Developer & such other Corporation or Firm:

Name of Corporation/Joint Venture/Firm: WEST SENIOR WELLNESS CENTER
 Address: 525 14TH STREET, SUITE 200, SAN DIEGO, CA 92101
 Relationship to Developer: AFFILIATE AGENCY
 Officers/Directors/Trustees: ANDY McCOWN, DACE GOODMAN, KATE FENNER
MAUREEN BIERZWARSKI, PAUL DOWNEY, RICK ROARK
 % of Interest of the partners: 100

Individual(s) authorized to negotiate, on behalf of the development entity/team & responsible for project execution:

Name(s): PAUL DOWNEY
 Position: PRESIDENT / CEO
 Telephone/Fax: 619-235-6572 / 619-235-9829
 Email: PAUL.DOWNEY@SERVINGSENIORS.ORG

II. FINANCIAL CAPACITY

A. Sources & amount of cash available to Developer to meet equity requirements of the proposed undertaking in Bank(s):

1) Bank Name: CHARLES SCHWAB c/o DOWLING & YAHNKE, LLC
Address: 12340 EL CAMINO REAL, SUITE 450
Amount: \$: 1,432,000

2) Bank Name: US BANK
Address: 4747 EXECUTIVE DRIVE, 3RD FLOOR, SAN DIEGO, CA 92121
Amount: \$: 750,000

B. By loans from affiliated or associated corporations or firms:

Name: _____

Address: _____

Source: _____

Amount: \$: _____

C. The Following are Three Bank References:

1) Bank Name: US BANK
Address: 4747 EXECUTIVE DRIVE, 3RD FLOOR, SAN DIEGO, CA 92121
Contact Person: STEVE STOCKER, CFA, PRESIDENT - US BANK SAN DIEGO
Telephone: 858-334-0722

2) Bank Name: CLEARINGHOUSE CDFI
Address: 23861 EL TORO ROAD, SUITE 401
Contact Person: LUNDI CHUA, NTMC ASST/COMPLIANCE MANAGER
Telephone: 949-525-4982

3) Bank Name: DOWLING & YAHNKE, LLC
Address: 12340 EL CAMINO REAL, SUITE 450
Contact Person: WILL BEAMER
Telephone: 858-509-9500

D. The Following are Three Bank References:

- 1) Company: _____
Address: _____
Relationship: _____
Contact Person: _____
Telephone: _____
- 2) Company: _____
Address: _____
Relationship: _____
Contact Person: _____
Telephone: _____
- 3) Company: _____
Address: _____
Relationship: _____
Contact Person: _____
Telephone: _____

- E. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the developers officers or principal members, shareholders or investors been adjudged bankrupt, either voluntary or involuntary, within the past ten years? No Yes

If yes, please provide the following information:

Date:

Location:

Bankruptcy was filed under the following name (s):

- F. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the Developer's officers or principal members, shareholders or investors been involved in litigation relating to a development project either voluntary or involuntary, within the past three years? No Yes

If yes, please provide the following information:

Date:

Place:

General Description:

Current Status:

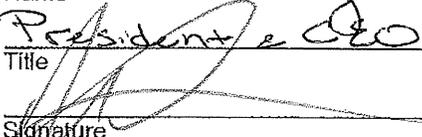
- G. Total amount of development work completed by developer during the last three years:
- H. Projects currently in planning or development by the Developer or Principals of the development entity:
- I. Does any member of the Developers' Corporation/Partnership have any known relationship in connection with purchasing & implementing the Project with any member of the governing body of the Agency to which the accompanying proposal is being made, or to any officer or employee of the local public agency who exercises any functions or responsibilities in connection with the carrying out of the Project under which the local public agency covered by the Developers proposal is being made available? No Yes

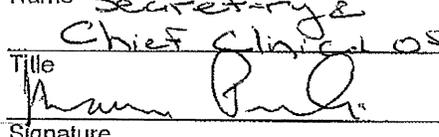
If yes, explain:

- J. Statements & other evidence of the Developers Qualifications & Financial Responsibility are attached thereto & hereby made a part hereof as follows:

CERTIFICATION

I/We Serving Seniors certify that this Developer Statement of Qualifications and Financial Responsibility & the attached evidence of the Developers qualifications and financial responsibility are true and correct to the best of my/our knowledge and belief, and that the information contained in this statement is considered public record and will be made available for public inspection and copying upon request. Availability of these public records begins when the Developer selection process includes public meetings.

