



Real Estate Analysis Division

October 22, 2024

Addendum to Underwriting Report

TDHCA Application #: 24198

Program(s): 9% HTC

Buena Vida Senior Living

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

City: Brownsville

County: Cameron

Zip: 78520

	APPLICATION HISTORY
Report Date	PURPOSE
10/22/24	State Tax Credit Amendment
05/14/24	Original Underwriting Report

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION						
	Amount	Int. Rate	Amort	Term	Amount	Int. Rate	Amort	Perm. Term	Perm. Lien	Const. Term	Const. Lien
State Housing Tax Credits					\$355,000						
LIHTC (9% Credit)	\$2,000,000				\$2,000,000						

CONDITIONS STATUS

- Receipt and acceptance by 10% test:
  - HUD conditional approval of RAD conversion including the draft RAD Conversion Commitment "RCC" that clearly states HUD's anticipated monthly HAP Contract rents and operating budget.

Status: pending

- Receipt and acceptance by Cost Certification:
  - Certification of comprehensive testing for lead-based paint; that any appropriate abatement procedures were implemented; and that any remaining lead-based paint are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.

Status: pending

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	82

## ANALYSIS

Buena Vida Senior Living was awarded a 9% HTC allocation of \$2,000,000. The Applicant has applied for additional \$355,000 in annual State Housing Tax Credits.

### **Operating Pro Forma**

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

### **Development Cost**

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

### **Sources of Funds**

Hunt Capital Partners is contributing an additional \$1.349M of equity to purchase the State Credits.

Deferred developer fee has been reduced by \$799K.

\$550K of permanent financing from the Housing Authority of the City of Brownsville has been removed as a funding source.

Underwriter recommends \$2,000,000 in annual 9% Housing Tax Credits per the Applicant's request and \$355,000 in annual State Housing Tax Credits as requested by Applicant.

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

UNIT MIX/RENT SCHEDULE
<b>Buena Vida Senior Living, Brownsville, 9% HTC #24198</b>

LOCATION DATA	
CITY:	Brownsville
COUNTY:	Cameron
Area Median Income	\$62,000
PROGRAM REGION:	11
PROGRAM RENT YEAR:	2023

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	-	0.0%	0	0	0	0
1	36	43.9%	36	0	0	0
2	46	56.1%	46	0	0	0
3	-	0.0%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	82	100.0%	82	-	-	-

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	848 sf

<b>30%</b>	<b>Income</b>	20%	30%	40%	50%	60%	70%	80%	EO / MR	<b>TOTAL</b>
<b>Average</b>	<b># Units</b>	-	82	-	-	-	-	-	-	<b>82</b>
<b>Income</b>	<b>% Total</b>	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	<b>100.0%</b>

UNIT MIX / MONTHLY RENT SCHEDULE																						
HTC		RENT ASSISTED UNIT		Match Units	UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	Match Units	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten		Mrkt Analyst
TC 30%	\$405	RAD	\$906	0	36	1	1	717	\$906	\$69	\$837	\$0	\$1.17	\$837	\$30,132	\$30,132	\$837	\$1.17	\$0	\$1,100	\$1.53	\$1,100
TC 30%	\$486	RAD	\$1,152	0	46	2	2	950	\$1,152	\$91	\$1,061	\$0	\$1.12	\$1,061	\$48,806	\$48,806	\$1,061	\$1.12	\$0	\$1,100	\$1.16	\$1,100
TOTALS/AVERAGES:					82			69,512				\$0	\$1.14	\$963	\$78,938	\$78,938	\$963	\$1.14	\$0	\$1,100	\$1.30	\$1,100

<b>ANNUAL POTENTIAL GROSS RENT:</b>	\$947,256	\$947,256
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\*MFDL units float among Unit Types

