
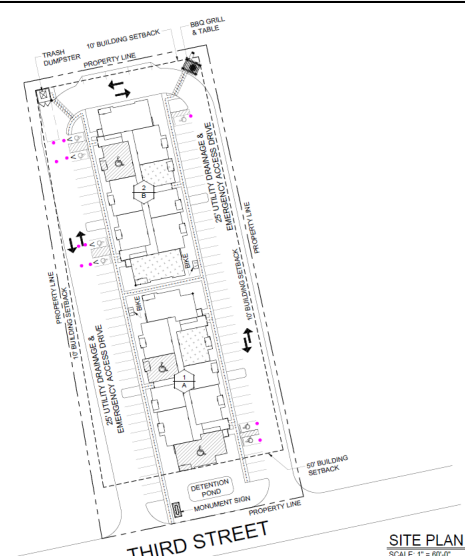


24261 Green Manor Apartments - Application Summary

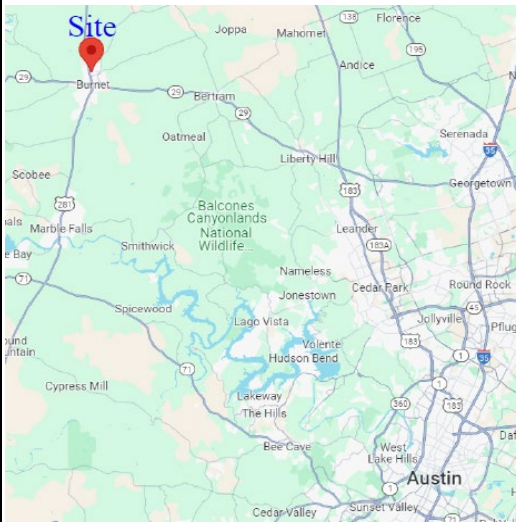
REAL ESTATE ANALYSIS DIVISION


July 23, 2024

PROPERTY IDENTIFICATION		RECOMMENDATION				KEY PRINCIPALS / SPONSOR		
Application #	24261	TDHCA Program	Request	Recommended		• HVM Housing, LLC / Dennis Hoover		
Development	Green Manor Apartments	LIHTC (9% Credit)	\$868,951	\$868,951	\$24,138/Unit			\$0.78
City / County	Burnet / Burnet							
Region/Area	7 / Rural							
Population	General							
Set-Aside	Rural							
Activity	New Construction					Related Parties	Contractor - Yes	Seller - Yes
TYPICAL BUILDING ELEVATION/PHOTO								
								
UNIT DISTRIBUTION				INCOME DISTRIBUTION				
# Beds	# Units	% Total	Income	# Units	% Total			
Eff	-	0%	20%	-	0%			
1	10	28%	30%	3	8%			
2	18	50%	40%	-	0%			
3	8	22%	50%	8	22%			
4	-	0%	60%	25	69%			
			70%	-	0%			
			80%	-	0%			
			MR	-	0%			
TOTAL	36	100%	TOTAL	36	100%			
PRO FORMA FEASIBILITY INDICATORS								
Pro Forma Underwritten				Applicant's Pro Forma				
Debt Coverage	✓ 1.31	Expense Ratio		✓ 59.2%				
Breakeven Occ.	✓ 83.5%	Breakeven Rent		\$922				
Average Rent	\$1,023	B/E Rent Margin		✓ 102				
Property Taxes	\$417/unit	Exemption/PILOT		0%				
Total Expense	\$6,906/unit	Controllable		\$4,827/unit				
MARKET FEASIBILITY INDICATORS								
Gross Capture Rate (30% Maximum)				✓ 1.2%				
Highest Unit Capture Rate	✓ 4%	3 BR/60%	6					
Dominant Unit Cap. Rate	✓ 2%	2 BR/60%	11					
Premiums (↑80% Rents)	N/A		N/A					
Rent Assisted Units	N/A							
DEVELOPMENT COST SUMMARY								
Costs Underwritten				Applicant's Costs				
Avg. Unit Size	956 SF	Density		17.5/acre				
Acquisition	\$00K/unit		\$5K					
Building Cost	\$129.32/SF	\$124K/unit		\$4,451K				
Hard Cost	\$155K/unit		\$5,568K					
Total Cost	\$241K/unit		\$8,694K					
Developer Fee	\$1,397K	(0% Deferred)		Paid Year: 1				
Contractor Fee	\$779K	30% Boost		Yes				
SITE PLAN								
								

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Raymond James	15/30	6.50%	\$1,722,512	1.31						Raymond James	\$6,777,137	
										Deferred Developer Fee	(\$1)	
										TOTAL EQUITY SOURCES	\$6,896,656	
										TOTAL DEBT SOURCES	\$1,722,512	
TOTAL DEBT (Must Pay)			\$1,722,512		CASH FLOW DEBT / GRANTS			\$0		TOTAL CAPITALIZATION		\$8,619,168

CONDITIONS	
— Receipt and acceptance by Cost Certification:	
• 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.	

