

Q&A #4 – Questions received 12/24/2025 – 01/02/2026

Q#39: Our project is a new construction project but includes the demolition of an existing SRO building and will require the temporary relocation of existing tenants during construction. All existing tenants will have the right to return once the new project is completed. The NOFA only speaks to rehabilitation projects needing to relocate existing tenants. In the "No Displacement" section of the NOFA, it states, "Temporary relocation, at the project owner's expense, is permitted for a reasonable period of time to complete necessary

rehabilitation." What is considered a reasonable amount of time? There are certain relocation laws that we must abide by that may require the tenant to be relocated for the duration of construction. Certain laws may also require us to allow the tenants to choose temporary relocation OR permanent relocation.

Additionally, do we need to provide the Resident Engagement Plan if our project is a New Construction Project but involves the demolition and temp relocation of existing residents? The NOFA says (Acq./Rehab projects only) and we are not technically a rehab project."

Answer 01/05/2026: This will be addressed in the next Q&A.

Answer 01/07/2026: This will be addressed in the next Q&A.

Q#53: For our project, the LA board of supervisors approved the County to enter into an ENA with us. What would we need to satisfy the site control requirement? Would a letter stating the above suffice?

Answer 01/05/2026: This will be addressed in the next Q&A.

Answer 01/07/2026: This will be addressed in the next Q&A.

Q#54: Will LACAHS consider partial awards, or will projects be passed over if they are next in line based on scoring but insufficient funds remain to fully fund the requested amount?

Answer 01/05/2026: This will be addressed in the next Q&A.



Answer 01/07/2026: Applications for multiple LACAHSa products are not all-or-nothing. LACAHSa may approve funding for one or more products independently, based on eligibility, underwriting, readiness, and scoring. An applicant may therefore receive an award for a subset of the requested products, even if other requested products are not approved or are reduced in amount.

Where remaining LACAHSa funds are insufficient to award a project the entire amount requested for a particular product (e.g., a project has requested a \$3MM Matching Capital Grant but only \$2MM of awardable funds remains), LACAHSa may offer the project a partial award.

Final awards are subject to LACAHSa's evaluation, available funding, and program priorities.

Q#56: Section 7, K. General Contractor Selection and Construction Contracts states that applicants must solicit a minimum of three bids. At what point in the development process is this requirement intended to apply? For example, obtaining bids during the concept design phase and selecting a general contractor at that stage is far less meaningful than bidding on construction documents or permitted plans. Is a selected general contractor required at the time of the funding application?

Additionally, for vertically integrated developer/builders, securing bids from third party general contractors is challenging. Third party GCs are often reluctant to invest the time needed to prepare a competitive bid when they know they are competing against an in house GC. For vertically integrated developer/GCs, would it be acceptable to instead obtain a minimum of three bids from each subcontractor?

Answer 01/05/2026: This will be addressed in the next Q&A.

Answer 01/07/2026: LACAHSa is not providing an opinion on the specific point in the development process when a general contractor or other subconsultants should be engaged, as the developer is responsible for selecting its team and managing its resources efficiently. Section 7, K is intended to clearly establish the general contractor selection and construction contracting requirements that projects must comply with to be eligible for funding under this NOFA. These requirements reflect standard underwriting and procurement practices and are not intended to be unusual or overly restrictive.

Applicants should be aware that compliance with Section 7, K is a condition of eligibility for projects seeking funding through this NOFA. In the case of vertically integrated

developer/builders, the approach described in the question, where an in house general contractor would be selected regardless of the outcome of other bids, would not be consistent with the intent of this requirement. The purpose of requiring multiple bids is to demonstrate that a meaningful evaluation of competing offers has occurred and that the selected contractor represents an efficient use of project and public resources. Substituting subcontractor bids in place of general contractor bids would not satisfy this requirement. Applicants should consider whether this NOFA is an appropriate fit for their organization and project structure given these requirements.

Q#68: Our project currently has tenants but needs rehabilitation. Renovations can be performed one room at a time so tenants would only be displaced for a short time and can be accommodated within the building itself. In that case, is a third-party relocation plan required, or can we simply provide a document explaining our plan to relocate tenants within the building during renovations?

Answer: This will be addressed in the next Q&A.