Paul Downey
Name
President & CEO
Title

Signature
5/9/16
Date

Mareen Pinowarsk
Name
Secretary & Chief Clinical Officer
Title

Signature
5/9/16
Date

525 14th Street, Suite 200
Street Address
San Diego, CA 92101
City, State, Zip

525 14th Street, Suite 200
Street Address
San Diego, CA 92101
City, State, Zip

If the Developer is a Corporation, this statement should be signed by the President & Secretary of the Corporation; if an individual or proprietorship, by such individual; if a partnership, by one of the general partners; if an entity not having a President & Secretary, by one of its Chief Officers having knowledge of the financial status & qualifications of the Developer.

SERVING SENIORS AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015

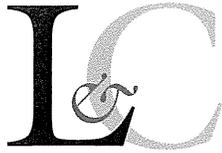


Leaf & Cole, LLP
Certified Public Accountants

**SERVING SENIORS AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015**

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Leaf & Cole, LLP
Certified Public Accountants
A Partnership of Professional Corporations

Steven W. Northcote, C.P.A.
Michael S. Schreiberman, C.P.A.
Michael J. Zizzi, C.P.A.
Julie A. Firl, C.P.A.
Nicholas M. Gines, C.P.A.

Members
American Institute of Certified Public Accountants
California Society of Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Serving Seniors and Subsidiaries

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Serving Seniors and Subsidiaries, which comprise the consolidated statement of financial position as of June 30, 2015 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
Serving Seniors and Subsidiaries

Page 2

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Serving Seniors and Subsidiaries as of June 30, 2015 and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Serving Seniors and Subsidiaries' 2014 consolidated financial statements and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated September 24, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Leaf & Cole LLP

San Diego, California
September 22, 2015

SERVING SENIORS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)

ASSETS					
	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>2015 Total</u>	<u>2014 Total</u>
<u>Current Assets:</u>					
Cash and cash equivalents	\$ 484,999	\$ 661	\$ -	\$ 485,660	\$ 346,156
Investments	1,209,584	143,445	-	1,353,029	1,629,685
Accounts receivable	4,275	-	-	4,275	10,694
Grants receivable	605,018	-	-	605,018	271,550
Pledges receivable	103,675	-	-	103,675	88,626
Accrued interest receivable	13,880	-	-	13,880	13,880
Accounts receivable - related parties, net	62,958	-	-	62,958	64,000
Prepaid expenses and other	63,294	-	-	63,294	39,674
Total Current Assets	<u>2,547,683</u>	<u>144,106</u>	<u>-</u>	<u>2,691,789</u>	<u>2,464,265</u>
<u>Noncurrent Assets:</u>					
Pledges receivable, net	-	271,162	-	271,162	322,074
Notes receivable	8,410,334	9,105,000	-	17,515,334	17,405,000
Accrued interest receivable	1,082,535	-	-	1,082,535	969,095
Donated property	565,000	-	-	565,000	-
Other assets, net	46,709	-	-	46,709	46,239
Land, building and equipment, net	8,020,374	-	-	8,020,374	8,130,969
Investments in limited partnerships	496,690	-	-	496,690	496,794
Investments restricted for endowment	-	-	750,000	750,000	750,000
Beneficial interest in					
San Diego Foundation	-	-	7,397	7,397	7,793
Total Noncurrent Assets	<u>18,621,642</u>	<u>9,376,162</u>	<u>757,397</u>	<u>28,755,201</u>	<u>28,127,964</u>
TOTAL ASSETS	<u>\$ 21,169,325</u>	<u>\$ 9,520,268</u>	<u>\$ 757,397</u>	<u>\$ 31,446,990</u>	<u>\$ 30,592,229</u>

The accompanying notes are an integral part of the consolidated financial statements.

SERVING SENIORS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)

LIABILITIES AND NET ASSETS

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	2015 <u>Total</u>	2014 <u>Total</u>
<u>Current Liabilities:</u>					
Accounts payable	\$ 367,748	\$ -	\$ -	\$ 367,748	\$ 489,442
Payroll and related liabilities	112,993	-	-	112,993	96,404
Accrued interest payable	18,972	-	-	18,972	18,972
Accrued vacation	197,795	-	-	197,795	208,052
Deferred revenue	292,883	-	-	292,883	195,512
Conditional promise	150,000	-	-	150,000	-
Capital lease obligation, current portion	-	-	-	-	2,422
Total Current Liabilities	<u>1,140,391</u>	<u>-</u>	<u>-</u>	<u>1,140,391</u>	<u>1,010,804</u>
<u>Noncurrent Liabilities:</u>					
Notes payable	10,060,000	-	-	10,060,000	10,060,000
Accrued interest payable	<u>1,082,535</u>	<u>-</u>	<u>-</u>	<u>1,082,535</u>	<u>969,095</u>
Total Noncurrent Liabilities	<u>11,142,535</u>	<u>-</u>	<u>-</u>	<u>11,142,535</u>	<u>11,029,095</u>
Total Liabilities	12,282,926	-	-	12,282,926	12,039,899
<u>Net Assets</u>	<u>8,886,399</u>	<u>9,520,268</u>	<u>757,397</u>	<u>19,164,064</u>	<u>18,552,330</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 21,169,325</u>	<u>\$ 9,520,268</u>	<u>\$ 757,397</u>	<u>\$ 31,446,990</u>	<u>\$ 30,592,229</u>

The accompanying notes are an integral part of the consolidated financial statements.

