



Addendum to Underwriting Report

TDHCA Application #: **23901_21004** Program(s): **9% HTC**

Skyline at Cedar Crest

Address/Location: 2720 East Kiest Blvd
 City: Dallas County: Dallas Zip: 75216

APPLICATION HISTORY	
Report Date	PURPOSE
02/17/23	Supplemental Credit Memo
07/20/21	Original Underwriting Report

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
LIHTC (9% Credit)	\$1,500,000				\$1,725,000				

CONDITIONS STATUS

- 1 Receipt and acceptance by Cost Certification:
 - a: Certification of asbestos sampling and subsurface exploration of the observed debris and fill materials as recommended in the ESA; and that all necessary mitigation and disposal measures were implemented.
 - b: Architect certification that a noise assessment was completed, and that all recommendations were implemented and the Development is compliant with HUD noise guidelines.

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	9
50% of AMI	50% of AMI	34
60% of AMI	60% of AMI	42

ANALYSIS

The Development received a 9% HTC allocation in 2021 and is requesting a 15% increase in annual tax credit allocation consistent with the 2023 QAP Subchapter F, Supplement Housing Tax Credits. Tax credits will be calculated at cost certification based on actual eligible costs incurred.

Per Subchapter F, the developer fee cannot increase from the previously published underwriting report, and the deferred developer fee cannot decrease from the previously published underwriting report.

The underwriter recommends a total annual credit allocation of \$1,725,000.

Underwriter: Deborah Willson

Manager of Real Estate Analysis: Gregg Kazak

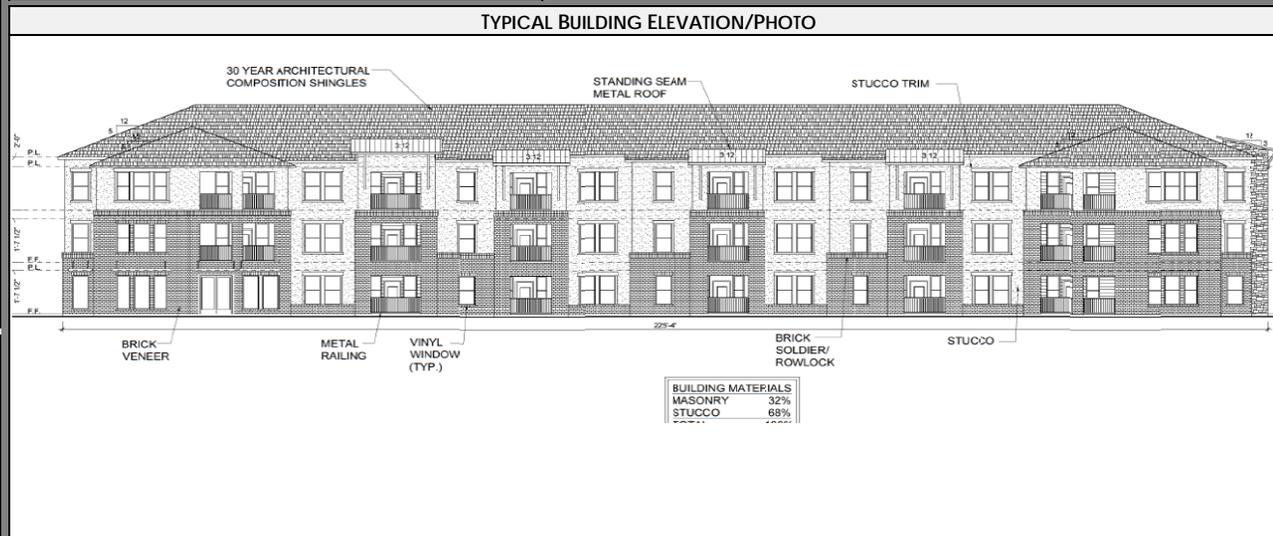
Director of Real Estate Analysis: Jeanna Adams

21004 Skyline at Cedar Crest - Application Summary

PROPERTY IDENTIFICATION	
Application #	21004
Development	Skyline at Cedar Crest
City / County	Dallas / Dallas
Region/Area	3 / Urban
Population	General
Set-Aside	Non-Profit
Activity	New Construction

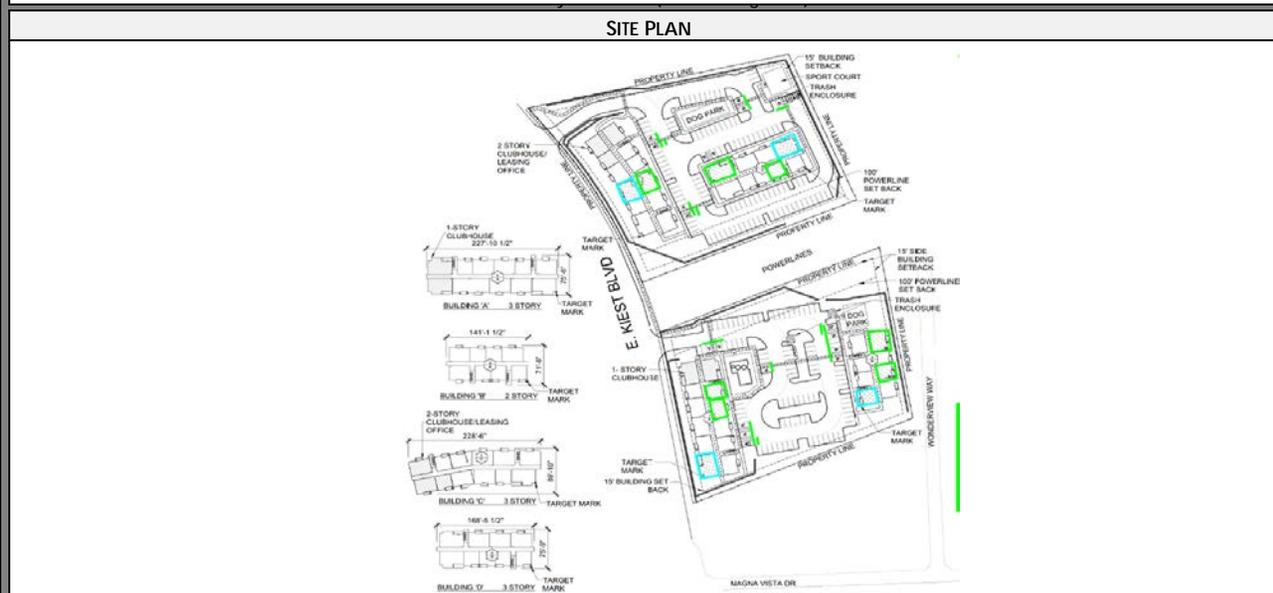
RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (9% Credit)	\$1,500,000	\$1,500,000	\$14,019/Unit \$0.90

