



Real Estate Analysis Division

November 10, 2025

Addendum to Underwriting Report

TDHCA Application #: **25187**

Program(s): **9% HTC**

Crossroads Redevelopment

Address/Location: **8801 McCann Dr.**

City: **Austin**

County: **Travis**

Zip: **78757**

	APPLICATION HISTORY
Report Date	PURPOSE
11/10/25	SHTC amendment
06/26/25	Initial Underwriting

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	\$0				\$469,300							
FHTC (9% Credit)	\$2,000,000				\$2,000,000							

CONDITIONS STATUS

Receipt and acceptance by Carryover:

- Formal approval for \$13,000,000 loan from Austin Housing Finance Corporation (AHFC) clearly stating all terms and conditions, and source of funds.

Status: Condition is clear. AHFC has provided formal approval of \$11.7M in funding.

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.

- Certification that testing for asbestos was performed on the existing structures prior to demolition, and if necessary, a certification that any appropriate abatement procedures were implemented.

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	39
50% of AMI	50% of AMI	66
60% of AMI	60% of AMI	5

ANALYSIS

The underwriting analysis has been revised based on Applicant's new Schedule of Sources including Applicant's request of \$4.693M in State Housing Tax Credits over the entire credit period. This is in addition to the \$2M in annual 9% tax credits they were awarded during initial underwriting.

The distribution of units has changed. The 30% AMGI band has increased from 22 to 39 units. The number of 50% AMGI units has decreased from 83 to 66.

Operating Pro Forma

The applicant's revised first year stabilized pro forma shows first year management expenses decreasing by \$600 with all other expenses forecasted to remain the same as reported in the initial underwriting. Program rents have been updated to 2025, but due to the 17 units being shifted from 50% to 30% AMGI net operating income is reduced by \$12k.

Development Cost

Development Costs remain unchanged.

Sources of Funds

Sources and Uses changes include National Equity Fund (NEF) acquiring the \$4.693M SHTC. NEF is contributing \$2.7M in capital for a syndication rate of \$0.58 on \$469,300 in annual SHTC.

The following funding sources have changed:

- The City of Austin has issued formal approval supporting this project for \$11.7M down from \$13M initially
- Foundation Communities has reduced its sponsor loan from \$6.5M to \$4.5M
- Foundation Communities has reduced its deferred developer fee from \$3.9M to \$3.7M

Underwriter recommends \$469,300 in annual state housing tax credits as requested by the applicant in addition to the recommended \$2,000,000 in annual federal tax credits previously awarded to the applicant.

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

UNIT MIX/RENT SCHEDULE
<i>Crossroads Redevelopment, Austin, 9% HTC/MDL #25187</i>

LOCATION DATA	
CITY:	Austin
COUNTY:	Travis
Area Median Income	\$133,800
PROGRAM REGION:	7
PROGRAM RENT YEAR:	2025

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	SHTC	Match
Eff	-	0.0%	0	0	0	0
1	50	45.5%	0	0	0	0
2	42	38.2%	0	0	0	0
3	18	16.4%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	110	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	1,041 sf

43%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	39	-	66	5	-	-	-	110
Income	% Total	0.0%	35.5%	0.0%	60.0%	4.5%	0.0%	0.0%	0.0%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE																		
FEDERAL 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%	\$753	10	1	1	890	\$753	\$74	\$679	\$0	\$0.76	\$679	\$6,790	\$6,790	\$679	\$0.76	\$0	\$1,754	\$1.97
TC 50%	\$1,255	30	1	1	890	\$1,255	\$74	\$1,181	\$0	\$1.33	\$1,181	\$35,430	\$35,430	\$1,181	\$1.33	\$0	\$1,754	\$1.97
TC 60%	\$1,506	2	1	1	890	\$1,506	\$74	\$1,432	\$0	\$1.61	\$1,432	\$2,864	\$2,864	\$1,432	\$1.61	\$0	\$1,754	\$1.97
TC 30%	\$903	8	2	2	1,109	\$903	\$96	\$807	\$0	\$0.73	\$807	\$6,456	\$6,456	\$807	\$0.73	\$0	\$2,135	\$1.93
TC 50%	\$1,506	26	2	2	1,109	\$1,506	\$96	\$1,410	\$0	\$1.27	\$1,410	\$36,660	\$36,660	\$1,410	\$1.27	\$0	\$2,135	\$1.93
TC 60%	\$1,807	2	2	2	1,109	\$1,807	\$96	\$1,711	\$0	\$1.54	\$1,711	\$3,422	\$3,422	\$1,711	\$1.54	\$0	\$2,135	\$1.93
TC 30%	\$1,044	4	3	2	1,299	\$1,044	\$119	\$925	\$0	\$0.71	\$925	\$3,700	\$3,700	\$925	\$0.71	\$0	\$2,482	\$1.91
TC 50%	\$1,740	10	3	2	1,299	\$1,740	\$119	\$1,621	\$0	\$1.25	\$1,621	\$16,210	\$16,210	\$1,621	\$1.25	\$0	\$2,482	\$1.91
TC 60%	\$2,088	1	3	2	1,299	\$2,088	\$119	\$1,969	\$0	\$1.52	\$1,969	\$1,969	\$1,969	\$1,969	\$1.52	\$0	\$2,482	\$1.91
TC 30%	\$753	8	1	1	890	\$753	\$74	\$679	\$0	\$0.76	\$679	\$5,432	\$5,432	\$679	\$0.76	\$0	\$1,754	\$1.97
TC 30%	\$903	6	2	2	1,109	\$903	\$96	\$807	\$0	\$0.73	\$807	\$4,842	\$4,842	\$807	\$0.73	\$0	\$2,135	\$1.93
TC 30%	\$1,044	3	3	2	1,299	\$1,044	\$119	\$925	\$0	\$0.71	\$925	\$2,775	\$2,775	\$925	\$0.71	\$0	\$2,482	\$1.91
TOTALS/AVERAGES:		110			114,460				\$0	\$1.11	\$1,150	\$126,550	\$126,550	\$1,150	\$1.11	\$0	\$2,019	\$1.94

ANNUAL POTENTIAL GROSS RENT:	\$1,518,600	\$1,518,600	
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*MFDL units float among Unit Types

STABILIZED PRO FORMA

Crossroads Redevelopment, Austin, 9% HTC/MDL #25187

STABILIZED FIRST YEAR PRO FORMA														
COMPARABLES			APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
Database	Travis County Foundation Communities		% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.11	\$1,150	\$1,518,600	\$1,531,812	\$1,531,812	\$1,518,600	\$1,150	\$1.11		0.0%	\$0
Late fees, NSF fees, laundry income					\$20.00	\$26,400	26,400							
Total Secondary Income					\$20.00			26,400	\$26,400	\$20.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$1,545,000	\$1,558,212	\$1,558,212	\$1,545,000				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI	(115,875)	(116,866)	(116,866)	(115,875)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$1,429,125	\$1,441,346	\$1,441,346	\$1,429,125				0.0%	\$0

