

5 Lots project

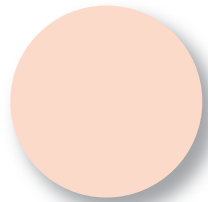
Project Financing, part 1

Funding Sources:

Federal: Low Income Tax Credits

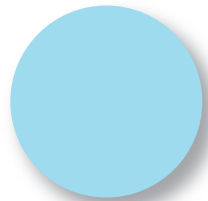
County: Loans below market rate

City: Taxes and Tax-Exempt Bonds



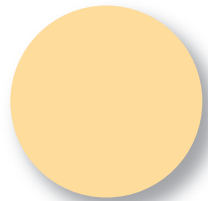
Private Sector Investment Tax Credit i.e. BIG BANKS:

These are tax deductions given to investors, the credits reduce taxable income, however there is 4X more demand than supply



Tax Exempt Loans at up to 25 points below market rate

these lucrative rates attract bond investors but applications must be made up to 4 years ahead of project in some cases



Prop HHH Funds are providing SERVICES, but also:

Bonds are tax-exempt and also up to 25 points below market rate thru arrangements between big banks and city government