



Real Estate Analysis Division

October 22, 2024

Addendum to Underwriting Report

TDHCA Application #: 24196

Program(s): 9% HTC

Buena Vida Supportive Housing

Address/Location: E 14th St and E Tyler St

City: Brownsville

County: Cameron

Zip: 78520

	APPLICATION HISTORY
Report Date	PURPOSE
10/22/24	State Credit Award Update
07/09/24	Original LIHTC Award

ALLOCATION

	Previous Allocation				RECOMMENDATION						
TDHCA Program	Amount	Int. Rate	Amort	Term	Amount	Int. Rate	Amort	Perm. Term	Perm. Lien	Const. Term	Const. Lien
State Housing Tax Credits					\$195,000						
LIHTC (9% Credit)	\$1,648,986				\$1,648,986						

CONDITIONS STATUS

- 1 Receipt and acceptance by 10% test:
 - HUD conditional approval of RAD conversion including the draft RAD Conversion Commitment "RCC" that clearly states HUD's anticipated monthly HAP Contract rents and operating budget.
- 2 Receipt and acceptance by Cost Certification:
 - Certification of comprehensive testing for lead-based paint; that any appropriate abatement procedures were implemented; and that any remaining lead-based paint are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.

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.

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	50

ANALYSIS

Buena Vida Supportive Housing was awarded a 9% HTC allocation of \$1,648,986. The Applicant has applied for additional \$195,000 in annual State Housing Tax Credits.

Operating Pro Forma

The deal is now completely 30% HTC units and is still 100% supported by Rental Assistance Contracts. The total income and expenses for the project have not changed.

Development Cost

The Applicant hasn't made any changes to the development cost schedule from the original submission.

Sources of Funds

Hunt Capital Partners is contributing an additional \$741K of equity to purchase the State Credits.

Deferred developer fee has been reduced by \$316K.

\$425K of permanent financing from the Housing Authority of the City of Brownsville has been removed as a funding source.

Underwriter recommends \$1,648,986 in annual 9% Housing Tax Credits per the Applicant's request and \$195,000 in annual State Housing Tax Credits as requested by Applicant.

Underwriter:	<u>Jeffrey Price</u>
Manager of Real Estate Analysis:	<u>Diamond Unique Thompson</u>
Director of Real Estate Analysis:	<u>Jeanna Adams</u>

UNIT MIX/RENT SCHEDULE
Buena Vida Supportive Housing, Brownsville, 9% HTC #24196

LOCATION DATA	
CITY:	Brownsville
COUNTY:	Cameron
Area Median Income	\$93,200
PROGRAM REGION:	11
PROGRAM RENT YEAR:	2023

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	-	0.0%	0	0	0	0
1	10	20.0%	10	0	0	0
2	25	50.0%	25	0	0	0
3	15	30.0%	15	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	50	100.0%	50	-	-	-

PRO FORMA ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100.00%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	958 sf

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

UNIT MIX / MONTHLY RENT SCHEDULE																						
HTC		RENT ASSISTED UNIT		Match Units	UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	Match Units	# 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 30%	\$524	NARR	\$906	0	10	1	1	717	\$906	\$69	\$837	\$0	\$1.17	\$837	\$8,370	\$8,370	\$837	\$1.17	\$0	\$1,100	\$1.53	\$1,100
TC 30%	\$629	NARR	\$1,152	0	25	2	2	950	\$1,152	\$91	\$1,061	\$0	\$1.12	\$1,061	\$26,525	\$26,525	\$1,061	\$1.12	\$0	\$1,100	\$1.16	\$1,100
TC 30%	\$727	NARR	\$1,511	0	15	3	2	1,131	\$1,511	\$114	\$1,397	\$0	\$1.24	\$1,397	\$20,955	\$20,955	\$1,397	\$1.24	\$0	\$1,350	\$1.19	\$1,350
TOTALS/AVERAGES:					50				47,885			\$0	\$1.17	\$1,117	\$55,850	\$55,850	\$1,117	\$1.17	\$0	\$1,175	\$1.23	\$1,175

ANNUAL POTENTIAL GROSS RENT:	\$670,200	\$670,200
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*MFDL units float among Unit Types

STABILIZED PRO FORMA

Buena Vida Supportive Housing, Brownsville, 9% HTC #24196

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				Original UW		TDHCA				VARIANCE	
	Database	Supp. Housing Comps	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.17	\$1,117	\$670,200	\$670,200	\$670,200	\$670,200	\$1,117	\$1.17		0.0%	\$0
phone, cable, laundry					\$5.00	\$3,000	3,000							
Total Secondary Income					\$5.00			3,000	\$3,000	\$5.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$673,200	\$673,200	\$673,200	\$673,200				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI	(50,490)	(50,490)	(50,490)	(50,490)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$622,710	\$622,710	\$622,710	\$622,710				0.0%	\$0

General & Administrative	\$28,182	\$564/Unit	\$26,912	\$538	4.45%	\$0.58	\$554	\$27,720	\$27,720	\$28,182	\$28,182	\$564	\$0.59	4.53%	-1.6%	(462)
Management	\$35,998	7.6% EGI	\$21,833	\$437	5.00%	\$0.65	\$623	\$31,136	\$31,136	\$31,136	\$31,136	\$623	\$0.65	5.00%	0.0%	-
Payroll & Payroll Tax	\$62,148	\$1,243/Unit	\$103,186	\$2,064	15.76%	\$2.05	\$1,962	\$98,124	\$98,124	\$98,124	\$98,124	\$1,962	\$2.05	15.76%	0.0%	-
Repairs & Maintenance	\$32,204	\$644/Unit	\$28,028	\$561	9.22%	\$1.20	\$1,148	\$57,390	\$57,390	\$50,000	\$50,000	\$1,000	\$1.04	8.03%	14.8%	7,390
Electric/Gas	\$13,573	\$271/Unit	\$7,803	\$156	3.28%	\$0.43	\$408	\$20,400	\$20,400	\$20,400	\$20,400	\$408	\$0.43	3.28%	0.0%	-
Water, Sewer, & Trash	\$24,681	\$494/Unit	\$21,146	\$423	5.14%	\$0.67	\$640	\$31,980	\$31,980	\$24,681	\$24,681	\$494	\$0.52	3.96%	29.6%	7,299
Property Insurance	\$38,472	\$0.80 /sf	\$39,523	\$790	8.46%	\$1.10	\$1,053	\$52,673	\$52,673	\$52,673	\$52,673	\$1,053	\$1.10	8.46%	0.0%	-
Property Tax (@ 0%) 2.2600	\$35,280	\$706/Unit			0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements					2.01%	\$0.26	\$250	\$12,500	\$12,500	\$12,500	\$12,500	\$250	\$0.26	2.01%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.32%	\$0.04	\$40	\$2,000	\$2,000	\$2,000	\$2,000	\$40	\$0.04	0.32%	0.0%	-
TOTAL EXPENSES					53.62%	\$6.97	\$6,678	\$333,923	\$333,923	\$319,695	\$319,695	\$6,394	\$6.68	51.34%	4.5%	\$ 14,228
NET OPERATING INCOME ("NOI")					46.38%	\$6.03	\$5,776	\$288,787	\$288,787	\$303,015	\$303,015	\$6,060	\$6.33	48.66%	-4.7%	\$ (14,228)

