

Program Overview

Completed by tyson@uhousingpartners.com on 6/25/2025 10:00 AM

Case Id: 30359
Name: Bella Pines - 2025
Address: *No Address Assigned

Program Overview



CITY OF BEND

CITY OF BEND
AFFORDABLE HOUSING DEVELOPMENT APPLICATION

City of Bend
710 NW Wall St.
Bend, Oregon 97703
(541) 323-8550
housing@bendoregon.gov

This section provides general information regarding the PRO Housing Fund (PRO), Affordable Housing Fund (AHF), and Community Development Block Grant Fund (CDBG) programs and the types of activities that are eligible for funding. For more detailed information on the program and the related eligible activities, please contact the City's Affordable Housing Program at housing@bendoregon.gov, or (541) 323-8550, or P.O. Box 431, 710 NW Wall Street, Bend, OR 97709, or visit the HUD website at www.hud.gov.

Objectives

In 2024, the City of Bend was awarded a \$5,000,000 in Pathways to Removing Obstacles to Housing (PRO Housing) grant from the U.S. Department of Housing and Urban Development (HUD). Approximately \$4,000,000 of the PRO Housing grant establishes the PRO Housing Fund. This Fund can be used for land acquisition, infrastructure, homebuyer assistance, new housing construction, and other housing-related costs through competitive RFP

processes.

The PRO Housing Fund is intended to be offered in competitive application cycles along with annual Community Development Block Grant (CDBG) and Affordable Housing Fund (AHF) offerings. Applicants may choose to apply for any/all the funding sources, greatly amplifying the amount of funding available for affordable housing development. Funds will be targeted to developments with high feasibility of success, low risk, and near-term deadlines, who, without additional funding, will be unable to proceed in the near term. By offering the Fund to developers as loans, as opposed to grants, repayments of loans are refunneled into future application cycles, resulting in a long-term impact on the community's housing and community development needs.

Funding from these sources shall only be spent for affordable housing programs and projects evaluated pursuant to the priorities established through the City of Bend Consolidated Plan and administration of the affordable housing programs and projects. Any loan proceeds from this source shall be returned to the relevant fund.

Eligible Proposals

Funding from these sources must be targeted as housing opportunities for households at or below 100% of Area Median Income (AMI) for AHF funds, and at or below 80% for PRO Housing and CDBG funds.

Eligible Applicants

PRO Housing and CDBG eligible applicants are Certified Community Housing Development Organizations (CHDOs), government housing providers and qualified 501(c)(3) organizations.

AHF eligible applicants are property owners, private sector for-profit developers, certified CHDOs, government housing providers and qualified 501(c)(3) organizations.

Any such organizations currently under investigation regarding previously awarded federal, state, or local government funding are ineligible for assistance from the City of Bend's Affordable Housing Program

CDBG Proposals

Community Development Block Grant (CDBG) is authorized under Title 1 of the federal Housing and Community Development Act of 1974, as amended. The primary objective of the CDBG Program is the development of viable urban communities through:

- The provision of decent housing,
- The provision of a suitable living environment, and
- The expansion of economic opportunities.

The Community Development Block Grant Program is administered at the federal level by the Department of Housing and Urban Development (HUD).

National Objectives

Federal regulations specify that all activities undertaken using CDBG funding must meet at least one of the following national objectives:

- Benefit to low-and moderate-income persons,
- Aid in the prevention or elimination of slums or blight, or
- Meet a need having a particular urgency.

HUD considers persons below 80% AMI low-income and persons at 80% AMI moderate-income. The three national objectives are summarized below:

1. Benefit to Low- and Moderate-Income Persons

Under this objective, CDBG-assisted activities must primarily benefit low- and moderate-income persons. The income thresholds for meeting the low- and moderate-income requirement are determined by HUD. Projects funded with CDBG dollars must either:

- benefit all of the residents of a particular area, where at least 51% of the residents are low- and moderate-income,
- benefit specific populations (e.g., homeless persons, elderly persons, or persons living with HIV/AIDS), as long as 51% of those served are low- or moderate-income,
- provide or improve permanent residential structures for low- and moderate-income persons, or
- create or retain permanent jobs, at least 51% of which will be made available to or held by low- and moderate-income persons.

2. Elimination of Slum and Blight

Under this objective, CDBG-assisted activities must help to prevent or eliminate slums and blighted conditions. These activities must either:

- prevent or eliminate slums or blight in a designated area in which slums or blighted or deteriorating conditions exist,
- prevent or eliminate slums or blight on a spot basis in an area not located in a slum or blighted area, in cases where a specific condition is detrimental to public health and safety, or
- be in an urban renewal area.

3. Urgent Need

The Urgent Need category is designed only for activities that alleviate emergency conditions of recent origin that pose a serious and immediate threat to the health or welfare of the community, and for which no other sources of funding are available. An example of an eligible project under this category would be a major flood that causes serious damage to buildings and infrastructure, thereby threatening the safety of occupants or nearby residents.

Basic CDBG Eligible Activities

In order to meet local needs within the national objectives, the CDBG Program provides a great deal of flexibility in the eligible uses of CDBG funds. According to federal CDBG regulations outlined in 24 CFR 570, the basic eligible activities include a variety of uses.

Eligible Activities Under PRO Housing, AHF Funds

The PRO Housing and AHF funds can support eligible activities to include a variety of uses such as homeownership activities, rental housing activities and special needs housing including, but not limited to:

- Acquisition of real property by purchase
- Construction, reconstruction, and rehabilitation of housing
- Direct homeownership assistance to low- or moderate-income households
- Construction and permanent financing of both rental and homeownership projects
- Rehabilitation and Preservation - rehabilitation of privately owned buildings or low-income public housing

Ineligible Activities

In general, activities that are not specifically identified as eligible are considered to be ineligible. The following activities are specifically identified as activities that are not eligible for the PRO Housing, AHF, and CDBG funds. Please contact the City's Housing Division Manager or Affordable Housing Coordinator for more information on ineligible activities.

- Acquisition, construction, or reconstruction of buildings for the general conduct of government
- General government expenses
- Political activities
- Purchase of construction equipment, fire protection equipment, furnishings and personal properties
- Operating and maintenance expenses
- Income payments

2025 Income Limits

Initial tenants or homeowners of AHF assisted units must have an annual household income which does not exceed 100% of the area median income for the City of Bend (adjusted for family size) and initial homeowners and tenants of PRO Housing and CDBG assisted units must have an annual household which does not exceed 80% of the area median income for the City of Bend (adjusted for family size).

HUD Income limits are effective July 1, 2025.

| Persons Per Household | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---------------------------------------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Area Median Income (AMI) | \$80,000 | \$91,400 | \$102,850 | \$114,300 | \$123,400 | \$132,550 | \$141,700 | \$150,850 |
| Moderate Income (80% AMI) | \$64,050 | \$73,200 | \$82,350 | \$91,450 | \$98,800 | \$106,100 | \$113,400 | \$120,750 |
| (60% AMI) | \$48,000 | \$54,850 | \$61,700 | \$68,550 | \$74,050 | \$79,550 | \$85,000 | \$90,500 |
| Low Income (50% AMI) | \$40,000 | \$45,750 | \$51,400 | \$57,150 | \$61,750 | \$66,300 | \$70,900 | \$75,450 |
| Extremely Low Income (30% AMI) | \$24,050 | \$27,450 | \$30,900 | \$34,300 | \$37,050 | \$39,800 | \$42,550 | \$45,300 |

Rent Limits

At the time of this application opening, OHCS 2025 Rent Limits for HOME Projects were not yet posted. For updated figures when available, please refer to <https://www.oregon.gov/ohcs/compliance-monitoring/pages/rent-income-limits.aspx>.

