



Addendum to Underwriting Report

TDHCA Application #: **25271** Program(s): **9% HTC**

Lofts at Birdwell

Address/Location: ~130 ft. N. of NWC of Sunset Ave. & Birdwell Ln.

City: Big Spring County: Howard Zip: 79720

APPLICATION HISTORY	
Report Date	PURPOSE
05/20/26	Amendment Memo
10/28/25	State Credit Award Update and Material Amendment Request
07/22/25	Original LIHTC Award

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION						
	Amount	Int. Rate	Amort	Term	Amount	Int. Rate	Amort	Perm. Term	Perm. Lien	Const. Term	Const. Lien
State Housing Tax Credits	\$80,000				\$80,000						
FHTC (9% Credit)	\$1,125,000				\$1,125,000						

CONDITIONS STATUS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted

PREVIOUS SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	4
60% of AMI	60% of AMI	35

NEW SET-ASIDES

TDHCA SET-ASIDES for HTC LURA*		
60% of AMI	60% of AMI	42

TDHCA SET-ASIDES for STATE HOUSING TAX CREDITS		
Income Limit	Rent Limit	Number of Units
30% of AMFI	30% of AMI	4

ANALYSIS

This memo will also serve to amend and clarify that SHTC 30% restrictions layer on top of the FHTC restrictions; they do not change the FHTC restrictions. There were 39 60% units at 2025 9% application.

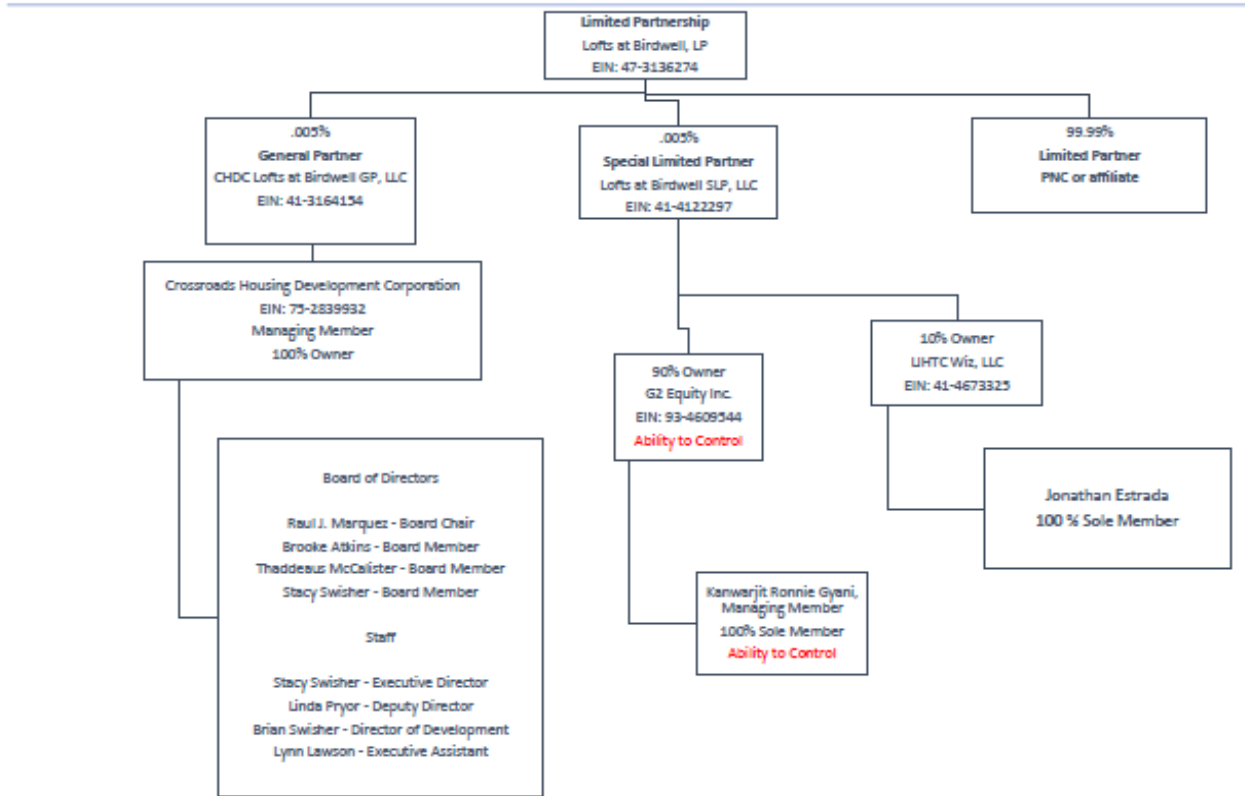
In July 2025, the Development was awarded \$1,125,000 in annual 9% Housing Tax Credits and in October 2025, the Applicant was awarded \$80,000 in annual State Housing Tax Credits. Lofts at Birdwell, LLC (the "Company"), is requesting a material amendment to their 9% LIHTC application and proposing the following changes:

- 1) Updating the development owner to Lofts at Birdwell, LP (the "Owner").
- 2) Admitting CHDC Lofts at Birdwell GP, LLC as the new general partner of the Owner.
- 3) Admitting Crossroads Housing Development Corporation as the sole member of the general partner to obtain a 50% property tax exemption.
- 4) Moving G2 Equity, Inc. over to a 90% owner of the newly formed Lofts at Birdwell SLP, LLC entity (the "SLP").
- 5) Admitting Jonathan Estrada as a 10% owner of the developer and SLP entities as sole member of LIHTC Wiz, LLC.
- 6) Removing BETCO Consulting, LLC from both the Owner and developer entities.
- 7) Adding Paul Stell as a guarantor.
- 8) Updates to the site plan which combined all residential buildings into one building which includes the leasing office and all indoor common areas.
- 9) Increase in total number of 2-bedroom units from 27 to 37, bringing the total units to 49. Three of the additional 2-bedroom units will be affordable at 60% AMI rent and income restrictions, and the remaining seven additional units will be market rate.
- 10) Increase total parking spaces from 89 to 92.
- 11) Increase in the total NRA from 31,167 SF to 39,930, an increase of 28.12%. Increase in total common area from 6,643 SF to 8,170 SF; an increase of 22.98%;
- 12) Changes in costs, interest rates, loan amounts, and equity pricing.

The reason for the material amendment is the result of value engineering to minimize/mitigate costs associated with detention/retention requirements and additional retainage walls that would have been required for topographic concerns, as well as to accommodate feedback from the City of Big Spring on the need and desire for additional market rate units. The changes in the Ownership are to maintain financial feasibility with the 50% property tax exemption, as well as including an additional guarantor to meet REO experience requirements requested by the investor.

NEW OWNERSHIP STRUCTURE

Owner Chart



SITE PLAN

The site plan was updated to reflect the new building configuration. New Architectural Drawings were also provided to document the proposed changes.

PREVIOUS SITE PLAN



NEW SITE PLAN



The number of parking spaces is 1.5 spaces per one-bedroom and two spaces per two-bedroom totaling 92 parking spaces required. The Development will now offer 92 spaces at no charge to the tenants and meeting the requirement.

Operating Pro Forma

Underwriter updated expense comps to 2024 YE.

In this Amendment request, the Applicant has added 10 units-7 market rates units and 3-60% units bringing the total number of units to 49.

Utility Allowances:

1 BR decreased from \$80 to \$77 per unit

2 BR decreased from \$105 to \$100 per unit.

As a result of these changes: Effective Gross Income increased by \$165k; NOI increased by \$129k; and Total Expenses increased by \$36k.