# STABILIZED PRO FORMA

Buena Vida Senior Living, Brownsville, 9% HTC #24198

STABILIZED FIRST YEAR PRO FORMA															
COMPARABLES				APPLICANT				Original Underwriting		TDHCA				VARIANCE	
Database	County Comps			% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$1.14	\$963	\$947,256	\$947,256	\$947,256	\$947,256	\$963	\$1.14		0.0%	\$0
late fees, phone, cable, laundry						\$30.00	\$29,520	29,520							
Total Secondary Income						\$30.00			29,520	\$29,520	\$30.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$976,776	\$976,776	\$976,776	\$976,776				0.0%	\$0
Vacancy & Collection Loss						7.5% PGI	(73,258)	(73,258)	(73,258)	(73,258)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME							\$903,518	\$903,518	\$903,518	\$903,518				0.0%	\$0

General & Administrative	\$26,976	\$329/Unit	\$36,106	\$440	3.23%	\$0.42	\$356	\$29,220	\$29,220	\$26,976	\$26,976	\$329	\$0.39	2.99%	8.3%	2,244
Management	\$27,903	4.1% EGI	\$38,646	\$471	5.00%	\$0.65	\$551	\$45,176	\$45,176	\$45,176	\$45,176	\$551	\$0.65	5.00%	0.0%	0
Payroll & Payroll Tax	\$100,724	\$1,228/Unit	\$88,627	\$1,081	11.24%	\$1.46	\$1,239	\$101,571	\$101,571	\$100,724	\$100,724	\$1,228	\$1.45	11.15%	0.8%	847
Repairs & Maintenance	\$51,298	\$626/Unit	\$43,979	\$536	5.44%	\$0.71	\$600	\$49,174	\$49,174	\$53,300	\$53,300	\$650	\$0.77	5.90%	-7.7%	(4,126)
Electric/Gas	\$15,214	\$186/Unit	\$18,239	\$222	1.92%	\$0.25	\$212	\$17,352	\$17,352	\$18,239	\$18,239	\$222	\$0.26	2.02%	-4.9%	(887)
Water, Sewer, & Trash	\$52,037	\$635/Unit	\$53,930	\$658	4.92%	\$0.64	\$543	\$44,496	\$44,496	\$53,930	\$53,930	\$658	\$0.78	5.97%	-17.5%	(9,434)
Property Insurance	\$58,987	\$0.85 /sf	\$60,395	\$737	7.69%	\$1.00	\$848	\$69,512	\$69,512	\$60,395	\$60,395	\$737	\$0.87	6.68%	15.1%	9,117
Property Tax (@ 0%) 2.2600	\$59,571	\$726/Unit			0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements					2.27%	\$0.29	\$250	\$20,500	\$20,500	\$20,500	\$20,500	\$250	\$0.29	2.27%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.36%	\$0.05	\$40	\$3,280	\$3,280	\$3,280	\$3,280	\$40	\$0.05	0.36%	0.0%	-
TOTAL EXPENSES					42.09%	\$5.47	\$4,638	\$380,281	\$380,281	\$382,521	\$382,521	\$4,665	\$5.50	42.34%	-0.6%	\$ (2,240)
NET OPERATING INCOME ("NOI")					57.91%	\$7.53	\$6,381	\$523,237	\$523,237	\$520,997	\$520,997	\$6,354	\$7.50	57.66%	0.4%	\$ 2,240

CONTROLLABLE EXPENSES							\$2,949/Unit					\$3,087/Unit				
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Buena Vida Senior Living, Brownsville, 9% HTC #24198

		DEBT / GRANT SOURCES																	
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE									AS UNDERWRITTEN DEBT/GRANT STRUCTURE								
											Cumulative DCR	Pmt	Rate	Amort	Term	Principal	Original Underwriting		Principal
UW	App	Applicant	TDHCA	DCR	LTC														
DEBT (Must Pay)	Fee	1.17	1.18	444,645	7.00%	35	15.0	\$5,800,000	\$5,800,000	\$5,800,000	\$5,800,000	15.0	35.0	7.00%	\$444,644	1.18	23.5%		
CASH FLOW DEBT / GRANTS																			
Housing Authority COB		1.17	1.18		1.00%	0	15.0	\$0	\$550,000	\$550,000	\$0	15.0	0.0	1.00%		1.18	0.0%		
City of Brownsville		1.17	1.18		0.00%	0	0.0	\$1,000	\$1,000	\$1,000	\$1,000	0.0	0.0	0.00%		1.18	0.0%		
				\$444,645	TOTAL DEBT / GRANT SOURCES			\$5,801,000	\$6,351,000	\$6,351,000	\$5,801,000	TOTAL DEBT SERVICE			\$444,644	1.18	23.5%		
NET CASH FLOW		\$76,352	\$78,592	APPLICANT											NET OPERATING INCOME		\$523,237	\$78,593	NET CASH FLOW