CONTROLLABLE EXPENSES							\$4,712/Unit					\$4,428/Unit				
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Buena Vida Supportive Housing, Brownsville, 9% HTC #24196

		DEBT / GRANT SOURCES																		
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE										AS UNDERWRITTEN DEBT/GRANT STRUCTURE								
		Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Original Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative				
UW	App	Applicant	TDHCA						DCR	LTC										
DEBT (Must Pay)	Fee	1.24	1.18	245,321	7.00%	35	15.0	\$3,200,000	\$3,200,000	\$3,200,000	15.0	35.0	7.00%	\$245,321	1.18	17.4%				
CASH FLOW DEBT / GRANTS																				
City of Brownsville		1.24	1.18		0.00%	0	0.0	\$1,000	\$1,000	\$1,000	0.0	0.0	0.00%		1.18	0.0%				
Housing Authority COB		1.24	1.18		0.00%	0	15.0	\$0	\$425,000	\$425,000	\$0	15.0	0.0	0.00%		1.18	0.0%			
				\$245,321	TOTAL DEBT / GRANT SOURCES			\$3,201,000	\$3,626,000	\$3,626,000	\$3,201,000	TOTAL DEBT SERVICE			\$245,321	1.18	17.4%			
NET CASH FLOW		\$57,694	\$43,466	APPLICANT NET OPERATING INCOME														\$288,787	\$43,466	NET CASH FLOW

EQUITY SOURCES													
APPLICANT'S PROPOSED EQUITY STRUCTURE						AS UNDERWRITTEN EQUITY STRUCTURE							
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Original Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
						Applicant	TDHCA						
Hunt Capital Partners	LIHTC Equity	77.1%	\$1,648,986	\$0.86	\$14,179,000	\$14,179,000	\$14,179,000	\$14,179,000	\$0.8599	\$1,648,986	77.1%	\$32,980	Applicant Request
Hunt Capital Partners	State Housing Tax Credit Equity	4.0%	\$195,000	\$0.38	\$741,000	\$0	\$0	\$741,000	\$0.3800	\$195,000	4.0%		
BHOC VDC SH, LP	Deferred Developer Fees	1.5%	(15% Deferred)		\$282,862	\$598,862	\$593,862	\$277,862	(14% Deferred)		1.5%	Total Developer Fee:	\$1,933,222
Additional (Excess) Funds Req'd		0.0%				\$0	\$0	\$0			0.0%		
TOTAL EQUITY SOURCES		82.6%			\$15,202,862	\$14,777,862	\$14,772,862	\$15,197,862			82.6%		
TOTAL CAPITALIZATION					\$18,403,862	\$18,403,862	\$18,398,862	\$18,398,862	15-Yr Cash Flow after Deferred Fee:			\$641,152	

		DEVELOPMENT COST / ITEMIZED BASIS													
		APPLICANT COST / BASIS ITEMS							TDHCA COST / BASIS ITEMS					COST VARIANCE	
		Eligible Basis		Total Costs		Original Underwriting		Total Costs		Eligible Basis					
		Acquisition	New Const. Rehab			Applicant	TDHCA			New Const. Rehab	Acquisition			%	\$
Land Acquisition				\$8,500 / Unit		\$425,000	\$425,000	\$420,000	\$420,000	\$8,400 / Unit			1.2%	\$5,000	
Building Acquisition		\$0		\$ / Unit		\$0	\$0	\$0	\$0	\$ / Unit		\$0	0.0%	\$0	
Off-Sites			\$0	\$420 / Unit		\$21,000	\$21,000	\$21,000	\$21,000	\$420 / Unit	\$0		0.0%	\$0	
Site Work			\$427,105	\$11,662 / Unit		\$583,105	\$583,105	\$583,105	\$583,105	\$11,662 / Unit	\$427,105		0.0%	\$0	
Site Amenities			\$178,500	\$3,570 / Unit		\$178,500	\$178,500	\$178,500	\$178,500	\$3,570 / Unit	\$178,500		0.0%	\$0	
Commercial Space			\$0	\$21,548 / Unit		\$1,077,400	\$1,077,400	\$1,077,400	\$1,077,400	\$21,548 / Unit	\$0		0.0%	\$0	
Building Cost			\$8,824,305	\$184.28 /sf	\$176,486/Unit	\$8,824,305	\$8,824,305	\$8,188,717	\$8,188,717	\$163,774/Unit	\$171.01 /sf	\$8,188,717	7.8%	\$635,588	
Contingency			\$577,865	6.13%	5.41%	\$577,865	\$577,865	\$577,865	\$577,865	5.75%	6.57%	\$577,865	0.0%	\$0	
Contractor Fees			\$1,211,851	12.11%	10.76%	\$1,211,851	\$1,211,851	\$1,211,851	\$1,211,851	11.40%	12.93%	\$1,211,851	0.0%	\$0	
Soft Costs		\$0	\$1,622,436	\$32,449 / Unit		\$1,622,436	\$1,622,436	\$1,622,436	\$1,622,436	\$32,449 / Unit	\$1,622,436	\$0	0.0%	\$0	
Financing		\$0	\$1,397,778	\$32,348 / Unit		\$1,617,378	\$1,617,378	\$1,617,378	\$1,617,378	\$32,348 / Unit	\$1,397,778	\$0	0.0%	\$0	
Developer Fee		\$0	\$1,933,222	13.58%	12.48%	\$1,933,222	\$1,933,222	\$1,933,222	\$1,933,222	13.01%	14.21%	\$1,933,222	\$0	0.0%	\$0
Reserves				7 Months		\$331,800	\$331,800	\$331,800	\$331,800	7 Months			0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)			\$0	\$16,173,062	\$368,077 / Unit		\$18,403,862	\$18,403,862	\$17,763,274	\$17,763,274	\$355,265 / Unit	\$15,537,474	\$0	3.6%	\$640,588
Acquisition Cost		\$0				(\$5,000)	(\$5,000)								
Contingency			\$0			\$0									
Contractor's Fee			\$0			\$0									
Financing Cost			\$0												
Developer Fee		\$0	\$0		\$0	\$0									
Reserves						\$0	\$0								
ADJUSTED BASIS / COST			\$0	\$16,173,062	\$367,977/unit		\$18,398,862	\$18,398,862		\$17,763,274	\$355,265/unit	\$15,537,474	\$0	3.6%	\$635,588
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$18,398,862									

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Buena Vida Supportive Housing, Brownsville, 9% HTC #24196

CREDIT CALCULATION ON QUALIFIED BASIS				
Applicant		TDHCA		
Acquisition	Construction Rehabilitation	Acquisition	Construction	
ADJUSTED BASIS	\$0	\$16,173,062	\$0	\$15,537,474
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$16,173,062	\$0	\$15,537,474
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$21,024,981	\$0	\$20,198,716
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$21,024,981	\$0	\$20,198,716
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,892,248	\$0	\$1,817,884
CREDITS ON QUALIFIED BASIS	\$1,892,248		\$1,817,884	

ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS			FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price \$0.8599	Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,892,248	\$16,270,719	----	----	----
Needed to Fill Gap	\$1,681,301	\$14,456,862	----	----	----
Applicant Request	\$1,648,986	\$14,179,000	\$1,648,986	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	47,885 SF	\$132.61	6,350,185
Adjustments				
Exterior Wall Finish	2.48%		3.29	\$157,485
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.31%		4.39	210,191
Roof Adjustment(s)			(0.25)	(11,971)
Subfloor			(0.21)	(10,215)
Floor Cover			5.79	277,075
Enclosed Corridors	\$121.26	9,512	24.09	1,153,456
Balconies	\$40.77	3,240	2.76	132,094
Plumbing Fixtures	\$1,420	120	3.56	170,400
Rough-ins	\$700	100	1.46	70,000
Built-In Appliances	\$2,280	50	2.38	114,000
Exterior Stairs	\$3,550	8	0.59	28,400
Heating/Cooling			3.12	149,401
Storage Space	\$121.26	0	0.00	0
Carports	\$16.05	0	0.00	0
Garages	\$30.00	0	0.00	0
Common/Support Area	\$127.31	4,667	12.41	594,136
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$3.65	62,064	4.73	226,534
SUBTOTAL			200.71	\$9,611,170
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			200.71	\$9,611,170
Plans, specs, survey, bldg permits	3.30%		(6.62)	(\$317,169)
Contractor's OH & Profit	11.50%		(23.08)	(1,105,285)
NET BUILDING COSTS		\$163,774/unit	\$171.01/sf	\$8,188,717

Long-Term Pro Forma

Buena Vida Supportive Housing, Brownsville, 9% HTC #24196

	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%	\$622,710	\$635,164	\$647,867	\$660,825	\$674,041	\$744,196	\$821,653	\$907,171	\$1,001,590	\$1,105,836	\$1,220,933
TOTAL EXPENSES	3.00%	\$333,923	\$343,629	\$353,621	\$363,905	\$374,492	\$432,279	\$499,076	\$576,298	\$665,584	\$768,830	\$888,233
NET OPERATING INCOME ("NOI")		\$288,787	\$291,535	\$294,247	\$296,920	\$299,549	\$311,917	\$322,577	\$330,873	\$336,006	\$337,006	\$332,700
EXPENSE/INCOME RATIO		53.6%	54.1%	54.6%	55.1%	55.6%	58.1%	60.7%	63.5%	66.5%	69.5%	72.8%
MUST -PAY DEBT SERVICE												
Legacy Bank and Trust		\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321
TOTAL DEBT SERVICE		\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321
DEBT COVERAGE RATIO		1.18	1.19	1.20	1.21	1.22	1.27	1.31	1.35	1.37	1.37	1.36
ANNUAL CASH FLOW												
Deferred Developer Fee Balance		\$234,396	\$188,182	\$139,256	\$87,657	\$33,429	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$275,386	\$641,152	\$1,053,413	\$1,498,018	\$1,956,316	\$2,404,209

24196 Buena Vida Supportive Housing - Application Summary

REAL ESTATE ANALYSIS DIVISION

July 9, 2024

PROPERTY IDENTIFICATION	
Application #	24196
Development	Buena Vida Supportive Housing
City / County	Brownsville / Cameron
Region/Area	11 / Urban
Population	Supportive Housing
Set-Aside	Non-Profit
Activity	New Construction

RECOMMENDATION				
TDHCA Program	Request	Recommended		
LIHTC (9% Credit)	\$1,648,986	\$1,648,986	\$32,980/Unit	\$0.86

KEY PRINCIPALS / SPONSOR		
Buena Vida SH BHOC Dev, LLC/Carla Mancha Developer/Owner/Guarantor		
Related Parties	Contractor - TBD	Seller - No

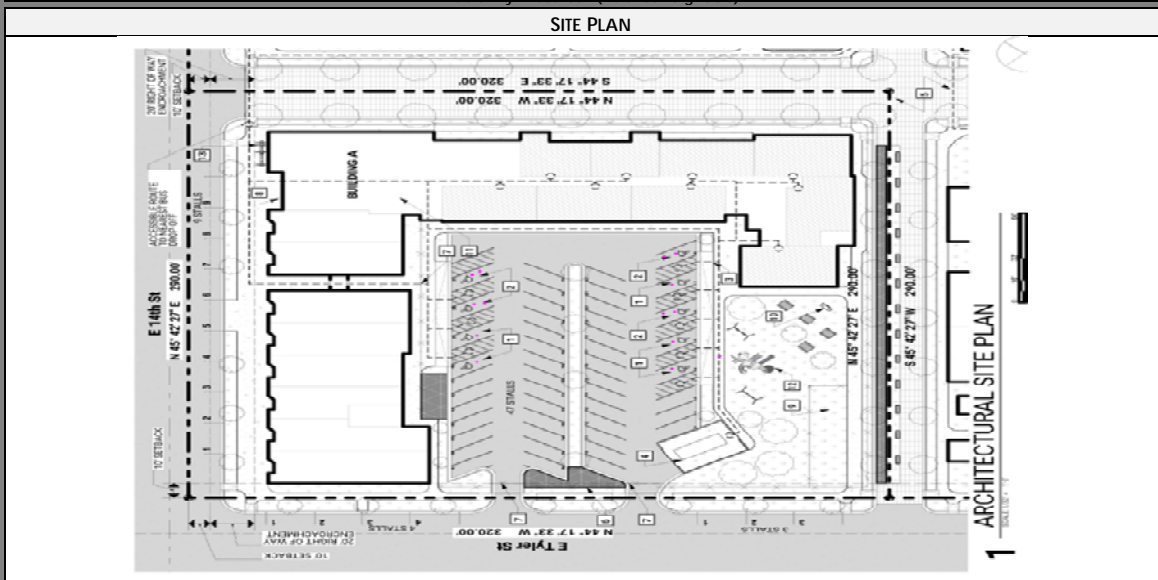


UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	10	20%	30%	10	20%
2	25	50%	40%	-	0%
3	15	30%	50%	30	60%
4	-	0%	60%	10	20%
			70%	-	0%
			80%	-	0%
			MR	-	0%
TOTAL	50	100%	TOTAL	50	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.18	Expense Ratio	53.6%
Breakeven Occ.	86.0%	Breakeven Rent	\$1,039
Average Rent	\$1,117	B/E Rent Margin	\$78
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$6,678/unit	Controllable	\$4,712/unit

MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)			0.2%
Highest Unit Capture Rate	1%	2 BR/50%	15
Dominant Unit Cap. Rate	1%	2 BR/50%	15
Premiums (↑80% Rents)	N/A		N/A
Rent Assisted Units	50		100% Total Units

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	958 SF	Density	23.5/acre
Acquisition		\$08K/unit	\$420K
Building Cost	\$184.28/SF	\$176K/unit	\$8,824K
Hard Cost		\$204K/unit	\$10,185K
Total Cost		\$368K/unit	\$18,399K
Developer Fee	\$1,933K	(31% Deferred)	Paid Year: 11
Contractor Fee	\$1,212K	30% Boost	Yes



DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Legacy Bank and Trust	15/35	7.00%	\$3,200,000	1.18						Hunt Capital Partners	\$14,179,000
										BHOC VDC SH, LP	\$593,862
					City of Brownsville	0/0	0.00%	\$1,000	1.18		
					Housing Authority COB	15/0	1.00%	\$425,000	1.18	TOTAL EQUITY SOURCES	\$14,772,862
										TOTAL DEBT SOURCES	\$3,626,000
TOTAL DEBT (Must Pay)			\$3,200,000		CASH FLOW DEBT / GRANTS			\$426,000		TOTAL CAPITALIZATION	\$18,398,862

CONDITIONS	
1	Receipt and acceptance by 10% test: - HUD conditional approval of RAD conversion including the draft RAD Conversion Commitment "RCC" that clearly states HUD's anticipated monthly HAP Contract rents and operating budget.
2	Receipt and acceptance by Cost Certification: - Certification of comprehensive testing for lead-based paint; that any appropriate abatement procedures were implemented; and that any remaining lead-based paint are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.