For reference, HUD's 2025 HOME rent limits for Bend, effective June 1, 2025, are listed below.

| Rent Limits | 0 Bedrooms | 1 Bedroom | 2 Bedroom | 3 Bedroom | 4 Bedroom | 5 Bedroom |
|------------------------|------------|-----------|-----------|-----------|-----------|-----------|
| Fair Market | \$1285 | \$1318 | \$1667 | \$2336 | \$2799 | \$3219 |
| Low Rent Limit | \$1000 | \$1071 | \$1285 | \$1486 | \$1657 | \$1829 |
| High Rent Limit | \$1281 | \$1318 | \$1651 | \$1898 | \$2098 | \$2296 |

Please review the following documents regarding the City of Bend Affordable Housing Development Program:

[Affordable Housing Development Program](#)

[City of Bend Policy - Loans and Grants](#)

[504 Self-Evaluation Checklist](#)



I have downloaded and read the above documents.

A. Applicant Information

Completed by tyson@uhousingpartners.com on 6/25/2025 10:00 AM

Case Id: 30359
Name: Bella Pines - 2025
Address: *No Address Assigned

A. Applicant Information

Please provide the following information.

ORGANIZATION INFORMATION

A.1. Organization Name

United Housing Partners LLC

A.2. Organization Address

601 Euclid Ave., Suite C, Helena, MT 59601

A.3. Executive Director Full Name

Tyson O'Connell

A.4. Executive Director Email Address

tyson@uhousingpartners.com

PROJECT INFORMATION

A.5. Project Name

Bella Pines Apartments

A.6. Project Location

63080 Deschutes Market Rd, Bend Lot 8 of Petrosa Master Plan Taxlot: 171223BD03100

CONTACT PERSON INFORMATION

A.7. Contact Full Name

Tyson O'Connell

A.8. Contact Title

Principal

A.9. Contact Address

601 Euclid Ave., Suite C, Helena, MT 59601

A.10. Contact Phone Number

406 531 4745

A.11. Contact Email Address

tyson@uhousingpartners.com

A.12. Board President Name

NA

A.13. Board President Email Address

NA

B. Organization Information

Completed by tyson@uhousingpartners.com on 6/25/2025 8:35 AM

Case Id: 30359

Name: Bella Pines - 2025

Address: *No Address Assigned

B. Organization Information

Please provide the following information about your organization:

B.1. What is the organization's background, mission, and service history:

United Housing Partners (UHP) was formed in December 2022 to develop, rehab and preserve affordable housing. UHP believes affordable housing is critical for family stability, reducing poverty, and increasing economic growth in communities. UHP creates affordable housing in communities that need it most by forming strong partnerships with our stakeholders and building sustainable housing that brings pride to communities and dignity to residents. Our team faces challenges head on and solves problems with integrity, transparency, and grit. Principal, Tyson O'Connell, has over 14 years of experience building affordable housing. The company led the first project in Bend to successfully reach the financial eligibility phase of Oregon Housing and Community Services (OHCS) new the new Oregon Centralized Application (ORCA), and is currently working with City staff and the state to close Verde Pines before the end of 2025. Tyson's most recent completed project in Bend is the Stillwater Crossing apartments, where he served as the lead developer and partner for Wishcamper Development Partners LLC. Before receiving a funding commitment on Verde Pines, UHP had four other locations under contract, but the contingent timelines required for LIHTC and LIFT funded projects ended up being too long for sellers to wait. Using the Pro Housing funds, UHP hopes to take down the Petrosa lot in March of 2026. The UHP team uses financial expertise to structure complex capital stacks by leveraging tax exempt bonds, Low Income Housing Tax Credits, and other grant and loan programs to build quality affordable housing that delivers a long-term positive impact. Tyson has developed and been a partner in over 4,000 affordable dwellings over the past decade. His team has great relationships in Bend and has already run its model by architects and engineers for cost and feasibility. UHP is headquartered in Missoula, Montana. For more information, visit <https://uhousingpartners.com/about/>

B.2. Provide a brief description of the organization's financial stability as it pertains to the organization's capacity to successfully complete the project, including a brief financial history and primary funding sources. The City may request copies of the organization's financial audit or review for the last two years.

United Housing Partners prides itself on transparency and not over-promising. The organization's financials reflect that the company was formed in December 2022 and currently has three active projects in development (Twin Creek Apartments in Helena, MT, Hidden Creek Apartments in Bozeman, MT, and Verde Pines in Bend, OR). All three have been conservatively underwritten and involve leveraging multiple tax credit or soft sources in the capital stack. The applicant has intentionally set this project up as two separate Earnest Money Agreements (EMA) in order to ensure the smaller parcel supporting the base project (102 units) can be taken down as soon as Pro Housing funds are allocated. The second lot, lot 9, supporting an additional 56 potential units, comes with a three-year option and does not require Pro Housing funds, although it is only possible through the leverage of the Pro Housing investment. This allows the applicant to grow the project from 102 units to 158 units, should additional LIFT funding become available in 2026 or even 2027. UHP has both the financial and operational ability to execute on and build this project. The Pro Housing funds will be used to pay for 80 % of the purchase price for the land. UHP will use a small loan to cover the remaining \$500,000. This provides the necessary time and security to navigate the ORCA process without having to worry that being wait listed will lead to the loss of site control. As he does with lenders and syndicators on all deals,

principal owner, Tyson O'Connell, can provide his personal financial statements and schedule of real estate owned to demonstrate the financial capability and collateral of the company more accurately at the City's request. Although UHP is a young company, Tyson is an owner partner in over 4,000 units of affordable housing. His experience developing low-income housing using complex, layered funding sources provides the applicant with familiarity in creating a conservative timelines.

B.3. Key Personnel Assigned to Project:

| Name | Job Title | Qualifications | FTE Hours |
|--------------------|-------------------------|----------------------|-----------|
| Tyson O'Connell | Principal | 14 years experience | 0.5 |
| Seth O'Connell | Developer | 6 years experience | 1 |
| Roegilene Escleva | Transaction Coordinator | 3 years experience | 0.5 |
| Kathleen Dionora | Transaction Coordinator | 0.5 years experience | 0.5 |
| Kalina Vander Poel | Architect | 4 Years experience | 0.25 |
| Nathan Pierce | Project Manager | 10 years experience | 0.25 |
| | | | 3 |

C. Project Description

Completed by tyson@uhousingpartners.com on 6/25/2025 10:01 AM

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C. Project Description

Please provide a brief description of the following:

C.1. Total amount requested:

\$2,600,000.00

C.2. In one or two sentences, describe what the requested funds will be used for.

Acquisition of the land that will be the future project site.

C.3. Total number of units to be developed:

102

C.4. Number of accessible units:

6

C.5. Number of Affordable Units:

102

C.6. Number of market rate units:

0

C.7. Describe the need or problem your project will address.

