Stockton Sierra Vista II, L.P.
Project Name: Sierra Vista II Apartments
Project No.: CA-18-067

Independent Auditor's Report and Final Cost Certification Sources and Uses of Funds

December 31, 2020

CohnReznick
ADVISORY • ASSURANCE • TAX

Stockton Sierra Vista II, L.P.

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Independent Auditor's Report

Partnership Name: Stockton Sierra Vista II, L.P.
Project Name: Sierra Vista II Apartments
TCAC #: CA-18-067

We have audited the Total Project Cost and Eligible Basis included in the California Tax Credit Allocation Committee's ("TCAC") Final Cost Certification Sources and Uses of Funds (the "Final Cost Certification") of Stockton Sierra Vista II, L.P. (the "Owner") for Sierra Vista II Apartments (the "Project") as of December 31, 2020.

Management's Responsibility for the Final Cost Certification

Management is responsible for the preparation and fair presentation of the Final Cost Certification in accordance with financial reporting provisions and qualified allocation plan rules established by TCAC. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Final Cost Certification that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Final Cost Certification 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 Final Cost Certification is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Final Cost Certification. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Final Cost Certification, 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 Final Cost Certification 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 Final Cost Certification.

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

Opinion

In our opinion, the Final Cost Certification referred to above presents fairly, in all material respects, the total costs and eligible basis of the Owner for the Project as of December 31, 2020, in accordance with financial reporting provisions and qualified allocation plan rules established by TCAC. The total project cost is $41,365,793 and eligible basis is $32,809,706.

Basis of Accounting

We draw attention to the financial reporting provisions of TCAC, which require the Owner to account for total costs and eligible basis in accordance with the basis of accounting the Owner uses for income tax purposes and to comply with the provisions of TCAC's qualified allocation plan, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restriction on Use

Our report is intended solely for the information and use of the Owner and TCAC and is not intended to be and should not be used by anyone other than these specified parties.

Other

We have no financial interest in the Project other than in the practice of our profession.