General & Administrative	\$78,607	\$715/Unit	\$77,266	\$702	5.60%	\$0.70	\$728	\$80,037	\$80,037	\$78,607	\$78,607	\$715	\$0.69	5.50%	1.8%	1,430
Management	\$68,913	3.3% EGI	\$67,641	\$615	5.00%	\$0.62	\$649	\$71,416	\$72,067	\$72,067	\$71,456	\$650	\$0.62	5.00%	-0.1%	(40)
Payroll & Payroll Tax	\$169,730	\$1,543/Unit	\$281,557	\$2,560	18.27%	\$2.28	\$2,373	\$261,060	\$261,060	\$281,557	\$281,557	\$2,560	\$2.46	19.70%	-7.3%	(20,497)
Repairs & Maintenance	\$110,411	\$1,004/Unit	\$159,828	\$1,453	14.56%	\$1.82	\$1,892	\$208,077	\$208,077	\$71,500	\$71,500	\$650	\$0.62	5.00%	191.0%	136,577
Electric/Gas	\$36,549	\$332/Unit	\$71,719	\$652	2.14%	\$0.27	\$279	\$30,650	\$30,650	\$71,719	\$71,719	\$652	\$0.63	5.02%	-57.3%	(41,069)
Water, Sewer, & Trash	\$95,748	\$870/Unit	\$83,982	\$763	6.95%	\$0.87	\$903	\$99,276	\$99,276	\$95,748	\$95,748	\$870	\$0.84	6.70%	3.7%	3,528
Property Insurance	\$75,354	\$0.66 /sf	\$43,543	\$396	4.69%	\$0.59	\$609	\$66,973	\$66,973	\$75,354	\$75,354	\$685	\$0.66	5.27%	-11.1%	(8,381)
Property Tax (@ 50%) 1.9818	\$105,103	\$955/Unit	\$45,635	\$415	2.80%	\$0.35	\$364	\$40,000	\$40,000	\$54,822	\$53,861	\$490	\$0.47	3.77%	-25.7%	(13,861)
Reserve for Replacements					1.92%	\$0.24	\$250	\$27,500	\$27,500	\$27,500	\$27,500	\$250	\$0.24	1.92%	0.0%	-
Supportive Services					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.31%	\$0.04	\$40	\$4,400	\$4,400	\$4,400	\$4,400	\$40	\$0.04	0.31%	0.0%	-
TOTAL EXPENSES					62.23%	\$7.77	\$8,085	\$889,389	\$890,040	\$833,274	\$831,703	\$7,561	\$7.27	58.20%	6.9%	\$ 57,686
NET OPERATING INCOME ("NOI")					37.77%	\$4.72	\$4,907	\$539,736	\$551,306	\$608,072	\$597,422	\$5,431	\$5.22	41.80%	-9.7%	\$ (57,686)

CONTROLLABLE EXPENSES		\$6,174/Unit		\$5,447/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Crossroads Redevelopment, Austin, 9% HTC/MDL #25187

		DEBT / GRANT SOURCES														
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE							AS UNDERWRITTEN DEBT/GRANT STRUCTURE							
		Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting	Principal	Term	Amort	Rate	Pmt	Cumulative	
CASH FLOW DEBT / GRANTS																
City of Austin				0.00%	0	0.0	\$500	\$500	\$500	\$500	0.0	0.0	0.00%		0.0%	
City of Austin				2.00%	0	40.0	\$11,700,000	\$13,000,000	\$13,000,000	\$11,700,000	40.0	0.0	2.00%		29.2%	
Foundation Communities				2.00%	0	40.0	\$4,545,523	\$6,585,983	\$6,585,983	\$4,545,523	40.0	0.0	2.00%		11.3%	
Crossroads Mutual Housing				2.00%	0	40.0	\$2,700,000	\$2,700,000	\$2,700,000	\$2,700,000	40.0	0.0	2.00%		6.7%	
		\$0		TOTAL DEBT / GRANT SOURCES			\$18,946,023	\$22,286,483	\$22,286,483	\$18,946,023	TOTAL DEBT SERVICE			\$0	N/A	47.2%

NET CASH FLOW	\$597,422	\$539,736	TDHCA		NET OPERATING INCOME	\$597,422	\$597,422	NET CASH FLOW
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EQUITY SOURCES													
APPLICANT'S PROPOSED EQUITY STRUCTURE						AS UNDERWRITTEN EQUITY STRUCTURE							
DESCRIPTION		% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
						Applicant	TDHCA						
Bank of America	LIHTC Equity	43.3%	\$2,000,000	\$0.87	\$17,378,262	\$17,378,262	\$17,378,262	\$17,378,262	\$0.8689	\$2,000,000	43.3%	\$18,182	Applicant Request
NEF	SHTC Equity	6.8%	\$469,300	\$0.58	\$2,721,940	\$0	\$0	\$2,721,940	\$0.5800	\$469,300	6.8%		
Foundation Communities	Deferred Developer Fees	2.7%	(25% Deferred)		\$1,087,456	\$468,937	\$468,937	\$1,087,457	(25% Deferred)		2.7%	Total Developer Fee:	\$4,379,822
Additional (Excess) Funds Req'd		0.0%						\$0			0.0%		
TOTAL EQUITY SOURCES		52.8%			\$21,187,658	\$17,847,199	\$17,847,199	\$21,187,659			52.8%		

TOTAL CAPITALIZATION	\$40,133,681	\$40,133,682	\$40,133,682	\$40,133,682	15-Yr Cash Flow after Deferred Fee:	\$8,251,520
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		DEVELOPMENT COST / ITEMIZED BASIS														
		APPLICANT COST / BASIS ITEMS								TDHCA COST / BASIS ITEMS					COST VARIANCE	
		Eligible Basis		Total Costs				Prior Underwriting		Total Costs			Eligible Basis			
		Acquisition	New Const. Rehab					Applicant	TDHCA				New Const. Rehab	Acquisition		
Land Acquisition				\$24,545 / Unit		\$2,700,000	\$2,700,000	\$2,700,000	\$2,700,000	\$2,700,000	\$24,545 / Unit				0.0%	\$0
Closing costs & acq. legal fees						\$100,000	\$100,000	\$100,000	\$100,000	\$100,000					0.0%	\$0
Off-Sites				\$2,688 / Unit		\$295,718	\$295,718	\$295,718	\$295,718	\$295,718	\$2,688 / Unit				0.0%	\$0
Site Work			\$1,920,387	\$25,487 / Unit		\$2,803,515	\$2,803,515	\$2,803,515	\$2,803,515	\$2,803,515	\$25,487 / Unit		\$1,920,387		0.0%	\$0
Site Amenities			\$687,273	\$6,248 / Unit		\$687,273	\$687,273	\$687,273	\$687,273	\$687,273	\$6,248 / Unit		\$687,273		0.0%	\$0
Building Cost			\$19,013,494	\$166.11 /sf	\$172,850/Unit	\$19,013,494	\$19,013,494	\$18,261,713	\$18,261,713	\$166,016/Unit	\$159.55 /sf	\$18,261,713		4.1%	\$751,781	
Contingency			\$1,163,552	5.38%	5.35%	\$1,220,208	\$1,220,208	\$1,220,208	\$1,220,208	5.53%	5.58%	\$1,163,552		0.0%	\$0	
Contractor Fees			\$3,178,310	13.95%	13.95%	\$3,351,280	\$3,351,280	\$3,257,580	\$3,257,580	14.00%	14.00%	\$3,084,610		2.9%	\$93,700	
Soft Costs		\$0	\$2,015,076	\$31,512 / Unit		\$3,466,326	\$3,466,326	\$3,466,326	\$3,466,326	\$31,512 / Unit		\$2,015,076	\$0	0.0%	\$0	
Financing		\$0	\$1,220,725	\$12,423 / Unit		\$1,366,525	\$1,366,525	\$1,366,525	\$1,366,525	\$12,423 / Unit		\$1,220,725	\$0	0.0%	\$0	
Developer Fee		\$0	\$4,172,744	14.29%	14.39%	\$4,379,822	\$4,379,822	\$4,438,326	\$4,379,822	14.80%	14.72%	\$4,172,744	\$0	0.0%	\$0	
Reserves				10 Months		\$749,520	\$749,520	\$749,520	\$749,520	11 Months				0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$33,371,561	\$364,852 / Unit		\$40,133,682	\$40,133,682	\$39,346,704	\$39,288,201	\$357,165 / Unit		\$32,526,080	\$0	2.2%	\$845,481	
Acquisition Cost		\$0				\$0	\$0									
Contingency			\$0			\$0										
Contractor's Fee			\$0			\$0										
Financing Cost			\$0													
Developer Fee		\$0	\$0		\$0	\$0										
Reserves						\$0	\$0									
ADJUSTED BASIS / COST		\$0	\$33,371,561	\$364,852/unit		\$40,133,682	\$40,133,682	\$39,346,704	\$39,288,201	\$357,165/unit		\$32,526,080	\$0	2.2%	\$845,481	
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$40,133,682										