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.

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫	Low gross capture rate
▫	Developer experience with LIHTC properties
▫	100% of units supported by RAD Rental Assistance
WEAKNESSES/RISKS	
▫	Feasibility dependent on RAD Contract and 100% tax

AREA MAP	

AERIAL PHOTOGRAPH(S)	

**Real Estate Analysis Division****Underwriting Report**

July 9, 2024

DEVELOPMENT IDENTIFICATIONTDHCA Application #: **24196** Program(s): **9% HTC****Buena Vida Supportive Housing**Address/Location: **E 14th St and E Tyler St**City: **Brownsville** County: **Cameron** Zip: **78520**Population: **Supportive Housing** Program Set-Aside: **Non-Profit** Area: **Urban**Activity: **New Construction** Building Type: **Garden (Up to 4-story)** Region: **11**Analysis Purpose: **New Application - Initial Underwriting****ALLOCATION**

TDHCA Program	REQUEST				RECOMMENDATION						
	Amount	Int. Rate	Amort	Term	Amount	Int. Rate	Amort	Perm. Term	Perm Lien	Const. Term	Const Lien
LIHTC (9% Credit)	\$1,648,986				\$1,648,986						

CONDITIONS

- Receipt and acceptance by 10% test:
 - HUD conditional approval of RAD conversion including the draft RAD Conversion Commitment "RCC" that clearly states HUD's anticipated monthly HAP Contract rents and operating budget.
- Receipt and acceptance by Cost Certification:
 - Certification of comprehensive testing for lead-based paint; that any appropriate abatement procedures were implemented; and that any remaining lead-based paint are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.

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.

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	10
50% of AMI	50% of AMI	30
60% of AMI	60% of AMI	10

DEVELOPMENT SUMMARY

The Buena Vida Supportive Housing project is the new construction of 50 units of Permanent Supportive Housing ("PSH") that will provide affordable housing paired with services for Brownsville's most vulnerable. The Buena Vida Supportive Housing project will be built leveraging low-income housing tax credits via a partnership between the Brownsville Housing Opportunity Corporation ("BHOC") and Versa Development, where Friendship of Women, Inc. ("FOW") has been identified as the supportive services partner to provide victim-centered support.

The partnership has received an approved Notice of RAD Rents (NARR) from HUD for all 50 units via the Faircloth to RAD program. This identified rental assistance subsidy represents \$670,200 per year based on BHOC's pay rate of 110% of current FMR.

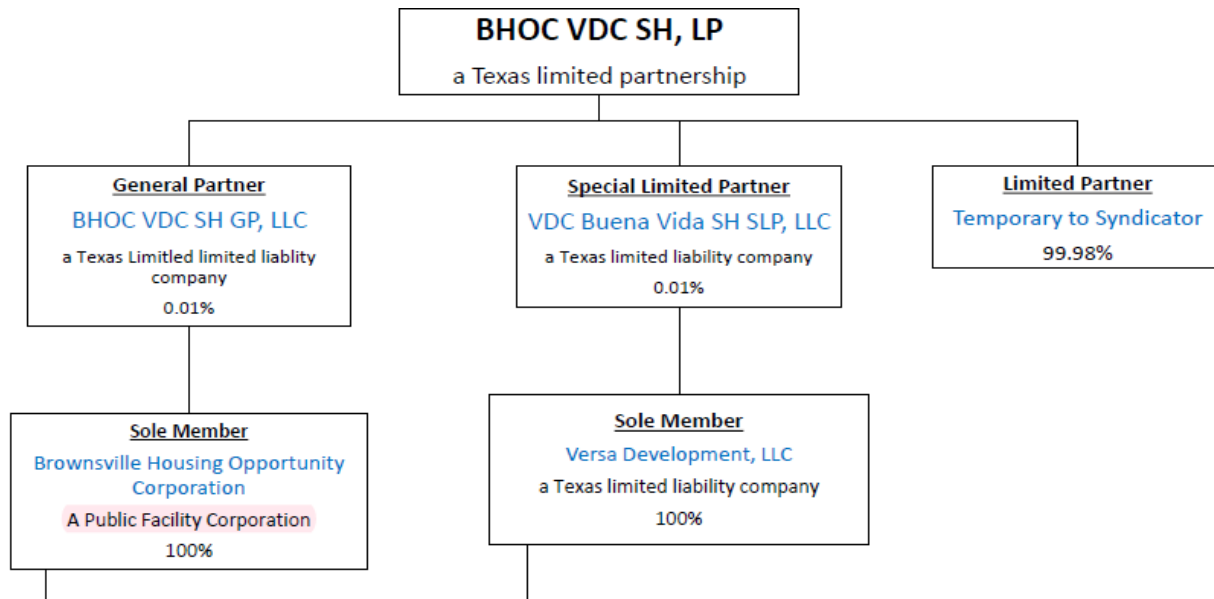
FOW is an experienced, strong advocate in the community providing comprehensive victim services, operating an emergency shelter, and serves as the leading family violence and rape crisis center for Southern Cameron County, Texas.

RISK PROFILE

STRENGTHS/MITIGATING FACTORS	WEAKNESSES/RISKS
<ul style="list-style-type: none">Low gross capture rate	<ul style="list-style-type: none">Feasibility dependent on RAD Contract and 100% tax exemption
<ul style="list-style-type: none">Developer experience with LIHTC properties	<ul style="list-style-type: none">
<ul style="list-style-type: none">100% of units supported by RAD Rental Assistance	<ul style="list-style-type: none">