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
• Low gross capture rate of 1.2%	
• Expense ratio of 59.2%	
• Developer Experience	
WEAKNESSES/RISKS	
• Lack of amenities	
AREA MAP	
	

AERIAL PHOTOGRAPH(s)	
	



DEVELOPMENT IDENTIFICATION

TDHCA Application #: **24261** Program(s): **9% HTC**

Green Manor Apartments

Address/Location: 310 E. 3rd St.

City: Burnet County: Burnet Zip: 78611

Population: General Program Set-Aside: Rural Area: Rural

Activity: New Construction Building Type: Garden (Up to 4-story) Region: 7

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)	\$868,951				\$868,951						

CONDITIONS

— Receipt and acceptance by Cost Certification:

- 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	3
50% of AMI	50% of AMI	8
60% of AMI	60% of AMI	25

DEVELOPMENT SUMMARY

Green Manor Apartments is a proposed new construction development serving the general population that consists of 36 total units with a mix of 1,2 and 3 bedrooms. The development will include bicycle parking, a BBQ grill and picnic tables. There is no community/leasing facility for this development as it will share the management/leasing office with the adjacent sister property, the Garden Gate Apartments.

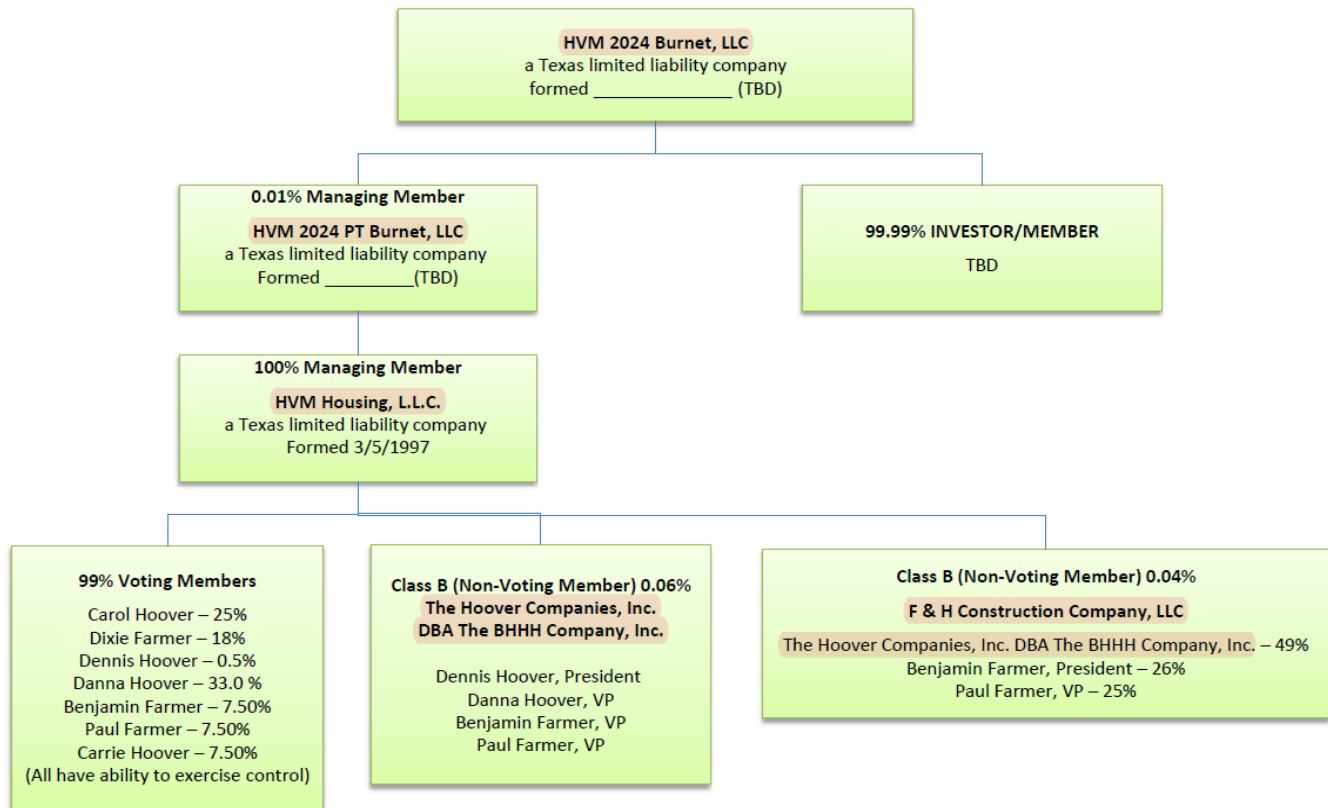
RISK PROFILE

STRENGTHS/MITIGATING FACTORS	
▫	Low gross capture rate of 1.2%
▫	Expense ratio of 59.2%
▫	Developer Experience

WEAKNESSES/RISKS	
▫	Lack of amenities
▫	
▫	

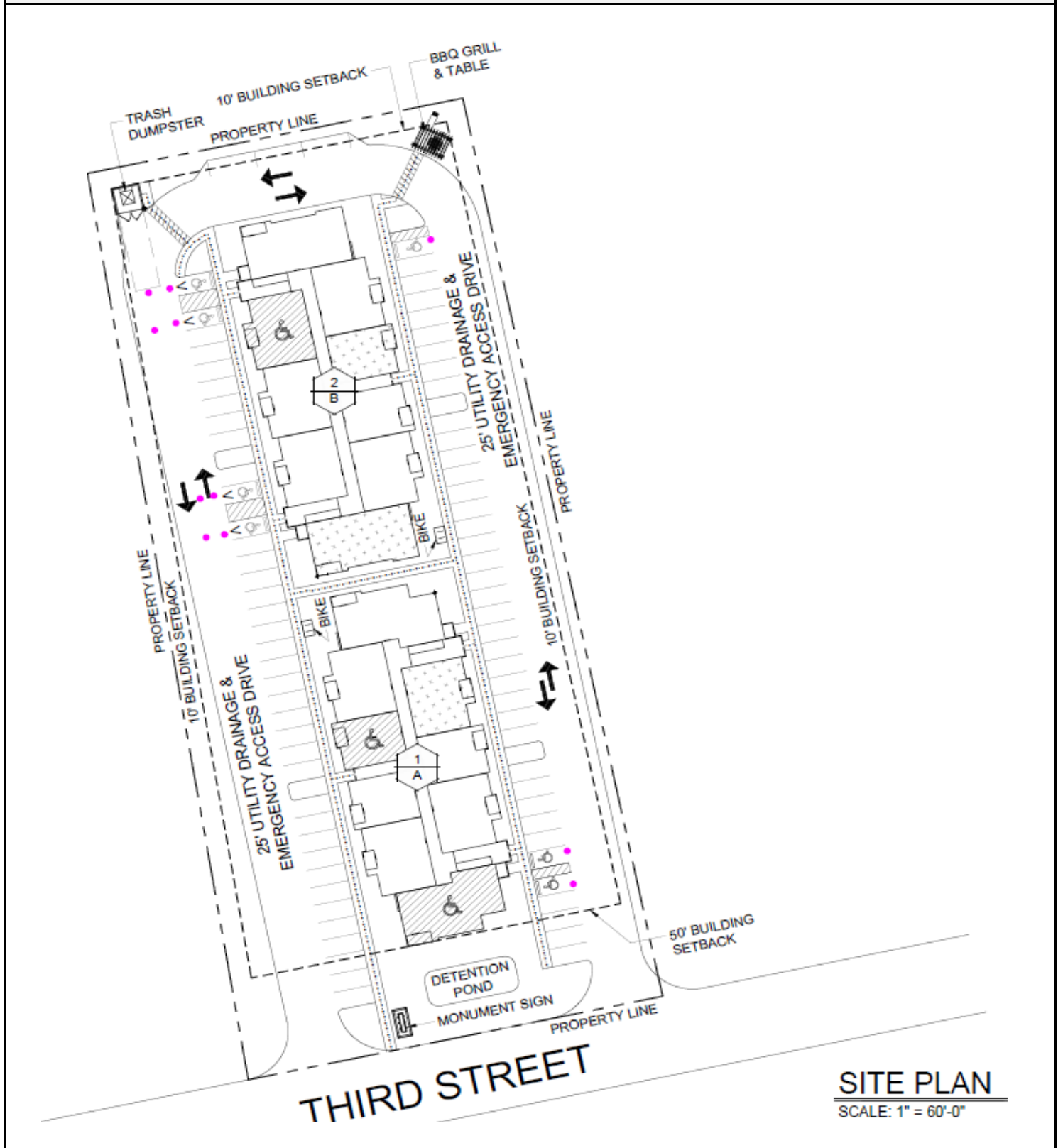
DEVELOPMENT TEAM

OWNERSHIP STRUCTURE



DEVELOPMENT SUMMARY

SITE PLAN



AERIAL



Comments:

80 parking spaces (2.3/unit) are required by local Code and 80 open surface parking spaces will be provided. All parking will be free to the residents.