Q#69: Exhibit F requires a Draft Labor Compliance Plan. Does LACAHS have a sample or template we can use?

Answer: Please see response to question No. 12 from Response #1 released on December 22, 2025.

Q#70: Does deferred developer fee count as a Sponsor Contribution to earn 1 point for every 5% TDC contributed to the project by the Sponsor?

Answer: This will be addressed in the next Q&A.

Q#71: For the Senior Permanent Loan's Sponsor Experience, are the 7 years of development experience in California only for affordable or affordable and market rate?

Answer: The NOFA does not limit the experience requirement exclusively to affordable housing, provided the experience demonstrates comparable scope, complexity, and



successful project delivery. Acceptance of such experience is subject to LACAHSa review and approval.

Q#72: Please provide an example of how to calculate the points for Total LACAHSa Subsidy in the Matching Capital Grant.

Answer: This will be addressed in the next Q&A.

Q#73: Please expand on how LACAHSa will handle confidential information especially with regards to the requested financial statements showing net worth and liquidity. How will these be handled in the event there is a public records request?

Answer: Once submitted, each application becomes the property of LACAHSa and becomes a public record. LACAHSa is not liable for the disclosure of any information contained in an application. Any information that Applicants do not wish to disclose to the public must be clearly marked “confidential.” A blanket statement of confidentiality or the marking of every page of the application as confidential shall not be deemed sufficient notice of exception. Applicants must specifically label only those portions of the application that are confidential in nature and notify LACAHSa that confidential information is included.

Q#74: Are Matching Capital Grant proceeds intended to be included in the 100% LTV threshold requirement calculation? Since prevailing wage and PLA construction result in costs that typically exceed appraised value, there will almost always be a financing gap on new construction that requires meaningful non-LACAHSa sources for feasibility. This would be mitigated if 100% LTV test applies only to the Senior Permanent Loan + Subordinated B-Note balances, and not the Matching Capital Grant proceeds.

Answer: This will be addressed in the next Q&A.

Q#75: NOFA Exhibit C-4 states that the Subordinate B-Note may begin at close of construction financing. However, the Sources tab in the workbook does not allow for entry of a B-Note balance in the construction sources (column H). May the B-Note act as a construction-to-perm financing source? Same question for the Matching Capital Grant - may it act as construction-to-perm gap financing?



Answer: The B-Note and LACAHSa Matching Capital Grant sections will be updated in v1.3 of the UA Workbook to allow data entry during the construction period.

Q#76: When a Matching Capital Grant is paired with a Subordinate B-Note, how do residual receipt cash flow payments work for both? Should Matching Capital Grant cash flow split occur after payment of B-Note cash flow split? The workbook calculates both splits on the same net cash flow which seems duplicative. This has implications on the All-In Coverage Ratio threshold test in the Self Scoring tab.

Answer: This will be addressed in the next Q&A.

Q#77: Under a third-party master rental subsidy, how is voucher overhang treated, specifically as it relates to both the Deeper Affordability calculation and Debt Service Coverage calculations? Under this third party rental subsidy, tenant's rents are restricted to 30% AMI, but the subsidy pays up to the VPS which exceeds FMR in LA. In this scenario, what rent levels should be used in the Proposed Rent inputs in the Income tab of the workbook?

Answer: The current NOFA does not include third party master rental subsidies.

Q#78: In the Sources tab of the workbook, what is the difference between Developer Equity and Sponsor Contribution? Do private grants count as Sponsor Contributions?

Answer: On the Sources tab, Sponsor Contribution is used to size a Matching Capital Grant. What can be included in that category is outlined on pages 128 and 129 of the NOFA. The Additional Developer Equity input can be used for anything in addition to or outside of the Sponsor Contribution.

Q#79: I understand there will be an updated version of the workbook published. I wanted to share a few observations in the meantime in case they have not been caught already. Thank you!

4. Income tab:

*Cell D43 references a wrong cell; it should reference G203 rather than G147.

*Cell P14 does not account for one allowable manager's unit as compliant.

5.Expense tab:

*Cell H80 is miscalculating the total "OpEx to LACAHSa Units". This in turn results in understated expenses and overstated NOI in the Debt cells C14 and C16, which impacts DCR calculations throughout.

13.Self Scoring tab:

*Cell C489 miscalculates total cost per unit.