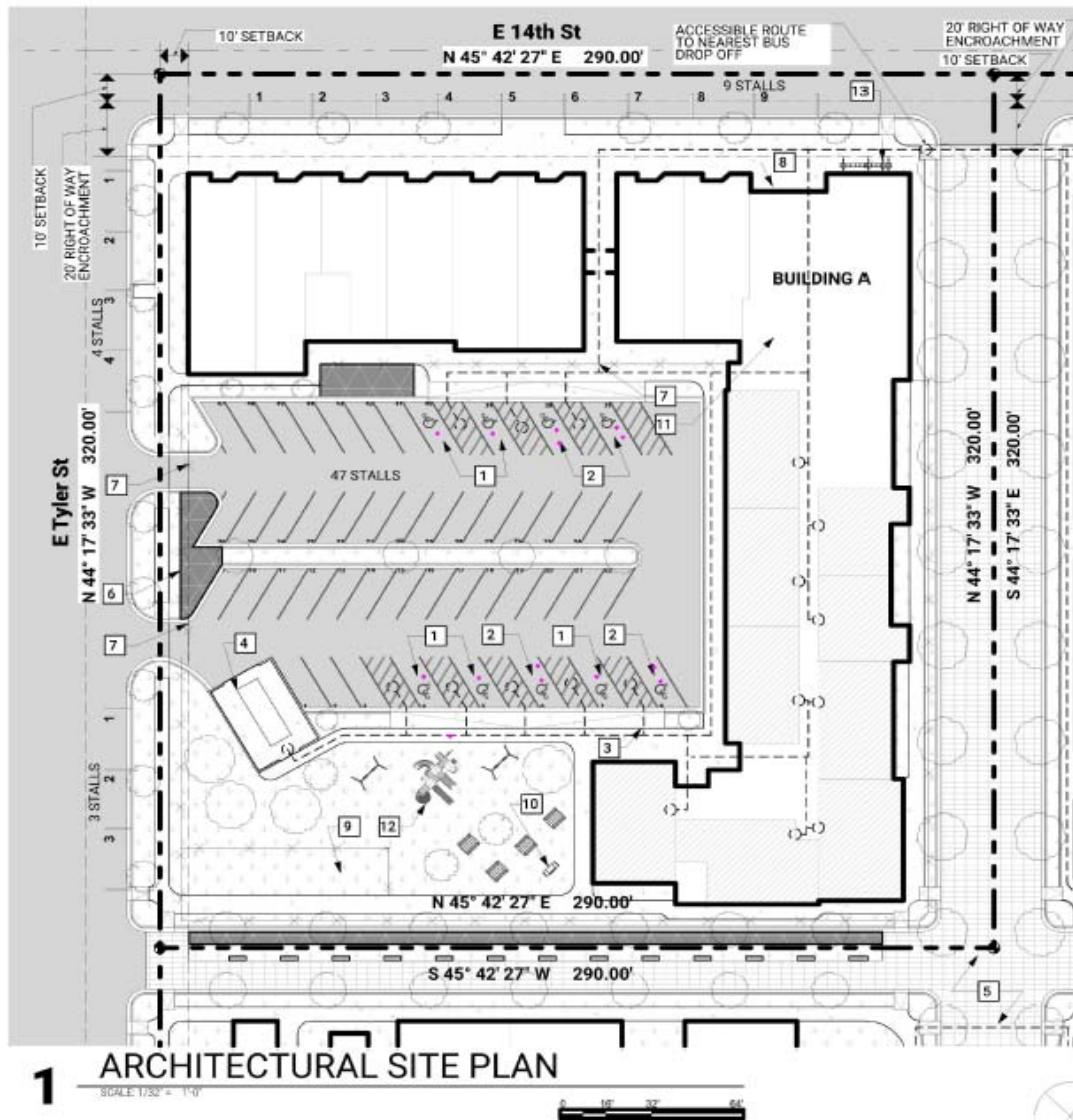
DEVELOPMENT TEAM

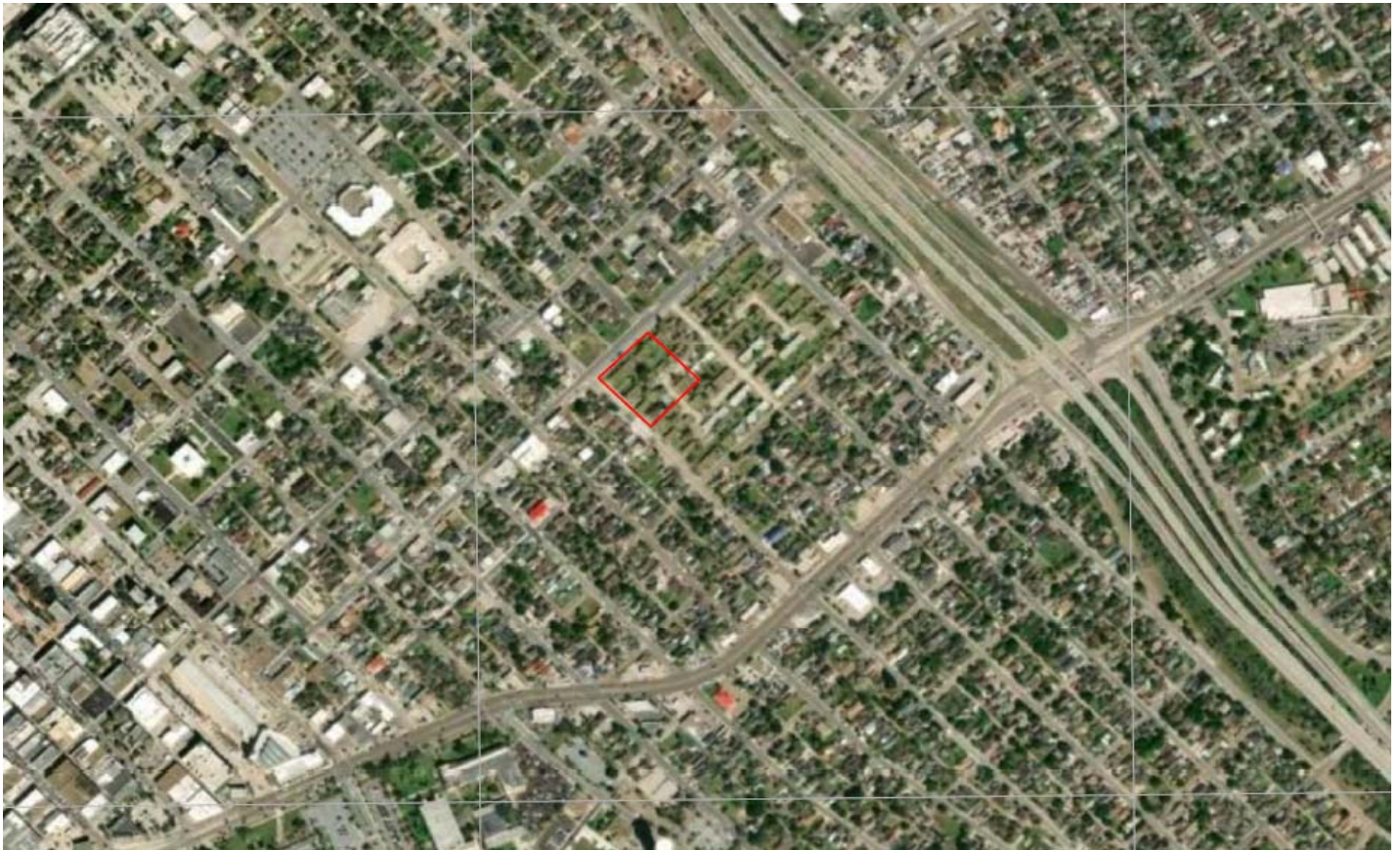
OWNERSHIP STRUCTURE



DEVELOPMENT SUMMARY

SITE PLAN





Comments:
 Provided parking of 63 spaces is compliant with local requirements.

BUILDING ELEVATION



BUILDING CONFIGURATION

Building Type	A																	Total Buildings
Floors/Stories	3																	
Number of Bldgs	1																	1
Units per Bldg	50																	
Total Units	50																	50
Avg. Unit Size (SF)	958 sf	Total NRA (SF)				47,885	Common Area (SF)*				11,614							

*Common Area Square Footage as specified on Architect Certification

SITE CONTROL INFO

Site Acreage: Development Site: 2.13 acres Density: 23.5 units/acre
Site Control: 2.13 **Site Plan:** 2.13 **Appraisal:** 2.13 **ESA:** 2.13
Feasibility Report Survey: 2.13 **Feasibility Report Engineer's Plan:** 2.13 **Existing LURA:** NA

Control Type: Contract for Ground Lease and Bill of Sale

Development Site: 2.13 acres Cost: \$420,000 \$8,400 per unit

Seller: Housing Authority of the City of Brownsville

Buyer: BHOC VDC SH, LP

Related-Party Seller/Identity of Interest: No 0

Comments:

A ground lease is being contemplated for tax exemption. The ground lease will have a 75-year term with an original rent payment of \$425K, with an additional \$100 of annual rent.