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Crossroads Redevelopment, Austin, 9% HTC/MDL #25187

CREDIT CALCULATION ON QUALIFIED BASIS				
Applicant		TDHCA		
Acquisition	Construction Rehabilitation	Acquisition	Construction	
ADJUSTED BASIS	\$0	\$33,371,561	\$0	\$32,526,080
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$33,371,561	\$0	\$32,526,080
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$43,383,029	\$0	\$42,283,904
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$43,383,029	\$0	\$42,283,904
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$3,904,473	\$0	\$3,805,551
CREDITS ON QUALIFIED BASIS	\$3,904,473		\$3,805,551	

ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS			FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price	\$0.8689	Variance to Request
Method	Annual Credits	Proceeds	Credit Allocation		
Eligible Basis	\$3,904,473	\$33,926,474	----	----	----
Needed to Fill Gap	\$2,125,151	\$18,465,719	----	----	----
Applicant Request	\$2,000,000	\$17,378,262	\$2,000,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	114,460 SF	\$115.83	13,258,192
Adjustments				
Exterior Wall Finish	0.80%		0.93	\$106,066
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.10%		3.59	411,004
Roof Adjustment(s)			1.44	165,000
Subfloor			0.28	32,335
Floor Cover			3.75	429,225
Enclosed Corridors	\$104.48	31,056	28.35	3,244,810
Balconies	\$47.40	951	0.39	45,077
Plumbing Fixtures	\$2,130	180	3.35	383,400
Rough-ins	\$790	220	1.52	173,800
Built-In Appliances	\$3,675	110	3.53	404,250
Exterior Stairs	\$4,250	4	0.15	17,000
Heating/Cooling			4.11	470,431
Storage Space	\$104.48	1,782	1.63	186,188
Carports	\$21.40	0	0.00	0
Garages	\$41.00	0	0.00	0
Common/Support Area	\$125.69	7,283	8.00	915,399
Elevators	\$165,400	2	2.89	330,800
Other:			0.00	0
Fire Sprinklers	\$4.60	154,581	6.21	711,073
SUBTOTAL			185.95	\$21,284,048
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			185.95	\$21,284,048
Plans, specs, survey, bldg permits	3.10%		(5.76)	(\$659,805)
Contractor's OH & Profit	11.10%		(20.64)	(2,362,529)
NET BUILDING COSTS		\$166,016/unit	\$159.55/sf	\$18,261,713

Long-Term Pro Forma

Crossroads Redevelopment, Austin, 9% HTC/MDL #25187

	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%	\$1,429,125	\$1,457,708	\$1,486,862	\$1,516,599	\$1,546,931	\$1,707,937	\$1,885,700	\$2,081,965	\$2,298,658	\$2,537,904
TOTAL EXPENSES	3.00%	\$831,703	\$855,939	\$880,888	\$906,572	\$933,010	\$1,077,346	\$1,244,226	\$1,437,195	\$1,660,357	\$1,918,465
NET OPERATING INCOME ("NOI")		\$597,422	\$601,768	\$605,973	\$610,027	\$613,920	\$630,591	\$641,474	\$644,771	\$638,301	\$619,439
EXPENSE/INCOME RATIO		58.2%	58.7%	59.2%	59.8%	60.3%	63.1%	66.0%	69.0%	72.2%	75.6%
MUST -PAY DEBT SERVICE											
TOTAL DEBT SERVICE		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEBT COVERAGE RATIO		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ANNUAL CASH FLOW		\$597,422	\$601,768	\$605,973	\$610,027	\$613,920	\$630,591	\$641,474	\$644,771	\$638,301	\$619,439
Deferred Developer Fee Balance		\$490,034	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$111,734	\$717,707	\$1,327,735	\$1,941,655	\$5,063,265	\$8,251,520	\$11,472,220	\$14,681,059	\$17,821,523