*It seems row 505 (romanette viii) should not be included in this Senior Permanent Loan section as a threshold requirement (to be consistent with Exhibit C-3).

*Cell D559 references cell F504 in the Inputs tab, but it should instead reference cell F76 in the Inputs tab.

*Cell E714 (debt service reserve calculation) divides by annual debt service rather than monthly.

*Cell E721 (operating reserve calculation) divides by annual operating expenses rather than monthly, and it also includes debt service which appears to be duplicative with the debt service reserve threshold.

Answer: Any issues that were not addressed in v1.2 will be updated in v1.3.

Q#80: We have a project mid-way through construction, which will be completed Q4 2026. The project currently has no public funds and is not a prevailing wage job. The project of our size (48-units) is too small to absorb prevailing wages, which would make the project infeasible, and we already are midway through a GMP contract with no way to pivot to prevailing wage midway through the project. We are bringing new, mixed-income and affordable units online. Are we precluded from applying?

Answer: Please see response to question No. 19 from Response #3 released on January 05, 2026.

Government Code section 64720.5 (part of SB 679) requires that any construction or rehabilitation project receiving funding or financing from LACAHSa shall constitute a public work for which prevailing wages must be paid for purposes of the Prevailing Wage Law

contained at Labor Code sections 1720 et seq. Section 28.B of the Measure A Ordinance which contains similar language.

Q#81: The application requires a market study. If we do not have one, but have all other required documents, can we submit subject to a market study being performed? Due to the holidays, we will not be able to solicit and secure a market study by the submission deadline. Please advise.

Answer: Please see responses to questions No. 3 from Response #1 released on December 22, 2025.

Q#82: The term sheets that dictate a developer fee pay in schedule state in one section that the developer fee pay-in schedule is for "Acquisition or Substantial Rehabilitation" but immediately after states that it is for New Construction or major rehabilitation". Please clarify if this is applicable to all projects types.

Answer: This will be addressed in the next Q&A.

Q#83: Is a Project Homekey project converting from transitional housing to permanent supportive housing be eligible for a forward commitment of Rental Subsidy to replace an expiring existing rental subsidy?

Answer: A Project Homekey project converting from transitional housing to permanent supportive housing may be eligible for a forward commitment of Rental Subsidy to replace an expiring existing rental subsidy, provided the project meets all NOFA eligibility requirements and the proposed rental subsidy is necessary to support ongoing affordability and operations.

Because this conversion would be treated as a rehabilitation project, the forward commitment would be evaluated within the applicable NOFA time horizon. Specifically, rental subsidy may be delivered immediately or forward-committed for up to 48 months in advance of permanent conversion, consisting of up to 12 months prior to construction closing plus up to 36 months of construction.

The forward commitment will be evaluated based on the durability of the subsidy need, alignment with the project's permanent supportive housing model, consistency with



LACAHSa underwriting and program requirements, and the project's ability to close within the required timeframes, as projects that fail to close within 12 months of a LACAHSa subsidy commitment may be subject to negative points in future LACAHSa funding rounds.

Q#84: LACAHSa indicated that while the NOFA requires an ALTA Survey for acquisition/rehabilitation projects, there may be flexibility, including for acquisition/rehabilitation projects, where a current title report sufficiently demonstrates site conditions and encumbrances, subject to LACAHSa's review and approval at the time of application.

Our follow-up question is whether there is any way to determine in advance of submitting the application whether an ALTA Survey would be required. For example, would LACAHSa be willing to review a current title report ahead of submission and indicate whether it would be deemed sufficient, or are there specific criteria or red flags in the title that would trigger the need for an ALTA Survey? We are trying to understand whether this determination can be made prior to application submittal, rather than only after review of a complete application.

Answer: This will be addressed in the next Q&A

Q#85: Many term sheets refer to project types as "new construction", "acquisition", or acquisition with rehab. In the case where a project would not be acquired and the sponsor would maintain ownership, is this type of project eligible for LACAHSa financing.

