



CONSOLIDATED Q&A – Questions received 12/16/2025 – 01/07/2026

Q#1: For operating properties (acq/rehab and/or preservation projects), can an appraisal be submitted in place of a market study as a required submission? The appraisal also does market analysis of rental income and expense.

Answer: LACAHSA will accept an appraisal in lieu of a separate market study where the appraisal includes sufficient information to support underwriting assumptions.

Q#2: If we are applying for the residual receipts loans, on the scorecard, it shows other "threshold" items. Does project need to meet all of those specific thresholds to qualify as an application? thank you.

Answer: All threshold requirements under each program scorecard must be met in order to qualify for the program. Please note that some threshold requirements are explicit about the type of project to which they apply, indicating, for example, "For New Construction or Substantial Rehabilitation" or "For Acquisition/Rehabilitation Projects." For the C-5 Residual Receipts Loan program specifically, note that sections F.3.a through F.3.e "only apply if the Financing Product will be contributed prior to Stabilization."

Q#3: As this NOFA was released near the holiday season, market studies may be delayed in delivery. May we submit market studies after the initial submission to LACAHSA?

Answer: LACAHSA is open to accepting an older market study at the time of application, provided the applicant includes a narrative explaining the continued validity of the study.

Q#4: For rehabilitation projects, do we need a Phase 1?

Answer: No, Phase 1 is not required as a threshold item. However, please note that for several funding alternatives, a Phase 1 provides points under "Readiness to Proceed", making your project more likely to obtain a better score

Q#5: Hello, what is "appraisal derived lease-up estimates"?

All lease-up assumptions to be verified via appraisal derived lease-up estimates, including capture rate and absorption rate.

Answer: "Appraisal-derived lease-up estimates" means that lease-up assumptions, including capture rate and absorption rate, must be supported by the appraisal's market and absorption analysis. The appraisal should evaluate comparable projects and submarket conditions and provide conclusions regarding the expected pace of lease-up. Applicant pro forma assumptions must align with, or be more conservative than, the appraisal's lease-up findings.

Q#6: The project that we are considering will be completed with construction on March 11, 2026 and it is a prevailing wage project of 50 units for senior housing using LACDA, City of West Hollywood, 9% tax credits, and LACDA Funds. Is a project labor agreement required if construction will be completed before the funds are awarded?

Answer: Please note that Project Labor Agreement requirements "apply when LACAHSA provides a forward commitment during construction or rehabilitation, even when there is no LACAHSA financing provided during the construction/rehabilitation phase." In this specific case, where construction is scheduled to be completed by 03/11/26, and since this NOFA's schedule is notify awardees by 04/26, Project Labor Agreements would not apply to your project.

Q#7: Can I combine and ask for Pre-development exhibit C-1, along with Senior Construction Loan exhibit C-2 and still ask for a matching grant product exhibit C-7? It is not clear on the graph that is on page 184.

Answer: No. As shown in the product combination chart on page 184 of the NOFA, the Predevelopment Loan (Exhibit C-1) is a stand-alone product and may not be combined with other LACAHSA financing products, including the Senior Construction Loan (Exhibit C-2) or the Matching Capital Grant (Exhibit C-7). Projects seeking Predevelopment financing may apply for other LACAHSA products in a future funding round once they meet the applicable readiness requirements.

However, the Senior Construction Loan (Exhibit C-2) may be combined with the Matching Capital Grant (Exhibit C-7), provided the project independently meets the eligibility, threshold, and underwriting requirements for each product.

Q#8: Would an ALTA Survey also be required on acquisition/rehab projects (existing affordable projects)?

Answer: While the NOFA requires submission of an ALTA Survey for acquisition/rehabilitation projects, including existing affordable housing projects, LACAHSA may consider flexibility for rehabilitation-only projects, and potentially for acquisition/rehabilitation projects, where a current title report sufficiently demonstrates site conditions and encumbrances. In such cases, an ALTA Survey may not be required, subject to LACAHSA review and approval of the final application and supporting documents.

Q#9: One thing we noticed was that the requirement for an appraisal was removed in the final NOFA, but we also see that there are still references to an appraisal in the Exhibits. Can you please confirm if one is required or not?

Answer: Although the final NOFA removed a general appraisal requirement at the application stage, LACAHSA will consider a narrative with an alternative third-party verification or comparables of operating income and operating expense assumptions (see product terms in all Exhibits except Exhibit C-1). Please note an appraisal will be required as part of the closing due diligence checklist.

Q#10: While LACAHSA's due diligence requirements (survey - 90 days, phase I - 180 days, market study - 365 days) make sense for closing, they are problematic for an application released during the holiday season. Developers are unlikely to have a phase I and survey that meet the above, and turning around a proposal, getting field work complete, and receiving a final report will likely take more than 3 weeks. Will LACAHSA consider extending each of these requirements by 180 days (e.g. survey - 9 months, phase 1 - 12 yr, market study - 18 mo.)?

Answer: LACAHSA may consider older surveys, Phase I Environmental Site Assessments, and market studies at the application stage if the applicant provides a narrative explaining



their continued validity and commits to updating the reports to meet NOFA requirements prior to closing. Acceptance of such materials is subject to LACAHSA review and approval.

Q#11: Ex. C-5 Residual Receipts notes that the term can be up to 55 years, but then notes that applications will be disqualified if the term is more than 40 years. Can you clarify?

Answer: Exhibit C-5 contains an inconsistency regarding the maximum term for the Residual Receipts Loan. The correct maximum term for this product is 55 years (which should apply to both product terms and threshold).

Q#12: Can you clarify what the draft labor compliance plan should cover? Is this the construction compliance exhibit that is normally inserted into a construction contract?

Answer: The draft labor compliance plan would be a narrative outlining the project overview, the approach to complying with prevailing wage and/or PLA requirements, the objectives of the compliance effort, the key parties and their roles, the implementation approach and related metrics, and the reporting process. Ideally, it would also include references to the applicable regulations the project is required to comply with.

Q#13: We would like to apply for a development that is 85% complete with construction and has a large funding gap. The submittal requires an Phase I (dated within 180 days), ALTA (dated within 90 days), Market Study (dated within 12 months). We typically wouldn't update these documents at such a late stage in the project. Could these requirements be waived for a project that is already in construction?

Answer: While the NOFA specifies currency requirements for third-party reports, LACAHSA may consider older documents for projects already in construction if the applicant provides a narrative demonstrating continued validity. Acceptance of such documents is subject to LACAHSA review and approval..

Q#14: I wanted to reach out because on the Residual Receipts application checklist, the Design/Construction/Labor (Readiness) is seemingly copied from the environmental compliance section. Could you please confirm that under Design/Construction/Labor (Readiness), the needed items are as follows:



Schematic/Preliminary Design and Development (“DD”), Construction Document (“CD”), or Permitted Set of Plans.

General Contractor (“GC”) Engagement and Cost Review, GC Qualifications (if any) Labor Requirements (Exhibit F).

Answer: Section 4 of the checklist for the Residual Receipts Note should include:

- Schematic/Preliminary Design and Development (“DD”), Construction Document (“CD”), or Permitted Set of Plans
- General Contractor (“GC”) Engagement and Cost Review, GC Qualifications (if any)
- Labor Requirements (Exhibit F).

Q#15: Can rental subsidies be used for projects in active construction? Can we apply for a project that is in active construction but not yet completed.

Answer: Yes. The NOFA does not limit eligibility to projects that are completed or stabilized at the time of application. Projects in active construction may apply, provided they meet all applicable eligibility and Readiness to Proceed requirements. Rental subsidies may be used for such projects, as subsidy eligibility is based on the project’s operating phase and affordability requirements and is not conditioned on construction completion at the time of application.

Q#16: Wanted to bring to your attention that it appears the workbook is 'broken'. The Proforma Tabs are not populating any debt service for loans besides the Senior Perm due to the workbook being off by 2 additional cells compared to the Example Workbook on the Used Tab. The new Total Development Cost which the loans are trying to pull from on Sheet 7. Debt, Cell 64 is pulling from U123 on the Uses Tab which should be the Total cost but it actually is the Subtotal Reserves, when it should be U125. It appears the workbook needs to be updated to have total costs refer to U125 and NOT U123 on the Uses tab, which is breaking the automatic calcs. Please Advise.

Answer: Workbook has been corrected. An updated Uniform Application Workbook will be released to clarify eligibility thresholds and calculations. An updated version of the



Workbook will be released on December 30, 2025. A final update of the NOFA workbook will be released on January 9, 2026, and will incorporate all feedback received by the January 7, 2026, Q&A period deadline.

Q#17: We have a project under construction, which will delivery Q4 2026. Is this considered under the construction bucket? This is adding new units to the market vs. rehab of existing units.

Answer: Yes. A project that is currently under construction and will deliver new units in Q4 2026 is considered a construction (new construction) project. Because it adds new units to the market, it is not treated as a rehabilitation or preservation project.

Q#18: What AMI standards are being used here? Federal? TCAC? State? Local?

Answer: The NOFA is using Fair Market Rents & Income Limits from HUD, and rent limits from CTCAC.

Q#19: How do prevailing wage requirements apply to a project currently under construction? The project does not currently have any government dollars as part of its capital stack, and LACAHSA funds would replace the construction loan upon completion.

Answer: 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. The California Department of Industrial Relations, Division of Labor Standards Enforcement is responsible for administering and enforcing of the Prevailing Wage Laws, including on projects receiving LACAHSA funding. While DIR/DLSE generally does not require retroactive application of the Prevailing Wage Laws to work performed prior to the project being awarded public funding, applicants are responsible for ensuring that prevailing wages are paid in accordance with the law. Applicants should consult with legal counsel regarding their prevailing wage obligations, particularly on projects that are already under construction.

Q#20: Projects owned by governmental entities are not eligible for LACAHSA financing under Section E, Eligible Projects. Please clarify whether "owned" refers to full (100%) ownership or any level of ownership interest, including a minimal share (e.g., 0.001%) held while serving as the managing general partner.

Answer: For purposes of Section E, "owned by a governmental entity" refers to projects in which a governmental entity holds an ownership interest, not only projects that are 100% government-owned. Accordingly, projects in which a governmental entity holds any ownership interest—including a minimal share held in its capacity as a managing general partner or member—are not eligible for LACAHSA financing. The prohibition is based on ownership participation, not ownership percentage.