Low-income and workforce housing shortages remain at crisis levels in Bend, Oregon. According to the 2025 Oregon Housing Profile by the National Low Income Housing Coalition, there are only 23 affordable and available rental homes for every 100 extremely low-income households in the state. The state needs to add 111,000 deeply affordable homes to meet demand. A 2025 report from ECONorthwest found that Oregon has the second-tightest housing market in the nation, with just 1.07 homes per household—a vacancy rate 36% lower than the national average. In Deschutes County, where Bend is located, the shortage is even more acute, with vacancy rates lower than Portland's. The impact on employers is stark. A recent Bend Chamber survey found that nearly 90% of employers say housing costs are a “significant recruiting and hiring challenge,” and 40% report employees struggling to afford basic necessities like housing, food, and childcare. These challenges are even more pronounced for Bend's Latino population, many of whom are currently facing additional pressures and work threats. The applicant is partnering with the Latino Community Association (LCA) just as UHP did on its current Verde Pines project in the Easton Master Plan. This ensures more equity and more choice in Bend. UHP has already successfully navigated the state's new funding process. The greatest threat to delivering more affordable housing is maintaining site control for the length of time required to receive a credit allocation and get the project funded. UHP has already had a project that was wait listed fail to receive funding because the seller wouldn't agree to wait any longer, and the state wouldn't award funding to a project requiring amendments to its purchase sale agreement (PSA). Bella Pines is situated in an ideal location for new units. The Project follows a blueprint of building affordable rental housing adjacent to brand-new single-family subdivision to create neighborhood

diversity.

C.8. Describe how your project will address the identified need or problem, including project background, project objectives, services to be provided by the project, the populations or areas to be served, and how the Affordable Housing Development assistance will be used.

As pointed out in the previous prompt, Bend needs affordable housing as badly as any market in the country. Despite Oregon's efforts to get more units out of the ground, many continue to face delays and challenges. The applicants have a proven track record of delivering. UHP have been working side by side with LCA for the past three years while trying to create more affordable housing in Bend. One of the key lessons learned through engagement is that even when additional housing reaches the market, many underserved groups are less likely to find these housing opportunities without being sought specifically in marketing efforts. One of the primary missions of the LCA is to engage the Latin community in central Oregon to improve their lives. Ensuring they are both aware of housing opportunities and help them through the lease up process is a step that changes the lives not only of LCA's beneficiaries but all vulnerable members of Bend's population.

C.9. Describe how your project will address the identified need or problem in a way or to a degree not already being achieved in the community. Please identify any other similar programs or projects and how your project will add to or improve upon existing services.

UHP has a track record of delivering rental units that look & feel market rate & bring pride to its beneficiaries. With both Verde Pines & now Bella Pines, UHP is working with co-developer Latino Community Association to meet the needs of Bend's vulnerable populations. LCA exists to promote racial justice in Central Oregon by empowering Latino families & helping them to understand their rights & creating opportunities to advance their standing & stature. The majority of LCA's team & Board members are Latine migrants or first-generation individuals, & their entire staff is bilingual. They bring a profound understanding of the challenges faced by the people they serve, driven by a personal & political commitment to enhancing the conditions & experiences of migrants in Central Oregon. Latino Community Association prioritizes active community involvement, encouraging input & participation in shaping our organization's efforts, fostering empowerment, & cultural sensitivity. Through various channels such as community forums, client surveys, & direct conversations, we engage with individuals to directly address their needs & concerns, ensuring our work is grounded in their lived experiences & creates meaningful impact. LCA has a list of goals for the organization & partnership to ensure Bella Pines plays a positive role in the lives of Bend's Latino population & increases equity to all minorities within the Petrosa community. In addition to onsite services provided by LCA, the development team has also signed an MOU with Cornerstone Community Housing to provide 20 hours a week onsite to connect families with resources to include but not be limited by nutrition & WIC assistance, medical benefits, employment & career support, clothing & school supplies, diaper assistance, food resources, access to legal aid, & transportation.

C.10. Describe the ways in which your project will have a long-term impact on the need or problem being addressed.

When UHP sets out to deliver a project, our mission is to have a long-term positive impact on the community's in the greatest need of affordable housing. The only way to solve Bend's housing cost challenges is by delivering more units. When Verde Pines was awarded LIHTC and LIFT funds, the commitment was made to OHCS that UHP would close by the end of 2025. Working with the City of Bend, the development team has a path to meet this goal and is currently tracking to close before December. As previously described, working with the LCA, the applicant is always honing its designs and tweaking site plans to have a greater impact on its residents, with Bella Pines this includes more parking and different unit mixes. Bella Pines is 100% rent restricted, affordable housing. All 102 dwellings will be restricted to individuals and families making 60% or less of area median income (AMI). The cost of land has a drastic impact on the developers ability to design and build these units with market rate appliances, finishes, and amenities even with state and federal subsidy. The Pro Housing funds will have direct, long term impact on this project. It is not possible without these funds. The use of LIFT funding in the capital stack adds requirements that will lead to as high as 60 years of restricted use, along with

the ownership interest by LCA, this alone will make Bella Pines a long-term beacon for equity and racial justice in one of north Bend's newest neighborhoods and desirable areas for decades to come. This project will provide a safe and healthy living environment that will be indistinguishable from market rate properties in Bend with rents \$1,286 to \$1,852 per month, equating to significant savings from market rate rents for its residents.

C.11. Describe your organization's plan for evaluating the progress of the project toward addressing the identified need or problem.

The sponsors are always responsive to the voices of their beneficiaries. We are a proactive developer that prides ourselves on adaptability and responding to tools such as annual surveys and direct resident feedback. When challenges arise, whether raised by our tenants, project managers, or community partners, we will pro-actively engage in culturally respectful solutions that ensure equity and promote racial justice. Modifications to marketing and outreach to increase the number of black, indigenous, & people of color (BIPOC) tenants and the outcomes for these tenants will be made on an annual basis. If on-site services need to be increased or adapted, UHP and LCA are committed to improvement. Bella Pines will be subject to oversight from state and federal agencies, lender parties, as well as property management and internal asset management. An experienced and certified LIHTC property manager will qualify residents in conformance with Fair Housing and Landlord Tenant laws and follow strict protocol requiring them to lease units as per the affordable housing use-restriction secured on the property.

C.12. Please indicate the time period that the project will remain affordable and how your organization plans to ensure that the project remains affordable for the specified time period:

Bella Pines will be rent restricted for as long as 60 years. Through a deed restriction the shortest a LIHTC project would be affordable is 30 years after it is first placed in service. OHCS offers owners developing with a LIFT loan, at the end of this 30 years, the choice to either pay off the loan or have it satisfied by extending the affordability an additional 30 years. This is the path the developer plans to pursue and has already underwritten to include.

C.13. Describe your organization's collaborations with other agencies, including those that serve protected classes under the Fair Housing Act. Briefly explain your organization's history with these agencies, including any measurable outcomes in the last 12 months. What are your expected outcomes for this project?

United Housing Partners promotes collaboration and equality of opportunity in all aspects of the business. For Bella Pines the developer has partnered with the LCA to leverage expertise and maximize affordability in planning this project, constructing it on time, filling it with the highest need tenants, and maintaining its long-term affordability. UHP staff have over 20 years of combined experience in serving protected classes under the Fair Housing Act. We have built relationships in Central Oregon that put experts in positions to lead the team to successful outcomes and shortened timelines. In Bend, UHP has a strong history of collaboration with Guardian Management, Cornerstone Community Housing, OHCS, and the City of Bend in delivering affordable housing, benefiting minorities and underserved populations, and meeting state and local goals in our projects. Management will qualify residents in conformance with Fair Housing and Landlord Tenant laws, and they will be required to lease homes as per the affordable housing use-restriction secured on the property. There will also be a third party consultant to review files and compliance of all tenants through lease up and beyond. The applicant carries the highest standards for our property management, which maintains the latest certifications in LIHTC compliance, along with our own staff, to better provide confidence Fair Housing and equality of opportunity will be followed for every tenant and promoted in the marketing completed for the project both upon completion and for decades to come. Principal, Tyson O'Connell, has built and overseen management of thousands of rent-restricted units, including LIHTC, HTF, HOME, CDBG, and HAP contracts. Not once has he faced recapture for non-compliance on any of his projects.