BUILDING ELEVATION



BUILDING CONFIGURATION

Building Type	A	B											Total Buildings
Floors/Stories	2	2											2
Number of Bldgs	1	1											2
Units per Bldg	18	18											
Total Units	18	18											36
Avg. Unit Size (SF)	956 sf		Total NRA (SF)		34,422	Common Area (SF)*		4,976					

*Common Area Square Footage as specified on Architect Certification

SITE CONTROL INFO

Site Acreage: Development Site: 2.06 acres Density: 17.5 units/acre
Site Control: 2.09 **Site Plan:** 2.06 **Appraisal:** 0 **ESA:** 2.09
Feasibility Report Survey: 2.06 **Feasibility Report Engineer's Plan:** 2.06 **Existing LURA:** 0

Control Type: Property Sale Agreement

Development Site: 2.06 acres Cost: \$0 \$0 per unit

Seller: J & V Hoover Ltd

Buyer: HVM 2024 Burnet, LLC

Related-Party Seller/Identity of Interest: Yes

Comments:

Dennis Hoover is the principal of the Seller and of the Buyer, and will be conveying the property at no cost.

The LURA will encumber all 2.06 acres of the property.

The Property Sale Agreement and the ESA reflect the site as being 2.09 acres, but the survey shows that the site is actually 2.06 acres.

SITE INFORMATION

Flood Zone: <u>X</u>	Scattered Site? <u>No</u>
Zoning: <u>Change Requested</u>	Within 100-yr floodplain? <u>No</u>
Re-Zoning Required? <u>Yes</u>	Utilities at Site? <u>Yes</u>
Year Constructed: <u>N/A</u>	Title Issues? <u>No</u>

Comments:

Applicant provided a letter dated 6/14/2024 from the City of Burnet stating that the request for a zoning change was approved and adopted for the site to be zoned appropriately for Multi-Family Residential District R-3.

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: GIBCO Environmental, LLC Date: 2/25/2024

Recognized Environmental Conditions (RECs) and Other Concerns:

- A Noise Study is required for the property under HUD Noise Assessment Guidelines. The site is less than 3,000 feet from an active railroad and more than 1000 feet from a major roadway.

MARKET ANALYSIS

Provider: Gibson Consulting, LLC

Date: 3/27/2024

Primary Market Area (PMA): 1,125 sq. miles 19 mile equivalent radius

AFFORDABLE HOUSING INVENTORY

Competitive Supply (Proposed, Under Construction, and Unstabilized)

File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
	None		NA	NA		NA

Stabilized Affordable Developments in PMA

Total Units	586
Total Developments	9
Average Occupancy	97.4%

OVERALL DEMAND ANALYSIS

		Market Analyst			
		HTC	Assisted		
Total Households in the Primary Market Area		20,248			
Potential Demand from the Primary Market Area		2,705			
10% External Demand		271			
Potential Demand from Other Sources		0			
GROSS DEMAND		2,976			
Subject Affordable Units		36			
Unstabilized Competitive Units		0			
RELEVANT SUPPLY		36			
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE		1.2%			

Population:

General

Market Area:

Rural

Maximum Gross Capture Rate:

30%

UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND

AMGI Band	Market Analyst									
	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate					
30% AMGI	602	60	3	0	0.45%					
50% AMGI	554	55	8	0	1.31%					
60% AMGI	1,161	116	25	0	1.96%					

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%	190	19	1	0	0.5%					
1 BR/50%	175	18	3	0	1.6%					
1 BR/60%	367	37	8	0	2.0%					
2 BR/30%	25	3	1	0	3.6%					
2 BR/50%	232	23	4	0	1.6%					
2 BR/60%	486	49	11	0	2.1%					
3 BR/30%	124	12	1	0	0.7%					
3 BR/50%	260	26	1	0	0.3%					
3 BR/60%	135	14	6	0	4.0%					

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)

NOI:	\$171,347	Avg. Rent:	\$1,023	Expense Ratio:	59.2%
Debt Service:	\$130,649	B/E Rent:	\$922	Controllable Expenses:	\$4,827
Net Cash Flow:	\$40,698	UW Occupancy:	92.5%	Property Taxes/Unit:	\$417
Aggregate DCR:	1.31	B/E Occupancy:	83.5%	Program Rent Year:	2023

High expenses for utilities, water, sewer & trash are attributable to the project being all bills paid.