Underwrote all 2-bedrooms units to the lessor market rent collected. Applicant is expecting to collect a premium of \$1,494 for the 7 market unit rents above the max TC60% program rent of \$1,215, a 23% difference. Per TDHCA rule §11.302 (d)(1)(A)(i.) , "For a Development that contains less than 15% unrestricted units, the Underwriter will limit the Pro Forma Rents to the lesser of Market Rent or the Gross Program Rent at 80% AML."

As underwritten, the long-term Pro Forma exhibits a 15-year residual cash flow of \$81k after repayment of deferred developer fee in year 15.

As part of the amendment, the G2 Equity, Inc will transfer 50% interest to Crossroads Housing Development Corporation (a Non Profit) anticipating the change will result in a 50% property tax exemption. The deal is underwritten assuming the 50% tax exemption in place. Deal is infeasible without the 50% tax exemptions as without it, the DCR drops below 1.0.

Development Cost

Originally, a pro-rata allocation of \$460,945 (out of the \$600K Purchase Price) was reflected as the acquisition cost of the 3.429 acres being used for this development. Subsequently, the amended contract reflected a Purchase Price of \$500,000 for the 3.429 acres (a \$39K increase). The current Cost schedule has an acquisition cost of \$505,000, which includes an Amendment dated 1/2026 increasing price by \$5k and closing costs of \$15,555.

No change in off-site costs;

Site Amenities increased by \$466k - Applicant added pool, gazebo and playground;

Site work decreased by \$258k.

Building cost increased by \$1.1M (28.2%). Schedule of Values was provided. Total Development Cost increased by \$2.2M (18.5%).

Underwriter adjusted Soft Cost Contingency of \$73K to total Contingency. As a result, Contingency eligible basis and total cost is overstated by \$25k and \$6k, respectively. Per TDHCA rule §11.302 (e) (5), "Total contingency, including any soft cost contingency, will be limited to a maximum of 7% of Building Cost plus Site Work."

Developer Fee eligible basis is overstated by \$5k.

Sources of Funds

PNC decreased their bridge loan from \$9.5M with a 7.25% interest rate down to \$7.98M and the rate decreased to 6.52%. PNC added an additional construction loan of \$3.125M with a 7.02% interest rate and 30-month term.

The PNC perm loan of \$2M with a 6.75% interest rate was replaced with a different lender, M&T Realty Capital Corporation. The loan amount is for \$3.594M with a 6.83% interest and 15-year term amortized over 40-years.

PNC's FHTC equity contribution decreased by \$112K (from \$9.3M to \$9.2M and the credit price decreased from \$0.83 to \$0.82.

PNC's SHTC equity contribution decreased by \$40K (from \$480k to \$440k) and the credit price decreased from \$0.60 to \$0.55.

Deferred Developer Fee increased \$763k (from \$163,799 to \$927,022).

Recommendation

Underwriter recommends the original annual allocation of \$1,125,000 in annual 9% Housing Tax Credits as well as the annual allocation of \$80,000 in State Housing Tax Credits.

Underwriter:	<u>Eric Weiner</u>
Manager of Real Estate Analysis:	<u>Robert Castillo</u>
Director of Real Estate Analysis:	<u>Jeanna Adams</u>

UNIT MIX/RENT SCHEDULE

Lofts at Birdwell, Big Spring, 9% HTC #25271

LOCATION DATA

CITY:	Big Spring
COUNTY:	Howard
Area Median Income	\$93,100
PROGRAM REGION:	12
PROGRAM RENT YEAR:	2025

UNIT DISTRIBUTION

# Beds	# Units	% Total	Assisted	MDL	SHTC	Match
Eff	-	0.0%	0	0	0	0
1	12	24.5%	0	0	2	0
2	37	75.5%	0	0	2	0
3	-	0.0%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	49	100.0%	-	-	4	-

PRO FORMA ASSUMPTIONS

Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	84.91%
APP % Acquisition	9.00%
APP % Construction	9.00%
Average Unit Size	815 sf