CohnReznick LLP

Sacramento, California
January 19, 2022

Project Name: Sierra Vista II Apartments
Project Number: CA-18-067

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
FINAL COST CERTIFICATION
SOURCES AND USES OF FUNDS

				PERMANENT SOURCES								70% PVC	Acquisition 30% PVC
	TOTAL PROJECT COST	**RESIDENTIAL COST**	**COMMERCIAL COST**	**TAX CREDIT EQUITY**	**1. JLL Permanent Loan**	**2. HACSJ Ground Lease**	**3. HACSJ Gap Loan**	**4. HOME Investment Loan**	**5. Impact Fee Waiver**	**6. Solar Energy Tax Credit Equity**	**7. General Partner Equity**	**ELIGIBLE BASIS**	**ELIGIBLE BASIS**
LAND COST/ACQUISITION													
Land Cost or Value	$ 3,180,050	$ 3,180,050	$ -	$ 108,762	$ -	$ 3,071,288	$ -	$ -	$ -	$ -	$ -	**XXXXXXXX**	**XXXXXXXX**
Demolition	674,199	674,199	-	674,199	-	-	-	-	-	-	-	**XXXXXXXX**	**XXXXXXXX**
Legal	-	-	-	-	-	-	-	-	-	-	-	$ -	$ -
Land Lease Rent Prepayment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Land Cost or Value	3,854,249	3,854,249	-	782,961	-	3,071,288	-	-	-	-	-	-	-
Existing Improvements Value	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-Site Improvements	427,583	427,583	-	427,583	-	-	-	-	-	-	-	427,583	-
Total Acquisition Cost	427,583	427,583	-	427,583	-	-	-	-	-	-	-	427,583	-
REHABILITATION													
Site Work	-	-	-	-	-	-	-	-	-	-	-	-	-
Structures	-	-	-	-	-	-	-	-	-	-	-	-	-
General Requirements	-	-	-	-	-	-	-	-	-	-	-	-	-
Contractor Overhead	-	-	-	-	-	-	-	-	-	-	-	-	-
Contractor Profit	-	-	-	-	-	-	-	-	-	-	-	-	-
Prevailing Wages	-	-	-	-	-	-	-	-	-	-	-	-	-
General Liability Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Rehabilation Costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Relocation Costs	435,110	435,110	-	435,110	-	-	-	-	-	-	-	-	-
NEW CONSTRUCTION													
Site Work	4,305,827	4,305,827	-	4,305,827	-	-	-	-	-	-	-	4,305,827	-
Structures	19,161,993	19,161,993	-	6,420,893	7,641,000	-	3,000,000	2,100,000	-	-	100	19,161,993	-
General Requirements	717,587	717,587	-	717,587	-	-	-	-	-	-	-	717,587	-
Contractor Overhead	2,319,717	2,319,717	-	2,319,717	-	-	-	-	-	-	-	2,319,717	-
Contractor Profit	484,199	484,199	-	484,199	-	-	-	-	-	-	-	484,199	-
Prevailing Wages	-	-	-	-	-	-	-	-	-	-	-	-	-
General Liability Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Solar Photovoltaic System	392,448	392,448	-	257,280	-	-	-	-	-	135,168	-	392,448	-
Total New Construction Costs	27,381,771	27,381,771	-	14,505,503	7,641,000	-	3,000,000	2,100,000	-	135,168	100	27,381,771	-
ARCHITECTURAL FEES													
Design	800,931	800,931	-	800,931	-	-	-	-	-	-	-	800,931	-
Supervision	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Architectural Costs	800,931	800,931	-	800,931	-	-	-	-	-	-	-	800,931	-
Survey and Engineering	270,464	270,464	-	270,464	-	-	-	-	-	-	-	270,464	-
CONSTRUCTION INTEREST AND FEES													
Construction Loan Interest	966,954	966,954	-	966,954	-	-	-	-	-	-	-	245,334	-
Origination Fee	221,701	221,701	-	221,701	-	-	-	-	-	-	-	111,845	-
Credit Enhancement and Application Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Premium	-	-	-	-	-	-	-	-	-	-	-	-	-
Title and Recording	94,781	94,781	-	94,781	-	-	-	-	-	-	-	48,919	-
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	397,504	397,504	-	397,504	-	-	-	-	-	-	-	327,743	-
Total Construction Interest and Fees	1,680,940	1,680,940	-	1,680,940	-	-	-	-	-	-	-	733,841	-
PERMANENT FINANCING													
Loan Origination Fee	291,714	291,714	-	291,714	-	-	-	-	-	-	-	**XXXXXXXX**	**XXXXXXXX**
Credit Enhancement and Application Fee	-	-	-	-	-	-	-	-	-	-	-	**XXXXXXXX**	**XXXXXXXX**
Title and Recording	11,096	11,096	-	11,096	-	-	-	-	-	-	-	**XXXXXXXX**	**XXXXXXXX**
Taxes	276	276	-	276	-	-	-	-	-	-	-	**XXXXXXXX**	**XXXXXXXX**
Insurance	-	-	-	-	-	-	-	-	-	-	-	**XXXXXXXX**	**XXXXXXXX**
Other	-	-	-	-	-	-	-	-	-	-	-	**XXXXXXXX**	**XXXXXXXX**
Total Permanent Financing Costs	303,086	303,086	-	303,086	-	-	-	-	-	-	-	-	-
LEGAL FEES													
Lender Legal Paid by Applicant	40,966	40,966	-	40,966	-	-	-	-	-	-	-	-	-
Other Legal Costs _____	260,412	260,412	-	260,412	-	-	-	-	-	-	-	84,610	-
Total Attorney Costs	301,378	301,378	-	301,378	-	-	-	-	-	-	-	84,610	-