KEY PRINCIPALS / SPONSOR		
<ul style="list-style-type: none"> Eleanor M.C. Fanning / Brompton Community Housing Development Corporation (501(3)(c) Non-Profit) 		
Related Parties	Contractor - No	Seller - No



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	41	38%	30%	9	8%
2	50	47%	40%	-	0%
3	16	15%	50%	34	32%
4	-	0%	60%	42	39%
			70%	-	0%
			80%	-	0%
			MR	22	21%
TOTAL	107	100%	TOTAL	107	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.16	Expense Ratio	59.6%
Breakeven Occ.	87.2%	Breakeven Rent	\$924
Average Rent	\$981	B/E Rent Margin	\$57
Property Taxes	\$1,509/unit	Exemption/PILOT	0%
Total Expense	\$6,589/unit	Controllable	\$3,774/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (15% Maximum)			6.9%
Highest Unit Capture Rate	26%	3 BR/60%	7
Dominant Unit Cap. Rate	22%	2 BR/60%	19
Premiums (↑60% Rents)	Yes		\$261/Avg.
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	892 SF	Density	17.0/acre
Acquisition		\$12K/unit	\$1,251K
Building Cost	\$97.70/SF	\$87K/unit	\$9,324K
Hard Cost		\$118K/unit	\$12,660K
Total Cost		\$201K/unit	\$21,515K
Developer Fee	\$2,456K	(41% Deferred)	Paid Year: 13
Contractor Fee	\$1,772K	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
Regions (Const to Perm)	15/35	4.75%	\$7,000,000	1.16	City of Dallas	45/0	1.00%	\$500	1.16	Regions	\$13,497,300
										CSH Skyline at Cedar Crest Ltd	\$1,017,075
TOTAL DEBT (Must Pay)			\$7,000,000		CASH FLOW DEBT / GRANTS			\$500		TOTAL EQUITY SOURCES	\$14,514,375
										TOTAL DEBT SOURCES	\$7,000,500
										TOTAL CAPITALIZATION	\$21,514,875

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AERIAL PHOTOGRAPH(S)



RISK PROFILE

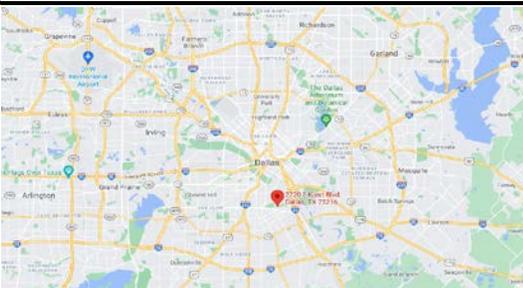
STRENGTHS/MITIGATING FACTORS

- Developer experience
- Overall Feasibility Indicators
- Located in proximity to jobs area

WEAKNESSES/RISKS

- Low 15 year cash flow
- High 60% AMGI Capture Rate

AREA MAP





DEVELOPMENT IDENTIFICATION

TDHCA Application #: 21004 Program(s): 9% HTC

Skyline at Cedar Crest

Address/Location: 2720 East Kiest Blvd

City: Dallas County: Dallas Zip: 75216

Population: General Program Set-Aside: Non-Profit Area: Urban

Activity: New Construction Building Type: Garden (Up to 4-story) Region: 3

Analysis Purpose: New Application - Initial Underwriting

ALLOCATION

TDHCA Program	REQUEST				RECOMMENDATION				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	Lien
LIHTC (9% Credit)	\$1,500,000				\$1,500,000				

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DEVELOPMENT SUMMARY

New construction of 107 general population units. The unit mix is 38% one-bedroom units with the other 62% being two and three bedrooms. There are 85 HTC units and 22 market rate units. There are three 3-story buildings and one two-story building that will be of walk-up, garden style design.

RISK PROFILE

STRENGTHS/MITIGATING FACTORS	
▫	Developer experience
▫	Overall Feasibility Indicators
▫	Located in proximity to jobs area
▫	Low gross capture rate