EQUITY / DEFERRED FEES	EQUITY SOURCES														
	APPLICANT'S PROPOSED EQUITY STRUCTURE					Original Underwriting		AS UNDERWRITTEN EQUITY STRUCTURE							
	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Applicant	TDHCA	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method		
Hunt Capital Partners	LIHTC Equity	70.5%	\$2,000,000	\$0.87	\$17,398,000	\$17,398,000	\$17,398,000	\$17,398,000	\$0.8699	\$2,000,000	70.5%	\$24,390	Applicant Request		
Hunt Capital Partners		5.5%	\$195,000	\$0.38	\$1,349,000	\$0	\$0	\$1,349,000	\$0.3800	\$355,000	5.5%	Total Developer Fee: \$2,653,234			
BHOC VDC Senior, LP	Deferred Developer Fees	0.5%	(4% Deferred)		\$116,665	\$915,665	\$915,665	\$116,665	(4% Deferred)		0.5%				
Additional (Excess) Funds Req'd		0.0%				\$0	\$0	\$0			0.0%				
TOTAL EQUITY SOURCES		76.5%			\$18,863,665	\$18,313,665	\$18,313,665	\$18,863,665			76.5%				
TOTAL CAPITALIZATION					\$24,664,665	\$24,664,665	\$24,664,665	\$24,664,665				15-Yr Cash Flow after Deferred Fee:		\$1,824,748	

		DEVELOPMENT COST / ITEMIZED BASIS													
		APPLICANT COST / BASIS ITEMS						TDHCA COST / BASIS ITEMS					COST VARIANCE		
		Eligible Basis				Original Underwriting					Eligible Basis				
		Acquisition	New Const. Rehab			Applicant	TDHCA				New Const. Rehab	Acquisition			%
Land Acquisition				\$6,707 / Unit	\$550,000	\$550,000	\$550,000	\$550,000	\$6,707 / Unit				0.0%	\$0	
Off-Sites			\$0	\$433 / Unit	\$35,500	\$35,500	\$35,500	\$35,500	\$433 / Unit	\$0			0.0%	\$0	
Site Work			\$1,177,643	\$18,313 / Unit	\$1,501,643	\$1,501,643	\$1,501,643	\$1,501,643	\$18,313 / Unit	\$1,177,643			0.0%	\$0	
Site Amenities			\$234,500	\$2,860 / Unit	\$234,500	\$234,500	\$234,500	\$234,500	\$2,860 / Unit	\$234,500			0.0%	\$0	
Commercial Space			\$0	\$17,561 / Unit	\$1,440,000	\$1,440,000	\$1,440,000	\$1,440,000	\$17,561 / Unit	\$0			0.0%	\$0	
Building Cost			\$11,175,807	\$160.78 /sf	\$136,290/Unit	\$11,175,807	\$11,175,807	\$11,290,943	\$137,694/Unit	\$162.43 /sf	\$11,175,807		-1.0%	(\$115,136)	
Contingency			\$828,199	6.58%	5.76%	\$828,199	\$828,199	\$828,199	\$828,199	5.71%	6.58%	\$828,199	0.0%	\$0	
Contractor Fees			\$1,722,016	12.84%	11.32%	\$1,722,016	\$1,722,016	\$1,722,016	\$1,722,016	11.23%	12.84%	\$1,722,016	0.0%	\$0	
Soft Costs		\$0	\$1,682,253	\$20,515 / Unit		\$1,682,253	\$1,682,253	\$1,682,253	\$20,515 / Unit	\$1,682,253	\$0	0.0%	\$0		
Financing		\$0	\$1,983,846	\$28,609 / Unit		\$2,345,913	\$2,345,913	\$2,345,913	\$28,609 / Unit	\$1,983,846	\$0	0.0%	\$0		
Developer Fee		\$0	\$2,653,234	14.11%	12.88%	\$2,653,234	\$2,653,234	\$2,653,234	\$2,653,234	12.81%	14.11%	\$2,653,234	\$0	0.0%	\$0
Reserves				7 Months		\$495,600	\$495,600	\$824,925	\$824,925	12 Months			-39.9%	(\$329,325)	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$21,457,498	\$300,789 / Unit		\$24,664,665	\$24,664,665	\$25,109,126	\$25,109,126	\$306,209 / Unit	\$21,457,498	\$0	-1.8%	(\$444,461)	
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	\$21,457,498	\$300,789/unit		\$24,664,665	\$24,664,665	\$25,109,126	\$25,109,126	\$306,209/unit	\$21,457,498	\$0	-1.8%	(\$444,461)	
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$24,664,665									

**CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS**

**Buena Vida Senior Living, Brownsville, 9% HTC #24198**

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
<b>ADJUSTED BASIS</b>	\$0	\$21,457,498	\$0	\$21,457,498
Deduction of Federal Grants	\$0	\$0	\$0	\$0
<b>TOTAL ELIGIBLE BASIS</b>	\$0	\$21,457,498	\$0	\$21,457,498
High Cost Area Adjustment		130%		130%
<b>TOTAL ADJUSTED BASIS</b>	\$0	\$27,894,747	\$0	\$27,894,747
Applicable Fraction	100.00%	100.00%	100%	100%
<b>TOTAL QUALIFIED BASIS</b>	\$0	\$27,894,747	\$0	\$27,894,747
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
<b>ANNUAL CREDIT ON BASIS</b>	\$0	\$2,510,527	\$0	\$2,510,527
<b>CREDITS ON QUALIFIED BASIS</b>	\$2,510,527		\$2,510,527	

	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8699	Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
<b>Eligible Basis</b>	\$2,510,527	\$21,839,077	----	----	----
<b>Needed to Fill Gap</b>	\$2,013,411	\$17,514,665	----	----	----
<b>Applicant Request</b>	\$2,000,000	\$17,398,000	<b>\$2,000,000</b>	<b>\$0</b>	<b>\$0</b>

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	69,512 SF	\$124.76	8,672,545
Adjustments				
Exterior Wall Finish	3.60%		4.49	\$312,212
Elderly	9.00%		11.23	780,529
9-Ft. Ceilings	3.45%		4.30	299,203
Roof Adjustment(s)			0.35	24,398
Subfloor			(0.77)	(53,460)
Floor Cover			5.79	402,214
Breezeways	\$39.52	17,739	10.09	701,095
Balconies	\$39.18	5,776	3.26	226,317
Plumbing Fixtures	\$1,420	138	2.82	195,960
Rough-ins	\$700	164	1.65	114,800
Built-In Appliances	\$2,280	82	2.69	186,960
Exterior Stairs	\$3,550	12	0.61	42,600
Heating/Cooling			3.12	216,877
Storage Space	\$39.52	0	0.00	0
Carports	\$16.05	0	0.00	0
Garages	\$30.00	0	0.00	0
Common/Support Area	\$130.69	3,802	7.15	496,887
Elevators	\$150,400	2	4.33	300,800
<b>Other:</b>			0.00	0
Fire Sprinklers	\$3.65	91,053	4.78	332,343
<b>SUBTOTAL</b>			<b>190.65</b>	<b>13,252,281</b>
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
<b>TOTAL BUILDING COSTS</b>			<b>190.65</b>	<b>\$13,252,281</b>
Plans, specs, survey, bldg permits	3.30%		(6.29)	(\$437,325)
Contractor's OH & Profit	11.50%		(21.92)	(1,524,012)
<b>NET BUILDING COSTS</b>		\$137,694/unit	\$162.43/sf	<b>\$11,290,943</b>