Applicant's budgeted expenses were used in the analysis since Underwriter's estimated expenses only varied by 1.4%.

Applicant expects to earn \$712K in cash flow over a 15 year period with no deferred developer fee.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)

Acquisition	\$/ac	\$139/unit	\$5,000	Contractor Fee	\$779,459
Off-site + Site Work		\$20,889/unit	\$752,000	Soft Cost + Financing	\$737,037
Building Cost	\$129.32/sf	\$123,648/unit	\$4,451,329	Developer Fee	\$1,396,938
Contingency	7.00%	\$10,118/unit	\$364,233	Reserves	\$207,873
Total Development Cost		\$241,496/unit	\$8,693,868	Rehabilitation Cost	N/A

Qualified for 30% Basis Boost?

Rural [9% only]

Site Work:

Certified Site work costs totaling \$652K (\$18K/unit) include \$80K for detention, \$396K for typical grading, concrete and paving, \$36K for electrical, \$100K for on-site utilities, and the remaining \$40K for bumper stops, striping & Amenity cost of \$100K (\$2.8K/unit) was not included in the site work certification, but represents the cost for landscaping.

Building Cost:

Using Marshall & Swift's "Good Quality" base cost, building costs were underwritten at \$129K/unit or \$135/sf vs. Applicants budget of \$124K/unit or \$129/sf. The difference only equates to a 4.1% variance.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$8,693,868	\$8,381,626	\$980,650

UNDERWRITTEN CAPITALIZATION

INTERIM SOURCES

Funding Source	Description	Amount	Rate	LTC
Raymond James	Conventional loan	\$5,902,660	7.75%	81%
Raymond James	HTC	\$1,355,427	\$0.78	19%
City of Burnet	In-Kind Contribution	\$250	0.00%	0%
		\$7,258,337	Total Sources	

PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Raymond James	\$1,722,512	6.50%	30	15.0	\$1,722,512	6.50%	30	15	20%
Total	\$1,722,512				\$1,722,512				

	PROPOSED			UNDERWRITTEN			
Equity & Deferred Fees	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Raymond James	\$6,777,137	\$0.78		\$6,777,137	\$0.78	78%	
Boston Financial	\$74,700			\$74,700		1%	
Boston Financial	\$119,520			\$119,520		1%	
Deferred Developer Fee	\$0		0%	(\$1)		0%	0%
	Total	\$6,971,357			\$6,971,356		
					\$8,693,868	Total Sources	

Credit Price Sensitivity based on current capital structure

\$0.780	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.698	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Gap Analysis:	
Total Development Cost	\$8,693,868
Permanent Sources (debt + non-HTC equity)	\$1,916,732
Gap in Permanent Financing	\$6,777,136

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$7,648,304	\$980,650
Needed to Balance Sources & Uses	\$6,777,136	\$868,952
Requested by Applicant	\$6,777,137	\$868,951

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$6,777,137	\$868,951

Deferred Developer Fee	(\$1)	(.0% deferred)
Repayable in	1 years	

Recommendation:

Underwriter recommends Applicant's request for \$868,951 in annual 9% Housing Tax Credits.

Underwriter:	Deborah Willson
Manager of Real Estate Analysis:	Gregg Kazak
Director of Real Estate Analysis:	Jeanna Adams

UNIT MIX/RENT SCHEDULE

Green Manor Apartments, Burnet, 9% HTC #24261

LOCATION DATA	
CITY:	Burnet
COUNTY:	Burnet
Area Median Income	\$87,100
PROGRAM REGION:	7
PROGRAM RENT YEAR:	2023

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	-	0.0%	0	0	0	0
1	10	27.8%	0	0	0	0
2	18	50.0%	0	0	0	0
3	8	22.2%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	36	100.0%	-	-	-	-