Q#21: The Product Terms for the Senior Permanent Loan and Residual Receipts loan reference the use of an appraisal to verify certain underwriting assumptions. However, there is no appraisal required/listed in the Document Checklist. Can you confirm if the appraisal will be a post-NOFA selection item?

Answer: Please see response to question No. 9 from Responses #1 released on December 22, 2025.

Q#22: Under Section 6 B. Application Checklist Design/Construction/Labor (Readiness) General Contractor ("GC") Engagement and Cost Review, GC Qualifications (if any) it reads that "Provide certification from the construction manager or GC engaged to confirm the Schedule of Value estimate for the project used in the pro forma" does the schedule of values need to be executed by the GC? What information about the GC will be required?

Answer: While the NOFA and the agency have specific requirements for the general contractor contract, which must be met in all cases, the requirement for a GC certification is tied to potential additional points in the "Readiness to proceed" section in the scorecards. This requirement is specifically related to the general contractor's participation in developing the construction or rehabilitation budget.

As such, we are looking for confirmation of that participation. This can be provided either as a signed draft schedule of values as part of the larger GC contract and shown on the GC's letterhead, or as a separate signed certification from the GC that directly references the



amounts shown in the application workbook and confirms that they participated in developing the construction or rehabilitation budget.

Q#23: It looks like the total NOFA funding availability is \$210.97mm. Are the B note funds included in that amount or are B notes originated separately?

Answer: The total NOFA funding availability includes funds available for all products offered under the NOFA, including B Notes. B Notes are not originated separately outside of the stated NOFA funding availability and are counted within the total amount available for award.

Q#24: Is the total availability of B notes limited to \$16mm or is that \$16mm per deal?

Answer: There is a \$15 million limit for B Notes and it refers to the maximum amount available per project, not the total amount available across the NOFA.

Q#25: If we anticipate doing a 501c3 acquisition and rehab deal, can we get the A note from a third party source or do we score better if we source more funds from LACAHSA direct?

Answer: The A Note may be provided by a third-party lender, and the NOFA does not award additional points for sourcing the A Note from LACAHSA. Scoring is based on project feasibility, leverage, and public benefit, not on maximizing LACAHSA's share of senior debt.

Q#26: Can you clarify whether the Forward Commitment amount is an upfront fee or built into the permanent interest rate? Our understanding is that it's an upfront fee. Having it structured as a rate increase on the perm loan would be tough on our end

Answer: The treatment of the Forward Commitment is product-specific. For example, for the Senior Permanent Loan, a Forward Commitment Fee applies and is structured as a rate add-on equal to 1 basis point per month of the forward commitment period, as determined by LACAHSA. For other products that provide immediate delivery, the NOFA specifies that the Forward Commitment Fee is not applicable.

Q#27: Can you clarify whether the Operating Reserve and Debt Service Reserve are treated separately, or if a 6-month Debt Service Reserve can also satisfy the Operating Reserve requirement? The latter is pretty common with other funding sources.

Answer: No. Operating Reserves and Debt Service Reserves are treated as separate requirements under the NOFA and serve different purposes. A Debt Service Reserve is intended to cover debt payment obligations, while an Operating Reserve is intended to support property operations and stabilization. Accordingly, a 6-month Debt Service Reserve does not satisfy the Operating Reserve requirement unless explicitly stated otherwise in the applicable Exhibit.

Q#28: For the Rental Subsidy program, will LACAHSA allow a project to increase the AMI restrictions if the rental subsidy goes away or does not get renewed?

Answer: The AMI requirements cannot be changed. Section 64830(d)(1)(A)(i) limits the use of rental assistance to ELI. For the Rental Subsidy program, AMI restrictions are tied to the affordability commitments required under the NOFA and are not contingent on the continuation or renewal of the rental subsidy. If the rental subsidy expires or is not renewed, the project may not increase AMI restrictions unless explicitly permitted under the recorded affordability covenants or applicable program terms.

Q#29: Several programs have as a readiness threshold requirement that the project have preliminary commitments for at least 80% of non-LACAHSA Sources. How does this work for a LIHTC deal, where tax credit equity can easily equate to at least 30% of the total development cost?

Answer: For programs subject to a Readiness to Proceed requirement that at least 80% of non-LACAHSA sources have preliminary commitments, LIHTC equity may be counted only for products that permit the use of LIHTC. For products that prohibit LIHTC, the 80% threshold must be met using eligible non-LACAHSA sources other than tax credit equity. Documentation demonstrating preliminary commitments must be appropriate to the source and stage of the transaction.

Q#30: The Residual Receipts term sheet states that the term of the loan is 55 years, but then says that threshold is 40 years. Please clarify.



Answer: Please see response to question No. 11 from Responses #1 released on December 22, 2025.

Q#31: Regarding appraisals, can we include an alternative method to provide evidence for income and expense trending, and the LTV valuation?

Answer: Please see response to question No. 9 from Responses #1 released on December 22, 2025.

Q#32: Several programs, including the Rental Subsidy program, require that a project be either "New-construction, acquisition, or acquisition/rehabilitation". This would seem to preclude a project that does not involve acquisition. Would LACAHSA accept a project that does not change ownership hands but requires new rental subsidy?

Answer: Yes, we can allow a project that does not change ownership to apply for rental subsidy, under the "preservation" category, provided the LACAHSA funds are preventing the loss of affordability. Please refer to the LACAHSA transitional guidelines on extending the affordability period. LACAHSA cannot issue tenant-based vouchers but can look at providing project based vouchers or contract. Non-LIHTC projects can assess this option. For LIHTC, please consult with your attorney, as projects require acquisition per CDLAC/TCAC program guidelines.

Q#33: We are seeking clarification regarding eligibility and documentation requirements for the MBE/WBE bonus points referenced in the NOFA.

Our organization meets CDLAC's definition of a BIPOC Entity and, pursuant to LACAHSA regulations, is therefore considered an MBE. However, none of our projects meet CDLAC's BIPOC Project definition because our firm qualifies for full General Partner experience points, and as a result, we are not eligible to complete the CDLAC BIPOC Project Prequalification.

In addition, the Los Angeles County Department of Economic Opportunity, Office of Small Business does not provide certifications for WBE, MBE, LGBTBE, nor Emerging Developers, and our local municipality likewise does not offer certification for these designations. We have submitted an application for certification to the California Department of General



Services, however we have been informed by DGS staff that the certification process will not be completed prior to the funding application deadline.

Given these circumstances, can the agency confirm whether alternative forms of documentation may be accepted to demonstrate MBE eligibility for purposes of the bonus points? If so, please advise what types of documentation would be considered acceptable."

Answer: CDLAC BIPOC Project Prequalification is one method of demonstrating eligibility. In circumstances where an applicant qualifies as an MBE under applicable definitions but is unable to obtain formal certification by the application deadline due to factors outside the applicant's control, LACAHSA may consider alternative documentation to demonstrate eligibility. Such documentation may include, but is not limited to, evidence of ownership and control, self-certification accompanied by organizational and governance documents, and evidence of eligibility under other public-sector definitions. Acceptance of alternative documentation is subject to LACAHSA review and determination, and applicants should clearly explain the basis for eligibility and the reason certification is pending or unavailable.

Q#34: Are projects with HACLA or non-profit corporations associated with HACLA eligible to apply for funding through this NOFA?

There are a couple scenarios which we are considering applying:

A HACLA non-profit instrumentality would like to apply for acquisition funding to purchase an existing multifamily property.

An unaffiliated developer would like to apply for subordinate debt in a transaction where a HACLA non-profit instrumentality is part of the GP structure.

Answer: A HACLA non-profit instrumentality may apply directly for funding if it is legally separate from HACLA and the project is not deemed to be owned by a governmental entity. However, projects in which HACLA itself holds an ownership interest, even through a non-profit instrumentality, are not eligible.

Similarly, an unaffiliated developer may apply for funding in a transaction where a HACLA non-profit instrumentality participates in the general partner structure, provided that the non-profit instrumentality is not considered a governmental entity and no governmental entity holds an ownership interest in the project. Assuming that the instrumentality is the sole owner of the project, instrumentalities that are nonprofit corporations that have a 501(c)(3) determination may apply for funding. These projects generally are eligible for tax-

exempt proceeds from qualified 501(c)(3) bonds, or in certain circumstances from governmental purpose bonds.

Q#35: The workbook's Input tab blacks out the senior perm loan, matching capital grant, and rental subsidy if you select "yes" for the residual receipts loan. And vice versa - if you select residual receipts loan then the rental subsidy option is blacked out. Based on the table on page 184 of the NOFA, shouldn't we be able to apply for both the residual receipts loan and rental subsidy?

Answer: This has been corrected in the Uniform Application Workbook v1.2, released on December 30, 2025, located in the NOFA application materials of the NOFA website: <https://lacaahsa.gov/nofa/>

Q#36: Can you confirm if you can apply for the residual receipts loan AND matching grant loan simultaneously? On page 11 of the NOFA, under eligibility for the Matching Capital Grant the table states, "Projects have received either a subordinate B-Note or Residual Receipts Loan from LACAHSA". Does this mean you can only apply for the match grant AFTER you've received an award for the B-Note or Residual Receipts Loan? Or can you apply for both in the same application?

Answer: You can apply for C-7 Matching Capital Grant only if you're also requesting and maximizing either C-4 Subordinate B-Note, or C-5 Residual Receipts Loan, and you can be awarded the Matching Capital Grant if, among other things, you're also being awarded for one of the two mentioned above. The senior loan must be maximized in order to apply for either the C-4 Subordinate B-Note or C-5 Residual Receipts Loan. If there is still a gap, then applicant can apply for C-7 Matching Capital Grant.

Q#37: Can you confirm if we can use the local Public Housing Authority's Voucher Payment Standards as the rental subsidy rent amounts? The NOFA states to use the HUD Fair Market Rents but HUD's rents can differ from what the local PHA ultimately sets as their voucher payment standards.

Answer: Please refer to the definition of "HUD Fair Market Rents" or "HUD FMR" in the defined terms section of the NOFA. HUD FMR means the 2026 Fair Market Rents published for the County of Los Angeles by the U.S. Department of Housing and Urban Development

(“HUD”), unless the project is in a zip code for which HUD publishes 2026 Small Area Fair Market Rents (“SAFMR”), in which case “HUD Fair Market Rents” or “HUD FMR” shall mean the 2026 SAFMR for the applicable zip code published by HUD. Also, refer to the section called "Affordable Rents" in the LACAHSA transitional guidelines.