Answer: Projects are not required to involve an acquisition in order to be eligible for LACAHSa financing. Projects in which the sponsor retains ownership may be eligible, provided the project meets the applicable eligibility criteria and product-specific requirements under the NOFA. In such cases, the project would be evaluated based on its development scope rather than ownership transfer, and all underwriting, affordability, and readiness requirements must still be satisfied. Projects must demonstrate either a) Place affordability restrictions on existing units (through the provision of financing); or b) Preserve existing affordable housing units through the extension of affordability restrictions.

Q#86: For the Subordinate B-Note and the Residual Receipts loan, for projects where there are additional residual receipts lenders, will LACAHSa consider sharing their 50% of residual



cash flow with the other residual receipts lenders, and allow the borrower to maintain the standard 50% of cashflow that goes to them?

Answer: Please note that programs C-4 Subordinate B-Note and C-5 Residual Receipts Loan are not compatible, as per Exhibit G: Permissible Financing Product Combinations.

For Residual Receipts notes, LACAHSa will generally require its full share but will, in limited circumstances and depending on the lender, consider sharing a portion of its residual receipts. For the purposes of the application, applicants should assume LACAHSa gets its full share.

For all programs, applicants are responsible for making sure that the required residual receipts distribution is compatible or acceptable among the different sources.

Q#87: For Sponsor Contribution, is LP equity counted as a part of equity contribution from the sponsor? Or is it only GP equity?

Answer: This will be addressed in the next Q&A.

Q#88: For the Subordinate B-Note Sponsor Experience/Track Record, what information do we need to provide to "demonstrate positive average net cash flow after first-mortgage debt service for the portfolio of projects reference above"?

Answer: This will be addressed in the next Q&A.

Q#89: If a guarantor is being used, does the guarantor have to be the applicant ("Owner/Borrower Name" in Application Workbook)?

Answer: A guarantor is not required to be the applicant or the Owner/Borrower listed in the Application Workbook. A separate affiliated or third-party entity may serve as guarantor, provided the guaranty structure is acceptable to LACAHSa and the guarantor meets the applicable financial strength and experience requirements. All guaranty arrangements are subject to LACAHSa review and approval.



Q#90: Initially, we were under the impression that only Permanent Supportive Housing (PSH) projects were expected to offer the social services listed in Exhibit H, but the Score Cards give points to each Service Category offered by any project. Is it the vision of LACAHSa that all projects will offer social services or is this mainly expected for PSH projects?

Answer: While Resident Services are not a threshold item for applicants, Sponsors will be required to provide resident services consistent with the tenant population. Projects providing services will be better scored, and hence preferred, for funding. This is in line with SB 679 and Measure A, where the purpose of the PPO Program is to leverage these funds to invest in projects that, among other things, contain supportive services or other services that are likely to keep individuals who are at risk of homelessness housed.

Q#91: Can the subordinate B note sit behind two senior levels of debt? For example, if our project is able to get a Senior A piece and Senior B piece, can the LACAHSa B note sit behind those two senior tranches?

Answer: The subordinate B Note may be structured to sit behind multiple senior tranches of debt, provided that all senior debt is fully disclosed, permitted under the applicable Product Terms, and acceptable to LACAHSa from an underwriting and risk perspective. LACAHSa will evaluate the proposed capital stack, including lien priority, repayment structure, and overall debt burden, to ensure compliance with NOFA requirements. Approval of any structure involving more than one senior tranche is subject to LACAHSa review and approval.

Q#92: Cell P14 in 4. Income is incorrect - it is checking whether total units (including manager units) are greater than total low income units (not including manager units). As a result, the presence of a non-income restricted manager's unit is disqualifying. Please confirm if managers' units need to be income restricted under Option (i) for affordability (100% affordable up to 80% AMI).

Answer: This has been updated in v1.2 of the Uniform Application Workbook to reflect that manager units are excluded from the calculation.

Q#93: For Sponsor Financial Strength, is there a way for the Guarantor to email the financial statements directly to LACAHSa and have them added to the application on file for review?



We want to ensure all materials are reviewed together but cannot have project staff have access to those files in the Box.com folder.

Answer: All materials submitted in support of the application, including financial statements provided to demonstrate the Sponsor's or Guarantor's financial strength, must be included with the application submission in accordance with the NOFA instructions. Direct submission of materials outside of the designated application platform is not permitted.

The Applicant must submit the required documentation demonstrating the Guarantor's Financial Strength within the shared application folder by the application deadline.