APPRAISED VALUE

Appraiser: Araiza Appraisal & Consulting Date: 1/18/2024

Land as Vacant: 2.13 acres \$420,000 Per Unit: \$8,400

Comments:

TDHCA is using the appraisal value of \$420K for acquisition costs.

SITE INFORMATION

Flood Zone: Zone X

Scattered Site? No

Zoning: TN MU - Trad
Neighborhood Mixed
Use

Within 100-yr floodplain? No

Re-Zoning Required? No

Utilities at Site? Yes

Year Constructed: NA

Title Issues? No

Current Uses of Subject Site:

Unoccupied residential complex

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Ambiotec Environmental ConsultantsDate: 2/19/2024

Recognized Environmental Conditions (RECs) and Other Concerns:

- The buildings that are currently on site contain lead-based paint.

MARKET ANALYSIS

Provider: Gibson Consulting, Inc.Date: 3/27/2024

Primary Market Area (PMA): 30 sq. miles 3 mile equivalent radius

AFFORDABLE HOUSING INVENTORY

Competitive Supply (Proposed, Under Construction, and Unstabilized)

File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
Stabilized Affordable Developments in PMA						Total Units 2,396
						Total Developments 19
						Average Occupancy 96%

OVERALL DEMAND ANALYSIS

		Market Analyst			
		HTC	Assisted		
Total Households in the Primary Market Area		33,227			
Potential Demand from the Primary Market Area		22,615			
10% External Demand		2,262			
Potential Demand from Other Sources		0			
GROSS DEMAND		24,877			
Subject Affordable Units		50			
Unstabilized Competitive Units		0			
RELEVANT SUPPLY		50			
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE		0.2%			

Population: **Supportive Housing** Market Area: **Urban** Maximum Gross Capture Rate: **30%**

UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND

		Market Analyst									
AMGI Band	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate						
30% AMGI	1,471	147	10	0	1%						
50% AMGI	3,998	400	30	0	1%						
60% AMGI	13,569	1357	10	0	0%						

UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE									
Unit Type	Market Analyst								
	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate				
1 BR/30%	389	39	2	0	0%				
1 BR/50%	1,057	106	6	0	1%				
1 BR/60%	3,587	359	2	0	0%				
2 BR/30%	579	58	5	0	1%				
2 BR/50%	1,573	157	15	0	1%				
2 BR/60%	5,338	534	5	0	0%				
3 BR/30%	362	36	3	0	1%				
3 BR/50%	983	98	9	0	1%				
3 BR/60%	3,336	334	3	0	0%				

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)					
NOI:	\$288,787	Avg. Rent:	\$1,117	Expense Ratio:	53.6%
Debt Service:	\$245,321	B/E Rent:	\$1,039	Controllable Expenses:	\$4,712
Net Cash Flow:	\$43,466	UW Occupancy:	92.5%	Property Taxes/Unit:	\$0
Aggregate DCR:	1.18	B/E Occupancy:	86.0%	Program Rent Year:	2023

Property tax exemption achieved through the Brownsville Housing Opportunity Corporation's participation in the General Partnership.

As the property is supportive housing, the Underwriter has elected to use an R&M cost of \$1,000/unit as it is generally the case that supportive housing developments have a higher cost for repairs.

For supportive housing, typically it is necessary to have no "must pay" debt. Per section 11.1(d)(125)(E)(ii)(I-VI), when a minimum of 25% of units are supported by project-based rental assistance, this allows permanent debt to be used for the development. With debt structured in this manner, the development is no longer exempt from the underwriting feasibility criteria.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)					
Acquisition	\$199,531/ac	\$8,400/unit	\$420,000	Contractor Fee	\$1,211,851
Off-site + Site Work		\$15,652/unit	\$782,605	Soft Cost + Financing	\$3,239,814
Building Cost	\$184.28/sf	\$176,486/unit	\$8,824,305	Developer Fee	\$1,933,222
Contingency	5.41%	\$11,557/unit	\$577,865	Reserves	\$331,800
Total Development Cost		\$367,977/unit	\$18,398,862	Rehabilitation Cost	N/A
Qualified for 30% Basis Boost?		100% Supportive Housing [9% only]			

Acquisition:

Underwriter is using \$420K for acquisition costs per the appraisal. Applicant has overstated total acquisition costs by \$5K.

Building Cost:

Applicant is limiting building costs to \$7.4M for scoring purposes.

Contingency:

Applicant overstated eligible contingency by \$12K.

Contractor Fee:

Applicant overstated eligible contractor fees by \$1,733.

Developer Fee:

Applicant overstated eligible developer fee by \$2,118.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$18,398,862	\$14,805,134	\$1,732,201

UNDERWRITTEN CAPITALIZATION**INTERIM SOURCES**

Funding Source	Description	Amount	Rate	LTC
Legacy Bank and Trust	Const. to Perm. Loan	\$12,900,000	8.00%	70%
Hunt Capital Partners	HTC	\$3,544,750	\$0.86	19%
BHOC VDC SH, LP	Deferred Developer Fee	\$1,533,112	0.00%	8%
City of Brownsville	Fee Waiver	\$1,000	Fee Waiver	
Housing Authority COB	Lessor's Note	\$425,000	1.00%	2%
		\$18,403,862	Total Sources	

PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Legacy Bank and Trust	\$3,200,000	7.00%	35	15.0	\$3,200,000	7.00%	35	15.0	17%
City of Brownsville	\$1,000	Fee Waiver			\$1,000	0.00%	Fee Waiver		
Housing Authority COB	\$425,000	1.00%	0	15.0	\$425,000	1.00%	0	15.0	2%
Total	\$3,626,000				\$3,626,000				

	PROPOSED			UNDERWRITTEN			
Equity & Deferred Fees	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Hunt Capital Partners	\$14,179,000	\$0.86		\$14,179,000	\$0.86	77%	
BHOC VDC SH, LP	\$598,862		31%	\$593,862		3%	31%
	Total	\$14,777,862		\$14,772,862			
				\$18,398,862	Total Sources		

Credit Price Sensitivity based on current capital structure

\$0.896	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.840	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Gap Analysis:

Total Development Cost	\$18,398,862
Permanent Sources (debt + non-HTC equity)	\$3,626,000
Gap in Permanent Financing	\$14,772,862

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$14,894,531	\$1,732,201
Needed to Balance Sources & Uses	\$14,772,862	\$1,718,051
Requested by Applicant	\$14,179,000	\$1,648,986

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$14,179,000	\$1,648,986

Deferred Developer Fee	\$593,862	(31% deferred)
Repayable in	11 years	

Recommendation:

Underwriter recommends an annual tax credit allocation of \$1,648,986 per the Applicant's request.