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	956 sf

55%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	3	-	8	25	-	-	-	36
Income	% Total	0.0%	8.3%	0.0%	22.2%	69.4%	0.0%	0.0%	0.0%	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%	\$469	1	1	1	700	\$469	\$0	\$469	\$0	\$0.67	\$469	\$469	\$469	\$469	\$0.67	\$0	\$1,300	\$1.86	\$1,300
TC 50%	\$781	2	1	1	700	\$781	\$0	\$781	\$0	\$1.12	\$781	\$1,562	\$1,562	\$781	\$1.12	\$0	\$1,300	\$1.86	\$1,300
TC 60%	\$938	7	1	1	700	\$938	\$0	\$938	\$0	\$1.34	\$938	\$6,566	\$6,566	\$938	\$1.34	\$0	\$1,300	\$1.86	\$1,300
TC 30%	\$562	1	2	2	967	\$562	\$0	\$562	\$0	\$0.58	\$562	\$562	\$562	\$562	\$0.58	\$0	\$1,500	\$1.55	\$1,500
TC 50%	\$937	4	2	2	967	\$937	\$0	\$937	\$0	\$0.97	\$937	\$3,748	\$3,748	\$937	\$0.97	\$0	\$1,500	\$1.55	\$1,500
TC 60%	\$1,125	13	2	2	967	\$1,125	\$0	\$1,125	\$0	\$1.16	\$1,125	\$14,625	\$14,625	\$1,125	\$1.16	\$0	\$1,500	\$1.55	\$1,500
TC 30%	\$649	1	3	2	1,252	\$649	\$0	\$649	\$0	\$0.52	\$649	\$649	\$649	\$649	\$0.52	\$0	\$1,700	\$1.36	\$1,700
TC 50%	\$1,083	2	3	2	1,252	\$1,083	\$0	\$1,083	\$0	\$0.87	\$1,083	\$2,166	\$2,166	\$1,083	\$0.87	\$0	\$1,700	\$1.36	\$1,700
TC 60%	\$1,299	5	3	2	1,252	\$1,299	\$0	\$1,299	\$0	\$1.04	\$1,299	\$6,495	\$6,495	\$1,299	\$1.04	\$0	\$1,700	\$1.36	\$1,700
TOTALS/AVERAGES:		36			34,422				\$0	\$1.07	\$1,023	\$36,842	\$36,842	\$1,023	\$1.07	\$0	\$1,489	\$1.56	\$1,489

ANNUAL POTENTIAL GROSS RENT:	\$442,104	\$442,104
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*MFDL units float among Unit Types

STABILIZED PRO FORMA
<i>Green Manor Apartments, Burnet, 9% HTC #24261</i>

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				\$1.07	\$1,023	\$442,104	\$442,104	\$1,023	\$1.07		0.0%	\$0
late fees, nsf's					\$1.39	\$600						
laundry income					\$1.17	\$504						
interest income					\$25.00	\$10,800						
Total Secondary Income					\$27.56		\$11,904	\$27.56			0.0%	\$0
POTENTIAL GROSS INCOME						\$454,008	\$454,008				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI	(34,051)	(34,051)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$419,957	\$419,957				0.0%	\$0

General & Administrative	\$23,542	\$654/Unit	\$12,267	\$341	1.98%	\$0.24	\$231	\$8,300	\$12,267	\$341	\$0.36	2.92%	-32.3%	(3,967)
Management	\$24,703	4.7% EGI	\$23,767	\$660	5.95%	\$0.73	\$694	\$25,000	\$24,987	\$694	\$0.73	5.95%	0.1%	13
Payroll & Payroll Tax	\$42,952	\$1,193/Unit	\$60,577	\$1,683	14.88%	\$1.82	\$1,736	\$62,500	\$62,500	\$1,736	\$1.82	14.88%	0.0%	-
Repairs & Maintenance	\$35,996	\$1,000/Unit	\$30,897	\$858	6.91%	\$0.84	\$806	\$29,000	\$23,400	\$650	\$0.68	5.57%	23.9%	5,600
Electric/Gas	\$13,733	\$381/Unit	\$4,348	\$121	7.35%	\$0.90	\$858	\$30,880	\$30,880	\$858	\$0.90	7.35%	0.0%	-
Water, Sewer, & Trash	\$32,208	\$895/Unit	\$43,044	\$1,196	10.26%	\$1.25	\$1,197	\$43,090	\$43,044	\$1,196	\$1.25	10.25%	0.1%	46
Property Insurance	\$20,439	\$0.59 /sf	\$18,451	\$513	5.24%	\$0.64	\$611	\$22,000	\$22,000	\$611	\$0.64	5.24%	0.0%	-
Property Tax (@ 100%) 1.8469	\$26,557	\$738/Unit	\$13,894	\$386	3.57%	\$0.44	\$417	\$15,000	\$15,000	\$417	\$0.44	3.57%	0.0%	-
Reserve for Replacements					2.57%	\$0.31	\$300	\$10,800	\$9,000	\$250	\$0.26	2.14%	20.0%	1,800
Cable TV					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Supportive Services					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.34%	\$0.04	\$40	\$1,440	\$1,440	\$40	\$0.04	0.34%	0.0%	-
TDHCA MDL Compliance (\$34/MDL unit)					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
TDHCA Bond Compliance Fee					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Bond Trustee Fees					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Issuer Ongoing Compliance Fees					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Security					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Fidelity Insurance					0.14%	\$0.02	\$17	\$600	\$600	\$17	\$0.02	0.14%	0.0%	-
TOTAL EXPENSES					59.20%	\$7.22	\$6,906	\$248,610	\$245,118	\$6,809	\$7.12	58.37%	1.4%	\$ 3,492
NET OPERATING INCOME ("NOI")					40.80%	\$4.98	\$4,760	\$171,347	\$174,839	\$4,857	\$5.08	41.63%	-2.0%	\$ (3,492)