Q#94: My project has a section 8 PBV commitment - where should I be filling in the per-unit subsidy in the workbook?

Answer: Units with a Section 8 PBV subsidy commitment should be included in cells A154:K183 and A191:K202.

Q#95: The exhibits, such as Exhibit D and E, are static documents in the NOFA. It is clear there are drop down options in these working documents but they are not functional in the NOFA version. Are the exhibits available somewhere? For example, the Legal Disclosure form likely has Yes / No dropdowns for each option but we can't see that. I didn't see an exhibits section on the website. Please advise.

Answer: This will be addressed in the next Q&A.

Q#96: Under the Subordinate B Loan, net cash flow is applied first to repay deferred developer fee, followed by application of a portion of remaining cash flow toward current interest, accrued interest, and principal.

Does this same cash flow waterfall apply to the Residual Receipts Loan? Specifically, can you confirm whether residual receipts payments are made only after deferred developer fee has been fully paid?

Answer: This will be addressed in the next Q&A.

Q#97: If a project is underwritten at lower rents and income levels and does not generate sufficient net cash flow to make residual receipts payments, does this impact application scoring or result in any penalty under the NOFA for the Residual Receipts loan product?

Answer: No. For the Residual Receipts loan product, projects underwritten at lower rent and income levels that do not generate sufficient net cash flow to make residual receipts payments are not penalized under the NOFA, as long as other underwriting requirements are met.

Q#98: We have a balance sheet that demonstrates strong net worth and liquidity; however, it is not held under our primary firm, but rather under an affiliated company that we partner with. In this scenario, can our firm remain the applicant and identify the affiliated company as the guarantor for the project, or would the affiliated company need to be listed as the applicant instead?

Answer: Yes, the NOFA is asking for sponsor/guarantor financials to verify financial strength, so you can provide those. Please note that the Guarantor will be an integral party to the project, and you should also submit other supporting documentation, like the organizational chart showing your relationship with the Guarantor and all of the Guarantor's organizational documents.

Q#99: Required documents for loan programs include REO schedule and sponsor experience. Both are included in the workbook. Do you want additional evidence of either or both?

Answer: The REO schedule included in the Application Workbook is required at the application stage; however, applicants should also submit the supporting documentation identified in the NOFA, including Certificates of Occupancy where applicable. For sponsor experience, applicants are expected to supplement the workbook entries with resumes, curricula vitae, or qualifications summaries, as specified in the NOFA.

Q#100: Does the value of donated land qualify as contributed funds eligible for the Matching Capital Grant?

Answer: “Matching Funds” means funds contributed to the project other than loan proceeds—including equity (from project sponsors, LIHTC investors, etc.) and grants—regardless of the ultimate source of the funds. Can be from any source and in any form other than a loan.

Q#101: Readiness to Proceed category assigns 2 points for "Preliminary environmental reports (e.g., Phase I) and a plan to complete necessary additional steps within the required timeframe." Does this mean a completed Phase I and a document attesting to complete additional testing should there be a recommendation for a Phase II? Or do you also need the completed Phase II?

Answer: As part of the scoring criteria, applicants must submit all available preliminary environmental reports, along with a plan to complete any additional required environmental steps within the required timeframe. Applicants should carefully review these requirements and assess whether they can reasonably provide such a plan if a Phase II has not yet been completed and the Phase I identifies potential environmental concerns.

While a project with these characteristics may still move forward in the NOFA process and be considered for award, the overall development plan must be reasonable and include sufficient budget and time to address any identified environmental issues. This is not only a requirement for award consideration, but also a requirement for closing. Applicants are encouraged to use information identified in the Phase I proactively to refine their development approach, budget, and timeline to address known environmental conditions, as unresolved issues may ultimately prevent the project from closing.

Q#102: In the case of an eligible proposal that contains a development agreement between an Eligible Nonprofit and an unrelated non-501(c)(3) entity, can the experience of the Project Manager from the unrelated non-501(c)(3) be used to meet the threshold requirements and point scoring for Sponsor Experience since they will function as the Lead Project Manager for the project?

Answer: Please see responses to questions No. 62 from Response #3 released on January 5, 2026.



Q#103: I am writing to request clarification regarding the scoring of Section F (Credit Risk Standards) in the C8 Self-Scoring Exhibit (pages 133-143).