C.14. If your project will include accessible units, please describe the planned design elements for accessibility, and reference industry design standards you plan to use. Describe how your organization will market the units.

Bella Pines will follow Oregon Structural Specialty Code and the ICC/ANSI A117.1 Accessibility Code and meet all requirements of federal Fair Housing Amendments Act (FHA) including required accessibility dwellings as well as common area and visitor access, including but not limited to: accessible building entrance on an accessible route, accessible public and common-use areas, usable doors, Accessible routes into and through units, controls in accessible locations, reinforced walls for the later installation of grab bars, and usable kitchens and bathrooms. As well as fully accessible routes to mailboxes and trash enclosures. The Project is designed by UHP Design with focus on the importance of universally accessible design as the highest priority. The Project will meet all ADA requirements, as all UHP projects do, including elements that support people with vision and auditory impairments through well designed lighting, contrasting materials at floor to wall transitions and steps, and braille signage and visual communication devices and alarms. All dwellings will include washer/dryer hook ups, energy efficient appliances, low flow toilets, LED lighting, and air conditioning.

D. Property and Project Information

Case Id: 30359
Name: Bella Pines - 2025
Address: *No Address Assigned

Completed by tyson@uhousingpartners.com on 6/25/2025 11:56 AM

D. Property and Project Information

Please provide the following information.

D.1. Describe the proposed site Include information on any improvements (infrastructure, grading, etc.) and the existence of commercial or residential structures. If building(s) are occupied, include information on the type of occupants (including relationship to the seller or other entities) and the number of occupants. For vacant parcels, include information on any known critical habitats, wetlands, rivers/streams immediately on or adjacent to the property. For previously developed sites, include information on known historic significance (or construction 50 years or older) on OR adjacent to the property.

Bella Pines is a new construction project to be built within the Petrosa master plan. Predevelopment and entitlement is complete. The entitlement process for the master plan was completed by Palisch Homes and includes third party reporting, utility plan, infrastructure improvements, environmental reports, and geotechnical reporting. The lot is already approved and ready for site plan, SIMP submission, and building design. The surrounding roadways are already platted and approved. The site is level, vacant land that was previously used as a single family home site. Preliminary environmental review and research has identified no issues related to critical habitat, effects on wetlands, streams, or rivers, or signs of environmental contamination or clean up requirements of any kind. Additional time has been built into the Earnest Money Agreement to allow the City and applicant to complete further environmental review and compliance. The biggest challenge to ORCA application deals is time. The developer has the Project under contract, but the sellers can only wait so long. The applicant has already explained how many times it has lost site control on the verge of an award. The Pro Housing funds will allow the developer to take down the land and navigate the ORCA process until another LIFT allocation can be awarded to Bend. The additional option on Lot 9, allows the City and applicant to leverage the purchase of 2.9 acres into significantly more time to try and grow the Project by an additional 1.6 acres and as many as 56 additional units of rent restricted, affordable housing without adding any more subsidy! This means any additional state or federal funding made available between now and start of construction could be added to the project to grow it from 102 to as large as 158 dwellings.

D.2. Property Legal Description

See Exhibit A. Taxlot: 171223BD03100

D.3. Site Condition

Vacant (previously disturbed)

D.4. Current Property Owner

Kevin & Linda Spencer ET AL, Empire Construction & Development LLC or affiliated assignee

D.5. Parcel Size (Acres)

2.9

D.6. Site Control Status

Under Contract/Option to Purchase

If Under Contract/Option to Purchase enter expiration date:

If Leased, enter expiration date:

D.7. Site zoning

CG

Upload supporting documentation

Property Legal Description

Exhibit A_Property Legal Desc.pdf

Map of Project Location

Exhibit B_Project Map Loc.pdf

Evidence of Site Control

EMA_Lot_9_UHP_and_Empire_Bella_Pines_6-24-25_(003).pdf

EMA_Lot_8_UHP_and_Empire_Bella_Pines_6-24-25_(003).pdf

Property Appraisal

***No files uploaded*

Notes – additional information

ZONING AND SITE PLAN STATUS**D.8. Is the present zoning conforming?**

Yes

D.9. Is the site plan for your project approved?

No

Provide an estimated date of approval.

06/01/2026

SERVICES TO SITE

Indicate if the following utilities and infrastructure are in place to service the project site.

D.10. Street access

Yes

D.11. Gas

Yes

D.12. Electric

Yes

D.13. Water

Yes

D.14. Sanitary sewer

Yes

D.15. Storm sewer

Yes

E. Work Program

Completed by tyson@uhousingpartners.com on 6/25/2025 10:01 AM

Case Id: 30359
Name: Bella Pines - 2025
Address: *No Address Assigned

E. Work Program

Please provide the following information.

E.1. Anticipated Start Date:

03/01/2026

E.2. Anticipated Completion Date:

06/01/2028

E.3. List of Task(s) Needed for Project

| Task | Start Date | End Date |
|---------------------|------------|------------|
| Land Purchase | 06/19/2025 | 03/15/2026 |
| LIHTC Funding Award | 07/15/2025 | 04/01/2026 |
| Permitting | 04/15/2026 | 11/15/2026 |
| Construction | 11/15/2026 | 06/15/2028 |
| Leasing | 01/15/2028 | 08/15/2028 |

NOTE: If funded, staff will work with you to set benchmarks for your project. Failure to meet these benchmarks could mean a reduction in funding during current or future years.

F. Project Benefit

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F. Project Benefit

Please provide a brief description of the following:

F.1. Estimate of the total number of households to be served by the project.

102

F.2. Estimate the number of households to be served, by income level.

| <30% AMI | 31-50% AMI | 51-80% AMI | >81% AMI |
|----------|------------|------------|----------|
| | | 102 | |

F.3. Estimate the number of households to be served, if known.

| Elderly (aged 62+) | Persons with Disabilities | Female Head of Household | Veterans |
|--------------------|---------------------------|--------------------------|----------|
| 10 | 7 | 10 | 10 |

G. Financial Information

Completed by tyson@uhousingpartners.com on 6/25/2025 11:54 AM

Case Id: 30359

Name: Bella Pines - 2025

Address: *No Address Assigned

G. Financial Information

Please also provide the following financial information:

G.1. A detailed line-item budget describing the total project cost and operating income and expenses, including consideration of inflationary factors, maintenance costs, potential relocation costs, and increased insurance costs associated with the project.

Budget Form *Required

Budget Proforma_Bella Pines.pdf

G.2. Describe the assumptions used to determine the total project cost and the operating budget, including the sources consulted and how costs were determined.

Pro forma assumptions are continuously vetted by the UHP team as well as our procurement consulting firm. Current construction budget is based on hard bids for a similar sized project in Bozeman, MT with the same building designs collected in June, 2025. The specific on-going input from the project team found these estimates to be quite conservative (plus HUD funding required both Davis Bacon and Build America Buy America) when compared to our active construction project in Montana and the collective experience of having developed and redeveloped over 4,000 units of affordable housing. O'Connell was the lead developer for Stillwater Crossing, a 240 apartment LIHTC development built in Bend and completed in October 2023 (with prior company iterations; most recently Wishcamper).

G.3 Briefly describe your organization's plan for funding the project after the first year, if applicable.

UHP will close on the land in the Spring of 2026. All pre development costs will be paid for through cash on hand. Construction will be funded through LIFT, LIHTC, and a construction loan. After lease up and perm financing conversion, Bella Pines will be financially operational based on cash flow.

G.4. Explain your organization's ability to proceed with the project without your requested Affordable Housing Development assistance, or with an award less than your requested amount.