SERVING SENIORS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014)

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	2015 <u>Total</u>	2014 <u>Total</u>
<u>Revenue, Support and Gains:</u>					
Grant revenue	\$ 4,028,170	\$ -	\$ -	\$ 4,028,170	\$ 3,846,947
Contributions	738,421	-	-	738,421	933,109
Housing	696,049	-	-	696,049	331,190
Special events	514,537	-	-	514,537	255,189
In-kind contributions	507,520	-	-	507,520	86,400
Investment income (loss)	299,300	20,787	(204)	319,883	586,868
Donations from seniors served	166,539	-	-	166,539	194,022
Other income	94,041	-	-	94,041	17,488
United Way - grant and designations	5,756	-	-	5,756	5,939
Loss on disposal of land, building and equipment	-	-	-	-	(243)
Net assets released from restrictions	100,079	(99,887)	(192)	-	-
Total Revenue, Support and Gains	<u>7,150,412</u>	<u>(79,100)</u>	<u>(396)</u>	<u>7,070,916</u>	<u>6,256,909</u>
<u>Expenses:</u>					
Program Services:					
Nutrition program	2,922,650	-	-	2,922,650	2,916,506
Health and social services	1,665,669	-	-	1,665,669	1,187,063
Housing	860,491	-	-	860,491	819,419
Total Program Services	<u>5,448,810</u>	<u>-</u>	<u>-</u>	<u>5,448,810</u>	<u>4,922,988</u>
Supporting Services:					
Management and general	513,837	-	-	513,837	926,376
Fundraising	360,393	-	-	360,393	479,952
Total Supporting Services	<u>874,230</u>	<u>-</u>	<u>-</u>	<u>874,230</u>	<u>1,406,328</u>
Total Program and Supporting Services Expenses	<u>6,323,040</u>	<u>-</u>	<u>-</u>	<u>6,323,040</u>	<u>6,329,316</u>
Special Events	<u>136,142</u>	<u>-</u>	<u>-</u>	<u>136,142</u>	<u>152,717</u>
Total Expenses	<u>6,459,182</u>	<u>-</u>	<u>-</u>	<u>6,459,182</u>	<u>6,482,033</u>
Change in Net Assets	691,230	(79,100)	(396)	611,734	(225,124)
Net Assets at Beginning of Year	<u>8,195,169</u>	<u>9,599,368</u>	<u>757,793</u>	<u>18,552,330</u>	<u>18,777,454</u>
NET ASSETS AT END OF YEAR	<u>\$ 8,886,399</u>	<u>\$ 9,520,268</u>	<u>\$ 757,397</u>	<u>\$ 19,164,064</u>	<u>\$ 18,552,330</u>

The accompanying notes are an integral part of the consolidated financial statements.

SERVING SENIORS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014)