The total maximum score listed for this section is 42 points. However, when totaling the itemized maximum scores within the individual boxes, they appear to only add up to 26 points.

Could you please verify that the score for this section is indeed 42 points and provide clarification on the discrepancy?

Thank you for your assistance.

Answer: Please use the latest NOFA published on 12/16/25. Based on the published NOFA, Exhibit C-8 (Section F - Credit Risk Standards) is scored out of a maximum of 21 points, as stated in the exhibit header and reflected in the itemized scoring criteria.

Q#104: In providing the required information about "Sponsor / Guarantor", confirm if the "management plan" referenced is the same as the Property Management Plan?

Answer: In this case, "management plan" refers to the project management plan, not the property management plan. Specifically, who will manage the development project and what kind of experience do they have managing similar projects? This is covered in the "Sponsor Experience" section in part 1 of the document checklist.

Q#105: Are the "LACAHSa Construction Review and Monitoring Assumptions" required in underwriting a pro forma for project applying for only the Rental Subsidy product? What about for a project applying for only the rental subsidy that is already under construction?

Answer: No. The LACAHSa Construction Review and Monitoring Assumptions apply to loan products involving construction risk. They are not required for projects applying solely for the Rental Subsidy product, including projects that are already under construction, because LACAHSa is not providing construction or permanent debt and is not assuming construction risk under the Rental Subsidy program. An applicant can apply for a forward commitment of rental subsidy, which funds only after stabilization of a project.



Q#106: For a project under construction, what documentation should be submitted to comply with Zoning Status/Approvals requirement?

Answer: Any Zoning confirmation documentation dated before construction began, as well as approved plans and permits for the construction underway.

Q#107: Our project is currently under construction and will be placed in service 3.5 months prior to the LACAHSa rental subsidy being awarded. At the time of the award, we will have moved in tenants that are holding Housing Choice Vouchers. If a tenant does not wish to give up their Housing Choice Voucher, can we hold the PBV for that unit until the tenant vacates the unit? Is there a time limit for how long we could hold this voucher?

Answer: Priority for ongoing rental subsidy assistance, through project based rental subsidy contracts, will be provided to stabilize projects serving extremely low-income households and help ensure long-term project viability. Selection will focus on projects that need subsidy to leverage (1) permanent debt or (2) to increase affordability beyond current requirements; projects that are feasible without LACAHSa subsidy will be at a disadvantage.

Q#108: We are acquiring a nearly fully occupied NOAH property with rents on average currently 20-30% below FMRs and are seeking guidance on how to model in the application using the . Our understanding of the NOFA is that, subject to the anti-displacement provisions, initially 10% of units must be at 30% AMI and 10% at 50%, then the balance need to convert to 50% by Year 30 (100% of units are less than 120% AMI at acquisition), but that does not necessarily mean that each unit that turns over needs to be leased out at 50% AMI as long as the deadline is hit.

If that understanding is correct (please clarify if not), for purposes of our underwriting/application, should we reflect only 10% of units at each of 30% and 50% AMI as "income restricted" and the balance as "market rate" at the average currently in-place rent? Or all units as income restricted, with 90% at 50% AMI and 10% at 30% AMI? And should our appraisal make the same assumption?

Answer: Please refer to the Transitional Guidelines in the PPO section.

Measure A assistance must be limited to units designated for households at or below 120 percent of AMI, except that 10 percent of units must be reserved for extremely low-income households and 10 percent of units must be reserved for very low-income households.



For underwriting purposes, all project pro formas should assume the applicable required rent restrictions are in place immediately following stabilization, regardless of how long it actually takes to turn over units and put affordable rents in place and (2) all unrestricted units should assume rents at the lesser of market study levels or current unrestricted tenant rents. All units will be restricted to no more than 120% AMI through a restrictive covenant.

Q#109: If we're applying for multiple LACAHSa products (light rehab loan, subordinate b-note, capital match), is our award "all or nothing" or may we receive an award for only a subset?

Answer: Applications for multiple LACAHSa products are not all-or-nothing. LACAHSa may approve funding for one or more products independently, based on eligibility, underwriting, readiness, and scoring. An applicant may therefore receive an award for a subset of the requested products, even if other requested products are not approved or are reduced in amount. Final awards are subject to LACAHSa's evaluation, available funding, and program priorities.