25187 Crossroads Redevelopment - Application Summary

REAL ESTATE ANALYSIS DIVISION

June 26, 2025

PROPERTY IDENTIFICATION		RECOMMENDATION						KEY PRINCIPALS / SPONSOR																																																																		
Application #	25187	TDHCA Program	Request	Recommended			Developed by Walter Moreau of Foundation Communités																																																																			
Development	Crossroads Redevelopment	FHTC (9% Credit)	\$2,000,000	\$2,000,000	\$18,182/Unit	\$0.87	Consulted by Lora Myrick of Belco Housing Lab																																																																			
City / County	Austin / Travis							Related Parties																																																																		
Region/Area	7 / Urban							Contractor - No																																																																		
Population	Supportive Housing							Seller - Yes																																																																		
Set-Aside	Non-Profit																																																																									
Activity	Reconstruction (Built in 1973)																																																																									
TYPICAL BUILDING ELEVATION/PHOTO																																																																										
<table border="1"> <thead> <tr> <th colspan="3">UNIT DISTRIBUTION</th> <th colspan="3">INCOME DISTRIBUTION</th> </tr> <tr> <th># Beds</th> <th># Units</th> <th>% Total</th> <th>Income</th> <th># Units</th> <th>% Total</th> </tr> </thead> <tbody> <tr> <td>Eff</td> <td>-</td> <td>0%</td> <td>20%</td> <td>-</td> <td>0%</td> </tr> <tr> <td>1</td> <td>50</td> <td>45%</td> <td>30%</td> <td>22</td> <td>20%</td> </tr> <tr> <td>2</td> <td>42</td> <td>38%</td> <td>40%</td> <td>-</td> <td>0%</td> </tr> <tr> <td>3</td> <td>18</td> <td>16%</td> <td>50%</td> <td>83</td> <td>75%</td> </tr> <tr> <td>4</td> <td>-</td> <td>0%</td> <td>60%</td> <td>5</td> <td>5%</td> </tr> <tr> <td colspan="3"></td> <td>70%</td> <td>-</td> <td>0%</td> </tr> <tr> <td colspan="3"></td> <td>80%</td> <td>-</td> <td>0%</td> </tr> <tr> <td colspan="3"></td> <td>MR</td> <td>-</td> <td>0%</td> </tr> <tr> <td>TOTAL</td> <td>110</td> <td>100%</td> <td>TOTAL</td> <td>110</td> <td>100%</td> </tr> </tbody> </table>									UNIT DISTRIBUTION			INCOME DISTRIBUTION			# Beds	# Units	% Total	Income	# Units	% Total	Eff	-	0%	20%	-	0%	1	50	45%	30%	22	20%	2	42	38%	40%	-	0%	3	18	16%	50%	83	75%	4	-	0%	60%	5	5%				70%	-	0%				80%	-	0%				MR	-	0%	TOTAL	110	100%	TOTAL	110	100%
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PRO FORMA FEASIBILITY INDICATORS																																																																										
Pro Forma Underwritten			TDHCA's Pro Forma																																																																							
Debt Coverage	NA	Expense Ratio	57.8%																																																																							
Breakeven Occ.	53.5%	Breakeven Rent	\$662																																																																							
Average Rent	\$1,160	B/E Rent Margin	\$498																																																																							
Property Taxes	\$498/unit	Exemption/PILOT	50%																																																																							
Total Expense	\$7,575/unit	Controllable	\$5,447/unit																																																																							
MARKET FEASIBILITY INDICATORS																																																																										
Gross Capture Rate (30% Maximum)			1.0%																																																																							
Highest Unit Capture Rate	7%	1 BR/50%	38																																																																							
Dominant Unit Cap. Rate	7%	1 BR/50%	38																																																																							
Premiums (↑80% Rents)	N/A	N/A																																																																								
Rent Assisted Units	N/A																																																																									
DEVELOPMENT COST SUMMARY																																																																										
Costs Underwritten		Applicant's Costs																																																																								
Avg. Unit Size	1,041 SF	Density	30.3/acre																																																																							
Acquisition	\$25K/unit	\$2,800K																																																																								
Building Cost	\$166.11/SF	\$173K/unit	\$19,013K																																																																							
Hard Cost	\$218K/unit		\$24,020K																																																																							
Total Cost	\$365K/unit		\$40,134K																																																																							
Developer Fee	\$4,380K	(11% Deferred)	Paid Year: 1																																																																							
Contractor Fee	\$3,351K	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
					City of Austin	0/0	0.00%	\$500		Bank of America	\$17,378,262
					City of Austin	40/0	2.00%	\$13,000,000		0	\$0
					Foundation Communities	40/0	2.00%	\$6,585,983		0	\$0
					Crossroads Mutual Housing	40/0	2.00%	\$2,700,000		Foundation Communities	\$468,937
TOTAL DEBT (Must Pay)			\$0		CASH FLOW DEBT / GRANTS			\$22,286,483		TOTAL EQUITY SOURCES	\$17,847,199
										TOTAL DEBT SOURCES	\$22,286,483
										TOTAL CAPITALIZATION	\$40,133,682

CONDITIONS

Receipt and acceptance by Carryover:

- Formal approval for \$13,000,000 loan from Austin Housing Finance Corporation (AHFC) clearly stating all terms and conditions, and source of funds.

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.
- Certification that testing for asbestos was performed on the existing structures prior to demolition, and if necessary, a certification that any appropriate abatement procedures were implemented.

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	AERIAL PHOTOGRAPH(s)
STRENGTHS/MITIGATING FACTORS <ul style="list-style-type: none">Developer ExperienceNo Long-term DebtLow Gross Capture Rate	
WEAKNESSES/RISKS <ul style="list-style-type: none">Feasibility depend on Supportive Housing exceptions	
AREA MAP	

**Real Estate Analysis Division****Underwriting Report****June 26, 2025****DEVELOPMENT IDENTIFICATION**

TDHCA Application #:	25187	Program(s):	9% HTC/MDL		
Crossroads Redevelopment					
Address/Location:	8801 McCann Dr.				
City:	Austin	County:	Travis	Zip:	78757
Population:	Supportive Housing	Program Set-Aside:	Non-Profit	Area:	Urban
Activity:	Reconstruction	Building Type:	Elevator Served	Region:	7
Low-Income:	40% at 60%				
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
FHTC (9% Credit)	\$2,000,000				\$2,000,000						

CONDITIONS

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SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	22
50% of AMI	50% of AMI	83
60% of AMI	60% of AMI	5

DEVELOPMENT SUMMARY

Built in 1973, Crossroads has operated supportive housing for homeless families with children for 15 years, with most units serving households earning below 30% of the area median income. The 50-year-old complex has a failing plumbing system and requires full redevelopment. The proposed project will replace the 92 existing units with 110 newly constructed affordable homes. Current tenants will have the option to return and will receive relocation assistance and compensation.

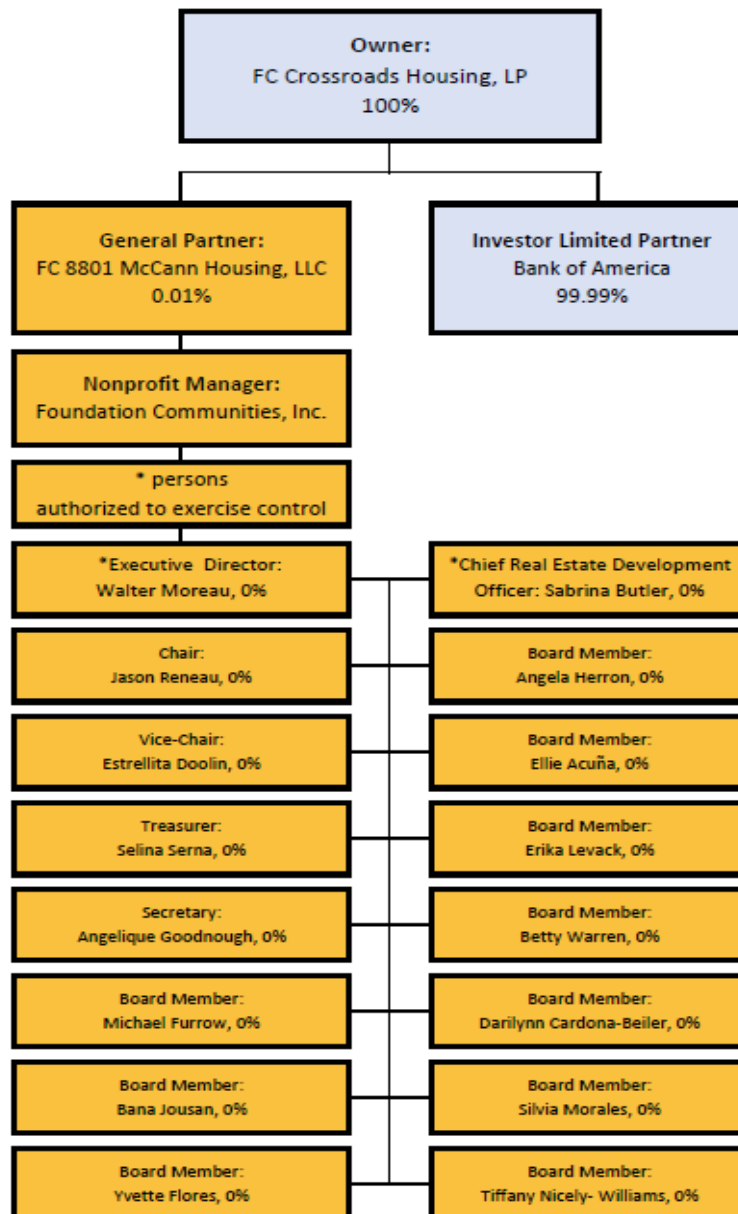
RISK PROFILE

STRENGTHS/MITIGATING FACTORS	
▫	Developer Experience
▫	No Long-term Debt
▫	Low Gross Capture Rate