60%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	-	-	-	42	-	-	7	49
Income	% Total	0.0%	0.0%	0.0%	0.0%	85.7%	0.0%	0.0%	14.3%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE

FEDERAL HTC		State HTC		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS			MARKET RENTS			
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 60%	\$1,012	TC 30%	\$506	2	1	1	659	\$506	\$77	\$429	\$0	\$0.65	\$429	\$858	\$858	\$429	\$0.65	\$0	\$1,350	\$2.05	\$1,350
TC 60%	\$1,012	TC 00%		7	1	1	659	\$1,012	\$77	\$935	\$0	\$1.42	\$935	\$6,545	\$6,545	\$935	\$1.42	\$0	\$1,350	\$2.05	\$1,350
TC 60%	\$1,012	TC 00%		3	1	1	714	\$1,012	\$77	\$935	\$0	\$1.31	\$935	\$2,805	\$2,805	\$935	\$1.31	\$0	\$1,350	\$1.89	\$1,350
TC 60%	\$1,215	TC 30%	\$607	2	2	2	861	\$607	\$100	\$507	\$0	\$0.59	\$507	\$1,014	\$1,014	\$507	\$0.59	\$0	\$1,494	\$1.74	\$1,650
TC 60%	\$1,215	TC 00%		28	2	2	861	\$1,215	\$100	\$1,115	\$0	\$1.30	\$1,115	\$31,220	\$31,220	\$1,115	\$1.30	\$0	\$1,494	\$1.74	\$1,650
MR		TC 00%		7	2	2	861	\$0			NA	\$1.74	\$1,494	\$10,458	\$10,458	\$1,494	\$1.74	NA	\$1,494	\$1.74	\$1,494
TOTALS/AVERAGES:				49			39,930				\$0	\$1.32	\$1,080	\$52,900	\$52,900	\$1,080	\$1.32	\$0	\$1,459	\$1.79	\$1,554

ANNUAL POTENTIAL GROSS RENT:

\$634,800 \$634,800

STABILIZED PRO FORMA

Lofts at Birdwell, Big Spring, 9% HTC #25271

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				SHTC Amendment	ORIGINAL UNDERWRITING		SHTC Amendment	TDHCA				VARIANCE	
	Database	Local Comps	% EGI	Per SF	Per Unit	Amount	Applicant	Applicant	TDHCA	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.32	\$1,080	\$634,800	\$467,112	\$448,560	\$448,560	\$467,112	\$634,800	\$1,080	\$1.32		0.0%	\$0
App Fees, NSF, Vending					\$30.00	\$17,640	\$7,020	7,020								
Total Secondary Income					\$30.00				7,020	7,020	\$17,640	\$30.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$652,440	474,132	\$455,580	\$455,580	\$474,132	\$652,440				0.0%	\$0
Vacancy & Collection Loss				7.5% PGI		(48,933)	(\$35,560)	(34,169)	(34,169)	(35,560)	(48,933)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$603,507	438,572	\$421,412	\$421,412	\$438,572	\$603,507				0.0%	\$0