As previously described, due to current market conditions, UHP is having a hard time keeping land under contract long enough to navigate the current ORCA process which typically includes being waitlisted, which can take up to a year for some projects. The offer is contingent on a funding award from the Pro Housing award, and the applicant and seller have agreed to terminate if UHP is not awarded. With the state preparing to allocate hundreds of millions in new LIFT financing, a larger 4% LIHTC/LIFT funded project is likely to be selected in Deschutes County. UHP hopes to use the Pro Housing Grant funds to take down the land, assuring no risk for running out of time in options of an option or purchase sale agreement (PSA). Once the land is owned, Bella Pines will be expedited through the ORCA process based on readiness to proceed, and UHP will continue with pre development and design development, with closing contingent on receiving a LIFT award. UHP was the first developer to successfully navigate the ORCA process in Bend since the program's inception.

G.5. For construction projects, please provide a detailed pro forma

Detailed Pro Forma

***No files uploaded*

G.6. For homeownership projects, please provide potential or confirmed mortgage lenders that will be able to access financing for purchase of proposed housing units. Please provide evidence information of penitential mortgage financing for the homebuyer. Evidence being lender information, loan program/s, financial structure (i.e. down payment/terms).

NA

G.7. Please provide any interest rate or loan terms that vary from the [City of Bend Policy - Loans and Grants](#) and would be necessary for the implementation of the proposal. All proposals will have loan terms applied.

No terms would vary from City of Bend Policy.

G.8. PRO Housing Funds Requested

\$2,600,000.00

G.9. AHF Funds Requested

\$0.00

G.10 CDBG Funds Requested

\$0.00

G.11. Leveraged Funds

\$0.00

H. Budget

Completed by tyson@uhousingpartners.com on 6/25/2025 10:02 AM

Case Id: 30359
Name: Bella Pines - 2025
Address: *No Address Assigned

H. Budget

Please provide the following information.

H.1. Project Budget

| Project Activities | Pro Funds Requests | AHF Funds Requested | CDBG Funds Requested | Other Public Funds | Private Funds | Activity Total |
|--------------------|-----------------------|---------------------|----------------------|--------------------|---------------|-----------------------|
| Land Acquisition | \$2,600,000.00 | \$0.00 | \$0.00 | \$0.00 | \$453,664.00 | \$3,053,664.00 |
| TOTAL | \$2,600,000.00 | \$0.00 | \$0.00 | | | \$3,053,664.00 |

H.2. Other Public Funds

| Source | Use of Funds | Amount of Funding | Funding Status |
|--------------|--------------|------------------------|----------------|
| LIFT | Construction | \$17,700,000.00 | Applied For |
| TOTAL | | \$17,700,000.00 | |

H.3. Private Funds

| Source | Use of Funds | Amount of Funding | Funding Status |
|--------------|----------------|-----------------------|----------------|
| Mortgage | Perm Financing | \$9,742,354.00 | |
| TOTAL | | \$9,742,354.00 | |

H.4. Funding Documentation

Funding Documentation - Letters of funding commitment from sources

***No files uploaded*

I. Project Feasibility and Readiness

Completed by tyson@uhousingpartners.com on 6/25/2025 10:01 AM

Case Id: 30359

Name: Bella Pines - 2025

Address: *No Address Assigned

I. Project Feasibility and Readiness

Please provide the following information regarding project feasibility and readiness:

I.1 Describe your organization's administrative capacity to complete the project, including its experience in implementing and managing activities similar to the proposed project. If capacity is achieved through partnerships with or utilization of other organizations or agencies, describe the nature and status of these partnerships.

UHP has secured, and successfully closed, many different types of subsidy and funding available in developing over 4,000 units of affordable housing, including: OHCS General Housing Account Program; 9% and 4% LIHTC; Housing Trust Funds; HOME; Affordable Housing Program grants; Neighborhood Stabilization Program grants and loans; Rental Assistance Demonstration projects; CDBG grants; USDA RD; Historic Rehab Tax Credits; and numerous other Legacy Programs. The development team has the same architect, procurement consultant, and administrative staff that is currently under construction on a twinned 4/9 project in Montana that layers seven different funding sources including both local and national Housing Trust Funds. On this project, tax credit partner, Enterprise Community Solutions praised the development team for the smoothest and most complete due diligence process to close of any project they worked on throughout the country this year. As noted above, UHP has a proven track record and a blueprint for successful navigation and funding awards. The developer partnered with LCA to increase understanding and opportunity for central Oregon's Latino's and other vulnerable populations to assure equity and racial justice in the outcomes. This will also increase the voice and experience for this crucial community partner from financing, through construction, lease up, and through Bella Pines' entire restriction timeline.

I.2. If applicable, describe your neighborhood and/or community support for the project. Attach letters of support or other evidence of neighborhood/community support.

Local community leaders have confirmed the need for and support more affordable housing in Bend. Due to the tight timeline and limited resources of OHCS, the opportunity to deliver the Project was on a tight deadline, so the applicant has not solicited formal community support for the project yet. The Project not only meets the goals of the City of Bend for more low income, rent-restricted dwellings, it is being sold by the developer of the master plan with the understanding it will be used for affordable rental housing and thus integrates into their own vision for the neighborhood and community. Again this Project will achieve success based on a proven blue print and the support of the City

Attach Letters of Support

Evidence of Neighborhood/Community Support

Exhibit F_Comm Support Evidence.pdf

I.3. Describe your organization's readiness to proceed with the project. For example, is staff currently available to work on the project, or is the organization ready to proceed with hiring staff?

The site is under contract with the only contingency being the award of Pro Housing dollars and completion of site due

Printed By: Mellissa Kamanya on 6/25/2025

21 of 25

diligence to close on the land. Once the land is closed, development will be in full swing, begining with Design Development using the same design team as Verde Pines. That way when the LIFT funds are reviewed, the project can be prepared to close in OHCS's required 6 months. Although funding cycles are uncertain, based on new funding and set asides, Bella Pines could break ground as early as fall of 2026.

I.4. Describe any land use processes (such as a zone change or a conditional use permit) the project will require and what steps, if any, have been taken to address these issues.

NONE

I.5. For PRO Housing and CDBG applicants, describe your organization's familiarity with meeting federal requirements, and/or the organizations plan for ensuring that these requirements are satisfied.

The applicant is experienced in all types of federal funding requirements. Our most recent projects have faced HUD subsidy layering review, two types of environmental reporting (both for Housing Trust Funds and Project Based Vouchers), as well as Davis Bacon and Build America Buy America. We have a strong and experienced legal team and some of the best consultants and partners in the country working in these niches.

I.6. Estimated date that all funds will be spent.

03/01/2026

I.7. Estimated date that units will be occupied.

08/01/2028

J. Required Documents

Completed by tyson@uhousingpartners.com on 6/25/2025 11:56 AM

Case Id: 30359
Name: Bella Pines - 2025
Address: *No Address Assigned

J. Required Documents

Please provide the following information.

Please download, complete, and upload the document (s) below:

- [504 Self-Evaluation Checklist](#)

Documentation

504 Self-Evaluation Checklist

Exhibit G_504 Self-Cert_BP.pdf

Affirmatively Furthering Fair Housing Statement and Marketing Plan

Exhibit H_AFHMP_signed.pdf

Proof of Non-Profit or Governmental Status

Exhibit I_NonProfit Stat.pdf

Status of Oregon Business Registry Printout

Exhibit J_State of OR Reg.pdf

Unique Entity Identifier (UEI) Number

Exhibit K_EIN #s.pdf

Map of Project Location

Exhibit B_Project Map Loc.pdf

Equity and Inclusion Policy

Exhibit_Equity&Inclusion.pdf

Submit

Completed by tyson@uhousingpartners.com on 6/25/2025 11:57 AM

Case Id: 30359

Name: Bella Pines - 2025

Address: *No Address Assigned

Submit

Once an application is submitted, it can only be "Re-opened" by an Administrator. Also note: please check your Spam email folder if you have not received any emails from Neighborly.

The applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining funding under the City's Affordable Housing Development Program.

I understand that U.S.C. Title 18, Sec. 1001, provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies...or makes any false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both."

I certify that the application information provided is true and complete to the best of my/our knowledge.

I agree to provide any documentation needed to assist in determining eligibility and are aware that all information and documents provided, except as exempted pursuant to law, are a matter of public record.

I further grant permission and authorize any bank, employer, or other public or private organization to disclose information deemed necessary to complete this application.

Authorized Signature

Tyson O'Connell

Electronically signed by tyson@uhousingpartners.com on 6/25/2025 11:57 AM

| PROPERTY SUMMARY | | CRITICAL DRIVERS | | Unit Mix | | | | | | |
|-----------------------------|-------------------------|--|-----------------|------------------|-------------------------------|--|--------------|-----------|---------|--------------|
| Property Name | Bella Pines Apartments | 4% or 9% LIHTC | | <u>Unit Type</u> | <u>Number</u> | <u>AMI Set-Aside</u> | | | | |
| Street | Petrosa | LIFT or GHAP Used? | | 1bd | 0 | <= 50% | | | | |
| City, State, Zip | Bend, OR 99702 | Other Soft Money Used? | | 2bd - | 0 | <= 50% | | | | |
| County | Deshutes | Property Tax Exemption? | | 4bd - | 0 | <= 50% | | | | |
| QCT / DDA? | No | Credit Pricing | | 1bd | 48 | 60% | | | | |
| Year Built | 2027 | Hard Construction Per-Unit | | 2bd | 38 | 60% | | | | |
| Total Units | 102 | Related Party MGMT Company? | | 4bd | 16 | 60% | | | | |
| Proposed LIHTC Units | 102 | Related Party Construction Co.? | | 1bd | 0 | 70% | | | | |
| <=50% AMI Units | 0 | 4% Project Deferred Dev. Fee Paid Off In Yr. | | 2bd | 0 | 70% | | | | |
| AMI Set-Asides | 30%, 50%, 60%, 70% AMI | 9% Project Deferred Dev. Fee Paid Off In Yr. | | 4bd | 0 | 70% | | | | |
| PROFIT & LOSS | | DEBT & BONDS | | | | | | | | |
| | <u>Stabilized Yr. 1</u> | Senior Debt | E: Glacier Bank | | | | | | | |
| GPR: | \$1,715,565 | Senior Debt Rate | 6.30% | | \$1,130,947 | 5% | | | | |
| Vacancy | -\$120,090 | Senior Debt DSCR 4% | 1.20 | | \$625,382 | 3% | | | | |
| Other Income | \$11,689 | Senior Debt Amortization 4% | 35 | | \$1,098,745 | 50bps | | | | |
| Net Revenue | \$1,607,164 | ST or LT Bonds Used? | Yes | | \$0 * Not Updated in Draw Tab | | | | | |
| Op. Expenses | \$790,195 | Type of Bond Transaction | Agency Forward | | \$0 none update if applicable | | | | | |
| Op. Exp. PUPY | \$7,747 | Construction Loan Used? | Yes | | \$300,000 Static Contingency | | | | | |
| NOI | \$816,969 | Bridge Loan Used? | Yes | | Static Number | | | | | |
| | | | | | \$3,155,075 | | | | | |
| SOURCES & USES SUMMARY | | 25/06/2025 | | | | | | | | |
| SOURCES OF FUNDS | | Total | Per-Unit | % Total | 4% Project | USES OF FUNDS | Total | Per-Unit | % Total | 4% Project |
| First Mortgage | | \$9,742,354 | \$95,513 | 22.9% | \$9,742,354 | Acquisition-Related Costs | \$3,290,147 | \$32,256 | 7.7% | \$3,290,147 |
| BEND AHF | | \$0 | \$0 | 0.0% | \$0 | Construction-Related Costs | \$25,910,278 | \$254,022 | 61.0% | \$25,910,278 |
| LIFT | | \$17,700,000 | \$173,529 | 41.6% | \$17,700,000 | Soft Costs | \$2,391,788 | \$23,449 | 5.6% | \$2,391,788 |
| Seller Notes | | \$0 | \$0 | 0.0% | \$0 | Carrying Costs - Interest, RE/Tax | \$2,015,460 | \$19,759 | 4.7% | \$2,015,460 |
| Missoula Impact Fund | | \$0 | \$0 | 0.0% | \$0 | First Mortgage Costs | \$196,135 | \$1,923 | 0.5% | \$196,135 |
| Not Used | | \$0 | \$0 | 0.0% | \$0 | Bond Issuance Costs | \$688,722 | \$6,752 | 1.6% | \$688,722 |
| Not Used | | \$0 | \$0 | 0.0% | \$0 | Subordinate, Constr. Loan Costs | \$363,805 | \$3,567 | 0.9% | \$363,805 |
| LIHTC Equity (Federal) | | \$11,765,962 | \$115,353 | 27.7% | \$11,765,962 | Equity & LIHTC-Related Costs | \$172,351 | \$1,690 | 0.4% | \$172,351 |
| LIHTC Equity (State) | | \$0 | \$0 | 0.0% | \$0 | Reserves & Escrows | \$520,683 | \$5,105 | 1.2% | \$520,683 |
| HTC Equity (Federal) | | \$0 | \$0 | 0.0% | \$0 | Resident Services Reserve | \$0 | \$0 | 0.0% | \$0 |
| Not Used | | \$0 | \$0 | 0.0% | \$0 | Not Used | \$0 | \$0 | 0.0% | \$0 |
| Bond Reinvestment Income | | \$2,182,183 | \$21,394 | 5.1% | \$2,182,183 | Bond Interest in Basis During Construction | \$2,182,183 | \$21,394 | 5.1% | \$2,182,183 |
| Additional Deferred Dev Fee | | \$1,119,562 | \$10,976 | 2.6% | \$1,119,562 | Max Developer Fee | \$4,778,509 | \$46,848 | 11.2% | \$4,778,509 |
| | | \$42,510,062 | \$416,765 | \$416,765 | \$42,510,062 | | \$42,510,062 | \$416,765 | 100.0% | \$42,510,062 |

Property Information & Seller Balance Sheet Items

| Project Name & Location | | | | | | | Key Data Points | | | | | | | | | |
|------------------------------|------------------|------------------------|--|--------------------|---------------------------|--------------|-----------------|-------------------|--|------|--|-------------|--|----------|--|--|
| Name of Project | 2027 | Bella Pines Apartments | | | Write in relevant data... | | | | | | | | | | | |
| Street/City/State/County/Zip | Petrosa | Bend | | OR | Deshutes | | 99702 | | | | | | | | | |
| New Construction or Rehab? | New Construction | | | | | | | | | | | | | | | |
| Census Tract | 19.04 | | | | | | | | | | | | | | | |
| Seller Assets | | | | Seller Liabilities | | | | Other Information | | | | | | | | |
| Amount \$ | | As of | | Type of Loan | | Loan Balance | | As of | | Rate | | Annual Pmt. | | Maturity | | |
| Repl. Reserves | \$0 | | | Loan 1 | | | | | | | | | | | | |
| Restricted Cash | \$0 | | | Loan 2 | | | | | | | | | | | | |
| Tax Escrow | \$0 | | | Loan 3 | | | | | | | | | | | | |
| Ins. Escrow | \$0 | | | Notes: | | | | | | | | | | | | |
| Other Reserves | \$0 | | | | | | | | | | | | | | | |