CONTROLLABLE EXPENSES	\$4,827/Unit		\$4,780/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Green Manor Apartments, Burnet, 9% HTC #24261

		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	1.34	1.31	130,649	6.50%	30	15	\$1,722,512	\$1,722,512	15	30	6.50%	\$130,649	1.31	19.8%
CASH FLOW DEBT / GRANTS															
City of Burnet		1.34	1.31		0.00%	0	0	\$0	\$0	0	0	0.00%		1.31	0.0%
				\$130,649	TOTAL DEBT / GRANT SOURCES			\$1,722,512	\$1,722,512	TOTAL DEBT SERVICE			\$130,649	1.31	19.8%
NET CASH FLOW		\$44,190	\$40,698	APPLICANT NET OPERATING INCOME \$171,347 \$40,698 NET CASH FLOW											

EQUITY / DEFERRED FEES	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
Raymond James	LIHTC Equity	78.0%	\$868,951	\$0.78	\$6,777,137	\$6,777,137	\$0.78	\$868,951	78.0%	\$24,138	Applicant Request
Boston Financial	45L Energy Tax Credits	0.9%		\$0.79	\$74,700	\$74,700	\$0.79		0.9%		
Boston Financial	Solar Tax Credits	1.4%		\$0.83	\$119,520	\$119,520	\$0.83		1.4%		
Deferred Developer Fee	Deferred Developer Fees	0.0%	(0% Deferred)		\$0	(\$1)	(0% Deferred)		0.0%	Total Developer Fee:	\$1,396,938
Additional (Excess) Funds Req'd		0.0%				\$0			0.0%		
TOTAL EQUITY SOURCES		80.2%			\$6,971,357	\$6,971,356			80.2%		
TOTAL CAPITALIZATION					\$8,693,869	\$8,693,868	15-Yr Cash Flow after Deferred Fee:			\$711,520	

		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						\$ / Unit	\$0	\$0	\$ / Unit				0.0%	\$0
Building Acquisition		\$0				\$ / Unit	\$0	\$0	\$ / Unit			\$0	0.0%	\$0
Closing costs & acq. legal fees							\$5,000	\$5,000					0.0%	\$0
Off-Sites			\$0			\$ / Unit	\$0	\$0	\$ / Unit			\$0	0.0%	\$0
Site Work			\$652,000		\$18,111 / Unit	\$652,000	\$652,000	\$18,111 / Unit	\$652,000			\$652,000	0.0%	\$0
Site Amenities			\$100,000		\$2,778 / Unit	\$100,000	\$100,000	\$2,778 / Unit	\$100,000			\$100,000	0.0%	\$0
Building Cost			\$4,451,329	\$129.32 /sf	\$123,648/Unit	\$4,451,329	\$4,642,674	\$128,963/Unit	\$134.88 /sf	\$4,451,329			-4.1%	(\$191,345)
Contingency			\$364,233	7.00%	7.00%	\$364,233	\$364,233	6.75%	7.00%	\$364,233			0.0%	\$0
Contractor Fees			\$779,459	14.00%	14.00%	\$779,459	\$779,459	13.53%	14.00%	\$779,459			0.0%	\$0
Soft Costs		\$0	\$253,000		\$7,028 / Unit	\$253,000	\$253,000	\$7,028 / Unit		\$253,000	\$0		0.0%	\$0
Financing		\$0	\$384,668		\$13,445 / Unit	\$484,037	\$484,037	\$13,445 / Unit		\$384,668	\$0		0.0%	\$0
Developer Fee		\$0	\$1,396,938	20.00%	20.00%	\$1,396,938	\$1,396,938	19.47%	20.00%	\$1,396,938	\$0		0.0%	\$0
Reserves					7 Months	\$207,873	\$207,873	7 Months					0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$8,381,627		\$241,496 / Unit	\$8,693,869	\$8,885,214	\$246,812 / Unit		\$8,381,626	\$0		-2.2%	(\$191,345)
Acquisition Cost		\$0				\$0								
Contingency			\$0			\$0								
Contractor's Fee			(\$0)			(\$0)								
Financing Cost			\$0											
Developer Fee		\$0	(\$0)	20.00%	20.00%	(\$0)								
Reserves						\$0								
ADJUSTED BASIS / COST		\$0	\$8,381,626		\$241,496/unit	\$8,693,868	\$8,885,214	\$246,812/unit		\$8,381,626	\$0		-2.2%	(\$191,346)
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$8,693,868								