General & Administrative	\$26,673	\$544/Unit	\$28,325	\$578	4.26%	\$0.64	\$524	\$25,688	\$24,000	\$25,500	\$21,033	\$21,026	\$28,325	\$578	\$0.71	4.69%	-9.3%	(2,637)
Management	\$26,678	5.9% EGI	\$27,761	\$567	5.00%	\$0.76	\$616	\$30,175	\$17,543	\$16,856	\$16,856	\$17,543	\$30,175	\$616	\$0.76	5.00%	0.0%	(0)
Payroll & Payroll Tax	\$62,871	\$1,283/Unit	\$84,303	\$1,720	15.82%	\$2.39	\$1,948	\$95,462	\$70,000	\$65,000	\$65,000	\$70,000	\$95,462	\$1,948	\$2.39	15.82%	0.0%	-
Repairs & Maintenance	\$39,178	\$800/Unit	\$27,218	\$555	5.72%	\$0.86	\$704	\$34,500	\$26,000	\$28,000	\$25,350	\$25,350	\$34,300	\$700	\$0.86	5.68%	0.6%	200
Electric/Gas	\$8,834	\$180/Unit	\$10,413	\$213	2.07%	\$0.31	\$255	\$12,500	\$7,000	\$7,000	\$6,968	\$6,966	\$10,413	\$213	\$0.26	1.73%	20.0%	2,087
Water, Sewer, & Trash	\$34,888	\$712/Unit	\$55,092	\$1,124	4.89%	\$0.74	\$603	\$29,525	\$27,768	\$25,000	\$27,768	\$27,768	\$34,888	\$712	\$0.87	5.78%	-15.4%	(5,363)
Property Insurance	\$34,300	\$0.86 /sf	\$59,791	\$1,220	6.17%	\$0.93	\$760	\$37,240	\$32,000	\$32,000	\$32,000	\$32,000	\$37,240	\$760	\$0.93	6.17%	0.0%	-
Property Tax (@ 50%) 2.694440	\$27,324	\$558/Unit	\$20,930	\$427	3.06%	\$0.46	\$377	\$18,485	\$45,661	\$34,000	\$45,661	\$48,099	\$20,930	\$427	\$0.52	3.47%	-11.7%	(2,445)
Reserve for Replacements					2.03%	\$0.31	\$250	\$12,250	\$9,750	\$9,750	\$9,750	\$9,750	\$12,250	\$250	\$0.31	2.03%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.28%	\$0.04	\$34	\$1,680	\$1,560	\$1,560	\$1,560	\$1,560	\$1,680	\$34	\$0.04	0.28%	0.0%	-
TOTAL EXPENSES					49.30%	\$7.45	\$6,072	\$297,505	\$261,282	\$244,666	\$251,948	\$260,061	\$305,664	\$6,238	\$7.65	50.65%	-2.7%	\$ (8,159)
NET OPERATING INCOME ("NOI")					50.70%	\$7.66	\$6,245	\$306,002	\$177,290	\$176,745	\$169,464	\$178,511	\$297,843	\$6,078	\$7.46	49.35%	2.7%	\$ 8,159

CONTROLLABLE EXPENSES							\$4,034/Unit												\$4,151/Unit
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Lofts at Birdwell, Big Spring, 9% HTC #25271

DEBT / GRANT SOURCES																					
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE									AS UNDERWRITTEN DEBT/GRANT STRUCTURE												
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	SHTC Amendment	ORIGINAL UNDERWRITING		SHTC Amendment	Principal	Term	Amort	Rate	Pmt	Cumulative			
		Applicant	Applicant						TDHCA	TDHCA	DCR	LTC									
M&T Realty Capital Corporation		1.13	1.16	262,702	6.83%	40	15	\$3,594,000	\$2,000,000	\$1,715,000	\$1,715,000	\$2,000,000	\$3,594,000	15	40	6.83%	\$262,702	1.16	25.3%		
				\$262,702	TOTAL DEBT / GRANT SOURCES				\$3,594,000	\$2,000,000	\$1,715,000	\$1,715,000	\$2,000,000	\$3,594,000	TOTAL DEBT SERVICE				\$262,702	1.16	25.3%
NET CASH FLOW		\$35,141	\$43,300	APPLICANT NET OPERATING INCOME										\$306,002	\$43,300	NET CASH FLOW					