	Program Services				Supporting Services			2014 Total	
	Nutrition Program	Health and Social Services	Housing	Total Program Services	Management and General	Fundraising	Total Supporting Services		
Personnel:									
Salaries	\$ 850,575	\$ 1,249,008	\$ 190,146	\$ 2,289,729	\$ 292,678	\$ 199,895	\$ 492,573	\$ 2,782,302	\$ 2,793,755
Employee benefits	118,552	82,048	18,932	219,532	48,764	8,388	57,152	276,684	286,948
Payroll taxes	63,134	84,563	13,986	161,683	18,965	14,937	33,902	195,585	195,982
Total Personnel	<u>1,032,261</u>	<u>1,415,619</u>	<u>223,064</u>	<u>2,670,944</u>	<u>360,407</u>	<u>223,220</u>	<u>583,627</u>	<u>3,254,571</u>	<u>3,276,685</u>
Operating Expenses:									
Food costs	1,565,713	-	-	1,565,713	-	-	-	1,565,713	1,545,908
Interest expense	3	562	344,266	344,831	9	2	11	344,842	339,964
Depreciation and amortization	27,574	640	186,037	214,251	10,002	-	10,002	224,253	264,500
Occupancy and utilities	138,258	-	66,701	204,959	-	-	-	204,959	193,905
Specific assistance	21	157,004	-	157,025	353	-	353	157,378	96,635
Other expense	17,264	12,243	5,150	34,657	23,259	93,285	116,544	151,201	112,290
Repairs and maintenance	40,451	5,874	4,710	51,035	37,885	6,240	44,125	95,160	88,826
Auto	56,001	-	-	56,001	-	-	-	56,001	68,876
Supplies	31,307	14,215	1,325	46,847	5,103	865	5,968	52,815	43,999
Public relations	-	30,824	-	30,824	3,508	7,677	11,185	42,009	-
Professional fees	-	5,577	-	5,577	33,885	-	33,885	39,462	41,397
Insurance	-	-	16,126	16,126	16,957	-	16,957	33,083	30,322
Mail house services	1,858	4,372	-	6,230	1,485	24,277	25,762	31,992	50,549
Telephone	5,534	4,680	13,055	23,269	4,070	2,006	6,076	29,345	24,893
Equipment	5,214	6,190	57	11,461	2,733	1,552	4,285	15,746	9,504
Consultants	-	2,420	-	2,420	10,595	677	11,272	13,692	131,480
Travel, conferences and meetings	571	5,340	-	5,911	1,896	494	2,390	8,301	6,427
Postage	620	109	-	729	1,690	98	1,788	2,517	3,156
Total Operating Expenses	<u>1,890,389</u>	<u>250,050</u>	<u>637,427</u>	<u>2,777,866</u>	<u>153,430</u>	<u>137,173</u>	<u>290,603</u>	<u>3,068,469</u>	<u>3,052,631</u>
TOTAL PROGRAM AND SUPPORTING SERVICES EXPENSES	<u>\$ 2,922,650</u>	<u>\$ 1,665,669</u>	<u>\$ 860,491</u>	<u>\$ 5,448,810</u>	<u>\$ 513,837</u>	<u>\$ 360,393</u>	<u>\$ 874,230</u>	<u>\$ 6,323,040</u>	<u>\$ 6,329,316</u>

The accompanying notes are an integral part of the consolidated financial statements.

SERVING SENIORS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014)

	<u>2015</u>	<u>2014</u>
<u>Cash Flows From Operating Activities:</u>		
Change in net assets	\$ 611,734	\$ (225,124)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	224,253	264,500
Net realized and unrealized gains	(9,698)	(220,774)
Investments in limited partnerships	104	472
Donated property, net of conditional promise	(415,000)	98,000
Loss on disposal of land, building and equipment	-	243
Permanently restricted investment loss/(income)	204	(806)
Permanently restricted distributions	192	-
(Increase) Decrease in:		
Accounts receivable	6,419	(10,694)
Grants receivable	(333,468)	240,197
Pledges receivable, net	35,863	56,176
Accrued interest receivable	(113,440)	(107,276)
Accounts receivable - related parties, net	1,042	8,064
Prepaid expenses and other	(23,620)	5,213
(Decrease) Increase in:		
Accounts payable	(121,694)	197,817
Payroll and related liabilities	16,589	35,236
Accrued vacation	(10,257)	22,774
Deferred revenue	97,371	5,439
Accrued interest payable	113,440	107,276
Net Cash Provided by Operating Activities	<u>80,034</u>	<u>476,733</u>
<u>Cash Flows From Investing Activities:</u>		
Sales of investments, net	286,354	54,314
Increase in notes receivable	(110,334)	-
(Decrease) Increase in other assets	(3,769)	2,000
Purchase of land, building and equipment, net	(110,359)	(29,298)
Change in beneficial interest in San Diego Foundation	396	(806)
Net Cash Provided by Investing Activities	<u>62,288</u>	<u>26,210</u>

(Continued)

The accompanying notes are an integral part of the consolidated financial statements.

SERVING SENIORS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014)

	<u>2015</u>	<u>2014</u>
<u>Cash Flows From Financing Activities:</u>		
Payments on from line-of-credit, net	\$ -	\$ (205,984)
Payments on capital lease obligation	(2,422)	(13,903)
Permanently restricted investment (loss) income	(204)	806
Permanently restricted distributions	(192)	-
Net Cash Used in Financing Activities	<u>(2,818)</u>	<u>(219,081)</u>
Net Increase in Cash and Cash Equivalents	139,504	283,862
Cash and Cash Equivalents at Beginning of Year	<u>346,156</u>	<u>62,294</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 485,660</u>	<u>\$ 346,156</u>
<u>Supplemental Disclosure of Cash Flow Information:</u>		
Cash paid for interest	<u>\$ 230,848</u>	<u>\$ 231,699</u>

The accompanying notes are an integral part of the consolidated financial statements.