WEAKNESSES/RISKS	
▫	Feasibility depend on Supportive Housing exceptions
▫	
▫	

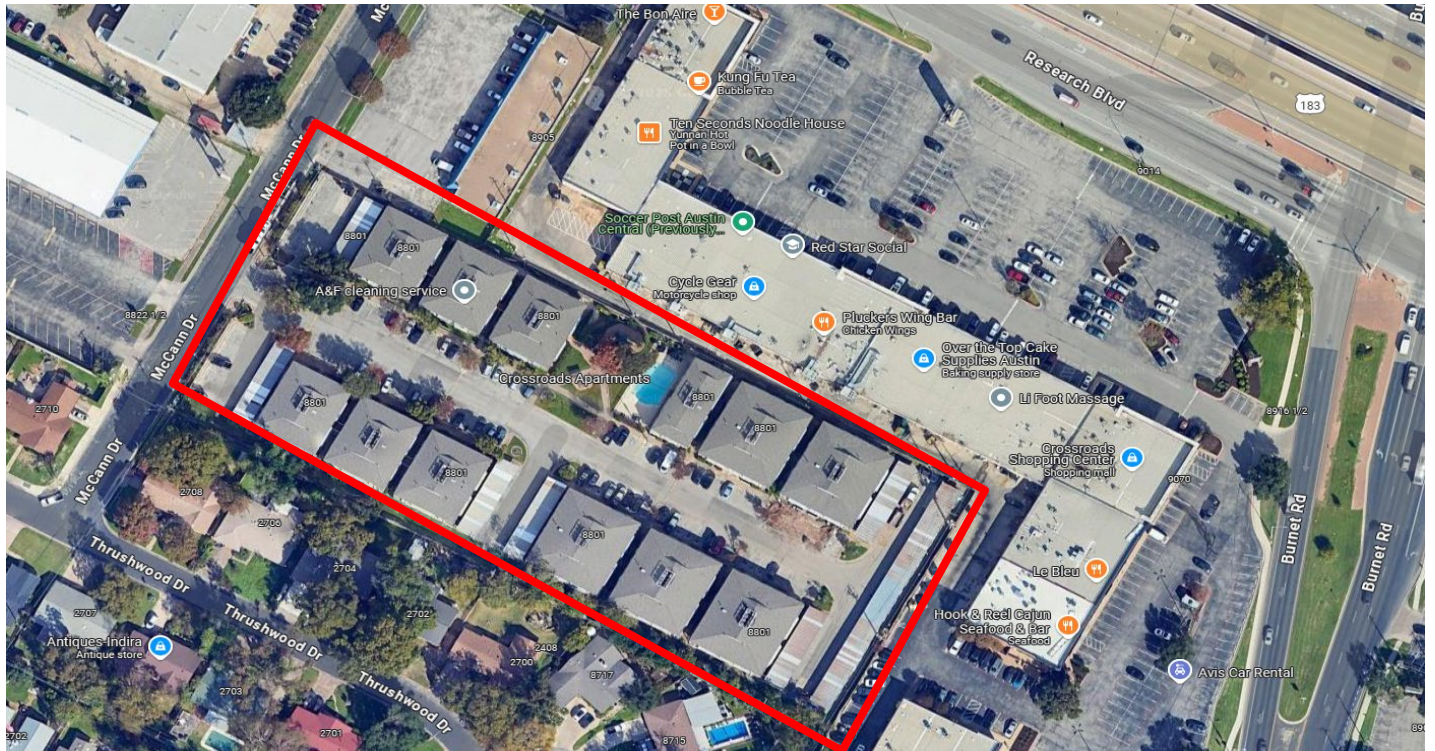
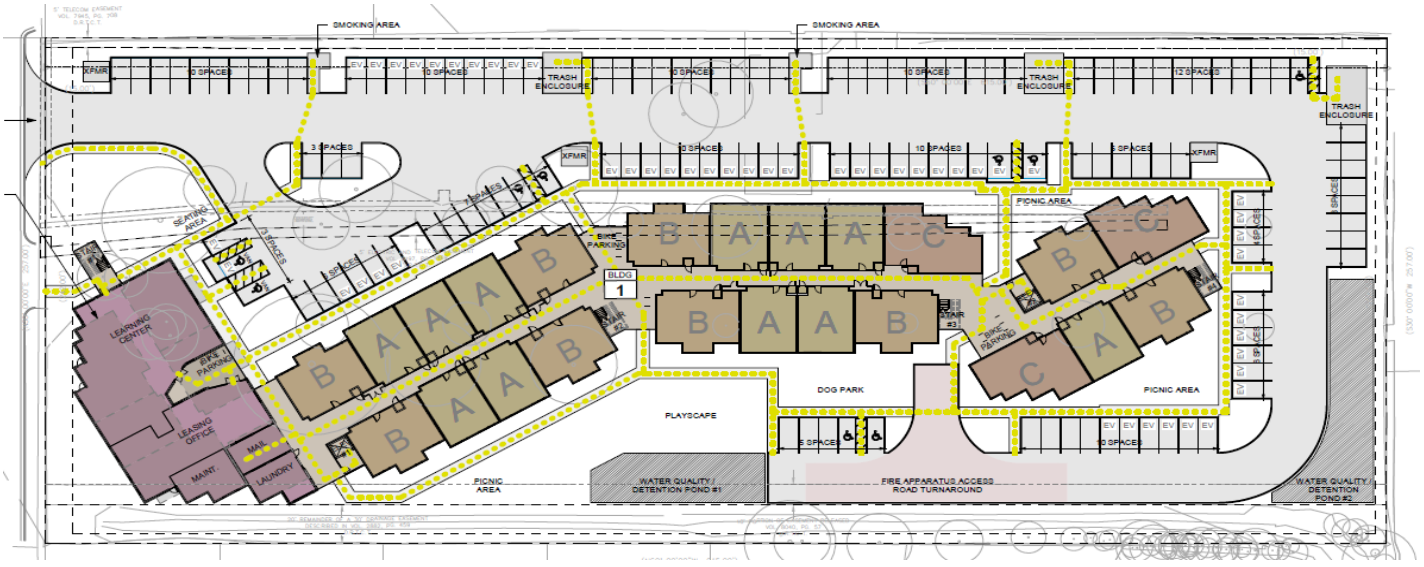
DEVELOPMENT TEAM

OWNERSHIP STRUCTURE



DEVELOPMENT SUMMARY

SITE PLAN



Parking	No Fee		Tenant-Paid		Total	
Total Parking	130	1.2/unit	0	--	130	1.2/unit

Comments:

130 spaces are required and provided.