WEAKNESSES/RISKS	
▫	Low 15 year cash flow
▫	High 60% AMGI Capture Rate
▫	
▫	

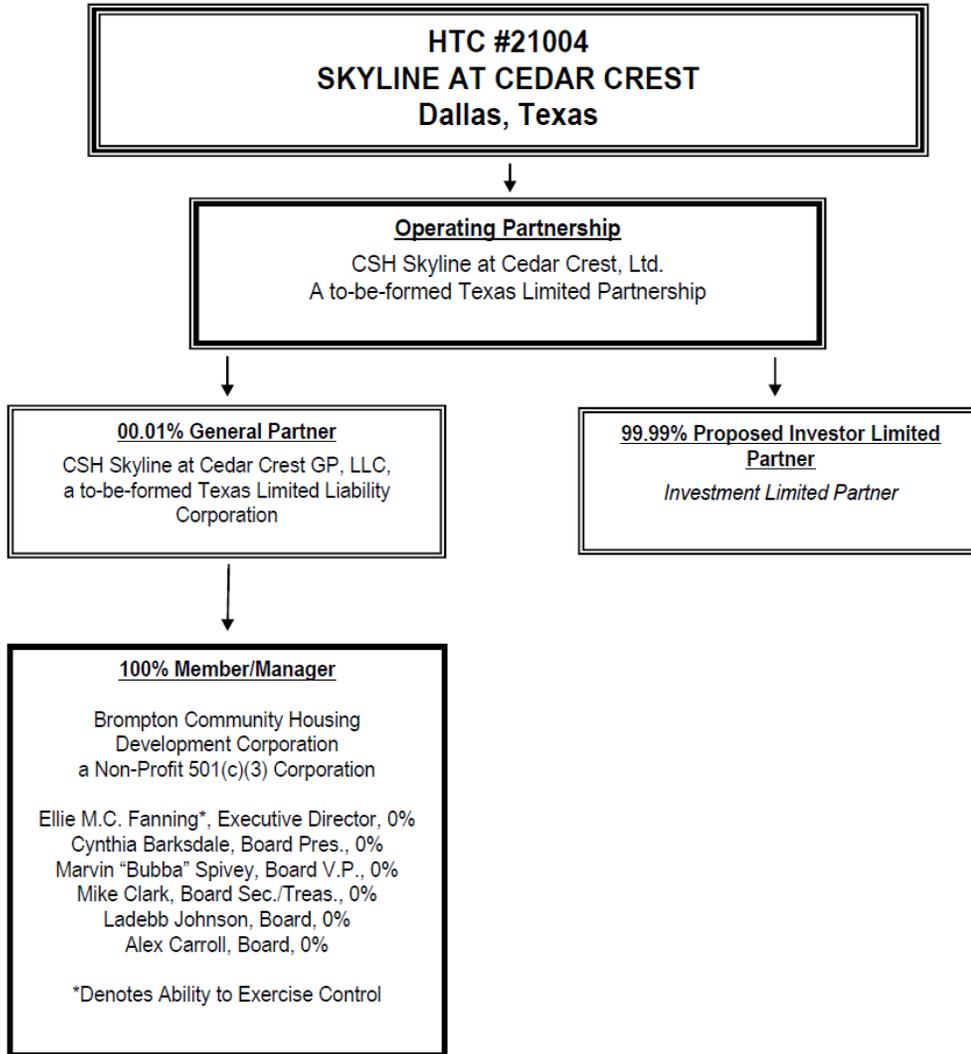
DEVELOPMENT TEAM

PRIMARY CONTACTS

Name: Eleanor M.C. Fanning
Phone: (713) 526-6634
Relationship: Sponsor/Developer

Name: Matt Higgins
Phone: (817) 683-1571
Relationship: Developer

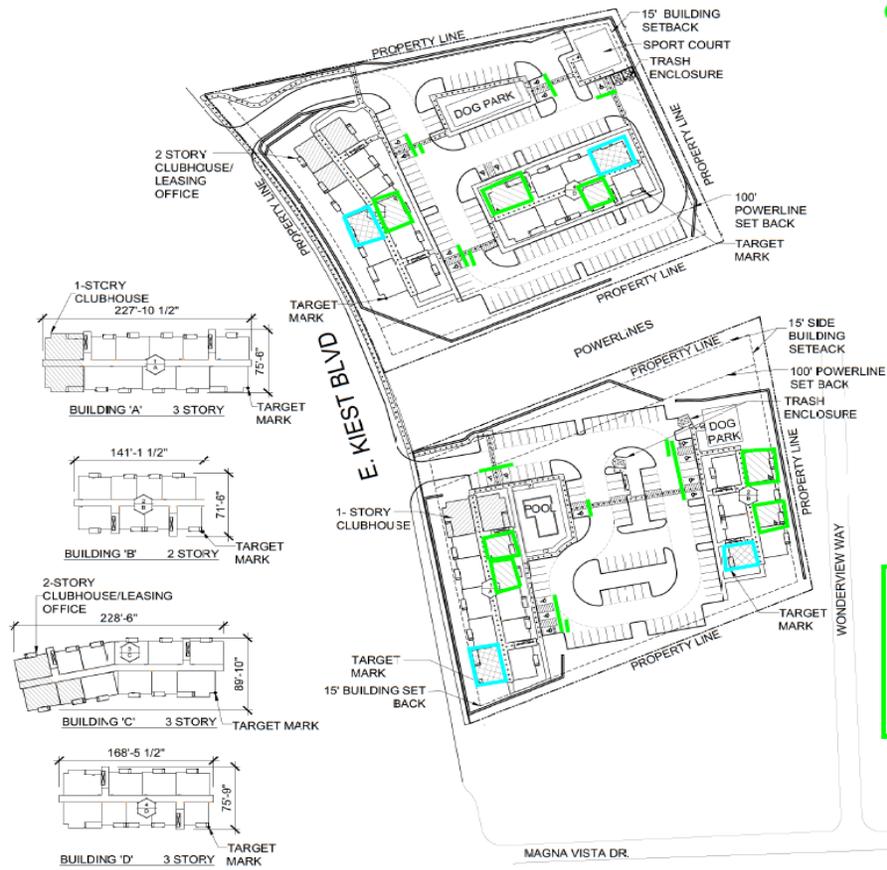
OWNERSHIP STRUCTURE



- Sponsor and Developer are related entities.
- Brompton Community Housing Development Corporation is a certified CHDO that was founded in 1999 and is based out of Houston. Previous participation was reported to include 8 HTC properties in Texas.

DEVELOPMENT SUMMARY

SITE PLAN





Comments:

The topography of the site is steep and will require retaining walls to be put in. There is a powerline easement going between the two land parcels. The ingress and egress to the site is from E Kiest Blvd. located along the west property line for both parcels. Site amenities include a dog park, sport court, fitness center, business center, a furnished multi-purpose room, a clubhouse and swimming pool.

The parking requirement is 216 spaces. A total of 216 surface parking spaces will be provided.

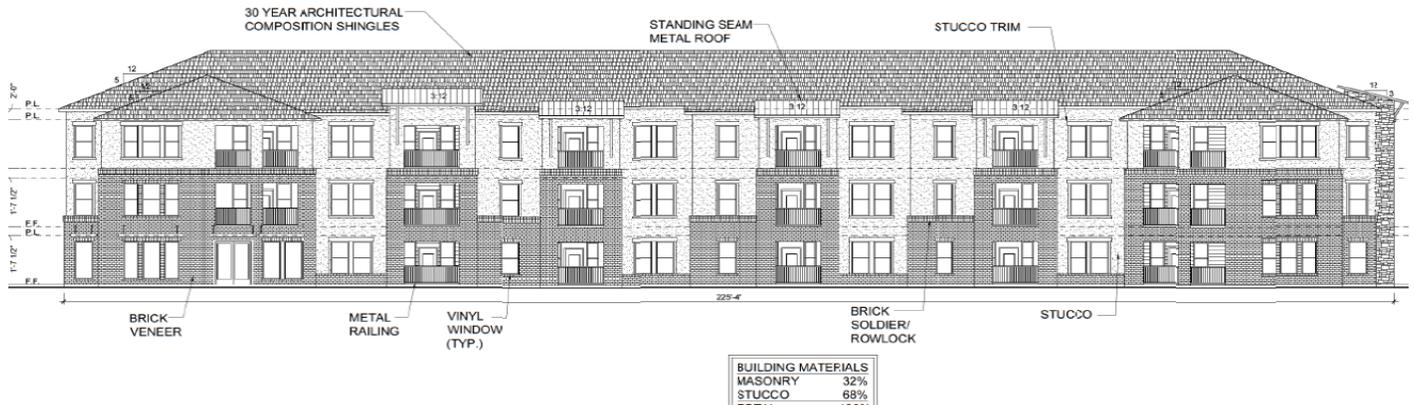
BUILDING PLAN (Typical)



Comments:

General unit features include single vanities, in-unit washer and dryers, breakfast bar, wet kitchen island, walk-in closets and a covered balcony. Plumbing run is efficient with open breezeways that are not climate controlled.