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Green Manor Apartments, Burnet, 9% HTC #24261

CREDIT CALCULATION ON QUALIFIED BASIS				
Applicant		TDHCA		
Acquisition	Construction Rehabilitation	Acquisition	Construction	
ADJUSTED BASIS	\$0	\$8,381,626	\$0	\$8,381,626
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$8,381,626	\$0	\$8,381,626
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$10,896,114	\$0	\$10,896,114
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$10,896,114	\$0	\$10,896,114
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$980,650	\$0	\$980,650
CREDITS ON QUALIFIED BASIS	\$980,650		\$980,650	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.7799	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$980,650	\$7,648,304	----	----	----
Needed to Fill Gap	\$868,952	\$6,777,136	----	----	----
Applicant Request	\$868,951	\$6,777,137	\$868,951	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	34,422 SF	\$123.03	4,234,828
Adjustments				
Exterior Wall Finish	1.92%		2.36	\$81,309
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.24%		3.99	137,208
Roof Adjustment(s)			1.05	36,000
Subfloor			(1.23)	(42,339)
Floor Cover			3.68	126,673
Breezeways	\$38.26	4,976	5.53	190,369
Balconies	\$39.02	2,448	2.77	95,521
Plumbing Fixtures	\$1,420	140	5.78	198,800
Rough-ins	\$700	72	1.46	50,400
Built-In Appliances	\$2,280	36	2.38	82,080
Exterior Stairs	\$3,550	2	0.21	7,100
Heating/Cooling			3.12	107,397
Storage Space	\$38.26	0	0.00	0
Carports	\$16.05	0	0.00	0
Garages	\$30.00	0	0.00	0
Common/Support Area	\$0.00	0	0.00	0
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$3.65	39,398	4.18	143,803
SUBTOTAL			158.30	5,449,148
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			158.30	\$5,449,148
Plans, specs, survey, bldg permits	3.30%		(5.22)	(\$179,822)
Contractor's OH & Profit	11.50%		(18.20)	(626,652)
NET BUILDING COSTS		\$128,963/unit	\$134.88/sf	\$4,642,674

Long-Term Pro Forma

Green Manor Apartments, Burnet, 9% HTC #24261

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
EFFECTIVE GROSS INCOME	2.00%	\$419,957	\$428,357	\$436,924	\$445,662	\$454,575	\$501,888	\$554,125	\$611,799	\$675,475	\$745,779
TOTAL EXPENSES	3.00%	\$248,610	\$255,818	\$263,238	\$270,875	\$278,736	\$321,638	\$371,217	\$428,522	\$494,764	\$571,348
NET OPERATING INCOME ("NOI")		\$171,347	\$172,538	\$173,686	\$174,787	\$175,840	\$180,250	\$182,908	\$183,277	\$180,711	\$174,431
EXPENSE/INCOME RATIO		59.2%	59.7%	60.2%	60.8%	61.3%	64.1%	67.0%	70.0%	73.2%	76.6%
MUST -PAY DEBT SERVICE											
Raymond James		\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649
TOTAL DEBT SERVICE		\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649	\$130,649
DEBT COVERAGE RATIO		1.31	1.32	1.33	1.34	1.35	1.38	1.40	1.40	1.38	1.34
ANNUAL CASH FLOW											
Deferred Developer Fee Balance		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$40,699	\$82,587	\$125,624	\$169,762	\$214,952	\$454,742	\$711,520	\$974,955	\$1,231,714	\$1,464,844