SITE INFORMATION

Flood Zone: <u> X </u>	Scattered Site? <u> No </u>
Zoning: <u> MF-3 </u>	Within 100-yr floodplain? <u> No </u>
Re-Zoning Required? <u> Yes </u>	Utilities at Site? <u> Yes </u>
Year Constructed: <u> 1973 </u>	Title Issues? <u> No </u>

Current Uses of Subject Site:

Existing Foundation Communities low income multifamily property

TENANT RELOCATION PLAN

The Project site currently has 81 households residing within the redevelopment area residing in four (4) separate multi family structures. The proposed plan will necessitate the demolition of all existing structures to accommodate the new construction and therefore the current tenants will be treated as permanently displaced. The Applicant is assuming all tenants may be eligible to receive the fullest extent of the applicable relocation assistance and benefits. All terms of the relocation will be reasonably consistent with the URA and the Applicant will be responsible for insuring that the relocation is carried out appropriately. All tenants included in this plan will be offered relocation assistance and may be eligible for moving expense reimbursement in accordance with the Uniform Relocation Assistance (URA) guidelines. While the Project is being redeveloped, they will be provided with housing in non-Project units, with the opportunity to return to the newly redeveloped property if they meet eligibility requirements. The Applicant will be working with CVR Relocation Consultants to ensure all households are taken care of under URA. The total estimated relocation cost is \$1,451,250.

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering Date: 2/13/2025

Recognized Environmental Conditions (RECs) and Other Concerns:

- The calculated noise values fall within the range of 65-75 dB, and considered "Normally Unacceptable" based on the HUD guidelines. The results of the assessment found the greatest contributor of noise to the subject property is US-183, located just to the north.

The current buildings were constructed in the 1973 and likely contain asbestos.

The remaining recommended actions in the ESA are irrelevant based on the impending demolition of the existing structures and the planned plumbing upgrades for the property.

MARKET ANALYSIS

Provider: Apartment Market Data

Date: 2/28/2025

Primary Market Area (PMA): 12 sq. miles 2 mile equivalent radius

AFFORDABLE HOUSING INVENTORY

Other Affordable Developments in PMA since 2020

21070	Saison North	General	New Construction	N/A	82
21075	June West	General	New Construction	N/A	80

Stabilized Affordable Developments in PMA

Total Units	203
Total Developments	7
Average Occupancy	96%

OVERALL DEMAND ANALYSIS

	Market Analyst			
	HTC	Assisted		
Total Households in the Primary Market Area	31,444			
Senior Households in the Primary Market Area	9,419			
Potential Demand from the Primary Market Area	9,556			
10% External Demand	956			
Potential Demand from Other Sources	0			
GROSS DEMAND	10,512			
Subject Affordable Units	110			
Unstabilized Competitive Units	0			
RELEVANT SUPPLY	110			
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	1.0%			

Population:

Supportive Housing

Market Area:

Urban

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	2,100	210	22	0	1%					
50% AMGI	2,235	224	83	0	3%					
60% AMGI	5,221	522	5	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%	414	41	10	0	2%				
1 BR/50%	529	53	38	0	7%				
1 BR/60%	824	82	2	0	0%				
2 BR/30%	412	41	8	0	2%				
2 BR/50%	582	58	32	0	5%				
2 BR/60%	1,003	100	2	0	0%				
3 BR/30%	230	23	4	0	2%				
3 BR/50%	221	22	13	0	5%				
3 BR/60%	331	33	1	0	0%				

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (TDHCA Pro Forma)					
NOI:	\$608,072	Avg. Rent:	\$1,160	Expense Ratio:	57.8%
Debt Service:	\$0	B/E Rent:	\$662	Controllable Expenses:	\$5,447
Net Cash Flow:	\$608,072	UW Occupancy:	92.5%	Property Taxes/Unit:	\$498
Aggregate DCR:	NA	B/E Occupancy:	53.5%	Program Rent Year:	2024

We are using TDHCA's Pro Forma. Underwriter used comparable Foundation Communities properties in Travis County to estimate expenses.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)					
Acquisition	\$743,945/ac	\$25,455/unit	\$2,800,000	Contractor Fee	\$3,351,280
Off-site + Site Work		\$34,423/unit	\$3,786,506	Soft Cost + Financing	\$4,832,851
Building Cost	\$166.11/sf	\$172,850/unit	\$19,013,494	Developer Fee	\$4,379,822
Contingency	5.35%	\$11,093/unit	\$1,220,208	Reserves	\$749,520
Total Development Cost		\$364,852/unit	\$40,133,682	Rehabilitation Cost	N/A
Qualified for 30% Basis Boost?		100% Supportive Housing [9% only]			

Contingency:

Contingency cost were increased by \$82.5k.

Soft Costs:

Soft costs were reduced by \$82.5k.

Developer Fee:

The Developer Fee has been reduced by \$12,374.

Comments:

Applicant voluntarily limited hard costs for scoring purposes.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$40,133,682	\$31,896,171	\$3,731,852

UNDERWRITTEN CAPITALIZATION

INTERIM SOURCES

Funding Source	Description	Amount	Rate	LTC
Bank of America	Construction Loan	\$12,250,000	6.75%	31%
Bank of America	FHTC	\$1,737,826	\$0.87	4%
City of Austin	\$11.9(d)(2)LPS Contribution	\$500	0.00%	0%
Foundation Communities	Deferred Developer Fee	\$3,899,822	0.00%	10%
		\$40,133,682	Total Sources	

PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
City of Austin	\$500	0.00%	0	0.0	\$500	0.00%	0	0.0	0%
Total	\$22,286,483				\$22,286,483				

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Bank of America	\$17,378,262	\$0.87		\$17,378,262	\$0.87	43%	
Foundation Communities	\$468,937		11%	\$468,937		1%	11%
Total	\$17,847,199			\$17,847,199			
				\$40,133,682	Total Sources		

Credit Price Sensitivity based on current capital structure

\$0.892	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.673	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Recommended Financing Structure:

Gap Analysis:	
Total Development Cost	\$40,133,682
Permanent Sources (debt + non-HTC equity)	\$22,286,483
Gap in Permanent Financing	\$17,847,199

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$32,426,551	\$3,731,852
Needed to Balance Sources & Uses	\$17,847,199	\$2,053,968
Requested by Applicant	\$17,378,262	\$2,000,000

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$17,378,262	\$2,000,000

Deferred Developer Fee	\$468,937	(11% deferred)
Repayable in	1 years	

Recommendation:

The underwriter recommends the allocation of \$2,000,000 in annual tax credits as requested by the applicant.