BUILDING ELEVATION



Comments:

The development consists of four buildings total. There are 3 three-story garden-style buildings and one two-story garden-style building. The roof is pitched at 5/12 with composition shingles. Extended breezeways and decorative parapet walls provide attractive exterior building articulation and ornamentation. The building is comprised of 32% masonry and 68% stucco.

SITE INFORMATION

Flood Zone:	<u>Zone X</u>	Scattered Site?	<u>Yes</u>
Zoning:	<u>MF-2(A)</u>	Within 100-yr floodplain?	<u>No</u>
Re-Zoning Required?	<u>No</u>	Utilities at Site?	<u>Yes</u>
Year Constructed:	<u>n/a</u>	Title Issues?	<u>No</u>

Current Uses of Subject Site:

The subject property has two tracts of land separated by a powerline easement. Both tracts are vacant, wooded land.

Surrounding Uses:

- North: commercial business/trucking company
- East: Wonderview Park and vacant wooded land
- South: Bethesda Pentecostal Church/Epiphany Episcopal Church
- West: East Kiest Boulevard, vacant wooded land, and single-family residences

Other Observations:

Remnants of asphalt parking associated with prior development of the subject property as an apartment complex were observed.

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Targus Associates, LLC Date: 2/17/2021

Recognized Environmental Conditions (RECs) and Other Concerns:

- The debris, drums/containers, fill soil, and tires from unknown sources, stained soil, and potential presence of other waste materials to be buried on the subject property are collectively considered a recognized environmental condition.
- Targus recommends subsurface exploration to reduce uncertainty regarding the potential presence of petroleum or hazardous substances associated with or attributable to this REC. The recommended subsurface exploration would also provide information helpful in assessing the identified business environmental risk by assessing the volume of discarded materials and providing information regarding disposal options.
- Targus observed several piles of debris on-site containing suspect asbestos-containing materials including various floor tile with mastic or bedding material, carpet with mastic, roofing shingles, felt materials, and grout. No asbestos sampling reports or documentation regarding source(s) of debris were provided. Asbestos sampling of these materials should be performed to assess disposal options.
- Based on the proximity of the subject property to East Kiest Boulevard (four-lane thoroughfares), the Dallas Executive Airport (located about 5 miles southwest of the subject property), and the BNSF Railway (located about 2,500 feet east), a noise survey is recommended.

MARKET ANALYSIS

Provider: Apartment MarketData, LLC

Date: 3/22/2021

Contact: Darrell G Jack

Phone: (210) 530-0040

Primary Market Area (PMA): 20 sq. miles 3 mile equivalent radius

ELIGIBLE HOUSEHOLDS BY INCOME								
Dallas County Income Limits								
HH Size		1	2	3	4	5	6	7+
30% AMGI	Min	\$14,550	\$14,550	\$17,460	\$17,460	\$20,160	\$20,160	---
	Max	\$18,120	\$20,700	\$23,280	\$25,860	\$27,930	\$30,000	---
50% AMGI	Min	\$24,240	\$24,240	\$29,100	\$29,100	\$33,600	\$33,600	---
	Max	\$30,200	\$34,500	\$38,800	\$43,100	\$46,550	\$50,000	---
60% AMGI	Min	\$29,100	\$29,100	\$34,920	\$34,920	\$40,320	\$40,320	---
	Max	\$36,240	\$41,400	\$46,560	\$51,720	\$55,860	\$60,000	---

AFFORDABLE HOUSING INVENTORY						
Competitive Supply (Proposed, Under Construction, and Unstabilized)						
File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
21411	Gateway Oak Cliff	Yes	New	General	158	230
21615	The Terrace at Southern Oaks	Yes	New	General	300	300
Other Affordable Developments in PMA since 2016						
16440	Saint James Manor		New	General	n/a	100
16439	Peoples El Shaddai Village		New	General	n/a	100
19420	Pythian Manor		A/R	Elderly	n/a	76
21400	The Oaks		New	Elderly	n/a	260
Stabilized Affordable Developments in PMA					Total Units	1,486
					Total Developments	10
					Average Occupancy	96.4%

Proposed, Under Construction, and Unstabilized Competitive Supply:

Underwriter's capture rates are based on Market Analyst's qualified demand, but include the above referenced competitive properties that were not included in Market Analyst's capture rate calculations. The analyst did not include Gateway Oak Cliff (TDHCA # 21411) and The Terrace at Southern Oaks. Both are competitive 9% deals that will compete directly with Subject. Because the competitive units are located in the Market Analyst's determined PMA, Underwriter's capture rates are used for analysis.

OVERALL DEMAND ANALYSIS				
	Market Analyst		Underwriter	
	HTC	Assisted	HTC	
Total Households in the Primary Market Area	26,921		26,921	
Potential Demand from the Primary Market Area	7,149		7,149	
10% External Demand	715		715	
Potential Demand from Other Sources			0	
GROSS DEMAND	7,864		7,864	
Subject Affordable Units	85		85	
Unstabilized Competitive Units			458	
RELEVANT SUPPLY	85		543	
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	1.1%		6.9%	

Population:	General	Market Area:	Urban	Maximum Gross Capture Rate:	15%
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UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND										
AMGI Band	Market Analyst					Underwriter				
	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate
30% AMGI	1,826	183	9		0%	1,826	183	9	0	0%
50% AMGI	2,331	233	34		1%	2,331	233	34	0	1%
60% AMGI	2,992	299	42		1%	2,992	299	42	458	15%

Demand Analysis:

The capture rate calculation determines the percentage of the qualified demand that is needed to absorb the proposed units.

The 60% AMI Band Capture rate is at the maximum allowable 15%.

UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE										
Unit Type	Market Analyst					Underwriter				
	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate
1 BR/30%	375	38	4		1.0%	375	38	4	0	1%
1 BR/50%	296	30	13		4.0%	296	30	13	0	4%
1 BR/60%	502	50	16		2.9%	502	50	16	117	24%
2 BR/30%	537	54	4		0.7%	537	54	4	0	1%
2 BR/50%	449	45	16		3.2%	449	45	16	0	3%
2 BR/60%	849	85	19		2.0%	849	85	19	189	22%
3 BR/30%	355	36	1		0.3%	355	36	1	0	0%
3 BR/50%	270	27	5		1.7%	270	27	5	0	2%
3 BR/60%	562	56	7		1.1%	562	56	7	152	26%

Market Analyst Comments:

The overall average occupancy for market rate units is 94.2%. Occupancies for larger units at many luxury apartment communities have been notably affected by the high volume of home purchases during 2020. (p14.)

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)					
NOI:	\$477,772	Avg. Rent:	\$981	Expense Ratio:	59.6%
Debt Service:	\$410,640	B/E Rent:	\$924	Controllable Expenses:	\$3,774
Net Cash Flow:	\$67,133	UW Occupancy:	92.5%	Property Taxes/Unit:	\$1,509
Aggregate DCR:	1.16	B/E Occupancy:	87.2%	Program Rent Year:	2020

The 22 market units are underwritten at Applicant's assumption of \$152-\$199 less than market analyst determined market rents; \$146-\$202 premium over gross 60% HTC rents. If the market units only achieve 60% gross rents, then DCR is 1.16.

The project is underwritten with 8 units vacant and the breakeven vacancy is 13 units. The average rent is \$57 above the break-even rent.

The Applicant based the water, sewer trash costs on four (4) properties within its portfolio and located in Region 3, including Hillside West Seniors, Taylors Farm Apartments, Millennium McKinney, and Post Oak Apartments. The landlord is paying WST for the subject property.

As underwritten, 15 year residual cash flow is \$242K after repayment of deferred developer fee.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)					
Acquisition	\$198,571/ac	\$11,692/unit	\$1,251,000	Contractor Fee	\$1,772,363
Off-site + Site Work		\$25,539/unit	\$2,732,630	Soft Cost + Financing	\$2,682,949
Building Cost	\$97.70/sf	\$87,141/unit	\$9,324,105	Developer Fee	\$2,455,669
Contingency	5.00%	\$5,636/unit	\$603,000	Reserves	\$693,159
Total Development Cost	\$201,074/unit	\$21,514,875	Rehabilitation Cost	N/A	
Qualified for 30% Basis Boost?	Non-Qualified Elderly not in OCT covered by Revitalization Plan [9% only]				

Off-site:

Certified total off-sitework of \$89K (\$834/unit) is for abandoning an existing sewer and replacing it with a new sewer.

Site Work:

Certified total sitework of \$2M (\$19K/unit) for grading, concrete, paving and utility costs. \$47K is for detention costs and \$460K for retaining walls. The CPA letter determined \$1,838,360 is eligible.

Amenity cost of \$610K (\$5.7K/unit) was not included in the site work certification, but is comprised of \$200K for landscaping, \$180K for pool & decking, \$110K for fencing, \$100K for athletic court and \$20K for BBQ and pool amenities.

Building Cost:

The Underwriter used TDHCA's typical methodology, Marshal & Swift's ("M&S") average quality construction values resulting in a total building cost estimate of \$8.7M (\$82K/unit), which is \$540K less than Sponsor's budget, a variance of 6.2%.

Applicant limited eligible basis by \$1.8M for scoring purposes.

Reserves:

Applicant's total capitalized reserves represent approximately 7 months of operating expenses and debt service.

Comments:

Applicant's Total Development Cost varies from TDHCA's estimate by less than 5%. As a result, the recommended capital structure is being determined by Applicant's cost schedule.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$21,514,875	\$16,417,391	\$1,524,552

UNDERWRITTEN CAPITALIZATION

INTERIM SOURCES				
Funding Source	Description	Amount	Rate	LTC
Regions (Const to Perm)	Conventional Loan	\$7,000,000	3.75%	34%
Regions (Bridge Loan)	Conventional Loan	\$8,617,853	3.75%	42%
Regions	HTC	\$2,699,460	\$0.90	13%
City of Dallas	§11.9(d)(2)LPS Contribution	\$500	1.00%	0%
CSH Skyline at Cedar Crest Ltd	Deferred Fee	\$2,216,000		11%
		\$20,533,813	Total Sources	

PERMANENT SOURCES									
Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Regions (Const to Perm)	\$7,000,000	4.75%	35	15	\$7,000,000	4.75%	35	15	33%
City of Dallas	\$500	1.00%	0	45	\$500	1.00%	0	45	0%
Total	\$7,000,500				\$7,000,500				

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN				
	Amount	Rate	% Def	Amount	Rate	% TC	% Def	
Regions	\$13,497,300	\$0.90		\$13,497,300	\$0.90	63%		
CSH Skyline at Cedar Crest Ltd	\$1,018,043		41%	\$1,017,075		5%	43%	
Total	\$14,515,343			\$14,514,375				
				\$21,514,875	Total Sources			

Credit Price Sensitivity based on current capital structure	
\$0.968	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.884	Minimum Credit Price below which the Development would be characterized as infeasible

Comments:

Total Capital Contribution of \$13,497,300 from Regions Bank is being provided at a \$0.90 credit price.

CONCLUSIONS

Recommended Financing Structure:

Gap Analysis:	
Total Development Cost	\$21,514,875
Permanent Sources (debt + non-HTC equity)	\$7,000,500
Gap in Permanent Financing	\$14,514,375

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$13,718,223	\$1,524,552
Needed to Balance Sources & Uses	\$14,514,375	\$1,613,031
Requested by Applicant	\$13,497,300	\$1,500,000

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$13,497,300	\$1,500,000
Deferred Developer Fee	\$1,017,075	(43% deferred)
Repayable in	13 years	

Comments:

Recommended tax credit allocation is \$1,500,000 as requested by the Applicant.