Q#38: Eligible Nonprofit - if the applicant is a Limited Partnership (applying for tax credit funding) and we are only applying for Residual Receipts loan and Rental Subsidy, do we have to provide the org docs on page 8? Or do the org docs on page 8 of the NOFA only apply to 501(3)(c) non-profit applicants?

Answer: Complete organizational documentation listed under section D. Eligible Applicants, 6.B. Application Checklist, and more specifically, under each funding program, is required for all types of organization.

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: While the NOFA primarily addresses relocation in the context of rehabilitation projects, LACAHSA recognizes that new construction projects involving demolition of occupied buildings may require tenant relocation. In such cases, the duration of temporary relocation will be evaluated based on the construction schedule and applicable relocation laws, including situations requiring relocation for the full construction period.

Additionally, although a Resident Engagement Plan is specified for acquisition/rehabilitation projects, LACAHSA may require one for new construction projects that involve demolition and relocation of existing residents, subject to review and approval.

Q#40: The NOFA requires that the ALTA Survey be dated within 90 days of application. For sites that have been in the development pipeline for some time, existing ALTA Surveys are often older than 90 days. In addition, most lenders require an updated ALTA Survey at loan closing. As a result, this requirement effectively necessitates commissioning three surveys for any project that will not be solely funded by LACAHSA, prior to the start of construction.

Would LACAHSA consider allowing the 90-day ALTA Survey requirement to be satisfied as a post-award or pre-closing condition, rather than at application?

Answer: Please see response to question No. 10 from Response #2 released on December 24, 2025.

Q#41: PLA Requirements - Exhibit F lays out that the applicant should submit the following items:

1. Certification of intent to comply with prevailing wage requirements
2. Certification of PLA applicability (or written explanation of why PLA is not required)
3. identification of the applicable PLA (City DPW PLA or Countywide CWA)
4. Draft labor compliance plan
5. If applicable, relocation of subcontractor labor tracking or workforce plan

If the applicant certifies it intends to have a PLA and provides #1, #2 and #3 during the application process, is a draft labor compliance plan (#4) still required? The list seems potential scenario based but also reads as though every project must provide all of those items so just wanted to clarify if the requirement is all items #1-5 or you chose from the list what makes the most sense where you are in the process?

Answer: A draft labor compliance plan is not required at application if the applicant has certified PLA applicability and intent to comply, and may be submitted at a later stage, subject to LACAHSA requirements prior to closing. Items related to subcontractor labor tracking or workforce plans are only required if applicable to the project.

The California Department of Industrial Relations, Division of Labor Standards Enforcement is responsible for administering and enforcing of the Prevailing Wage Laws, including on projects receiving LACAHSA funding and applicants are responsible for ensuring that prevailing wages are paid in accordance with the law. Applicants should consult with legal counsel regarding their prevailing wage obligations.

Q#42: ALTA Survey - The NOFA requires an ALTA survey to be dated within 90 days of the application submission.

1st and Townsend has not yet completed an ALTA survey nor would it make sense given the scope of work and timeline to complete one now as it would need to be done again (and paid for again) closer to closing.

Is this a threshold requirement for all projects? Can the applicant certify that an ALTA survey will be completed and submitted at an agreed upon future date (after award but closer to closing)? CHW fully intends to obtain an ALTA survey as required but would like to do so at the appropriate point in the development timeline to avoid higher costs and duplicative work.

Answer: Please refer to Question #10 (Second Q&A Publications dated 12/24/25) - Projects with third party reports outside the requested timeframe may proceed as long as they confirm continued validity of the reports, and commit to updated them before closing.

For New Construction projects that have site control but have not yet completed an ALTA Survey, this can be a closing condition.

Q#43: For Readiness to Proceed Threshold Requirement "Preliminary financing commitments from at least 80% of non-LACAHSA sources," what will LACAHSA accept as a financing commitment for LIHTC equity? Most applicants will not have an allocation of tax credits from TCAC at the time of application, and investors often do not provide preliminary commitments. Other major funders (HCD, LAHD) typically exclude LIHTC equity from the required financing commitments.

Answer: Please see response to question No. 29 from Responses #2 released on December 24, 2025.

Q#44: Q#9 says that an appraisal is not needed to verify underwriting metrics, so long as a narrative plus either a market study, other third-party source, or comparables are provided. But Q#5 says an appraisal is needed for lease-up assumptions.

Given that an "as-stabilized" appraisal is typically not commissioned until construction closing underwriting and it will be difficult to obtain one before the application deadline, is there another way to verify lease-up assumptions?

Answer: While the applicant may not present an appraisal at this stage of the application, any additional support narratives, market study and other reports, need to support all the necessary information required to support all underwriting metrics and lease-up assumptions. An "As-Stabilized" appraisal will be a closing condition.

Q#45: Does the organization need to have audited financial statements? Can reviewed financial statements work?

Answer: The NOFA requires submission of audited financial statements where available; however, LACAHSA may accept reviewed or other CPA prepared financial statements in lieu of audited statements, particularly for smaller or emerging organizations. Applicant must still demonstrate financial capacity and stability. Company prepared financial statements will not be accepted. Acceptance of unaudited financial statements is subject to LACAHSA review and approval.

Q#46: Are SRO units eligible for rental subsidies? The project in question has both shared bathrooms and shared kitchens but will not require tax credits to complete renovations.

Answer: The Agency's purpose is to increase the supply and/or preservation of permanent affordable housing (SB 679), and it cannot provide homelessness services. LACAHSA may fund permanent supportive housing, but the funding for the supportive services must come from other sources. LACAHSA may only fund permanent housing units. But funding may be used to convert temporary housing to permanent units, but LACAHSA cannot fund temporary or transitional housing. Standalone rental assistance must be tied to the extension or deepening of affordability in the assisted units. This may include an extended affordability period for assisted units at the conclusion of the rent subsidy.

Q#47: How should experience for GC, PM, and Service provider be demonstrated in the application? I couldn't find anywhere to input in workbook and don't see a template in guidelines.

Answer: Applicants should refer to the program-specific, checklists, threshold requirements and selection criteria for each product to determine how team experience is evaluated (i.e., for those programs where service provider experience is applicable, section 8 of 6.B. Application checklists asks that you list the service provider experience in California and LA County). Where required, experience should be demonstrated through the relevant narrative responses, organizational descriptions, resumes, or supporting attachments submitted with the application. LACAHSA will review team experience in accordance with the applicable scoring and threshold sections for each program. All documentation should be provided in narrative form and uploaded along with other checklist documents.

Q#48: Does the final ownership entity need to be formed at application submission? Or can this be created once the funding award is confirmed and prior to closing?

Answer: To be eligible for funding under the LACAHSA NOFA, the Applicant must be the entity that will own or otherwise control the proposed project. The Agency recognizes that final ownership entities are often ""to-be-formed"" during the early stages of a project.

Applicants should provide information about any to-be-formed entities and any intended future ownership structures in their application. It is important to note that any such entities must be fully formed and provide all required organizational documentation prior to the closing of LACAHSA funding.

Q#49: Please double check the formulas in G18 and G25 on the "4. Income" tab of the workbook. Shouldn't the manager units be excluded from the "affordability" calculation for the overall building? If not, then does this mean manager units are required to have an AMI restriction?

Answer: Version 1.2 of the Workbook updated the Income tab to exclude Manager Units when calculating the percentage of units required to meet affordability standards.

Q#50: Several of the Document Checklists list “Sponsor/Guarantor Financial Statements and REO Schedule.” Do you want a separate document with the REO Schedule, or will the list on Tab 14 of the Workbook suffice for this requirement?

Answer: For the REO Schedule, please complete Tab 14 of the workbook. Financial statements that meet the requirements of the NOFA should be provided as supporting documentation and will be reviewed by LACAHSA. Please note that the workbook includes fields for applicants to self-certify compliance with the financial strength requirements specified in the NOFA, which will then be confirmed through the supporting documentation.

Q#51: Regarding the required Zoning Status/Approvals documentation, would a letter from a land use consultant suffice, or do you need something from the appropriate jurisdiction?

Answer: Letter from a land use consultant will be sufficient for the application stage.

Q#52: Regarding permits, we have an RTI from Los Angeles. What would suffice to document this? Can we screenshot an email from LADBS?

Answer: Yes, please provide the screenshot of the email.

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: Without reviewing the specifics of the ENA referenced, it's unclear what provisions, if any, it has regarding site control. Generally speaking, site control is evidenced by submitting documents showing fee simple title, ground lease, purchase and sale agreement, a leasehold with development provisions, or any other enforceable agreement (including development and disposition agreements and exclusive negotiation agreements) subject only to ministerial approval showing site control will be obtained within 12 months of notification of award.

Q#54: Will LACAHSA 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: Applications for multiple LACAHS products are not all-or-nothing. LACAHS 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 LACAHS 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), LACAHS may offer the project a partial award.

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

Q#55: The threshold requirements for acquisition/rehabilitation projects reference "documentation demonstrating compliance with resident outreach and engagement requirements." However, the NOFA does not specify these requirements or indicate where they can be found. Could you please clarify the resident outreach and engagement requirements and where they can be found?

Answer: Applicants should demonstrate resident outreach and engagement through documentation such as a Resident Engagement Plan narrative and any other evidence of engagement efforts prior and after closing. The requirements are derived requirements in SB679 as well as from applicable federal, state, and local tenant protection, relocation, and notice laws. Compliance with these requirements should be clearly referenced in the Resident Engagement Plan.

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: 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#57: Our project has 100% of affordable units at or below 80% AMI. In Tab 4 (Income), Option 1 flags as "non-compliant" when breaking out a Manager's Unit from the total unit mix. Does the Manager's Unit also have to be a restricted unit in order for our project to qualify under Option 1?

Answer: Version 1.2 of the Workbook updated the Income tab to exclude Manager Units when calculating the percentage of units required to meet affordability standards.

Q#58: We are applying for the Operating Deficit funding tool for a project in which construction has already commenced. The Phase I ESA's and ALTA Surveys that were prepared are considered final and have not been updated since construction closing which occurred over 90 days ago. Are these documents required to be dated within 90 days even for projects where construction has already commenced?