Underwriter:

Jeffrey Price

Manager of Real Estate Analysis:

Diamond Unique Thompson

Director of Real Estate Analysis:

Jeanna Adams

UNIT MIX/RENT SCHEDULE
<i>Buena Vida Supportive Housing, Brownsville, 9% HTC #24196</i>

LOCATION DATA	
CITY:	Brownsville
COUNTY:	Cameron
Area Median Income	\$93,200
PROGRAM REGION:	11
PROGRAM RENT YEAR:	2023

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	-	0.0%	0	0	0	0
1	10	20.0%	10	0	0	0
2	25	50.0%	25	0	0	0
3	15	30.0%	15	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	50	100.0%	50	-	-	-

PRO FORMA ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100.00%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	958 sf

48%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	10	-	30	10	-	-	-	50
Income	% Total	0.0%	20.0%	0.0%	60.0%	20.0%	0.0%	0.0%	0.0%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE																						
HTC		RENT ASSISTED UNIT		Match Units	UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	Match Units	# 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 30%	\$524	RAD	\$906	0	2	1	1	717	\$906	\$69	\$837	\$0	\$1.17	\$837	\$1,674	\$1,674	\$837	\$1.17	\$0	\$1,100	\$1.53	\$1,100
TC 50%	\$874	RAD	\$906	0	6	1	1	717	\$906	\$69	\$837	\$0	\$1.17	\$837	\$5,022	\$5,022	\$837	\$1.17	\$0	\$1,100	\$1.53	\$1,100
TC 60%	\$1,049	RAD	\$906	0	2	1	1	717	\$906	\$69	\$837	\$0	\$1.17	\$837	\$1,674	\$1,674	\$837	\$1.17	\$0	\$1,100	\$1.53	\$1,100
TC 30%	\$629	RAD	\$1,152	0	5	2	2	950	\$1,152	\$91	\$1,061	\$0	\$1.12	\$1,061	\$5,305	\$5,305	\$1,061	\$1.12	\$0	\$1,350	\$1.42	\$1,350
TC 50%	\$1,048	RAD	\$1,152	0	15	2	2	950	\$1,152	\$91	\$1,061	\$0	\$1.12	\$1,061	\$15,915	\$15,915	\$1,061	\$1.12	\$0	\$1,350	\$1.42	\$1,350
TC 60%	\$1,258	RAD	\$1,152	0	5	2	2	950	\$1,152	\$91	\$1,061	\$0	\$1.12	\$1,061	\$5,305	\$5,305	\$1,061	\$1.12	\$0	\$1,350	\$1.42	\$1,350
TC 30%	\$727	RAD	\$1,511	0	3	3	2	1,131	\$1,511	\$114	\$1,397	\$0	\$1.24	\$1,397	\$4,191	\$4,191	\$1,397	\$1.24	\$0	\$1,450	\$1.28	\$1,450
TC 50%	\$1,211	RAD	\$1,511	0	9	3	2	1,131	\$1,511	\$114	\$1,397	\$0	\$1.24	\$1,397	\$12,573	\$12,573	\$1,397	\$1.24	\$0	\$1,450	\$1.28	\$1,450
TC 60%	\$1,454	RAD	\$1,511	0	3	3	2	1,131	\$1,511	\$114	\$1,397	\$0	\$1.24	\$1,397	\$4,191	\$4,191	\$1,397	\$1.24	\$0	\$1,450	\$1.28	\$1,450
TOTALS/AVERAGES:					50			47,885				\$0	\$1.17	\$1,117	\$55,850	\$55,850	\$1,117	\$1.17	\$0	\$1,330	\$1.39	\$1,330

ANNUAL POTENTIAL GROSS RENT:	\$670,200	\$670,200
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*MFDL units float among Unit Types

STABILIZED PRO FORMA

Buena Vida Supportive Housing, Brownsville, 9% HTC #24196

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				TDHCA				VARIANCE	
	Database	Supp. Housing Comps	% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.17	\$1,117	\$670,200	\$670,200	\$1,117	\$1.17		0.0%	\$0
phone, cable, laundry					\$5.00	\$3,000						
Total Secondary Income					\$5.00		\$3,000	\$5.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$673,200	\$673,200				0.0%	\$0
Vacancy & Collection Loss				7.5% PGI		(50,490)	(50,490)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$622,710	\$622,710				0.0%	\$0

General & Administrative	\$28,182	\$564/Unit	\$26,912	\$538	4.45%	\$0.58	\$554	\$27,720	\$28,182	\$564	\$0.59	4.53%	-1.6%	(462)
Management	\$35,998	7.6% EGI	\$21,833	\$437	5.00%	\$0.65	\$623	\$31,136	\$31,136	\$623	\$0.65	5.00%	0.0%	-
Payroll & Payroll Tax	\$62,148	\$1,243/Unit	\$103,186	\$2,064	15.76%	\$2.05	\$1,962	\$98,124	\$98,124	\$1,962	\$2.05	15.76%	0.0%	-
Repairs & Maintenance	\$32,204	\$644/Unit	\$28,028	\$561	9.22%	\$1.20	\$1,148	\$57,390	\$50,000	\$1,000	\$1.04	8.03%	14.8%	7,390
Electric/Gas	\$13,573	\$271/Unit	\$7,803	\$156	3.28%	\$0.43	\$408	\$20,400	\$20,400	\$408	\$0.43	3.28%	0.0%	-
Water, Sewer, & Trash	\$24,681	\$494/Unit	\$21,146	\$423	5.14%	\$0.67	\$640	\$31,980	\$24,681	\$494	\$0.52	3.96%	29.6%	7,299
Property Insurance	\$38,472	\$0.80 /sf	\$39,523	\$790	8.46%	\$1.10	\$1,053	\$52,673	\$52,673	\$1,053	\$1.10	8.46%	0.0%	-
Property Tax (@ 0%) 2.2600	\$35,280	\$706/Unit			0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements					2.01%	\$0.26	\$250	\$12,500	\$12,500	\$250	\$0.26	2.01%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.32%	\$0.04	\$40	\$2,000	\$2,000	\$40	\$0.04	0.32%	0.0%	-
TOTAL EXPENSES					53.62%	\$6.97	\$6,678	\$333,923	\$319,695	\$6,394	\$6.68	51.34%	4.5%	\$ 14,228
NET OPERATING INCOME ("NOI")					46.38%	\$6.03	\$5,776	\$288,787	\$303,015	\$6,060	\$6.33	48.66%	-4.7%	\$ (14,228)

CONTROLLABLE EXPENSES							\$4,712/Unit			\$4,428/Unit				
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS
<i>Buena Vida Supportive Housing, Brownsville, 9% HTC #24196</i>

		DEBT / GRANT SOURCES													
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE							AS UNDERWRITTEN DEBT/GRANT STRUCTURE						
		Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Term	Amort	Rate	Pmt	Cumulative	
		UW	App											DCR	LTC
DEBT (Must Pay)	Fee														
Legacy Bank and Trust		1.24	1.18	245,321	7.00%	35	15.0	\$3,200,000	\$3,200,000	15.0	35.0	7.00%	\$245,321	1.18	17.4%
CASH FLOW DEBT / GRANTS															
City of Brownsville		1.24	1.18		0.00%	0	0.0	\$1,000	\$1,000	0.0	0.0	0.00%		1.18	0.0%
Housing Authority COB		1.24	1.18		1.00%	0	15.0	\$425,000	\$425,000	15.0	0.0	1.00%		1.18	2.3%
				\$245,321	TOTAL DEBT / GRANT SOURCES			\$3,626,000	\$3,626,000	TOTAL DEBT SERVICE			\$245,321	1.18	19.7%
NET CASH FLOW		\$57,694	\$43,466	APPLICANT NET OPERATING INCOME \$288,787 \$43,466 NET CASH FLOW											