Underwriter: Deborah Willson

Manager of Real Estate Analysis: Jeanna Adams

Director of Real Estate Analysis: Thomas Cavanagh

UNIT MIX/RENT SCHEDULE
Skyline at Cedar Crest, Dallas, 9% HTC #21004

LOCATION DATA	
CITY:	Dallas
COUNTY:	Dallas
Area Median Income	\$86,200
PROGRAM REGION:	3
PROGRAM RENT YEAR:	2020

UNIT DISTRIBUTION				
# Beds	# Units	% Total	Assisted	MDL
Eff	-	0.0%	0	0
1	41	38.3%	0	0
2	50	46.7%	0	0
3	16	15.0%	0	0
4	-	0.0%	0	0
5	-	0.0%	0	0
TOTAL				
	107	100.0%	-	-

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	79.37%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	892 sf

53%	Income	20%	30%	40%	50%	60%	70%	80%	MR	TOTAL
Average	# Units	-	9	-	34	42	-	-	22	107
Income	% Total	0.0%	8.4%	0.0%	31.8%	39.3%	0.0%	0.0%	20.6%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE																			
HTC		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS			MARKET RENTS			
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 30%	\$485	4	1	1	700	\$485	\$66	\$419	\$0	\$0.60	\$419	\$1,676	\$1,676	\$419	\$1	\$0	\$1,116	\$1.59	\$1,268
TC 50%	\$808	13	1	1	700	\$808	\$66	\$742	\$0	\$1.06	\$742	\$9,646	\$9,646	\$742	\$1	\$0	\$1,116	\$1.59	\$1,268
TC 60%	\$970	16	1	1	700	\$970	\$66	\$904	\$0	\$1.29	\$904	\$14,464	\$14,464	\$904	\$1	\$0	\$1,116	\$1.59	\$1,268
MR		8	1	1	700	\$0	\$66		NA	\$1.59	\$1,116	\$8,928	\$8,928	\$1,116	\$2	NA	\$1,116	\$1.59	\$1,268
TC 30%	\$582	4	2	2	970	\$582	\$86	\$496	\$0	\$0.51	\$496	\$1,984	\$1,984	\$496	\$1	\$0	\$1,339	\$1.38	\$1,538
TC 50%	\$970	16	2	2	970	\$970	\$86	\$884	\$0	\$0.91	\$884	\$14,144	\$14,144	\$884	\$1	\$0	\$1,339	\$1.38	\$1,538
TC 60%	\$1,164	19	2	2	970	\$1,164	\$86	\$1,078	\$0	\$1.11	\$1,078	\$20,482	\$20,482	\$1,078	\$1	\$0	\$1,339	\$1.38	\$1,538
MR		11	2	2	970	\$0	\$86		NA	\$1.38	\$1,339	\$14,729	\$14,729	\$1,339	\$1	NA	\$1,339	\$1.38	\$1,538
TC 30%	\$672	1	3	2	1,140	\$672	\$109	\$563	\$0	\$0.49	\$563	\$563	\$563	\$563	\$0	\$0	\$1,546	\$1.36	\$1,708
TC 50%	\$1,120	5	3	2	1,140	\$1,120	\$109	\$1,011	\$0	\$0.89	\$1,011	\$5,055	\$5,055	\$1,011	\$1	\$0	\$1,546	\$1.36	\$1,708
TC 60%	\$1,344	7	3	2	1,140	\$1,344	\$109	\$1,235	\$0	\$1.08	\$1,235	\$8,645	\$8,645	\$1,235	\$1	\$0	\$1,546	\$1.36	\$1,708
MR		3	3	2	1,140	\$0	\$109		NA	\$1.36	\$1,546	\$4,638	\$4,638	\$1,546	\$1	NA	\$1,546	\$1.36	\$1,708
TOTALS/AVERAGES:		107			95,440				\$0	\$1.10	\$981	\$104,954	\$104,954	\$981	\$1.10	\$0	\$1,285	\$1.44	\$1,460

ANNUAL POTENTIAL GROSS RENT:	\$1,259,448	\$1,259,448
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STABILIZED PRO FORMA

Skyline at Cedar Crest, Dallas, 9% HTC #21004

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				TDHCA				VARIANCE	
	Database	Local Comps	% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT			\$1.10	\$981	\$1,259,448	\$1,259,448	\$981	\$1.10			0.0%	\$0
Cleaning, Late, NSF Fees					\$14.95	\$19,200						
Total Secondary Income					\$14.95	\$19,200	\$14.95				0.0%	\$0
POTENTIAL GROSS INCOME						\$1,278,648	\$1,278,648				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI	(95,899)	(95,899)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$1,182,749	\$1,182,749				0.0%	\$0

General & Administrative	\$60,625	\$567/Unit	\$51,983	\$486	3.97%	\$0.49	\$439	\$46,920	\$51,983	\$486	\$0.54	4.40%	-9.7%	(5,063)
Management	\$51,694	3.5% EGI	\$46,788	\$437	5.00%	\$0.62	\$553	\$59,132	\$59,137	\$553	\$0.62	5.00%	0.0%	(5)
Payroll & Payroll Tax	\$144,359	\$1,349/Unit	\$150,391	\$1,406	14.77%	\$1.83	\$1,632	\$174,655	\$174,655	\$1,632	\$1.83	14.77%	0.0%	-
Repairs & Maintenance	\$74,952	\$700/Unit	\$94,635	\$884	6.53%	\$0.81	\$722	\$77,270	\$69,550	\$650	\$0.73	5.88%	11.1%	7,720
Electric/Gas	\$27,480	\$257/Unit	\$15,092	\$141	2.08%	\$0.26	\$230	\$24,600	\$15,092	\$141	\$0.16	1.28%	63.0%	9,508
Water, Sewer, & Trash	\$77,789	\$727/Unit	\$102,507	\$958	6.80%	\$0.84	\$751	\$80,400	\$102,507	\$958	\$1.07	8.67%	-21.6%	(22,107)
Property Insurance	\$38,938	\$0.41 /sf	\$42,053	\$393	3.80%	\$0.47	\$421	\$45,000	\$49,500	\$463	\$0.52	4.19%	-9.1%	(4,500)
Property Tax (@ 100%) 2.7129	\$126,180	\$1,179/Unit	\$104,634	\$978	13.65%	\$1.69	\$1,509	\$161,500	\$167,395	\$1,564	\$1.75	14.15%	-3.5%	(5,895)
Reserve for Replacements					2.71%	\$0.34	\$300	\$32,100	\$26,750	\$250	\$0.28	2.26%	20.0%	5,350
Supportive Services					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.29%	\$0.04	\$32	\$3,400	\$3,400	\$32	\$0.04	0.29%	0.0%	-
TOTAL EXPENSES					59.60%	\$7.39	\$6,589	\$704,977	\$719,970	\$6,729	\$7.54	60.87%	-2.1%	\$ (14,993)
NET OPERATING INCOME ("NOI")					40.40%	\$5.01	\$4,465	\$477,772	\$462,780	\$4,325	\$4.85	39.13%	3.2%	\$ 14,993