Answer: Please see response to question No. 13 from Responses #2 released on December 24, 2025

Q#59: The narrative of the property management plan is intended to be a summary describing how the property will be operated and managed, including the proposed property manager's experience, tenant selection and leasing approach, compliance with affordability and subsidy requirements, maintenance and resident services, and long-term asset management strategy. This narrative is distinct from the full property management plan, which is typically more detailed and operational and which will be required at a later stage. At the application stage, a narrative summary is sufficient, subject to LACAHSA review and approval.

Answer: The narrative of the property management plan is intended to be a summary describing how the property will be operated and managed, including the proposed property manager's experience, tenant selection and leasing approach, compliance with affordability and subsidy requirements, maintenance and resident services, and long-term asset management strategy. This narrative is distinct from the full property management plan, which is typically more detailed and operational and which will be required at a later stage. At the application stage, a narrative summary is sufficient, subject to LACAHSA review and approval.

Q#60: Our project is interested in using the Matching Grant along with the Subordinated B-Note or Residual Receipts Loan. Can you please explain further what "maximized" means? For example, the B-Note max is \$15MM but in the Motel Acquisition project example provided in the 12/21 presentation, the project uses only \$7.9MM of the B-Note and then \$848K in Matching Grant. What was the calculation that allowed this instead of all \$8.748MM being B-Note?

Answer: Please refer to Exhibit C-4 and C-5 of the NOFA, which outlines the sizing and requirements for the Subordinate B-Note and the Residual Receipts Loan. In this context, "maximized" means that the amount of the senior loan has been underwritten at a minimum of 1.20 DCR and the Subordinate B-Note or Residual Receipts has been underwritten at the lower of LTV or LTC, based on the product.



Q#61: Our organization has not triggered the federal requirement for audited financials. Will LACAHSA accept three-years of unaudited financial statements? What impact will this have (if any) on scoring? Is there additional documentation needed to explain why we do not have audited statements?

Answer: The NOFA requires submission of audited financial statements where available; however, LACAHSA may accept reviewed or other CPA prepared financial statements in lieu of audited statements, particularly for smaller or emerging organizations. Applicant must still demonstrate financial capacity and stability. Company prepared financial statements will not be accepted. Acceptance of unaudited financial statements is subject to LACAHSA review and approval.

Q#62: Are we able to use the Sponsor's lead project manager's previous experience to meet the Sponsor Experience/Track Record threshold requirement?

Answer: If your application is looking at the extra points for Emerging Developers, MBE, WBE, LGBTBE, please refer to the section on "Assignment of Bonus Points". Otherwise, experience will be assessed for the Sponsor's track record. Experience Requirements: In evaluating the experience requirement to qualify as an Emerging Developer, LACAHSA may consider either the experience of the entity itself or the experience of the entity's principal(s) ("Principals"), subject to the following: Principals must be employed by the Respondent's developer entity as senior management personnel and be authorized to execute and bind the entity to agreements. If the experience requirement is fulfilled by one or more Principals of the Emerging Developer, the applicant(s) must promptly notify LACAHSA in writing if any of these Principals leave or are terminated by the entity. The experience of a consulting firm who is member to the applicant or hired by an Emerging Developer cannot be used to meet any experience requirement.

Q#63: For Sponsor Financial Strength, the Product Term says "Sponsor/Guarantor" but the Selection Criteria only refers to "Sponsor." Can you please confirm that the "Guarantor" showing at least (i) \$3 million of net worth for private entities and (ii) \$1 million of liquidity for private entities meets threshold?

Answer: Confirmed. While the current Selection Criteria only explicitly refers to the "Sponsor," the Product Term Sheets correctly include the "Sponsor/Guarantor" designation. In the final update to the Workbook or program documents, the language will be

standardized to include "Guarantor" alongside "Sponsor" to reflect that a Guarantor meeting the \$3 million net worth and \$1 million liquidity requirements for private entities satisfies the threshold.

Q#64: If the Phase I report recommends a Phase II, does the Phase II need to be completed prior to submission or can the Sponsor provide a statement that a Phase II will be completed prior to fund allocation if awarded?

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#65: Do the subordinate B-note, residual receipts, rental subsidy, and operating deficit products require acquisition or are rehab-only projects eligible? If not, is the light rehab preservation loan the only one where rehab-only projects are eligible?

Answer: The subordinate B-Note, Residual Receipts, Rental Subsidy, and Operating Deficit products are not limited to acquisition transactions and may be used for rehabilitation-only projects, provided the project otherwise meets the eligibility and product-specific requirements set forth in the NOFA. Acquisition is not a threshold requirement for these products.

The Light Rehabilitation Preservation Loan is specifically designed for at-risk existing multifamily residential building and is not the sole product under the NOFA where rehab-only projects are eligible. Eligibility ultimately depends on the specific product terms and underwriting criteria applicable to each program.



Q#66: Does the senior permanent debt need to be fully amortizing?

Answer: The senior permanent loan can be fully amortizing (up to 40 years) with a term between 15 and 40 years. Balloon due at the end of the term if not fully amortizing.

Q#67: Please clarify repayment terms for the light rehab preservation loan.

Answer: Interest only for an initial period of up to 36 months. Amortized payments thereafter, with a maximum amortization period of 40 years, and a maximum term of 15 years. Balloon due at the end of the term.

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: A relocation plan would still be required. If indeed the project is doable with this approach, this would be a rather simple relocation plan compared to significantly more complex situations, and a proper plan would review the costs, rent-rolls, and timeframe aspects, among other things. Removing this requirement, which is already part of the checklist for Rehab projects, would put the responsibility of evaluating whether the applicant-provided document is feasible (budget and schedule-wise) on the application reviewer. This may not be feasible since we're not separately asking for the documentation that would otherwise be required as part of a proper relocation plan.

Q#69: Exhibit F requires a Draft Labor Compliance Plan. Does LACAHSA 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: Deferred developer fee is not considered a Sponsor Contribution for scoring. For purposes of scoring, Sponsor Contributions are limited to cash or equity contributions made directly by the Sponsor to cover a portion of the total development costs, consistent with the language in the NOFA. These are funds contributed to the project that reduce the amount of debt required, are not structured as loans, are not expected to be repaid during operations.

Eligible Sponsor Contributions for scoring may take several forms, provided they represent true capital contributed by the Sponsor. Examples include direct cash contributions from the Sponsor's own funds, proceeds from public agency or philanthropic grants awarded to the Sponsor and contributed to the project as equity, or the contribution or donation of land by the Sponsor, reflected both as a project cost and as a Sponsor source. In all cases, the contribution is not subject to repayment.

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: In a simple scenario, where total development costs are \$10 MM, and the sum of the requested Residual Receipts Loan and any Matching Capital Grant funding is \$1.5 MM (15%), the project would receive the full 5 points in this section. 1 point for every full 1% where the sum of the requested Residual Receipts Loan and any Matching Capital Grant funding is less than 20%.

Q#73: Please expand on how LACAHS 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 LACAHS and becomes a public record. LACAHS 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 LACAHS 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-LACAHS 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: Version 1.3 of UA Workbook will exclude Matching Capital Grant proceeds from LTV/LTC calculations.

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 LACAHS 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: Residual receipt cash flow will be applied first to the Subordinate B-Note based on the applicable cash flow split, with Matching Capital Grant payments occurring only after the B-Note has been repaid in full. The workbook will be updated to reflect this and allow applicants to adjust the cash flow treatment accordingly.

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 project types.

Answer: For the Senior Construction Loan, Residual Receipts Loan, and Subordinate B-Note, the developer fee pay-in schedule is only applicable for New-Construction Projects and Substantial Rehabilitation Projects. For the Light Rehab Preservation Loan, the developer fee pay-in schedule is applicable to all projects.

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: As ALTA surveys are needed to issue Title insurance policies, this will be assessed on a case by case basis.

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: Deferred developer fee is not considered a Sponsor Contribution for scoring nor for the purposes of sizing the matching capital under program C-8. This includes any portion of the developer fee that is deferred and expected to be paid back during project operations from cash flow, regardless of whether the full amount is ultimately repaid.

For purposes of scoring, Sponsor Contributions are limited to cash or equity contributions made directly by the Sponsor to cover a portion of the total development costs, consistent with the language in the NOFA. These are funds contributed to the project that reduce the amount of debt required, are not structured as loans, are not expected to be repaid during operations, and are not derived from LIHTC equity. LIHTC equity, whether from a limited partner or general partner, loans from the Sponsor, or any portion of the developer fee, deferred or otherwise, are not considered Sponsor Contributions for scoring purposes.

Eligible Sponsor Contributions for scoring may take several forms, provided they represent true capital contributed by the Sponsor. Examples include direct cash contributions from the Sponsor's own funds, proceeds from public agency or philanthropic grants awarded to the Sponsor and contributed to the project as equity, or the contribution or donation of land by the Sponsor, reflected both as a project cost and as a Sponsor source. In all cases, the contribution is not subject to repayment.

For purposes of sizing matching capital under the C-8 program, a broader set of sources will be considered. This includes LIHTC equity, whether from a limited partner or general partner, as well as all forms of Sponsor Contributions that are eligible for scoring as described above.

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: To earn the points associated with this metric pursuant to the Subordinate B-Note selection criteria, applicants must provide the year-end net cash flow after required debt service for each portfolio project, as of the end of the most recent year for which information is available.

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: Fillable Exhibits D and E can be found in the LACAHSA NOFA page under the Production and Preservation NOFA link.

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: The Residual Receipts Loan will be repaid via a 50% cashflow split payable only after any deferred developer fee has been fully repaid.

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 LACAHSA Subordinate B-Note and the LACAHSA 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 LACAHSA 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 LACAHSA 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 LACAHSA 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: (1) LACAHSA will accept the BIPOC Entity pathway where the project is a LIHTC project and the sponsor certifies it will complete all CDLAC requirements to secure such experience points (Note: There would be no additional points associated with meeting this requirement as it is a threshold requirement).

(2) LACAHSA will revise the LACAHSA will revise the Uniform Application Workbook to include an option for applicants qualifying under the BIPOC Entity pathway.

(3) Yes, the proposed combination of sponsor and project manager experience would satisfy the threshold requirement.

Q#115: Do existing operating projects qualify 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 LACAHSA'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: The question does not provide enough context for LACAHSA to provide a response.