Underwriter:	<i>Beau Fannon</i>
Manager of Real Estate Analysis:	<i>Diamond Unique Thompson</i>
Director of Real Estate Analysis:	<i>Jeanna Adams</i>

UNIT MIX/RENT SCHEDULE
<i>Crossroads Redevelopment, Austin, 9% HTC/MDL #25187</i>

LOCATION DATA	
CITY:	Austin
COUNTY:	Travis
Area Median Income	\$126,000
PROGRAM REGION:	7
PROGRAM RENT YEAR:	2024

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	SHTC	Match
Eff	-	0.0%	0	0	0	0
1	50	45.5%	0	0	0	0
2	42	38.2%	0	0	0	0
3	18	16.4%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	110	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	1,041 sf

46%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	22	-	83	5	-	-	-	110
Income	% Total	0.0%	20.0%	0.0%	75.5%	4.5%	0.0%	0.0%	0.0%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE																			
FEDERAL 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%	\$708	10	1	1	890	\$708	\$74	\$634	\$0	\$0.71	\$634	\$6,340	\$6,340	\$634	\$0.71	\$0	\$1,754	\$1.97	\$1,754
TC 50%	\$1,181	38	1	1	890	\$1,181	\$74	\$1,107	\$0	\$1.24	\$1,107	\$42,066	\$42,066	\$1,107	\$1.24	\$0	\$1,754	\$1.97	\$1,754
TC 60%	\$1,417	2	1	1	890	\$1,417	\$74	\$1,343	\$0	\$1.51	\$1,343	\$2,686	\$2,686	\$1,343	\$1.51	\$0	\$1,754	\$1.97	\$1,754
TC 30%	\$850	8	2	2	1,109	\$850	\$96	\$754	\$0	\$0.68	\$754	\$6,032	\$6,032	\$754	\$0.68	\$0	\$2,135	\$1.93	\$2,135
TC 50%	\$1,417	32	2	2	1,109	\$1,417	\$96	\$1,321	\$0	\$1.19	\$1,321	\$42,272	\$42,272	\$1,321	\$1.19	\$0	\$2,135	\$1.93	\$2,135
TC 60%	\$1,701	2	2	2	1,109	\$1,701	\$96	\$1,605	\$0	\$1.45	\$1,605	\$3,210	\$3,210	\$1,605	\$1.45	\$0	\$2,135	\$1.93	\$2,135
TC 30%	\$982	4	3	2	1,299	\$982	\$119	\$863	\$0	\$0.66	\$863	\$3,452	\$3,452	\$863	\$0.66	\$0	\$2,482	\$1.91	\$2,482
TC 50%	\$1,638	13	3	2	1,299	\$1,638	\$119	\$1,519	\$0	\$1.17	\$1,519	\$19,747	\$19,747	\$1,519	\$1.17	\$0	\$2,482	\$1.91	\$2,482
TC 60%	\$1,965	1	3	2	1,299	\$1,965	\$119	\$1,846	\$0	\$1.42	\$1,846	\$1,846	\$1,846	\$1,846	\$1.42	\$0	\$2,482	\$1.91	\$2,482
TOTALS/AVERAGES:		110			114,460				\$0	\$1.12	\$1,160	\$127,651	\$127,651	\$1,160	\$1.12	\$0	\$2,019	\$1.94	\$2,019

ANNUAL POTENTIAL GROSS RENT:	\$1,531,812	\$1,531,812	
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*MFDL units float among Unit Types

STABILIZED PRO FORMA

Crossroads Redevelopment, Austin, 9% HTC/MDL #25187

STABILIZED FIRST YEAR PRO FORMA													
COMPARABLES				APPLICANT				TDHCA				VARIANCE	
Database	Travis County Foundation Communities			% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$1.12	\$1,160	\$1,531,812	\$1,531,812	\$1,160	\$1.12		0.0%	\$0
Late fees, NSF fees, laundry income						\$20.00	\$26,400						
Total Secondary Income						\$20.00		\$26,400	\$20.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$1,558,212	\$1,558,212				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI		(116,866)	(116,866)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME							\$1,441,346	\$1,441,346				0.0%	\$0

General & Administrative	\$78,607	\$715/Unit	\$77,266	\$702	5.55%	\$0.70	\$728	\$80,037	\$78,607	\$715	\$0.69	5.45%	1.8%	1,430
Management	\$68,913	3.3% EGI	\$67,641	\$615	5.00%	\$0.63	\$655	\$72,067	\$72,067	\$655	\$0.63	5.00%	0.0%	-
Payroll & Payroll Tax	\$169,730	\$1,543/Unit	\$281,557	\$2,560	18.11%	\$2.28	\$2,373	\$261,060	\$281,557	\$2,560	\$2.46	19.53%	-7.3%	(20,497)
Repairs & Maintenance	\$110,411	\$1,004/Unit	\$159,828	\$1,453	14.44%	\$1.82	\$1,892	\$208,077	\$71,500	\$650	\$0.62	4.96%	191.0%	136,577
Electric/Gas	\$36,549	\$332/Unit	\$71,719	\$652	2.13%	\$0.27	\$279	\$30,650	\$71,719	\$652	\$0.63	4.98%	-57.3%	(41,069)
Water, Sewer, & Trash	\$95,748	\$870/Unit	\$83,982	\$763	6.89%	\$0.87	\$903	\$99,276	\$95,748	\$870	\$0.84	6.64%	3.7%	3,528
Property Insurance	\$75,354	\$0.66 /sf	\$43,543	\$396	4.65%	\$0.59	\$609	\$66,973	\$75,354	\$685	\$0.66	5.23%	-11.1%	(8,381)
Property Tax (@ 50%) 1.9818	\$105,103	\$955/Unit	\$45,635	\$415	2.78%	\$0.35	\$364	\$40,000	\$54,822	\$498	\$0.48	3.80%	-27.0%	(14,822)
Reserve for Replacements					1.91%	\$0.24	\$250	\$27,500	\$27,500	\$250	\$0.24	1.91%	0.0%	-
Supportive Services					0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.31%	\$0.04	\$40	\$4,400	\$4,400	\$40	\$0.04	0.31%	0.0%	-
TOTAL EXPENSES					61.75%	\$7.78	\$8,091	\$890,040	\$833,274	\$7,575	\$7.28	57.81%	6.8%	\$ 56,767
NET OPERATING INCOME ("NOI")					38.25%	\$4.82	\$5,012	\$551,306	\$608,072	\$5,528	\$5.31	42.19%	-9.3%	\$ (56,767)

CONTROLLABLE EXPENSES							\$6,174/Unit				\$5,447/Unit			
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS
Crossroads Redevelopment, Austin, 9% HTC/MDL #25187

	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		
CASH FLOW DEBT / GRANTS														
City of Austin			0.00%	0	0.0	\$500	\$500	0.0	0.0	0.00%			0.0%	
City of Austin			2.00%	0	40.0	\$13,000,000	\$13,000,000	40.0	0.0	2.00%			32.4%	
Foundation Communities			2.00%	0	40.0	\$6,585,983	\$6,585,983	40.0	0.0	2.00%			16.4%	
Crossroads Mutual Housing			2.00%	0	40.0	\$2,700,000	\$2,700,000	40.0	0.0	2.00%			6.7%	
			\$0	TOTAL DEBT / GRANT SOURCES			\$22,286,483	\$22,286,483	TOTAL DEBT SERVICE			\$0	N/A	55.5%