CONTROLLABLE EXPENSES							\$3,774/Unit				\$3,867/Unit			
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Skyline at Cedar Crest, Dallas, 9% HTC #21004

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	
DEBT (Must Pay)	Fee	UW	App											DCR	LTC
Regions (Const to Perm)		1.13	1.16	410,640	4.75%	35	15	\$7,000,000	\$7,000,000	15	35	4.75%	\$410,640	1.16	32.5%
CASH FLOW DEBT / GRANTS															
City of Dallas		1.13	1.16		1.00%	0	45	\$500	\$500	45	0	1.00%		1.16	0.0%
				\$410,640	TOTAL DEBT / GRANT SOURCES			\$7,000,500	\$7,000,500	TOTAL DEBT SERVICE			\$410,640	1.16	32.5%
NET CASH FLOW		\$52,140	\$67,132					APPLICANT	NET OPERATING INCOME			\$477,772	\$67,133	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													
Regions		LIHTC Equity	62.7%	\$1,500,000	0.89982	\$13,497,300	\$13,497,300	\$0.8998	\$1,500,000	62.7%	\$14,019	Applicant Request	
CSH Skyline at Cedar Crest Ltd		Deferred Developer Fees	4.7%	(41% Deferred)		\$1,018,043	\$1,017,075	(41% Deferred)		4.7%	Total Developer Fee: \$2,455,669		
Additional (Excess) Funds Req'd			0.0%			\$0				0.0%			
TOTAL EQUITY SOURCES			67.5%			\$14,515,343	\$14,514,375			67.5%			
TOTAL CAPITALIZATION							\$21,515,843	\$21,514,875				15-Yr Cash Flow after Deferred Fee:	\$242,498

DEVELOPMENT COST / ITEMIZED BASIS													
		APPLICANT COST / BASIS ITEMS					TDHCA COST / BASIS ITEMS					COST VARIANCE	
		Eligible Basis		Total Costs			Eligible Basis		Total Costs			%	\$
		Acquisition	New Const. Rehab				New Const. Rehab	Acquisition					
Land Acquisition				\$11,692 / Unit	\$1,251,000	\$1,251,000	\$11,692 / Unit				0.0%	\$0	
Off-Sites				\$834 / Unit	\$89,270	\$89,270	\$834 / Unit				0.0%	\$0	
Site Work			\$1,838,360	\$19,003 / Unit	\$2,033,360	\$2,033,360	\$19,003 / Unit	\$1,838,360			0.0%	\$0	
Site Amenities			\$610,000	\$5,701 / Unit	\$610,000	\$610,000	\$5,701 / Unit	\$610,000			0.0%	\$0	
Building Cost			\$7,513,000	\$97.70 /sf	\$87,141/Unit	\$9,324,105	\$8,783,775	\$82,091/Unit	\$92.03 /sf	\$7,513,000	6.2%	\$540,330	
Contingency			\$603,000	6.05%	5.00%	\$603,000	\$603,000	5.24%	6.05%	\$603,000	0.0%	\$0	
Contractor Fees			\$1,479,000	14.00%	14.01%	\$1,773,000	\$1,696,717	14.00%	14.00%	\$1,479,000	4.5%	\$76,283	
Soft Costs	\$0		\$1,278,500	\$12,416 / Unit	\$1,328,500	\$1,328,500	\$12,416 / Unit	\$1,278,500		\$0	0.0%	\$0	
Financing	\$0		\$954,531	\$12,658 / Unit	\$1,354,449	\$1,354,449	\$12,658 / Unit	\$954,531		\$0	0.0%	\$0	
Developer Fee	\$0		\$2,141,000	15.00%	15.00%	\$2,456,000	\$2,374,715	15.00%	15.00%	\$2,141,000	3.4%	\$81,285	
Reserves				7 Months	\$693,159	\$565,305	6 Months				22.6%	\$127,854	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$16,417,391		\$201.083 / Unit	\$21,515,843	\$20,690,091	\$193.365 / Unit		\$16,417,391	\$0	4.0%	\$825,752
Acquisition Cost	\$0					\$0							
Contingency			\$0			\$0							
Contractor's Fee			\$0			(\$637)							
Financing Cost			\$0										
Developer Fee	\$0		\$0		15.00%	(\$331)							
Reserves						\$0							
ADJUSTED BASIS / COST		\$0	\$16,417,391		\$201.074/unit	\$21,514,875	\$20,690,091	\$193.365/unit		\$16,417,391	\$0	4.0%	\$824,784
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):							\$21,514,875						

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Skyline at Cedar Crest, Dallas, 9% HTC #21004

CREDIT CALCULATION ON QUALIFIED BASIS

	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
	ADJUSTED BASIS	\$0	\$16,417,391	\$0
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$16,417,391	\$0	\$16,417,391
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$21,342,608	\$0	\$21,342,608
Applicable Fraction	79.37%	79.37%	79%	79%
TOTAL QUALIFIED BASIS	\$0	\$16,939,465	\$0	\$16,939,465
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	0	\$1,524,552	\$0	\$1,524,552
CREDITS ON QUALIFIED BASIS		\$1,524,552		\$1,524,552

ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS

Method	Annual Credits	Proceeds	FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price \$0.8998	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,524,552	\$13,718,223	----	----	----
Needed to Fill Gap	\$1,613,031	\$14,514,375	----	----	----
Applicant Request	\$1,500,000	\$13,497,300	\$1,500,000	\$0	\$0