		EQUITY SOURCES										
		APPLICANT'S PROPOSED EQUITY STRUCTURE					AS UNDERWRITTEN EQUITY STRUCTURE					
		DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
EQUITY / DEFERRED FEES												
	Hunt Capital Partners	LIHTC Equity	77.1%	\$1,648,986	\$0.86	\$14,179,000	\$14,179,000	\$0.8599	\$1,648,986	77.1%	\$32,980	Applicant Request
	BHOC VDC SH, LP	Deferred Developer Fees	3.3%	(31% Deferred)		\$598,862	\$593,862	(31% Deferred)		3.2%	Total Developer Fee: \$1,933,222	
	Additional (Excess) Funds Req'd		0.0%				\$0			0.0%		
TOTAL EQUITY SOURCES			80.3%			\$14,777,862	\$14,772,862			80.3%		
TOTAL CAPITALIZATION						\$18,403,862	\$18,398,862			15-Yr Cash Flow after Deferred Fee:		\$325,152

		DEVELOPMENT COST / ITEMIZED BASIS														
		APPLICANT COST / BASIS ITEMS						TDHCA COST / BASIS ITEMS						COST VARIANCE		
		Eligible Basis		Total Costs				Total Costs				Eligible Basis		%	\$	
		Acquisition	New Const. Rehab									New Const. Rehab	Acquisition			
Land Acquisition				\$8,500 / Unit		\$425,000		\$420,000		\$8,400 / Unit				1.2%	\$5,000	
Building Acquisition		\$0		\$ / Unit		\$0		\$0		\$ / Unit				\$0	0.0%	\$0
Off-Sites			\$0	\$420 / Unit		\$21,000		\$21,000		\$420 / Unit		\$0			0.0%	\$0
Site Work			\$427,105	\$11,662 / Unit		\$583,105		\$583,105		\$11,662 / Unit		\$427,105			0.0%	\$0
Site Amenities			\$178,500	\$3,570 / Unit		\$178,500		\$178,500		\$3,570 / Unit		\$178,500			0.0%	\$0
Commercial Space			\$0	\$21,548 / Unit		\$1,077,400		\$1,077,400		\$21,548 / Unit		\$0			0.0%	\$0
Building Cost			\$7,472,617	\$184.28 /sf	\$176,486/Unit	\$8,824,305		\$8,188,717		\$163,774/Unit	\$171.01 /sf	\$7,472,617			7.8%	\$635,588
Contingency			\$577,865	7.15%	5.41%	\$577,865		\$577,865		5.75%	7.00%	\$565,476			0.0%	\$0
Contractor Fees			\$1,211,851	14.00%	10.76%	\$1,211,851		\$1,211,851		11.40%	14.00%	\$1,210,118			0.0%	\$0
Soft Costs		\$0	\$1,622,436	\$32,449 / Unit		\$1,622,436		\$1,622,436		\$32,449 / Unit		\$1,622,436		\$0	0.0%	\$0
Financing		\$0	\$1,397,778	\$32,348 / Unit		\$1,617,378		\$1,617,378		\$32,348 / Unit		\$1,397,778		\$0	0.0%	\$0
Developer Fee		\$0	\$1,933,222	15.00%	12.48%	\$1,933,222		\$1,933,222		13.01%	15.00%	\$1,931,104		\$0	0.0%	\$0
Reserves				7 Months		\$331,800		\$331,800		7 Months					0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$14,821,374	\$368,077 / Unit		\$18,403,862		\$17,763,274		\$355,265 / Unit		\$14,805,134		\$0	3.6%	\$640,588
Acquisition Cost		\$0				(\$5,000)										
Contingency			(\$12,389)			\$0										
Contractor's Fee			(\$1,733)			\$0										
Financing Cost			\$0													
Developer Fee		\$0	(\$2,118)	15.00%		\$0										
Reserves						\$0										
ADJUSTED BASIS / COST		\$0	\$14,805,134	\$367,977/unit		\$18,398,862		\$17,763,274		\$355,265/unit		\$14,805,134		\$0	3.6%	\$635,588
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$18,398,862										

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS
Buena Vida Supportive Housing, Brownsville, 9% HTC #24196

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$14,805,134	\$0	\$14,805,134
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$14,805,134	\$0	\$14,805,134
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$19,246,674	\$0	\$19,246,674
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$19,246,674	\$0	\$19,246,674
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,732,201	\$0	\$1,732,201
CREDITS ON QUALIFIED BASIS	\$1,732,201		\$1,732,201	

	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price \$0.8599	Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,732,201	\$14,894,531	----	----	----
Needed to Fill Gap	\$1,718,051	\$14,772,862	----	----	----
Applicant Request	\$1,648,986	\$14,179,000	\$1,648,986	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	47,885 SF	\$132.61	6,350,185
Adjustments				
Exterior Wall Finish	2.48%		3.29	\$157,485
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.31%		4.39	210,191
Roof Adjustment(s)			(0.25)	(11,971)
Subfloor			(0.21)	(10,215)
Floor Cover			5.79	277,075
Enclosed Corridors	\$121.26	9,512	24.09	1,153,456
Balconies	\$40.77	3,240	2.76	132,094
Plumbing Fixtures	\$1,420	120	3.56	170,400
Rough-ins	\$700	100	1.46	70,000
Built-In Appliances	\$2,280	50	2.38	114,000
Exterior Stairs	\$3,550	8	0.59	28,400
Heating/Cooling			3.12	149,401
Storage Space	\$121.26	0	0.00	0
Carports	\$16.05	0	0.00	0
Garages	\$30.00	0	0.00	0
Common/Support Area	\$127.31	4,667	12.41	594,136
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$3.65	62,064	4.73	226,534
SUBTOTAL			200.71	9,611,170
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			200.71	\$9,611,170
Plans, specs, survey, bldg permits	3.30%		(6.62)	(\$317,169)
Contractor's OH & Profit	11.50%		(23.08)	(1,105,285)
NET BUILDING COSTS		\$163,774/unit	\$171.01/sf	\$8,188,717

Long-Term Pro Forma

Buena Vida Supportive Housing, Brownsville, 9% HTC #24196

	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%	\$622,710	\$635,164	\$647,867	\$660,825	\$674,041	\$744,196	\$821,653	\$907,171	\$1,001,590	\$1,105,836	\$1,220,933
TOTAL EXPENSES	3.00%	\$333,923	\$343,629	\$353,621	\$363,905	\$374,492	\$432,279	\$499,076	\$576,298	\$665,584	\$768,830	\$888,233
NET OPERATING INCOME ("NOI")		\$288,787	\$291,535	\$294,247	\$296,920	\$299,549	\$311,917	\$322,577	\$330,873	\$336,006	\$337,006	\$332,700
EXPENSE/INCOME RATIO		53.6%	54.1%	54.6%	55.1%	55.6%	58.1%	60.7%	63.5%	66.5%	69.5%	72.8%
MUST -PAY DEBT SERVICE												
Legacy Bank and Trust		\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321
TOTAL DEBT SERVICE		\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321	\$245,321
DEBT COVERAGE RATIO		1.18	1.19	1.20	1.21	1.22	1.27	1.31	1.35	1.37	1.37	1.36
ANNUAL CASH FLOW												
Deferred Developer Fee Balance		\$550,396	\$504,182	\$455,256	\$403,657	\$349,429	\$40,614	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$325,152	\$737,413	\$1,182,018	\$1,640,316	\$2,088,209