Q#110: We are acquiring a stabilized building and intend to use the light rehab loan to fund repairs (over the minimum) that will not require resident relocation. Is a construction guaranty still required? Is the interest only period still available at our discretion (up to 3 years)?

Answer: All projects must meet all underwriting requirements for any product they're applying for. Please refer to Exhibit C-Light Rehab Preservation Loan.

Q#111: Can an affiliated nonprofit meet the sponsor financial and experience requirements even if it is not in the organizational structure? We have a new development-specific nonprofit, sponsored by a larger nonprofit entity with shared staff and resources.

Answer: No. To meet sponsor financial strength and experience requirements, the qualifying entity must be part of the project's ownership or guarantor structure. While LACAHSa recognizes that development-specific entities may be sponsored or supported by a larger affiliated nonprofit with shared staff and resources, the affiliated entity's experience and financial capacity may only be credited if it has a formal role in the transaction. Informal affiliation alone is not sufficient to meet threshold or scoring requirements.

Q#112: On the tab entitled "8. Sources" of the workbook, the LACAHS Subordinate B-Note and the LACAHS Matching Capital Grant, in rows 22 and 25, respectively, are not allowing me to enter a value during the construction period. The NOFA indicates that these are both construction eligible sources. Please clarify if this is an error in the workbook or whether these are only perm sources. Thank you!

Answer: The B-Note and LACAHS Matching Capital Grant sections will be updated in v1.3 of the Uniform Application Workbook to allow data entry during the construction period.

Q#113: Quick note: we're seeing a few formula issues in the workbook, mainly in the Scoring and Threshold sections. For example, the Reserve threshold doesn't appear to be calculating correctly. Will there be an updated workbook uploaded? If so, please let us know when we should expect it.

Answer: Updates to the Threshold and Scoring sections were included in v1.2 of the Uniform Application Workbook.

Q#114: The Sponsor Experience / Track Record threshold requirements state that either the project sponsor or sponsor's lead project manager must have ""(i) completed (i.e., secured Certificate of Occupancy/Completion) a minimum of 3 affordable multifamily rental housing projects in California in the past 10 years or (ii) otherwise be eligible for full experience points from CDLAC/TCAC.""

CDLAC regulations at Section 5105(f)(1)(C) provide an alternative pathway for BIPOC Entities to receive full general partner experience points (7 points) if the sponsor: (i) is a general partner in at least one California LIHTC development that has received a certificate of occupancy or completed rehabilitation within ten years of the date of application, (ii) submits the required CPA certification, and (iii) completes CTCAC-prescribed training prior to placing in service.

Please clarify:

1. Does LACAHS accept the CDLAC BIPOC Entity experience pathway under Section 5105(f)(1)(C) as satisfying the threshold requirement to ""otherwise be eligible for full experience points from CDLAC/TCAC"" for purposes of meeting the Sponsor Experience/Track Record threshold requirement? And further, how many points would the applicant be eligible for under this section of the scoring for meeting this threshold?

2. If yes, the Uniform Application Workbook's "13. Self Scoring" tab (row 895, Sponsor Experience section) does not currently include an option to indicate eligibility under the BIPOC Entity pathway. Will LACAHS update the workbook to include this option, or should applicants qualifying under this pathway indicate their eligibility through an alternative method?

3. Alternatively, may an applicant combine the experience of the project sponsor and the lead project manager to satisfy the 3-project minimum? For example, if the project sponsor has completed 2 projects as sponsor/developer and the lead project manager has completed 1 project in a development capacity, would this combination satisfy the threshold requirement?

Answer: This will be addressed in the next Q&A.

Q#115: Do existing operating projects qualify for the for the rental subsidy (program #9) even if they do not involve acquisition or rehab?

Answer: Yes. Existing operating projects may be eligible for the Rental Subsidy program even if they do not involve acquisition or rehabilitation, provided they otherwise meet the eligibility requirements set forth in the NOFA. The Rental Subsidy program is not limited to acquisition or rehabilitation projects and may support operating properties, subject to LACAHS's underwriting, affordability, and program compliance requirements.

Also, please refer to the answer to Question No. 32 published on 12-24-2025 which has information that will complement this response.