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: Public support is defined as any item of value provided by a public agency that is reflected in the project pro forma. This may include, but is not limited to, equity contributions, grants, land value, or public agency construction loans.

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.

Q#124: If a project is awarded under the Senior Permanent Loan Program, and the need for additional permanent financing occurs between the time of award and closing, will LACAHSA consider increasing the amount of Permanent Loan award?

Answer: LACAHSA cannot commit on providing more funding beyond what's reflected in the award letter, that is the maximum that will be awarded to the project.

Q#125: Our project is a new construction project and has a ALTA survey from October 2024. Due to the holidays, our surveyor is unable to update the survey before the application deadline. Nothing on the site has changed. We will provide a PTR dated within 90 days and the survey that is now 14 months old - we'll include a certification from the Applicant/Sponsor certifying that nothing has changed on the site and that the survey will be updated after an award is announced. Are we correct to assume that this will satisfy the ALTA survey requirement?

Answer: Please refer to Question No. 8, Question No. 10, and Question No. 13, all published on December 24, 2025, as well as Question No. 84, published on January 7, 2026.

Q#126: 1) How soon after funding awards are made can LACAHSA close and fund their sub B-note? And how soon after funding awards can LACAHSA close and fund their other loan products?

Answer: LACAHSA will be able to fund no later than 6 months after closing of the social bond.

Q#127: 2) For the sponsor contribution scoring " What is included under LACAHSA's definition of sponsor contribution? Does that include deferred developer fee?

Answer: Deferred developer fee is not considered a Sponsor Contribution for scoring nor for the purposes of sizing the matching capital under program C-8. This includes any portion of



the developer fee that is deferred and expected to be paid back during project operations from cash flow, regardless of whether the full amount is ultimately repaid.

For purposes of scoring, Sponsor Contributions are limited to cash or equity contributions made directly by the Sponsor to cover a portion of the total development costs, consistent with the language in the NOFA. These are funds contributed to the project that reduce the amount of debt required, are not structured as loans, are not expected to be repaid during operations, and are not derived from LIHTC equity. LIHTC equity, whether from a limited partner or general partner, loans from the Sponsor, or any portion of the developer fee, deferred or otherwise, are not considered Sponsor Contributions for scoring purposes.

Eligible Sponsor Contributions for scoring may take several forms, provided they represent true capital contributed by the Sponsor. Examples include direct cash contributions from the Sponsor's own funds, proceeds from public agency or philanthropic grants awarded to the Sponsor and contributed to the project as equity, or the contribution or donation of land by the Sponsor, reflected both as a project cost and as a Sponsor source. In all cases, the contribution is not subject to repayment.

For purposes of sizing matching capital under the C-8 program, a broader set of sources will be considered. This includes LIHTC equity, whether from a limited partner or general partner, as well as all forms of Sponsor Contributions that are eligible for scoring as described above.

Q#128: On the application checklist, for site control it says "documents must be evidenced by fee simple title, ground lease, purchase and sale agreement, a leasehold with development provisions, or any other enforceable agreement (including development and disposition agreements and exclusive negotiation agreements) subject only to ministerial approval showing site control will be obtained within 12 months of notification of award." For enforceable agreements and PSAs is there any flexibility to what the sale can be subject to aside from ministerial approval? For instance, many developers have language in their PSAs that say their purchase of a given property is subject to being awarded LACAHSA funding or tax credits.

Answer: Generally speaking, site control is evidenced by submitting documents showing fee simple title, ground lease, purchase and sale agreement, a leasehold with development provisions, or any other enforceable agreement (including development and disposition agreements and exclusive negotiation agreements) subject only to ministerial approval showing site control will be obtained within 12 months of notification of award.

Q#129: If projects submit for multiple loan products, do they have to pay origination fees and annual compliance monitoring costs for each loan product? So for instance for a project applying for the residual receipts loan and Rental Subsidy they'd have to pay \$5k orig fee for rental subsidy + .5% of residual receipts note. And the monitoring fee would be \$3,500 for rental subsidy + 5 basis points residual receipts loan amount. Is that correct?

Answer: All fees are additive. The only exception is the application deposits.

Q#130: There are 2 PLAs, one for the City of LA and one for the County. Can we use the one we prefer or if the project is in the City, we need to use City PLA ?

Answer: The applicable PLA is determined by the project location and jurisdiction, not applicant preference. Projects located within the City of Los Angeles are required to comply with the City of Los Angeles Department of Public Works PLA, while projects located in unincorporated County areas or other jurisdictions covered by the County must comply with the Countywide Community Workforce Agreement. Applicants may not elect between PLAs; the appropriate PLA is based on the governing jurisdiction for the project site and is subject to LACAHSA review and verification.

Q#131: There are several certifications needed at the bottom of the NOFA. Are these found somewhere online? The form of the certs in the NOFA show that there is a pull down menu in the cert, but the NOFA does not allow for a pull down.

Answer: Fillable Exhibits D and E can be found in the LACAHSA NOFA page under the Production and Preservation NOFA link.

Q#132: We are working on a 200+ unit affordable housing development in LA County. The project is not currently subject to prevailing wage. If we were to apply for Rental Subsidy ONLY via the NOFA and no other LACAHSA funds, would the project now become subject to prevailing wage and/or a PLA? Is there a number of Rental Subsidy units that triggers prevailing wage/PLA? C-9 Rental Subsidy Subection E-2 states "receipt of Rental Subsidy alone will not trigger prevailing wage or PLA" but we wanted to double check since other sections of the NOFA seem to contradict this.



Answer: Receipt of Rental Subsidy alone will not trigger prevailing wage or PLA.

Q#133: We have a 74-unit PSH project that is under construction and subject to prevailing wage laws, but is not subject to a PLA. Changing the labor compliance requirements midway through construction would be difficult, if not impossible. Can projects that are already under construction be exempt from the PLA requirement?

Answer: Please refer to: Question No. 19 published on 01-05-2026 and Question No. 80 published on 01-07-2026.

Q#134: We are applying for an acq/rehab scatter site, where only a subset of properties will need rehab. Do we need to submit a PNA for all properties part of the scatter site app or can we submit a PNA for only those that will be rehabbed?

Answer: Yes, you can do a PNA just for the sites that will be rehabbed.

Q#135: Question on the Income TAB reference to the rental subsidy. Looks like we are forced to put the tenant's proposed monthly rent (Tenant's portion + Subsidy been requested) only under the LACAHSA subsidy Request. Because if we split the tenant's rent in subsidy request to the Income Restricted Unit or LACAHSA Subsidy request PSH/Income restricted PSH. The rental unit counter will count more units than there is. And if we leave it as is, we will be requesting more than calculating the difference between tenant's share and subsidy wanting to request.

Answer: To calculate LACAHSA subsidized units, the subsidy is determined by the difference between the proposed unit rent and the expected tenant rent based on affordability. Units requesting LACAHSA subsidy should have their proposed rent, affordability level, and unit types entered in rows 122-146. Other income-restricted, market-rate, or manager units should be entered separately in rows 154-235.

Q#136: For acquisition/rehab projects, could you please clarify the expectations for design readiness at the time of application?

The NOFA notes that, at minimum, design readiness includes a site plan identifying proposed amenities, building elevations, and unit floor plans with square footages. While this level of documentation is typical for new construction, it is less common at the pre-acquisition stage for NOAH projects.

For these projects, would existing drawings or a renovation plan informed by a PNA (e.g., prepared by a general contractor) be sufficient, or is architect-prepared documentation required at this stage?

Answer: For threshold purposes, site plans may be prepared in-house based on existing drawings or using sponsor-created diagrams. The intent is simply to understand what is proposed in terms of basic building placement and structure, unit location, square footage, location of amenities, etc., to help gauge feasibility of closing on financing on the required timeline. Projects are awarded points for architect-prepared drawings/plans.

Q#137: Can you please clarify what zoning status/approval narratives you'd like to see for acquisition/rehab projects? The language as written is more applicable to new construction projects.

Answer: For acquisition/rehabilitation projects, the zoning status/approval narrative should confirm that the existing use is legally permitted under current zoning and that the proposed rehabilitation does not require discretionary land use approvals beyond standard ministerial permits. Applicants should describe the current zoning designation, confirm legal nonconforming or conforming status (as applicable), and identify any required permits or approvals associated with the rehabilitation scope.

Also, please refer to Question No. 51 published on 01-05-2026.

Q#138: Our 4% LIHTC project includes PSH units with vouchers from a non-LACAHSA source; where in the Income tab can we break out the proposed monthly rent (max LIHTC rent) but also incorporate the anticipated VPS rent? This impacts our NOI calculations and DSCR in the proforma tabs.

Answer: Units with Non-LACAHSA subsidy commitment should be included in cells A154:K183 Non-PSH Units and A191:K202 for PSH Units.



Q#139: The full application submittal process is somewhat unclear; applicants are directed to submit an intake form in order to create a BOX folder where they will be able to upload their application documents; however, the intake submittal portal requires that you upload the completed workbook in order to generate the BOX folder. Will applicants have the ability to delete and reupload attachments to the BOX folder once generated? Is it possible to change the intake portal, so that providing completed attachments is not required in order to generate the folder? (Specifically for applicants who would prefer to have continuous access to their BOX folder to make any necessary last-minute changes to attachments.)

Answer: The intake form requires applicants to upload at least one document in order to generate a project-specific Box.com folder. At this time, this requirement cannot be changed.

Once the intake form is submitted and the folder is created, applicants will have continuous access to their Box.com folder. Applicants will receive an automated email from Box.com with a link to the folder. If the applicant already has a Box.com account associated with the email address used in the intake form, they may log in directly to Box.com to access the folder.

Applicants will not be able to delete documents that were initially uploaded through the intake form. However, applicants may upload revised or updated versions of documents to the Box.com folder at any time prior to the applicable deadline. Applicants may also drag and drop additional files directly into their Box.com folder. Applicants should clearly label updated files to indicate that they are revised versions.

Q#140: In the workbook on Tab 2 under the Development Schedule, there is an "Infrastructure" activity listed under Pre-Development. What does LACAHSA define as pre-development infrastructure? No physical infrastructure will begin until Construction. Thank you.

Answer: Demolition and infrastructure has been removed from the Development Schedule.