EQUITY SOURCES																
APPLICANT'S PROPOSED EQUITY STRUCTURE							AS UNDERWRITTEN EQUITY STRUCTURE									
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	SHTC Amendment	ORIGINAL UNDERWRITING		SHTC Amendment	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
						Applicant	Applicant	TDHCA	TDHCA							Applicant
PNC	LIHTC Equity	65.1%	\$1,125,000	\$0.82	\$9,224,078	\$9,336,566	\$8,774,123	\$8,774,123	\$9,336,566	\$9,224,078	\$0.82	\$1,125,000	65.1%	\$22,959	Applicant Request	
PNC	SHTC Equity	3.1%	\$80,000	\$0.55	\$439,956	\$479,952	\$0	\$0	\$479,952	\$439,956	\$0.55	\$80,000	3.1%			
Lofts at Birdwell Development, LLC	Deferred Developer Fees	6.5%	(43% Deferred)		\$927,022	\$163,799	\$680,756	\$680,756	\$145,617	\$920,667	(43% Deferred)		6.5%	Total Developer Fee: \$2,141,162		
TOTAL EQUITY SOURCES		74.7%			\$10,591,056	\$9,980,317	\$9,454,879	\$9,454,879	\$9,962,135	\$10,584,701			74.7%			
TOTAL CAPITALIZATION					\$14,185,056	\$11,980,317	\$11,169,879	\$11,169,879	\$11,962,135	\$14,178,701	15-Yr Cash Flow after Deferred Fee:			\$81,622		

DEVELOPMENT COST / ITEMIZED BASIS																	
APPLICANT COST / BASIS ITEMS					TDHCA COST / BASIS ITEMS					COST VARIANCE							
	Eligible Basis		Total Costs	SHTC Amendment	ORIGINAL UNDERWRITING		SHTC Amendment	Total Costs	Eligible Basis		%	\$					
	Acquisition	New Const. Rehab		Applicant	Applicant	TDHCA	TDHCA		New Const. Rehab	Acquisition							
Land Acquisition			\$10,306 / Unit	\$505,000	\$500,000	\$460,945	\$460,945	\$500,000	\$505,000	\$10,306 / Unit		0.0%	\$0				
Building Acquisition	\$0		\$ / Unit	\$0	\$0	\$0	\$0	\$0	\$ / Unit	\$0		0.0%	\$0				
Closing costs & acq. legal fees				\$15,555	\$0	\$0	\$0	\$0	\$15,555			0.0%	\$0				
Off-Sites		\$0	\$5,102 / Unit	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$5,102 / Unit	\$0	0.0%	\$0				
Site Work		\$1,216,559	\$25,034 / Unit	\$1,226,653	\$1,485,000	\$1,485,000	\$1,485,000	\$1,225,700	\$25,014 / Unit	\$1,216,559		0.1%	\$953				
Site Amenities		\$593,256	\$12,313 / Unit	\$603,348	\$136,738	\$100,000	\$100,000	\$136,378	\$603,348	\$12,313 / Unit	\$593,256	0.0%	\$0				
Building Cost		\$4,991,804	\$125.01 /sf	\$101,874/Unit	\$4,991,804	\$3,895,029	\$3,690,211	\$3,744,733	\$3,822,482	\$4,992,756	\$101,893/Unit	\$125.04 /sf	\$4,992,756	0.0%	(\$952)		
Contingency		\$501,381	7.37%	7.09%	\$501,381	\$386,174	\$366,640	\$366,640	\$386,174	\$495,026	7.00%	7.00%	\$476,180	1.3%	\$6,355		
Contractor Fees		\$955,752	13.09%	12.62%	\$955,752	\$879,594	\$824,859	\$824,859	\$851,255	\$955,752	12.63%	13.13%	\$955,752	0.0%	\$0		
Soft Costs	\$0	\$1,401,834	\$29,119 / Unit	\$1,426,834	\$1,116,934	\$924,500	\$924,500	\$1,116,934	\$1,426,834	\$29,119 / Unit	\$1,401,834	\$0	0.0%	\$0			
Financing	\$0	\$1,045,224	\$26,275 / Unit	\$1,287,463	\$1,364,381	\$1,157,770	\$1,157,770	\$1,364,381	\$1,287,463	\$26,275 / Unit	\$1,045,224	\$0	0.0%	\$0			
Developer Fee	\$0	\$2,141,162	20.00%	19.51%	\$2,141,162	\$1,761,256	\$1,721,882	\$1,721,882	\$1,761,256	\$2,141,162	19.52%	20.00%	\$2,136,108	\$0	0.0%	\$0	
Reserves			6 Months	\$280,104	\$205,211	\$188,072	\$188,072	\$205,211	\$280,104	6 Months			0.0%	\$0			
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)				\$0	\$12,846,972	\$289,491 / Unit	\$14,185,056	\$11,980,317	\$11,169,879	\$11,224,401	\$11,879,431	\$14,178,700	\$289,361 / Unit	\$12,817,669	\$0	0.0%	\$6,356
Acquisition Cost	\$0			\$0	\$0	\$0											
Contingency		(\$25,268)		(\$6,355)	\$0	\$0											
Contractor's Fee		\$0		\$0	(\$18,182)	\$0											
Financing Cost		\$0															
Developer Fee	\$0	(\$5,054)	20.00%	\$0	\$0	\$0											
Reserves				\$0	\$0	\$0											
ADJUSTED BASIS / COST				\$0	\$12,816,651	\$289,361/unit	\$14,178,701	\$11,962,135	\$11,169,879	\$11,224,401	\$11,879,431	\$14,178,700	\$289,361/unit	\$12,817,669	\$0	0.0%	\$1
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):							\$14,178,701										