				PERMANENT SOURCES								70% PVC	Acquisition 30% PVC
	TOTAL PROJECT COST	RESIDENTIAL COST	COMMERCIAL COST	TAX CREDIT EQUITY	1. JLL Permanent Loan	2. HACSJ Ground Lease	3. HACSJ Gap Loan	4. HOME Investment Loan	5. Impact Fee Waiver	6. Solar Energy Tax Credit Equity	7. General Partner Equity	ELIGIBLE BASIS	ELIGIBLE BASIS
RESERVES													
Rent Reserves	24,674	24,674	-	24,674	-	-	-	-	-	-	-	XXXXXXXX	XXXXXXXX
Capitalized Rent Reserves	-	-	-	-	-	-	-	-	-	-	-	XXXXXXXX	XXXXXXXX
Capitalized Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-	XXXXXXXX	XXXXXXXX
3-Month Operating Reserve	519,571	519,571	-	519,571	-	-	-	-	-	-	-	XXXXXXXX	XXXXXXXX
Total Reserve Costs	544,245	544,245	-	544,245	-	-	-	-	-	-	-	-	-
APPRAISAL													
Total Appraisal Costs	2,000	2,000	-	2,000	-	-	-	-	-	-	-	2,000	-
OTHER PROJECT COSTS													
TCAC Application/ Allocation/Monitoring Fees	202,906	202,906	-	202,906	-	-	-	-	-	-	-	XXXXXXXX	XXXXXXXX
Environmental Audit	103,394	103,394	-	103,394	-	-	-	-	-	-	-	103,394	-
Local Development Impact Fees	726,931	726,931	-	198,524	-	-	-	-	528,407		-	198,524	-
Permit Processing Fees	838,414	838,414	-	838,414	-	-	-	-	-	-	-	838,414	-
Capital Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing	57,486	57,486	-	57,486	-	-	-	-	-	-	-	XXXXXXXX	XXXXXXXX
Furnishings	14,308	14,308	-	14,308	-	-	-	-	-	-	-	14,308	-
Security - Construction Period	204,001	204,001	-	204,001	-	-	-	-	-	-	-	204,001	-
Market Study	9,000	9,000	-	9,000	-	-	-	-	-	-	-	9,000	-
Accounting	49,460	49,460	-	49,460	-	-	-	-	-	-	-	23,500	-
Soft Cost Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Interest - Soft Loans	758,112	758,112	-	758,112						-		354,046	-
Other - Postage and Shipping and Other Costs _____	5,393	5,393	-	5,393	-	-	-	-	-	-	-	5,393	-
Other - Prevailing Wage Monitoring	25,510	25,510	-	25,510	-	-	-	-	-	-	-	25,510	
Total Other Costs	2,994,915	2,994,915	-	2,466,508	-	-	-	-	528,407	-	-	1,776,090	-
SUBTOTAL PROJECT COST	38,996,672	38,996,672	-	22,655,977	7,641,000	3,071,288	3,000,000	2,100,000	528,407	135,168	100	31,477,290	-
DEVELOPER COSTS													
Developer Overhead/Profit	2,369,121	2,369,121	-	2,369,121	-	-	-	-	-	-	-	1,400,000	-
Consultant/Processing Agent	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Administration	-	-	-	-	-	-	-	-	-	-	-	XXXXXXXX	XXXXXXXX
Broker Fees Paid to a Related Party	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction Oversight by Developer	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (Specify) _____	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Developer Costs	2,369,121	2,369,121	-	2,369,121	-	-	-	-	-	-	-	1,400,000	-
TOTAL PROJECT COSTS	$ 41,365,793	$ 41,365,793	$ -	$ 24,889,830	$ 7,641,000	$ 3,071,288	$ 3,000,000	$ 2,100,000	$ 528,407	$ 135,168	$ 100	$ 32,877,290	$ -
											Less basis reduction for energy tax credits	(67,584)	
											Eligible Basis	$ 32,809,706	

SYNDICATION (Investor and General Partner)

Organizational Fee	$ -
Bridge Loan Fees/Exp.	-
Legal Fees	45,000
Consultant Fees	50,971
Accountant Fees	-
Tax Opinion	-
Other	-
Total Syndication Costs	**$ 95,971**

CERTIFICATION BY OWNER:

As owner(s) of the above referenced low-income housing project, I certify under penalty of perjury, that the project costs contained herein are, to the best of my knowledge, accurate and actual costs associated with the construction, acquisition and/or rehabilitation of this project and that the sources of funds shown are the only funds received by the Partnership for the development of the project. I authorize the California Tax Credit Allocation Committee to utilize this information to calculate the low-income housing tax credit.

Signature of Owner/General Partner

February 3, 2022
Date

Austin Herzog
Printed Name of Signatory

President of Central California Housing Corporation,
Member/Manager of Stockton Sierra Vista I, LLC,
Admin. General Partner of Stockton Sierra Vista I, LP
Title of Signatory

CERTIFICATION OF CPA/TAX PROFESSIONAL:

As the tax professional for the above referenced low-income housing project,
I certify under penalty of perjury, that the percentage of aggregate basis financed by the tax-exempt bond is: 0.00%

January 19, 2022
Date

Signature of Project CPA/Tax Professional

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