Q#141: Where do you advise we place annual income from laundry and/or vending facilities in Tab 4 of the workbook? It's a standard assumption that slightly increases total income. Or was the workbook purposefully designed to not capture this amount?

Answer: Residential "Other Income" should be put in the 'Input' tab under cells E162:E165. Non-residential income should be included in the "Income" tab in cells A242:N251.

Q#142: The NOFA defines the ""Matching Funds"" as 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.

In the application workbook, however, the Sponsor Contribution is linked to Tab 8. Sources, cell J26, which is a single line item and does not capture LIHTC equity or developer equity, as those amounts are entered in cells J10-J13 on the same tab.

As a result, cell K19 on Tab 2. Inputs is blank and thus doesn't allow an amount to be entered for the Matching Capital Grant Amount.

Is this intended? If so, it doesn't seem to align with the NOFA's definition of Matching Funds? Please advise how to proceed. Thank you.

Answer: We are counting LIHTC as matching funds for the purposes of Matching Capital Grant sizing but not for the purpose of assigning points for "Sponsor Contribution" in the selection criteria for the 7 financing products where this is relevant.

V1.3 of the UA Workbook will reflect this distinction by updating K19 on the "Inputs" tab.

Q#143: How are small versus large projects defined for program or funding purposes?

Answer: Large projects are projects with 40+ units. Projects with 39 units or less are considered small projects.

Q#144: Under what circumstances is NEPA triggered, and does the use of county funds affect that determination? Does a phase II report subsurface investigation report prepared in May 2025 need to be updated?

Answer: CEQA and NEPA are triggered based on the project's entitlement process and the presence of federal involvement in the funding stack. Depending on the project's financing structure and approvals, one or both environmental reviews may be required.

With respect to environmental documentation, you may submit currently available materials, including your currently available Phase II report. In accordance with the NOFA, the application should include a plan to complete any additional environmental steps that may be required within the applicable time frame, and an explanation of why the existing Phase II report remains valid for the proposed project. The Agency reserves the right, as a condition of closing, to request an updated report or a certification from the Phase II preparer confirming that the information remains accurate and valid.

Q#145: Is there a process to share financials of the development team confidentially to the application evaluation team?

Answer: Please refer to the responses to Questions No. 73 published on 01-07-2026.

Q#146: Is there a cap on the rental subsidy request amount?

Answer: There is no set cap on the rental subsidy request amount. The cap will be the aggregate of the difference between the tenant-paid affordable rent, and the applicable HUD Fair Market Rents, times the number of units the project requests subsidy for.

Q#147: What is the recommended approach for applying to multiple financing sources, particularly when pairing them with a predevelopment loan? Are there priorities or preferences among the available financing options?

Answer: Applicants may apply for multiple LACAHSA financing products, provided each product independently meets its eligibility, threshold, and readiness requirements. However, the Predevelopment Loan is intended as a stand-alone early-stage financing tool and, as reflected in the NOFA, may not be combined with other LACAHSA capital products at the time of application.

Q#148: Will LACAHSA accept tax returns for Smaller and Emerging Organizations?

Answer: Please see response to question No. 45 from Responses #3 released on January 05, 2026.

Q#149: In the excel workbook, if I am applying for a Subordinate B Note & a Light Rehab Preservation loan - it automatically disallows me from applying for rental or operating subsidy along with a matching capital grant? This is confusing because in the NOFA the financial product matrix allows for the three items to be applied for (rental & operating subsidy & capital grant) if the project is non-LIHTC.

Our project is not LIHTC, nor was there a location in the workbook that indicated you to toggle from LIHTC to non LIHTC, so I am confused if this is an error in the excel or NOFA matrix?

Answer: If your project is Non-LIHTC, please select that option in Cell E133 on the “2. Inputs” tab. Once selected, the workbook will allow you to choose the Matching Capital Grant and either the Operating Subsidy or the Rental Subsidy programs. Currently, the workbook defaults Cell E133 to 4%, which is why it appears as you described.

Q#150: Section 6.B of the NOFA requires two separate items: (1) A General Contractor certification confirming the Schedule of Values used in the pro forma, and (2) a Physical Needs Assessment (PNA) that includes the rehab budget “as used in the pro forma.”

Could you clarify how LACAHSA expects these two requirements to interact? Specifically:

Should the PNA-generated rehab budget be the same as the GC-certified Schedule of Values, or is the PNA intended to provide an independent cost opinion that may differ from the GC’s estimate?

If the PNA and GC estimates differ, which figure should drive the pro forma for scoring and underwriting purposes?

Is it acceptable for the PNA to reference the GC’s Schedule of Values rather than producing a separate line-item rehab budget, provided the PNA still meets CDLAC Section 5212 standards?

Answer: Should the PNA-generated rehab budget and the GC-certified Schedule of Values differ, LACAHSA will use the most recent cost estimate.

Please provide a narrative explaining what the difference is between the PNA and the SOV, showing what portion of the scope of work in the PNA is actually being covered during the rehabilitation, and the difference in costs, if any.

Q#151: Error in Cell C14 on Debt tab. The total operating expenses is pulling the \$/unit rather than the total operating expenses for year 1 so the NOI is not calculating correctly in cell C16.

Answer: Version 1.3 of UA Workbook will address this.

Q#152: We saw a couple questions related to the NOFA released during the holiday season and how that could impact the ability to turn around key threshold items such as the Market Study. We saw the response that says older reports may be used however this does not help a new project. We have a new project that is a good fit for the program that we'd like to submit an application. We have kicked off the Market Study but because of the holiday season it does not look like it will be completed by application deadline of Jan 20. Can LACAHSA please consider accepting a market study after the Jan 20 submission deadline? This is an industry wide reality.

Answer: Please see responses to question #3 from Response #1 released on December 22, 2025.

Q#153: In regards for full point of deeper affordability. My understanding is that based on every percentage discounted from the FMR based on your location that you receive a point. If that is so the self-scoring seems to not give us any points. And it seems that the points are awarded based on the % on cell C563 which is driven by rental income rents. We tested the self scoring and in order to get point we inputted negative rents and that was only when it seemed to give full points.

Also seems like self scoring for the operating reserve may be off as well. We sized the operating reserve based on 3 months or a little over and seems like the formula maybe incorrectly generating .3 Months vs 3 months.

Answer: Please ensure that rents are entered as positive numbers in the application. The formula in cell C563 calculates the percentage discount from FMR by comparing your proposed rents to the applicable FMR limit. Points are awarded as this percentage becomes more negative, meaning the greater the discount below FMR, the more points a project will earn. When rents are entered correctly as positive values, the formula will properly calculate the discount and award the appropriate points for deeper affordability.

Operating Reserve will be updated in v1.3 of the Workbook

Q#154: Is any type of formatting acceptable for submitting the required documents? For example: "Narrative identifying applicable PLA (City, County) or why PLA is not required, draft labor compliance plan, and/or subcontractor labor tracking or workforce plan (if applicable)."

What does this look like, is there a specific style of a response being requested here?

Answer: Please refer to the responses to Question No. 12 published on 12/22/25, and Question No. 41 published on 01/05/26.

Q#155: What type of certification is being requested from the engaged GC to fulfill one of the deliverables within the required docs checklist? Can you provide more specifics here?

"Provide certification from the construction manager or GC engaged to confirm the Schedule of Value estimate for the project used in the pro forma."

Answer: Please refer to the response to Question no. 22 published on 12-24-2025.

Q#156: If we have an already built property that has been in operation for over a year, and our most recent Phase I is from April 2025, do we still need to incur additional costs to receive an updated Phase I?

Answer: Please refer to the response to Question No. 4 published on 12/22/25.

Q#157: Can you provide more detail around the requested narrative responses associated to resident Impacts & Services? The descriptions in 6B Application checklist are somewhat vague.

What does an "ideal" narrative response consist of and look like, or is formatting and specific response details less critical to the overall plan/engagement?

Answer: A preliminary resident service plan addressing the needs of the target population served is required and shall include:

(i) A description of the specific population to be served;

- (ii) A description of the specific service needs of the population and the specific services to be provided;
- (iii) Identification of the organization(s) that will provide services and a signed contract, memorandum of understanding, or commitment letters from the proposed service provider(s) and experience in City/County of LA;
- (iv) A description of how the services support resident stability and any other service plan objectives;
- (v) A preliminary budget describing anticipated income (all funding sources) and expenses associated with the services program

LACAHSA does not require a particular structure or length; however, responses should be clear, project-specific, and responsive to the checklist items. Formatting is less critical than demonstrating a thoughtful, feasible, and well-coordinated approach to resident engagement and services, subject to LACAHSA review.

Q#158: We have a project within the LAHSA Master Lease Portfolio that has been fully operational for 18 months and currently has an established service provider and property manager in place. With the County's homeless services transition anticipated in Q2 2026, there is some uncertainty around how operations will be administered going forward.

Given that context, are there any restrictions or concerns with an applicant applying to acquire and rehabilitate the property and also proposing to serve as the property manager and service provider? If an applicant applies for all three roles, but after the transition is ultimately only eligible to serve as the property owner "while the existing qualified service provider and property manager remain in place" would that create any compliance or eligibility issues in terms of the application?

Answer: LACAHSA may reject the project if the currently available agreements or MOUs don't reflect a stable development team. In the scenario where the applicant applies for all three roles, you can do that, but must show that you qualify in experience, otherwise the previous concern is also present, plus, depending on the product being applied to, there'd be concern about negative points if the minimum experience is not met so that negative points are not assessed.

Q#159: For Sponsor Experience do resumes for project managers need to be submitted if the application is relying on the Sponsor's organizational experience to meet threshold and garner points and not project managers' experience? Or are project manager resumes only required for emerging developers?

Answer: Please see response to Question no. 62 published on 01-05-2026.

Furthermore, the experience of the Sponsor's principals may be used to meet the applicable threshold requirements. For established, non-emerging developers, a combination of the Sponsor's experience, the experience of the Sponsor's principals, and the experience of the Sponsor's project manager may be used to meet the required threshold. However, the experience of the Sponsor's project manager may be used only for purposes of meeting threshold requirements and may not be used to access point scoring. For scoring purposes, only the Sponsor's own experience is eligible to receive points.

Q#160: For readiness to proceed points for residual receipts loans, are the points for architectural drawings given on a sliding scale or are points awarded on an all or nothing basis? If points are awarded on a sliding scale, how are points calculated?