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Lofts at Birdwell, Big Spring, 9% HTC #25271

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$12,816,651	\$0	\$12,817,669
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$12,816,651	\$0	\$12,817,669
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$16,661,646	\$0	\$16,662,970
Applicable Fraction	84.91%	84.91%	85%	85%
TOTAL QUALIFIED BASIS	\$0	\$14,146,751	\$0	\$14,147,876
Applicable Percentage	9.00%	9.00%	9.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,273,208	\$0	\$1,273,309
CREDITS ON QUALIFIED BASIS	\$1,273,208		\$1,273,309	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8199	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,273,208	\$10,439,259	----	----	----
Needed to Fill Gap	\$1,237,288	\$10,144,745	----	----	----
Applicant Reques	\$1,125,000	\$9,224,078	\$1,125,000	\$0	\$0

Long-Term Pro Forma

Lofts at Birdwell, Big Spring, 9% HTC #25271

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$603,507	\$615,577	\$627,889	\$640,446	\$653,255	\$721,247	\$796,315	\$879,196	\$970,703	\$1,071,735	\$1,183,282
TOTAL EXPENSES	3.00%	\$297,505	\$306,128	\$315,004	\$324,141	\$333,545	\$384,867	\$444,176	\$512,724	\$591,961	\$683,567	\$789,484
NET OPERATING INCOME ("NOI")		\$306,002	\$309,449	\$312,884	\$316,306	\$319,711	\$336,380	\$352,139	\$366,472	\$378,742	\$388,168	\$393,798
EXPENSE/INCOME RATIO		49.3%	49.7%	50.2%	50.6%	51.1%	53.4%	55.8%	58.3%	61.0%	63.8%	66.7%
MUST -PAY DEBT SERVICE												
M&T Realty Capital Corporation		\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702
TOTAL DEBT SERVICE		\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702	\$262,702
DEBT COVERAGE RATIO		1.16	1.18	1.19	1.20	1.22	1.28	1.34	1.40	1.44	1.48	1.50
ANNUAL CASH FLOW		\$43,300	\$46,747	\$50,182	\$53,604	\$57,009	\$73,678	\$89,437	\$103,770	\$116,040	\$125,466	\$131,096
Deferred Developer Fee Balance		\$877,368	\$830,621	\$780,439	\$726,835	\$669,827	\$334,502	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$81,622	\$572,492	\$1,129,119	\$1,738,910	\$2,384,862