GENERAL INFORMATION

| | | | | | | | | | | | |
|-----------------|------|------------|------|-------|-----|-------|-----|-------|-----|-------|---|
| Total Buildings | TBD | Year Built | 2026 | Other | TBD | Other | TBD | Other | TBD | Other | - |
| Floors/Building | <= 3 | Other | - | Other | TBD | Other | TBD | Other | TBD | Other | - |

Rent & Utility Structure

UNIT MIX AND PROPOSED RENTS

Project & Unit Mix Summary

| Project A Unit Mix Summary | | Building Mix Summary | | | | | | | Savings with Change | | | | | |
|----------------------------|-----------|----------------------|-------|-----------|-----------|-----------|-----------|-------------|---------------------|-----|-----|-----|-------------|-------------|
| | Bedrooms | Baths | SF | 30% Units | 60% Units | 70% units | 80% units | Total Units | | 1bd | 2bd | 4bd | Total Units | Designation |
| 9% Project | 1 Bedroom | 1 | 632 | 0 | 0 | 0 | 0 | 0 | | | | | | |
| 9% Project | 2 Bedroom | 1 | 900 | 0 | 0 | 0 | 0 | 0 | Building 1 - 9% | 0 | 0 | 0 | 0 | Family |
| 9% Project | 3 Bedroom | 2 | 1,195 | 0 | 0 | 0 | 0 | 0 | Building 1 - 4% | 4 | 0 | 0 | 4 | Family |
| TOTAL 9% Project | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Building 2 - 4% | 18 | 15 | 3 | 36 | Family |
| | Bedrooms | Baths | SF | 30% Units | 60% Units | 70% units | 80% units | Total Units | Building 3 - 4% | 18 | 13 | 3 | 34 | Family |
| 4% Project | 1 Bedroom | 1 | 632 | 0 | 48 | 0 | 0 | 48 | Building 4 - 4% | 24 | 12 | 0 | 36 | Family |

Savings with smaller
Units
Large 1bd Size SF
Small Size SF
Reduction in SF
Savings in Const

| | | | | | | | | | | | | | | |
|------------------|-----------|-----|--------|---|-----|---|---|-----|-----------------|----|----|----|-----|--------|
| 4% Project | 2 Bedroom | 1 | 900 | 0 | 30 | 0 | 0 | 30 | Building 5 - 4% | 4 | 40 | 8 | 52 | Family |
| 4% Project | 3 Bedroom | 2 | 1,195 | 0 | 8 | 0 | 0 | 8 | | | | | | |
| 4% Project | 4 Bedroom | 2 | 1,436 | 0 | 16 | 0 | 0 | 16 | Building 6 - 4% | 0 | 0 | 0 | 0 | Family |
| TOTAL 4% Project | | 126 | 89,862 | 0 | 102 | 0 | 0 | 102 | TOTAL | 68 | 80 | 14 | 162 | Family |

TOTAL All Buildings 126 89862 0 102 0 0 102 Formula check FALSE FALSE FALSE FALSE FALSE

Unit Mix by Bedroom & 30% AMI Analysis For Entire Project

| Bedrooms | Units | % Total | 30% units | | 50% Units | | 60% units | | 70% units | | 80% Units | | HOME/NHTF | | HOME/NHTF | |
|-----------|-------|---------|-----------|---|-----------|-------|-----------|-------|------------|-------|-----------|-------|-----------|-------|-----------|-------|
| | | | Units | % | Units | Units | Units | Units | Units | Units | Units | Units | Units | Units | Units | Units |
| 1 Bedroom | 48 | 47% | 0 | 0 | 0 | 48 | 0 | 0 | \$ 198,331 | \$ - | 0 | 0 | \$ - | \$ - | \$ - | \$ - |
| 2 Bedroom | 30 | 29% | 0 | 0 | 0 | 38 | 0 | 0 | \$ 241,176 | \$ - | 0 | 0 | \$ - | \$ - | \$ - | \$ - |
| 3 Bedroom | 8 | 8% | 0 | 0 | 0 | 16 | 0 | 0 | \$ 312,004 | \$ - | 0 | 0 | \$ - | \$ - | \$ - | \$ - |
| 4 Bedroom | 16 | 16% | 0 | 0 | 0 | 16 | 0 | 0 | \$ 342,482 | \$ - | 0 | 0 | \$ - | \$ - | \$ - | \$ - |
| Total | 102 | 100% | 0 | 0 | 0 | 118 | 0 | 0 | \$ - | \$ - | 0 | 0 | \$ - | \$ - | \$ - | \$ - |

| % 30% AMI in 9% Project & 4% Project & Total Project | |
|--|---------|
| Units below 30% AMI in 9% Project | #DIV/0! |
| Units below 30% AMI in 4% Project | 0% |
| Units below 30% AMI in Total Project | 0% |
| *Bond Test is 20/50 for 4% Project | |

Final Int Rate

Income Averaging For 9 percent and 4 percent projects

LOAN PARAMETERS

FIRST MORTGAGE LOAN PARAMETERS & SIZING

| LOAN TERMS | A: Private Placement | B: HUD241a | C: HUD 221d4 | Fannie MTEB 4% Pro | E: Glacier Bank |
|---------------------------------------|----------------------|---------------------|--------------------|---------------------|---------------------|
| | 90% | 90% | 90% | 90% | 90% |
| | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 |
| | 5.91% | 5.75% | 6.50% | 6.30% | 6.30% |
| | 0.00% | 0.25% | 0.25% | 0.00% | 0.00% |
| | 40 | 35 | 40 | 40 | 35 |
| FEES | 1% | 1.00% | 1.50% | 1.50% | 1.50% |
| | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 |
| | 0.00% | 0.00% | 0.90% | 0.00% | 0.00% |
| Mortgagable Costs | \$37,339,388 | \$37,339,388 | \$37,339,388 | \$37,339,388 | \$37,339,388 |
| Freddie DSCR Max Loan | \$26,137,571 | \$33,605,449 | \$33,605,449 | \$33,605,449 | \$10,025,902 |
| MAX APPROVED BY CITI | \$38,259,056 | \$14,910,832 | No Limit | \$14,910,832 | \$14,910,832 |
| DSCR Limited Loan (Developer) | \$11,035,425 | \$10,451,671 | \$9,900,789 | \$10,507,766 | \$10,165,935 |
| Estimated Proceeds | \$11,035,425 | \$10,451,671 | \$9,900,789 | \$10,507,766 | \$10,025,902 |
| Estimated Debt Service (w/MIP) | \$720,330 | \$720,330 | \$720,330 | \$720,330 | \$710,408 |
| Loan Amount without Rate Contingency | \$11,396,887 | \$10,760,517 | \$10,198,822 | \$10,841,099 | \$10,465,932 |

