

NCHMA Annual Meeting

November 12, 2019



NCHMA Annual Meeting

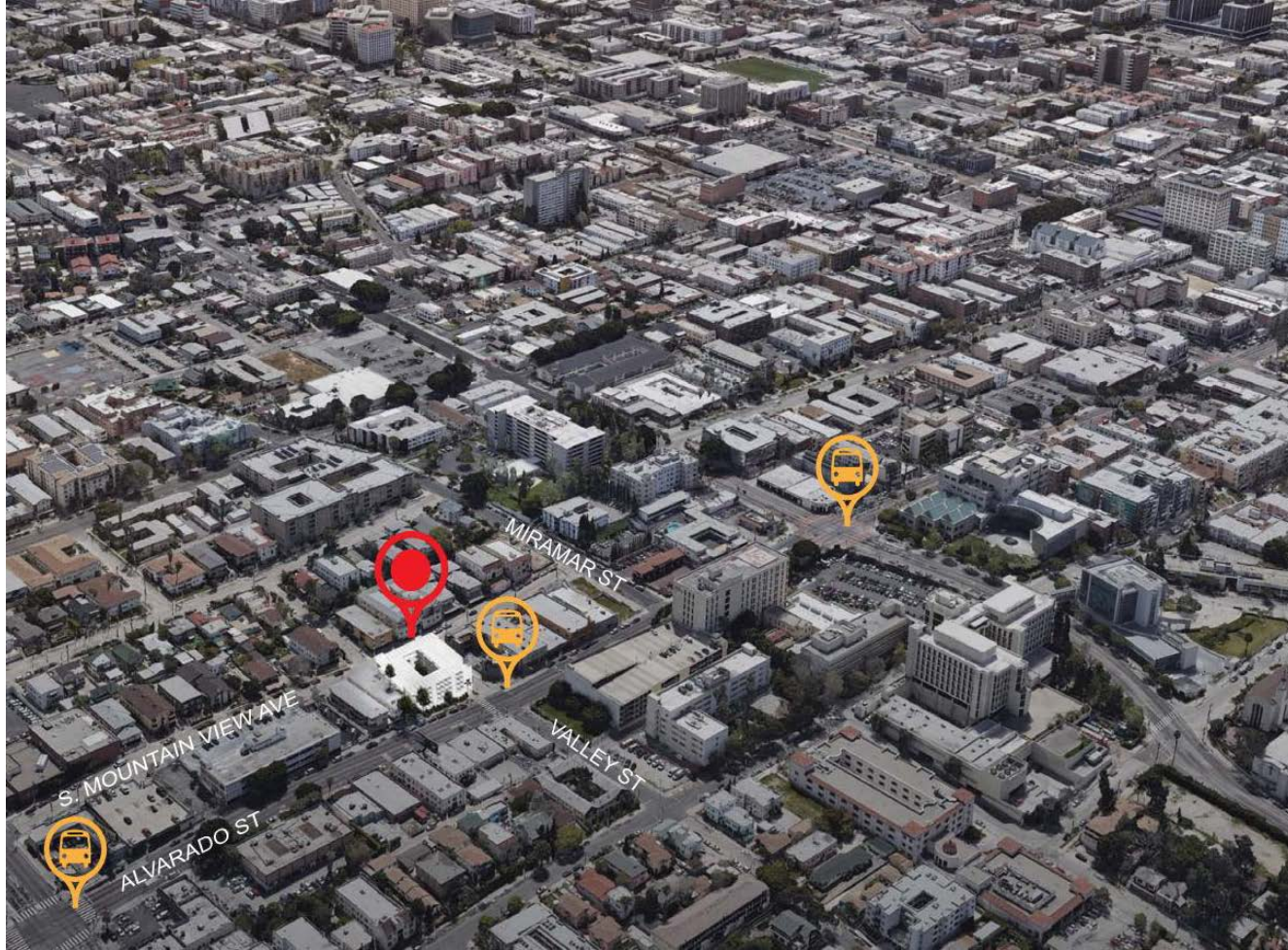


R4 CAPITAL

HOPE ON ALVARADO APARTMENTS

Los Angeles, CA





HOPE ON ALVARADO

New construction
of **84 units** to house
chronically homeless
individuals in the
Westlake neighborhood
of **Los Angeles**

- Purpose-built steel modular units
- Manufactured in China and shipped on ocean freighters by floor, one floor per month
- Placed on contractor built podium
- Green rated GOLD



HOPE ON ALVARADO

R4 CAPITAL HOPE ON ALVARADO

GROUND FLOOR PLAN





HOPE ON ALVARADO

- **Rental subsidy** for all units provided by the L.A. County DHS
\$1,685,230 annually
- “Whatever it takes” wraparound **resident services** provided by DHS
\$432,000 annually

PROPERTY UNIT MIX

Unit Type	# of Units	Unit Size (sf)	Set-Aside Level	Subsidy Rents*
Efficiency	7	400	30%	\$1,692
Efficiency	6	400	50%	\$1,692
Efficiency	48	400	60%	\$1,692
1 Bed	4	480	50%	\$1,697
1 Bed	18	480	60%	\$1,697
1 Bed	1	771	Manager Unit	--

**Rent subsidy administered by Brilliant Corners*

RENTAL RATE COMPARISON

Unit Type	# of Units	Set-Aside Level	Subsidy Rents	Maximum and Achievable LIHTC Rents	Achievable Market Rents
Efficiency	7	30%	\$1,692	\$491	\$1,750
Efficiency	6	50%	\$1,692	\$830	\$1,750
Efficiency	48	60%	\$1,692	\$1,000	\$1,750
1 Bed	4	50%	\$1,697	\$886	\$1,925
1 Bed	18	60%	\$1,697	\$1,068	\$1,925
1 Bed	1	Manager Unit	--	--	--

HEALTH & SUPPORTIVE SERVICES

Homeless Health Care Los Angeles will provide:

- Comprehensive **wrap-around services** to the formerly homeless residents.
- One full-time program manager, two full-time clinical case managers, two full-time retention specialist case managers and one part-time residential services coordinator.

The **Department of Health Services** will fund:

- Those programs with a budget of \$448,200 per year, or **\$5,400/unit**

R4 CAPITAL HOPE ON ALVARADO

SOURCES

R4 Capital (Equity)	\$7,758,000
R4 Capital Funding Loan (Tax-Exempt Bonds)	17,050,000
Seller Note	1,750,000
Deferred Developer Fee	2,032,270
GP Equity	100
Solar Rebate	103,493
NOI During Construction	626,367
Total	\$29,320,230

\$20M Tax-Exempt Bond Construction Loan



R4 CAPITAL HOPE ON ALVARADO

USES

		per unit
Land	\$7,800,000	\$92,857
Modular Structures	6,147,000	73,179
Sitework/Podium Construction	6,316,708	75,199
Hard Cost Contingency	631,770	7,521
Soft Costs	8,424,752	100,295
	\$29,320,230	\$349,050