NET CASH FLOW	\$608,072	\$551,306	TDHCA		NET OPERATING INCOME	\$608,072	\$608,072	NET CASH FLOW
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EQUITY SOURCES													
EQUITY / DEFERRED FEES	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	
Bank of America	LIHTC Equity		43.3%	\$2,000,000	\$0.87	\$17,378,262	\$17,378,262	\$0.8689	\$2,000,000	43.3%	\$18,182	Applicant Request	
Foundation Communities	Deferred Developer Fees		1.2%	(11% Deferred)		\$468,937	\$468,937	(11% Deferred)		1.2%		Total Developer Fee:	\$4,379,822
Additional (Excess) Funds Req'd			0.0%				\$0			0.0%			
TOTAL EQUITY SOURCES			44.5%			\$17,847,199	\$17,847,199			44.5%			

TOTAL CAPITALIZATION	\$40,133,682	\$40,133,682	15-Yr Cash Flow after Deferred Fee:		\$9,052,959
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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			\$24,545 / Unit	\$2,700,000		\$2,700,000	\$24,545 / Unit					0.0%	\$0
Building Acquisition	\$0		\$ / Unit	\$0		\$0	\$ / Unit				\$0	0.0%	\$0
Closing costs & acq. legal fees				\$100,000		\$100,000						0.0%	\$0
Off-Sites			\$2,688 / Unit	\$295,718		\$295,718	\$2,688 / Unit					0.0%	\$0
Site Work		\$1,920,387	\$25,487 / Unit	\$2,803,515		\$2,803,515	\$25,487 / Unit		\$1,920,387			0.0%	\$0
Site Amenities		\$687,273	\$6,248 / Unit	\$687,273		\$687,273	\$6,248 / Unit		\$687,273			0.0%	\$0
Building Cost		\$19,013,494	\$166.11 /sf	\$172,850/Unit	\$19,013,494	\$18,261,713	\$166,016/Unit	\$159.55 /sf	\$18,261,713			4.1%	\$751,781
Contingency		\$1,163,552	5.38%	5.35%	\$1,220,208	\$1,220,208	5.53%	5.58%	\$1,163,552			0.0%	\$0
Contractor Fees		\$3,178,310	13.95%	13.95%	\$3,351,280	\$3,257,580	14.00%	14.00%	\$3,084,610			2.9%	\$93,700
Voluntary Eligible "Hard Costs" (After 11.9(e)(2))		(\$1,463,015)				\$0			(\$617,535)			0.0%	\$0
Soft Costs	\$0	\$2,015,076		\$31,512 / Unit	\$3,466,326	\$3,466,326		\$31,512 / Unit	\$2,015,076	\$0		0.0%	\$0
Financing	\$0	\$1,220,725		\$12,423 / Unit	\$1,366,525	\$1,366,525		\$12,423 / Unit	\$1,220,725	\$0		0.0%	\$0
Developer Fee	\$0	\$4,172,744	15.04%	14.39%	\$4,379,822	\$4,438,326	15.00%	15.00%	\$4,160,370	\$0		-1.3%	(\$58,503)
Reserves				10 Months	\$749,520	\$749,520		11 Months				0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)	\$0	\$31,908,545		\$364,852 / Unit	\$40,133,682	\$39,346,704		\$357,697 / Unit	\$31,896,171	\$0		2.0%	\$786,977
Acquisition Cost	\$0				\$0								
Contingency		\$0			\$0								
Contractor's Fee		\$0			\$0								
Financing Cost		\$0											
Developer Fee	\$0	(\$12,374)	15.00%		\$0								
Reserves					\$0								
ADJUSTED BASIS / COST	\$0	\$31,896,171		\$364,852/unit	\$40,133,682	\$39,346,704		\$357,697/unit	\$31,896,171	\$0		2.0%	\$786,977
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$40,133,682							

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS
<i>Crossroads Redevelopment, Austin, 9% HTC/MDL #25187</i>

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$31,896,171	\$0	\$31,896,171
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$31,896,171	\$0	\$31,896,171
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$41,465,022	\$0	\$41,465,022
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$41,465,022	\$0	\$41,465,022
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$3,731,852	\$0	\$3,731,852
CREDITS ON QUALIFIED BASIS	\$3,731,852		\$3,731,852	

	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8689	Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$3,731,852	\$32,426,551	----	----	----
Needed to Fill Gap	\$2,053,968	\$17,847,199	----	----	----
Applicant Request	\$2,000,000	\$17,378,262	\$2,000,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	114,460 SF	\$115.83	13,258,192
Adjustments				
Exterior Wall Finish	0.80%		0.93	\$106,066
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.10%		3.59	411,004
Roof Adjustment(s)			1.44	165,000
Subfloor			0.28	32,335
Floor Cover			3.75	429,225
Enclosed Corridors	\$104.48	31,056	28.35	3,244,810
Balconies	\$47.40	951	0.39	45,077
Plumbing Fixtures	\$2,130	180	3.35	383,400
Rough-ins	\$790	220	1.52	173,800
Built-In Appliances	\$3,675	110	3.53	404,250
Exterior Stairs	\$4,250	4	0.15	17,000
Heating/Cooling			4.11	470,431
Storage Space	\$104.48	1,782	1.63	186,188
Carports	\$21.40	0	0.00	0
Garages	\$41.00	0	0.00	0
Common/Support Area	\$125.69	7,283	8.00	915,399
Elevators	\$165,400	2	2.89	330,800
Other:			0.00	0
Fire Sprinklers	\$4.60	154,581	6.21	711,073
SUBTOTAL			185.95	\$21,284,048
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			185.95	\$21,284,048
Plans, specs, survey, bldg permits	3.10%		(5.76)	(\$659,805)
Contractor's OH & Profit	11.10%		(20.64)	(2,362,529)
NET BUILDING COSTS		\$166,016/unit	\$159.55/sf	\$18,261,713

Long-Term Pro Forma

Crossroads Redevelopment, Austin, 9% HTC/MDL #25187

	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%	\$1,441,346	\$1,470,173	\$1,499,576	\$1,529,568	\$1,560,159	\$1,722,542	\$1,901,826	\$2,099,769	\$2,318,315	\$2,559,607
TOTAL EXPENSES	3.00%	\$833,274	\$857,551	\$882,543	\$908,269	\$934,753	\$1,079,329	\$1,246,484	\$1,439,769	\$1,663,292	\$1,921,813
NET OPERATING INCOME ("NOI")		\$608,072	\$612,622	\$617,034	\$621,299	\$625,407	\$643,213	\$655,341	\$660,001	\$655,023	\$637,794
EXPENSE/INCOME RATIO		57.8%	58.3%	58.9%	59.4%	59.9%	62.7%	65.5%	68.6%	71.7%	75.1%
MUST -PAY DEBT SERVICE											
TOTAL DEBT SERVICE		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEBT COVERAGE RATIO		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ANNUAL CASH FLOW		\$608,072	\$612,622	\$617,034	\$621,299	\$625,407	\$643,213	\$655,341	\$660,001	\$655,023	\$637,794
Deferred Developer Fee Balance		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$139,136	\$751,757	\$1,368,791	\$1,990,090	\$2,615,497	\$5,797,905	\$9,052,959	\$12,347,034	\$15,636,446	\$18,865,360