FIRST MORTGAGE & SUBORDINATE MORTGAGES

| 24 | First Mortgage | 4% Project Loan | 9% Project Loan | 4% Project | 4% Project |
|--|-------------------------|---------------------------|----------------------------|--------------------------|----------------------|
| Loan Type | E: Glacier Bank | E: Glacier Bank | Fannie Taxable 9% Project | Bozeman Funds 4% Project | BOI Inf Loan |
| Rate (w/o MIP) | 6.30% | 6.30% | 7.00% | 3.50% | 4.43% |
| Amortization | 35 | 35 | 35 | 20 | 20 |
| Avail NOI | \$816,969 | \$828,380 | \$0 | \$0 | \$0 |
| Debt Service | \$690,316 | \$690,316 | \$0 | \$0 | \$0 |
| DSCR | 1.18 | 1.20 | NA | - | - |
| Loan Amt | \$ 9,742,354 | \$9,742,354 | \$0 | \$0 | \$0 |
| Origination Fee | \$146,135 | \$146,135 | \$0 | \$0 | \$0 |
| Legal Fees | \$25,000 | \$25,000 | \$0 | \$10,000 | \$0 |
| MIP | \$0 | \$0 | \$0 | \$0 | \$0 |
| Debt Per Unit | | \$95,513 | #DIV/0! | \$0 | |
| LENDER'S PHYSICAL NEEDS CONCLUSIONS | | | | | |
| Lender's PCNA | Annual Dep to Repl Res. | Replcament Reserve Escrow | HUD Working Capital Escrow | Critical Repairs | Non-Critical Repairs |
| | \$350 | \$300 | LOC | \$0 | \$0 |
| | | | | | Total Repairs \$0 |

SOFT MONEY

| | | | | | |
|---------------------------------------|------|---|---------------------------------------|---------|---|
| LTV Of All Hard & Soft Debt 4% Proj: | 166% | Fannie 95%; Freddie 90% HUD 92.5% but does not apply to LIHTC | LTV Of All Hard Debt 9% Proj: | #DIV/0! | Fannie 95%; Freddie 90% HUD 92.5% but does not apply to LIHTC |
| LTV Of All Hard & Soft Debt 4% Proj: | 59% | | LTV Of All Hard & Soft Debt 9% Proj: | #DIV/0! | |
| DSCR Of All Hard & Soft Debt 4% Proj: | 1.20 | Fannie 1.05; Freddie 1.10; HUD No DCR because limited cash flow | DSCR Of All Hard & Soft Debt 9% Proj: | #DIV/0! | Fannie 1.05; Freddie 1.10; HUD No DCR because limited cash flow |
| % Cash Flow To Non-1st Morg. 4% Proj | 0% | Fannie 75%; Freddie 75%; HUD 75% | % Cash Flow To Non-1st Morg. 9% Proj | 0% | Fannie 75%; Freddie 75%; HUD 75% |

Debt Sources

| | | | | | | | | | | | | |
|---------------|----------------------|--------------|-----------|-------|----|-----|-----|----|-----|------|-----|--|
| State | BEND AHF | \$0 | \$0 | 0.00% | 55 | Yes | \$0 | 0% | Yes | 100% | \$0 | County will pay for all public infrastructure outside LIHTC project |
| State | LIFT | \$17,700,000 | \$173,529 | 0.00% | 55 | Yes | \$0 | 0% | Yes | 100% | \$0 | |
| City | Seller Note 4% | \$0 | \$0 | 1.00% | 8 | Yes | \$0 | 0% | Yes | 100% | \$0 | Deferred payment until Year 10/120 months |
| City | Seller Note 9% | \$0 | \$0 | 1.00% | 18 | No | \$0 | 0% | Yes | 100% | \$0 | Deferred payment until Year 10/120 months |
| Neighborworks | Missoula Impact Fund | \$0 | \$0 | 3.50% | 18 | No | \$0 | 0% | No | 100% | \$0 | Deferred payment until Year 14/168 months |
| Not Used | Not Used | \$0 | \$0 | 0.00% | 40 | No | \$0 | 0% | No | 100% | \$0 | |
| Not Used | Not Used | \$0 | \$0 | 0.00% | 40 | No | \$0 | 0% | No | 100% | \$0 | Need do draw as source during constructoin and have 40 year amortization |

COST OF NEW CONSTRUCTION

| Square Footage | Bella Pines Apartments | Bella Pines Apartments | Bella Pines Apartments | Formula Check | | |
|--|------------------------|------------------------|------------------------|---------------|------------------------|------|
| Leasable SF of Units | 89,862 | 89,862 | 0 | TRUE | Building 1 Hallways SF | 2341 |
| Additional Unit Common Area | 0.0% | 0.0% | 0.0% | TRUE | Building 1 Hallways SF | 0 |
| Additional Common SF | 15,245 | 15,245 | 0 | TRUE | Building 2 Hallways SF | 0 |
| Additional Common SF - Office, Etc. | 1,800 | 1,800 | 0 | TRUE | Building 3 Hallways SF | 0 |
| Gross SF of Constuction (Units & Common) | 106,907 | 106,907 | 0 | TRUE | Estaban Hallways SF | 6452 |
| Decks SF | 0 | 4,080 | 0 | TRUE | Estaban Hallways SF | 6452 |
| Storage Closets SF | 0 | 0 | 0 | TRUE | Total Buildings | 2 |
| Total Units | 102 | 102 | 0 | | | |

| Lease-Up Expense | 4% Share of Project Expenses | 100% |
|------------------|------------------------------|---------------------------------------|
| Lease-Up Expense | \$100,000 | Staff & Marketing Budget for Lease-Up |

| | Bella Pines Apartments | Bella Pines Apartments | Bella Pines Apartments | |
|--|------------------------|------------------------|------------------------|--|
| Total Leaseable SF | 89,862 | 89,862 | 0 | Avg SF per building |
| Additional Common SF | 15,245 | 15,245 | 0 | Remove this if Unit SF on Prop Info Tab Matches Architect's Final SF Drawing |
| Additional Common SF - Office, Etc. | 1,800 | 1,800 | 0 | |
| Gross SF of Constuction (Units & Common) | 106,907 | 106,907 | 0 | |
| Decks SF | 4,080 | 4,080 | 0 | Cost of Decks \$ 673,200 |
| Storage Closets SF | 0 | 0 | 0 | |
| Total SF (Units/Common/Decks/Storage) | 110,987 | 110,987 | 0 | |
| | | | | |
| | Total Cost | Cost / TSF | | |
| 1 Site - On Site | \$998,887 | \$9.00 | \$998,887 | \$0 |
| 2 Site - Off Site (Public) | \$998,887 | \$9.00 | \$998,887 | \$0 |
| 3 Apartment Buildings | \$14,967,036 | \$140.00 | \$14,967,036 | \$0 |
| 4 Decks | \$408,000 | \$100.00 | \$408,000 | \$0 |
| 5 Stormwater Management | \$221,975 | \$2.00 | \$221,975 | \$0 |
| 6 Landscape & Irrigations | \$332,962 | \$3.00 | \$332,962 | \$0 |
| 7 Amenities | \$332,962 | \$3.00 | \$332,962 | \$0 |
| 8 Office, Maint Shop, Fitness Center | \$450,000 | \$250.00 | \$450,000 | \$0 |
| 9 Solar | \$303,144 | \$2.84 | \$303,144 | \$0 |
| 10 Winter Cond. Allowance & Final Clean | \$110,987 | \$1.00 | \$110,987 | \$0 |
| 11 GC Liability Insurance | \$191,248 | \$1.79 | \$191,248 | \$0 |
| 12 GC Overhead Costs | \$382,497 | \$3.58 | \$382,497 | \$0 |
| 13 GC General Requirements | \$1,147,490 | \$10.73 | \$1,147,490 | \$0 |
| 14 GC Profit | \$1,147,490 | \$10.73 | \$1,147,490 | \$0 |
| 15 Contingency - GC | \$625,382 | \$5.85 | \$625,382 | \$0 |
| Total Cost with GC & Developer Contingency | \$22,618,948 | \$204 | \$22,618,948 | \$0 |
| Total Cost Per Total SF | \$204 | | \$204 | #DIV/0! |
| Total Cost Per Leasable SF | \$252 | | \$252 | #DIV/0! |
| Total Cost Per Unit | \$221,754 | | \$221,754 | #DIV/0! |

Exhibit B

Project Map Location Bella Pines Apartments