Q#116: Exhibit F Labor Requirements asks Relocation of subcontractor labor tracking or workforce plan (if applicable). When is this applicable and do you have an example?

Answer: This will be addressed in the next Q&A.

Q#117: Can the NOFA applicant be the to-be-formed LP? If so, can we either the AGP or MGP experience, financial statements, etc. be used to meet threshold requirements?

Answer: Yes, the NOFA applicant may be a to-be-formed limited partnership. However, a to-be-formed LP may not rely on its own experience or financial capacity to meet threshold



requirements. In such cases, Sponsor and/or Guarantor experience and financial strength must be demonstrated by the entity or entities with a formal role in the ownership and control structure, such as the Managing General Partner (MGP) or Administrative General Partner (AGP), as applicable.

Experience, financial statements, and other threshold documentation may be attributed to the AGP or MGP only if that entity is identified in the application, reflected in the proposed ownership structure, and has a legally enforceable role in the project. All such documentation is subject to LACAHSa review and approval.

Also, please refer to Question No. 48 and its response, published on 01-05-2026 for further clarification for cases of not yet formed owners.

Q#118: If an application proposes multiple financing products (which are scored independently with separate criteria), and one product scores high enough for funding while another does not, how will LACAHSa handle awards in that scenario? Would it be possible for a project to be awarded only one of the requested products?

Answer: Applications for multiple LACAHSa products are not all-or-nothing. LACAHSa may approve funding for one or more products independently, based on eligibility, underwriting, readiness, and scoring. An applicant may therefore receive an award for a subset of the requested products, even if other requested products are not approved or are reduced in amount. Final awards are subject to LACAHSa's evaluation, available funding, and program priorities.

Q#119: Can you please provide more information on the 100% nonprofit ownership requirement for some of the product types? What does that actually entail and what documentation needs to be shown as backup for the 100% nonprofit ownership?

Answer: Because LACAHSa intends to fund loans primarily using tax-exempt bond proceeds, unless specifically noted in the relevant term sheet for each financing product (each, a "Term Sheet" and included in EXHIBIT C), the selection process will heavily favor projects owned by nonprofit organizations (i.e., entities compliant with the requirements of Section 501(c)(3) of the U.S. Internal Revenue Code)—or an LLC or LP that is 100% controlled by one or more such organizations—that (a) have the charitable purpose of "lessening the burdens of government," (b) have the intention of adding such purpose to the organization's



articles of incorporation in advance of closing, or (c) are otherwise eligible to receive tax-exempt 501(c)(3) bond proceeds for the proposed project by virtue of the organization's charitable purpose and the project's proposed affordability mix (an "Eligible Nonprofit").

Q#120: What is considered "public support" in your scoring criteria?

Answer: This will be addressed in the next Q&A.

Q#121: In matching grants and sub b the points add up to 99 but your categories add up to 100 so what is the discrepancy?

Answer: Please refer to the NOFA file released December 16, 2025. In both programs the points add up to 100 in the NOFA document that is published in the LACAHSa website.

Q#122: Affordability restrictions in rental subsidy- description is for 13 points but the chart says 3, which is correct?

Answer: Please refer to the NOFA file published on 12/16/25. C-9 Rental Subsidy. E. Public Benefit Requirements. 1. Affordability Restrictions states that the maximum points are five (5) points, and the "Point Scoring" description says: "Add 5 points for a 99-year affordability election".

Q#123: 1.13. Self Scoring Tab " Cell E1053 appears to calculate a metric in years rather than months. The calculation should be multiplied by 12 to convert to the appropriate monthly figure for consistency with the scoring criteria.

2.The Matching Capital Grant is structured with a 55-year term and 3% simple interest, which are loan characteristics. Please clarify: (a) Is this product intended to function as a forgivable loan rather than a true grant? (b) If so, should the Matching Capital Grant be excluded from the LTC and LTV calculations in the scoring section given that it is forgivable and repayment is contingent on residual receipts, similar to how the B-Note is treated? I am specifically looking at the calculations in cells E980, E998, E1917, E1929, E2467, E2483 on the tab entitled "13. Self Scoring." Thank you!

Answer: Updates will be included in v1.3 of the Uniform Application Workbook.