BUILDING COST ESTIMATE

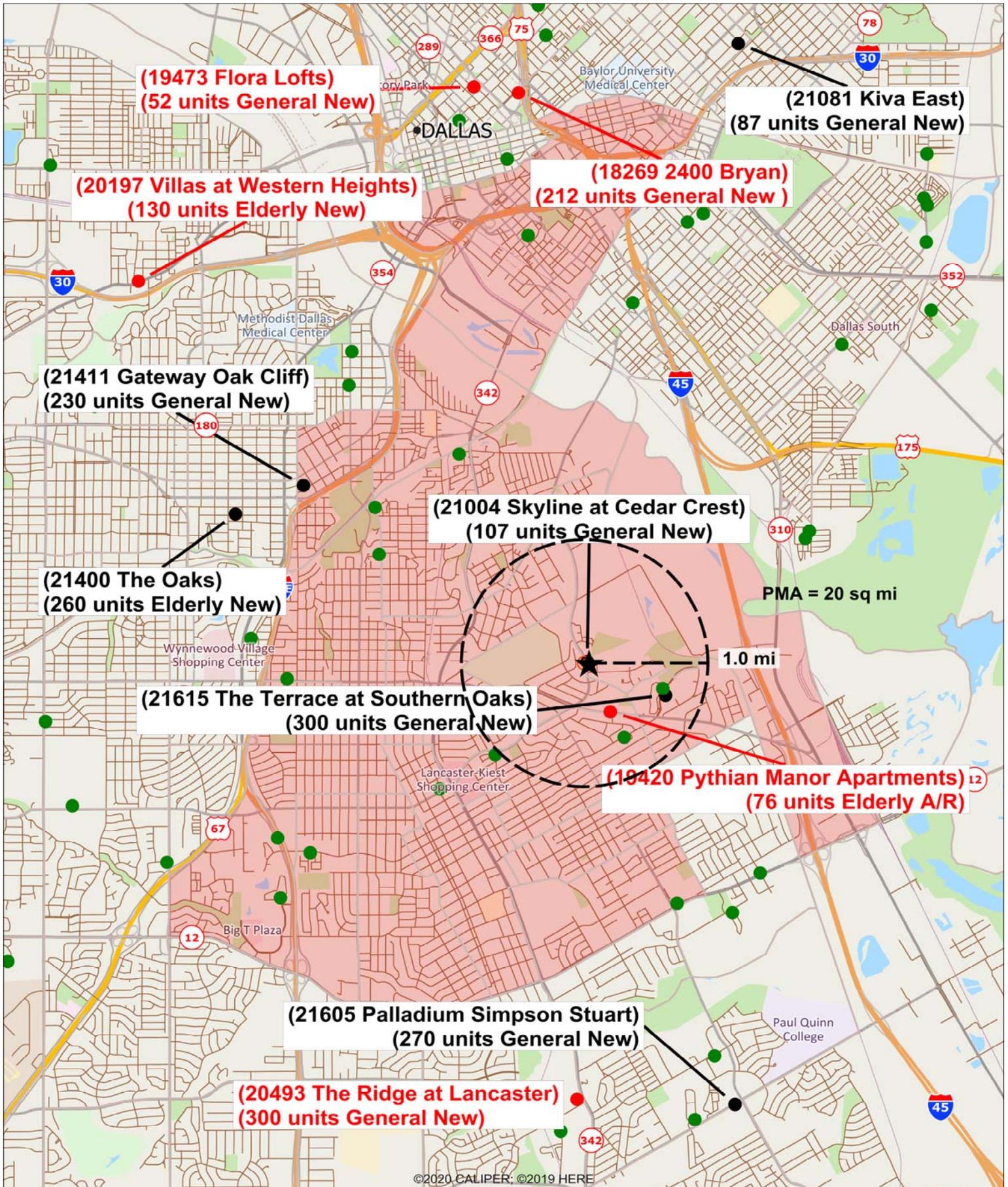
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	95,440 SF	\$70.82	6,758,962
Adjustments				
Exterior Wall Finish	8.00%		5.67	\$540,717
Elderly	0.00%		0.00	0
9-Ft. Ceilings	4.00%		2.83	270,358
Roof Adjustment(s)			0.00	0
Subfloor			(0.27)	(25,407)
Floor Cover			2.56	244,326
Breezeways	\$30.11	21,578	6.81	649,709
Balconies	\$30.22	7,809	2.47	235,989
Plumbing Fixtures	\$1,080	198	2.24	213,840
Rough-ins	\$530	214	1.19	113,420
Built-In Appliances	\$1,830	107	2.05	195,810
Exterior Stairs	\$2,460	8	0.21	19,680
Heating/Cooling			2.34	223,330
Storage Space	\$30.11	0	0.00	0
Carports	\$12.25	0	0.00	0
Garages		0	0.00	0
Common/Support Area	\$93.94	5,493	5.41	516,029
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$2.88	122,511	3.70	352,832
SUBTOTAL			108.02	10,309,595
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			108.02	\$10,309,595
Plans, specs, survey, bldg permits	3.30%		(3.56)	(\$340,217)
Contractor's OH & Profit	11.50%		(12.42)	(1,185,603)
NET BUILDING COSTS		\$82,091/unit	\$92.03/sf	\$8,783,775

Long-Term Pro Forma

Skyline at Cedar Crest, Dallas, 9% HTC #21004

	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%	\$1,182,749	\$1,206,404	\$1,230,532	\$1,255,143	\$1,280,246	\$1,413,495	\$1,560,613	\$1,723,043	\$1,902,378	\$2,100,379	\$2,318,988
TOTAL EXPENSES	3.00%	\$704,977	\$725,535	\$746,698	\$768,484	\$790,911	\$913,349	\$1,054,922	\$1,218,637	\$1,407,980	\$1,626,985	\$1,880,326
NET OPERATING INCOME ("NOI")		\$477,772	\$480,869	\$483,835	\$486,660	\$489,335	\$500,146	\$505,691	\$504,405	\$494,398	\$473,394	\$438,662
EXPENSE/INCOME RATIO		59.6%	60.1%	60.7%	61.2%	61.8%	64.6%	67.6%	70.7%	74.0%	77.5%	81.1%
MUST -PAY DEBT SERVICE												
TOTAL DEBT SERVICE		\$410,640	\$410,640	\$410,640	\$410,640	\$410,640	\$410,640	\$410,640	\$410,640	\$410,640	\$410,640	\$410,640
DEBT COVERAGE RATIO		1.16	1.17	1.18	1.19	1.19	1.22	1.23	1.23	1.20	1.15	1.07
ANNUAL CASH FLOW		\$67,133	\$70,230	\$73,195	\$76,020	\$78,696	\$89,506	\$95,051	\$93,766	\$83,759	\$62,754	\$28,023
Deferred Developer Fee Balance		\$949,943	\$879,713	\$806,518	\$730,498	\$651,802	\$224,064	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$242,498	\$716,982	\$1,159,702	\$1,520,390	\$1,736,068

21004 Skyline at Cedar Crest PMA Map



Disclaimer: This map is not a survey. Boundaries, distance and scale are approximate only.