Answer: Points for Architectural drawings are given as per the NOFA: 1 Point if you have a schematic/conceptual plan set, and 1 more point if you have a construction document plan set.

Q#161: The ownership entity for our project is a limited partnership. However, because the project is still in predevelopment the tax credit investor has not yet been identified and has not entered the limited partnership yet. The developer's nonprofit entity is currently the stand-in limited partner. This is what is currently shown in the initial limited partnership agreement. The stand-in limited partner will be replaced but the for-profit tax credit investor at construction closing when an amended and restated limited partnership agreement will be signed. Given this situation, how are we to complete the table for principals in Tab 1.Team? Should we list information for the stand-in limited partner to match the information in the existing limited partnership agreement or say that the limited partner is to be determined and note that the limited partner will be a for-partner entity?



Answer: Applicants do not need to provide any tax credit investor information at this time. At this stage of the process, all required team information should reflect only the sponsor or developer entity submitting the application.

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#162: The site for our project is owned by the limited partnership for the project. The developer is the sole member/manager of the LLC that is the managing general partner for the limited partnership. In the site control section of Tab 2. Inputs, can we select "Developer" for cell C82? Or do we select "Other". If we are supposed to select "Other" where do we explain that we do own the site? In the comments section or somewhere else?

Answer: You can indicate "Other" in D80, and explain in D84. This information will be supported by the organizational and site control documentation.

Q#163: In Tab 5. Expense, please clarify what you are looking for in Office Salaries in row 15 vs. Manager and Superintendent Salaries in Row 19 vs. Payroll in Row 43? It's not clear what the differences are.

Answer: Office Salaries - Compensation for administrative and clerical staff who handle business operations from an office setting, including receptionists, bookkeepers, leasing agents, and administrative assistants.

Manager or Superintendent Salaries - Compensation for personnel responsible for overall property oversight, operational decisions, and staff supervision, including property managers, assistant managers, and site superintendents.

Operating Maintenance Salaries - Compensation for staff who perform hands-on maintenance, repairs, and physical upkeep of the property, including maintenance technicians, groundskeepers, janitors, and trades personnel.

Q#164: For Projects that contain a development agreement between an Eligible Nonprofit and an unrelated non-501(c)(3) entity, may the Applicant use the Principle of the unrelated non-501(c)(3) entity's experience? If so, is this experience documented solely by completion of the REO schedule?



Answer: As provided in NOFA Section 3.E.2, Assignment of Bonus Points, for Emerging Developers, the experience of the Sponsor's principals may be used to meet the applicable threshold requirements.

For established, non-emerging developers, a combination of the Sponsor's experience, the experience of the Sponsor's principals, and the experience of the Sponsor's project manager may be used to meet the required threshold. However, the experience of the Sponsor's project manager may be used only for purposes of meeting threshold requirements and may not be used to access point scoring. For scoring purposes, only the Sponsor's own experience is eligible to receive points.

If a development agreement has or will be executed, then the experience of the unrelated developer can be used to meet threshold.

Q#165: Is there a template for applicants to use to certify compliance with Exhibit F Labor Requirements?

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

Q#166: The guidelines says that assumed tax abatement must be supported by the appraisal but appraisal is not required anymore for the application. What other documentation would be used to support assumed tax exemption?

Answer: Please see responses to questions No. 44 from Response #3 released on January 5, 2026.

Additionally, the NOFA also says that along with the appraisal, for the purposes of Taxes and Abatement Assumptions, you also need to provide "borrower due diligence establishing eligibility for the Welfare Tax Exemption", this may include your IRS 501(c)(3) and CAFTB determinations. You could also provide documentation from the BOE showing that the Sponsor has met these requirements before in other properties included in the REO, or a legal opinion letter of certification also stating this fact.

Q#167: If we are applying for the Residual Receipts Loan product and Rental Subsidy product for a project. If the project ends up being competitive for one product, but not the other, will LACAHSA still award the project?

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#168: Under the Rental Subsidy product, 3 points is available for each Service Category (2-6) for a max of 12 points. If the project is a Senior project, the most points that can be earned would be 9 points. Licensed Child Care and After School Program for School-Age Children wouldn't make sense. How will Senior projects obtain the max score?

Answer: The maximum points available for senior projects is 9.

"For purposes of Resident Services scoring under the Residual Receipts Loan, projects are evaluated based on the appropriateness of services relative to the target population. For Senior housing projects (referred to in the question), services such as Licensed Child Care or After-School Programs for School-Age Children would not be applicable since it does not cater the target population and would not receive these Resident Services points.

Senior projects may earn Resident Services points by proposing alternative, population-appropriate services (e.g., health and wellness programming, case management, transportation assistance, social services coordination, or other supportive services tailored to seniors). LACAHSA will score Resident Services based on the relevance, quality, and feasibility of the proposed services for the project's intended residents."

Q#169: Under Residual Receipt Loan product, a maximum of 5 points can be obtained for Resident Services. If project is a Senior project, how can project receive points for Licensed Child Care and After School Program for School-Age Children?



Answer: For purposes of Resident Services scoring under the Residual Receipts Loan, projects are evaluated based on the appropriateness of services relative to the target population. For Senior housing projects (referred to in the question), services such as Licensed Child Care or After-School Programs for School-Age Children would not be applicable since it does not cater the target population and would not receive these Resident Services points.

Senior projects may earn Resident Services points by proposing alternative, population-appropriate services (e.g., health and wellness programming, case management, transportation assistance, social services coordination, or other supportive services tailored to seniors). LACAHSA will score Resident Services based on the relevance, quality, and feasibility of the proposed services for the project's intended residents.

Q#170: For 80% commitment of non-LACAHSA funds requirement for the Residual Receipt Loan product, is the requirement for construction financing or permanent financing?

Answer: It will be measured from permanent sources.

Q#171: Does the project need to have 80% commitment of non-LACAHSA funds at application to pass threshold OR could we have commitment within 12 months of award?

Answer: For programs subject to a Readiness to Proceed requirement that at least 80% of non-LACAHSA sources have preliminary commitments, the 80% threshold must be met using eligible non-LACAHSA sources. Documentation demonstrating preliminary commitments must be appropriate to the source and stage of the transaction.

While additional or final financing commitments may be secured after award and prior to closing, the NOFA requires that applicants demonstrate 80% non-LACAHSA funding commitments at application to evidence project readiness. This is a threshold requirement.

Q#172: Under the Rental Subsidy product, can the Principal's experience be used for Property Manager experience?

Answer: In the scenario where the applicant applies for property management experience, you must show that you qualify in experience. Depending on the product being applied to, negative points may be applied if the minimum experience is not met.

Q#173: What is the definition of extremely-low income / permanent supporting housing projects? Is a project considered an ELI/PSH project if at least 25% of units are dedicated to ELI/PSH individuals and/or families?

Answer: For scoring purposes, a project qualifies as an extremely-low income project if at least 25% of units are reserved for tenants earning at or below 30% of AMI and as a permanent supportive housing project if at least 25% of units meet the definition of "supportive housing" under California Government Code section 65582.

Q#174: Can a project submit multiple applications with different financing scenarios and different LCAHSA financing program requests?

Answer: Any application submitted will require to show at least 80% of non-LACAHSA sources as a threshold item.

Q#175: On Tab 14. REO, Column K, Unit Type. What should the applicant do if a project has multiple unit types? For example, a project that is PSH and senior. Are we able to type in all unit types or is preferred that we use a type from the drop down menu?

Answer: Select from the drop-down menu in Column K of the REO schedule. If applying for Rental Subsidy, demonstrate the Sponsor's PSH and/or ELI experience by selecting the appropriate option(s) from the drop-down menu.

Q#176: On Tab 14. REO, Column V, Lien Position. To clarify, does applicant need to provide all liens per project or just Lien 1?

Answer: In columns W-AC, the REO schedule should include all must-pay debt associated with each property entered. The column reflecting lien position has been removed.

Q#177: For Exhibit D: Certifications and Legal Disclosure Forms, there is a "Choose an Item" In each box. Is there a drop down feature? If so, I'm not able to access.



Answer: Fillable Exhibits D and E can be found in the LACAHSA NOFA page under the Production and Preservation NOFA link.

Q#178: Will operating budget comparables be used to establish a floor or ceiling for project operating costs? Will negative points be assessed for operating costs higher than the comparables due to project-specific items such as population type, etc.?

Answer: There are no points associated with operating expenses. Instead, after selection, appraisal-confirmed operating expenses will be used to determine the appropriate expense assumptions for underwriting purposes.

For the application phase, the comparables and narrative justifying the operating costs will be used to determine if the project meets threshold.

Q#179: Can you confirm/clarify that for the Residual Receipts loan product, LACAHSA's 50% is in proportion to the 50% pro rata share of other soft debt, rather than 50% of cash flow?

Answer: Please see response to Question No. 86 published on 01-07-2026.

Q#180: Can LACAHSA funds be used as takeout of construction financing of a workforce housing development? If so, would PLA/prevailing wage not be applicable since the project is already constructed?

Answer: Please see response to Question No. 6 published on 012-22-2025.

Q#181: How are the number of units being calculated where Density Bonus units are carved out? Are percentages calculated based on the total number of units minus the Density Bonus units?

Answer: Affordability percentages are calculated based on the total number of dwelling units that will be constructed as part of the project. Any unit that is deed restricted to qualify the project for a density bonus will generally not be counted as an affordable unit for LACAHSA funding purposes. See Section 2(l) of the NOFA for additional information.



Q#182: Exhibit D: Certification and Legal Disclosure Form has multiple areas that reference "choosing an item" but the pdf is not editable with dropdown lists. Will an editable version be provided?

Answer: Fillable Exhibits D and E can be found in the LACAHSA NOFA page under the Production and Preservation NOFA link.

Q#183: The GC can provide certification of intent to comply with prevailing wage and PLA at time of application, but is a draft labor compliance plan also required at the time of application or is it prior to closing?

Answer: A draft labor compliance plan is not required at application if the applicant has certified PLA applicability and intent to comply, and may be submitted at a later stage, subject to LACAHSA requirements prior to closing. Items related to subcontractor labor tracking or workforce plans are only required if applicable to the project.

The California Department of Industrial Relations, Division of Labor Standards Enforcement is responsible for administering and enforcing of the Prevailing Wage Laws, including on projects receiving LACAHSA funding and applicants are responsible for ensuring that prevailing wages are paid in accordance with the law. Applicants should consult with legal counsel regarding their prevailing wage obligations.

Also, please see response to question No. 12 from Response #1 released on December 22, 2025.

Q#184: The guidelines note "Prior to closing, sponsors must provide a description of engagement efforts taken to date and a proposed future engagement plan and schedule for LACAHSA review and approval." In order for project to meet threshold, "documentation demonstrating compliance with resident outreach and engagement requirements" must be required. What are the resident and outreach engagement requirements?

Answer: Please see response to question No. 55 from Response #3 released on January 05, 2026.

Q#185: For the max loan-to-value ratio and max loan-to-cost ratio the regulations say under product terms: "95% All-in LTV (100% including LACAHSA's Subordinate B-Note)". What does the 100% including LACAHSA's Subordinate B-Note mean exactly? Does that mean the value of the LACAHSA loan + the must pay permanent loan must be equal to the 100% value of the property? Because these properties are income-restricted the value of the properties are often much lower than the sum of the soft debt such as LACAHSA + the must pay debt.

Answer: This means that the sum of all must-pay permanent debt and the Subordinate B-Note must not exceed the appraisal-derived value of the project. For project selection purposes, the value of the project will be determined based on NOI and a reasonable cap rate assumption, but during final underwriting LACAHSA will rely on an appraisal.

Q#186: Will LACAHSA release the Unit Cost Benchmarks when scoring is released to help applicants determine if a scoring appeal is needed?

Answer: LACAHSA will publicly release its Unit Cost Benchmarks by project type following initial scoring of applications.

Q#187: Vacancy assumption threshold on the self-scoring tab of the workbook is not calculating correctly. Cell E1016 shows 5% per our application and cell F1016 shows 5% per the threshold minimum but there is an error message in G1016 stating that the project must meet threshold requirements to continue and D1016 incorrectly states No.

Answer: v1.3 will include a rounding formula for vacancy to be more clear in whether a Project meets specified threshold for vacancy.

Q#188: Does the contribution of a developer fee qualify as a match funding source?

Answer: Deferred developer fee is not considered a Sponsor Contribution for scoring nor for the purposes of sizing the matching capital under program C-8. This includes any portion of the developer fee that is deferred and expected to be paid back during project operations from cash flow, regardless of whether the full amount is ultimately repaid.

For purposes of scoring, Sponsor Contributions are limited to cash or equity contributions made directly by the Sponsor to cover a portion of the total development costs, consistent with the language in the NOFA. These are funds contributed to the project that reduce the

amount of debt required, are not structured as loans, are not expected to be repaid during operations, and are not derived from LIHTC equity. LIHTC equity, whether from a limited partner or general partner, loans from the Sponsor, or any portion of the developer fee, deferred or otherwise, are not considered Sponsor Contributions for scoring purposes.

Eligible Sponsor Contributions for scoring may take several forms, provided they represent true capital contributed by the Sponsor. Examples include direct cash contributions from the Sponsor's own funds, proceeds from public agency or philanthropic grants awarded to the Sponsor and contributed to the project as equity, or the contribution or donation of land by the Sponsor, reflected both as a project cost and as a Sponsor source. In all cases, the contribution is not subject to repayment.

For purposes of sizing matching capital under the C-8 program, a broader set of sources will be considered. This includes LIHTC equity, whether from a limited partner or general partner, as well as all forms of Sponsor Contributions that are eligible for scoring as described above.

Q#189: There appears to be an exemption for union contractors for affordable housing, on page 3, section 1.9.2 (b) of the Countywide PLA. Can you confirm that this will be the case for LACAHSA awarded projects using the Countywide PLA?

Answer: No. All projects using LACAHSA funding are subject to prevailing wages. By law, LACAHSA can only fund affordable housing projects. The funding for this NOFA comes from Measure A, the countywide half-cent sales tax approved at the November 2024 election. Section 28 of the Measure A Ordinance requires that all construction and rehabilitation projects that use Measure A funding shall constitute a public work for which prevailing wages shall be paid. Section 28 also subjects projects of 40 or more units to the PLA. Both requirements are mandatory components of Measure A.

Q#190: Will LACAHSA fund projects that anticipate receiving Certificate of Occupancy by March 2026 but have not yet perm converted?

Answer: Yes, projects in construction can apply.

Q#191: Will a non-PDF or editable version of the Exhibit D Legal Disclosure Forms be available? They are currently showing as a drop-down menu in the document, but it is currently not possible to view the menu and select an option.

Answer: Fillable Exhibits D and E can be found in the LACAHSA NOFA page under the Production and Preservation NOFA link.

Q#192: According to Exhibit G, non-LIHTC projects requesting a Light Rehab Preservation Loan may be combined with a Senior Construction Loan, matching capital grant, rental subsidy, or operating subsidy. However, when "Yes" is selected for the Light Rehab Loan on the Inputs tab, all other loan products are disabled except for a subordinate B-Note. In addition, the LIHTC-related fields on the Inputs tab are blank, and the federal LIHTC, state LIHTC, and Historic Tax Credit fields on the Sources tab are marked "N/A."

Please clarify which loan products are permissible in combination with the Light Rehab Preservation Loan. If loan products other than the subordinate B-Note are allowed, please also advise how to access or request them within the workbook.

Answer: Exhibit G is correct, (1) Please make sure you're using the latest version of the workbook (currently, version 1.2, and there will be another version released on 01/09/26), (2) After selection "Yes" to the Light Rehab Preservation Loan in "2. Inputs - D18", please also select "Non-LIHTC" in "2. Inputs - D133".

Q#193: Regarding question number 107, our project is a Homekey round 3 project with 100% of units set aside for permanent supportive housing for the homeless. We do not have rental subsidy for this project, and being a project that is restricted to tenants experiencing homelessness we need rental subsidy tied to the property to ensure long-term stability. There will be a period from being placed in service prior to the LACAHSA awards in June that we will be marketing to qualified tenants that have received a Housing Choice Voucher that is tied to the individual, not the property. If awarded, there would be a time that we would be holding the LACAHSA PBV until the current tenant either gives up their Housing Choice Voucher, or the unit. Under such circumstances, is there a time limit for how long we can hold the LACAHSA PBV before it is used?

Answer: Please see response to question No. 83 from Response #4 released on January 07, 2026.

Q#194: For the "Sponsor Experience" required documentation, it references a "Project Manager's resume of completed affordable multifamily rental housing projects in the past 10 years and identify completed projects in LA County." Is the "Project Manager" referring to a developer or a staff member?

Answer: As provided in NOFA Section 3.E.2, Assignment of Bonus Points, for Emerging Developers, the experience of the Sponsor's principals may be used to meet the applicable threshold requirements. For established, non-emerging developers, a combination of the Sponsor's experience, the experience of the Sponsor's principals, and the experience of the Sponsor's project manager may be used to meet the required threshold. However, the experience of the Sponsor's project manager may be used only for purposes of meeting threshold requirements and may not be used to access point scoring. For scoring purposes, only the Sponsor's own experience is eligible to receive points.

Q#195: In the "Uses" tab cell C81, you please clarify what is driving the LACAHSA closing costs calculation? It is in a hidden column that is inaccessible. The number being auto calculated does not include the origination fee, and is multiples higher than what I have calculated on my own based on the "LACAHSA Standard Closing Costs."

Answer: LACAHSA's lender closing costs, as outlined in the NOFA, include legal fees (\$100,000), a market study (\$13,500), an appraisal (\$15,000), and construction review (\$8,000). Additionally, monthly construction monitoring costs total \$1,600 per month during the construction period. These fees are not cumulative across additional LACAHSA loan products. Tab 6, 'Uses,' will be updated in version 1.3 to reflect that these fees are non-additive.

Q#196: The volume of questions submitted to this Q&A, along with the clarifications and workbook corrections issued by LACAHSA to address calculation errors, makes it unreasonable to maintain the current January 23 response deadline. We respectfully request that the deadline be extended, and that this change be made soon in consideration of those who are planning our response timelines and consultants to make the current deadline.

Answer: The current timeline will remain unchanged.

Q#197: The NOFA requires "current year's financial statement that includes income statements and balance sheets." Since 2026 has just begun, please confirm whether 2025 financials will meet this requirement.

Answer: Yes. For purposes of the NOFA requirement, 2025 year-end financials may be submitted as the "current year's financial statement", given that 2026 has just begun. In addition, Applicants must still provide three (3) years of audited financial statements as required by the NOFA. LACAHSA recognizes that interim 2026 financials will not be available and will accept the most recently completed fiscal year's income statement and balance sheet, provided they reasonably reflect the Applicant's current financial condition.

Q#198: My question: "Are we able to use the Sponsor's lead project manager's previous experience to meet the Sponsor Experience/Track Record threshold requirement" is referring to the threshold requirement for Sponsor Experience, not Assignment of Bonus Points.

Please clarify that a Lead Project Manager's previous development experience from previous companies can be used to meet the threshold requirements and score additional points.

Answer: As provided in NOFA Section 3.E.2, Assignment of Bonus Points, for Emerging Developers, the experience of the Sponsor's principals may be used to meet the applicable threshold requirements. For established, non-emerging developers, a combination of the Sponsor's experience, the experience of the Sponsor's principals, and the experience of the Sponsor's project manager may be used to meet the required threshold. However, the experience of the Sponsor's project manager may be used only for purposes of meeting threshold requirements and may not be used to access point scoring. For scoring purposes, only the Sponsor's own experience is eligible to receive points.

Q#199: In the Sources Tab of the workbook, how do we show Sponsor Contribution as LIHTC investors equity when that is already calculated as federal/state tax credits?

Answer: LIHTC equity can be counted as matching funds for the purposes of Matching Capital Grant sizing but not for the purpose of assigning points for "Sponsor Contribution" in the selection criteria for the 7 financing products where this is relevant.

v1.3 of the UA Workbook will reflect this distinction by updating K19 on the 'Inputs' tab.



Q#200: If applying as a to-be-formed entity, should all partners submit information or only the entity(ies) needed to meet threshold requirements?

Answer: The organizational documentation of all entities identified in the Organizational Chart must be submitted. Documentation related to the different threshold requirements (Like Sponsor Experience) must be provided as appropriate.