## Long-Term Pro Forma

***Buena Vida Senior Living, Brownsville, 9% HTC #24198***

	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%	\$903,518	\$921,588	\$940,020	\$958,820	\$977,997	\$1,079,787	\$1,192,173	\$1,316,255	\$1,453,252	\$1,604,507	\$1,771,506
TOTAL EXPENSES	3.00%	\$380,281	\$391,238	\$402,514	\$414,119	\$426,064	\$491,226	\$566,485	\$653,422	\$753,862	\$869,922	\$1,004,051
<b>NET OPERATING INCOME ("NOI")</b>		<b>\$523,237</b>	<b>\$530,350</b>	<b>\$537,506</b>	<b>\$544,701</b>	<b>\$551,933</b>	<b>\$588,562</b>	<b>\$625,687</b>	<b>\$662,833</b>	<b>\$699,389</b>	<b>\$734,585</b>	<b>\$767,455</b>
EXPENSE/INCOME RATIO		42.1%	42.5%	42.8%	43.2%	43.6%	45.5%	47.5%	49.6%	51.9%	54.2%	56.7%
<b>MUST -PAY DEBT SERVICE</b>												
Legacy Bank and Trust		\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644
TOTAL DEBT SERVICE		\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644
DEBT COVERAGE RATIO		1.18	1.19	1.21	1.23	1.24	1.32	1.41	1.49	1.57	1.65	1.73
<b>ANNUAL CASH FLOW</b>												
Deferred Developer Fee Balance		\$38,072	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>CUMULATIVE NET CASH FLOW</b>		<b>\$0</b>	<b>\$47,634</b>	<b>\$140,496</b>	<b>\$240,553</b>	<b>\$347,842</b>	<b>\$993,895</b>	<b>\$1,824,748</b>	<b>\$2,841,506</b>	<b>\$4,042,498</b>	<b>\$5,422,533</b>	<b>\$6,971,998</b>

# 24198 Buena Vida Senior Living - Application Summary

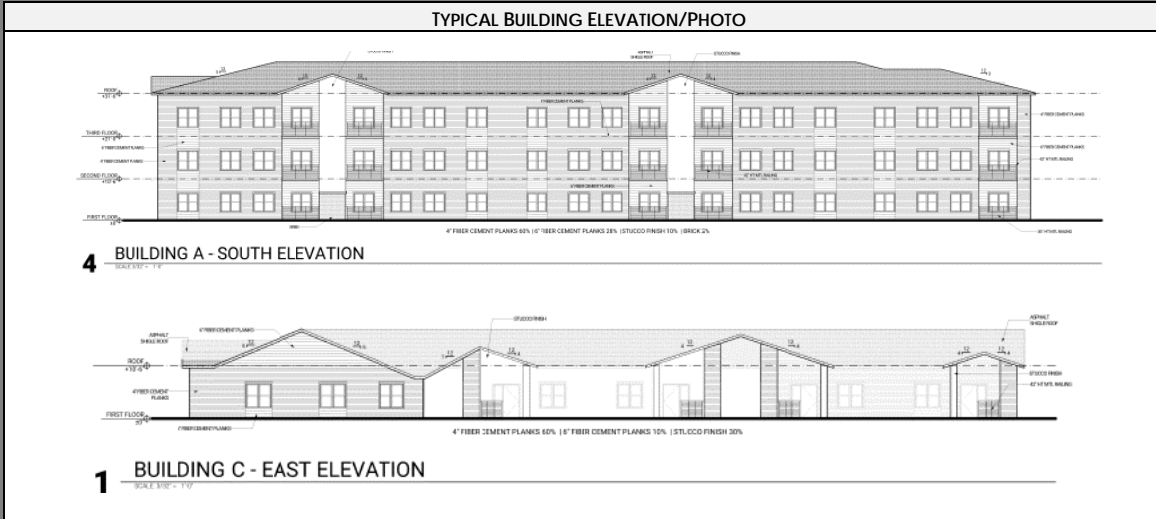
REAL ESTATE ANALYSIS DIVISION

May 14, 2024

PROPERTY IDENTIFICATION	
Application #	24198
Development	Buena Vida Senior Living
City / County	Brownsville / Cameron
Region/Area	11 / Urban
Population	Elderly Limitation
Set-Aside	At-Risk/Non-Profit
Activity	New Construction

RECOMMENDATION				
TDHCA Program	Request	Recommended		
LIHTC (9% Credit)	\$2,000,000	\$2,000,000	\$24,390/Unit	\$0.87

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

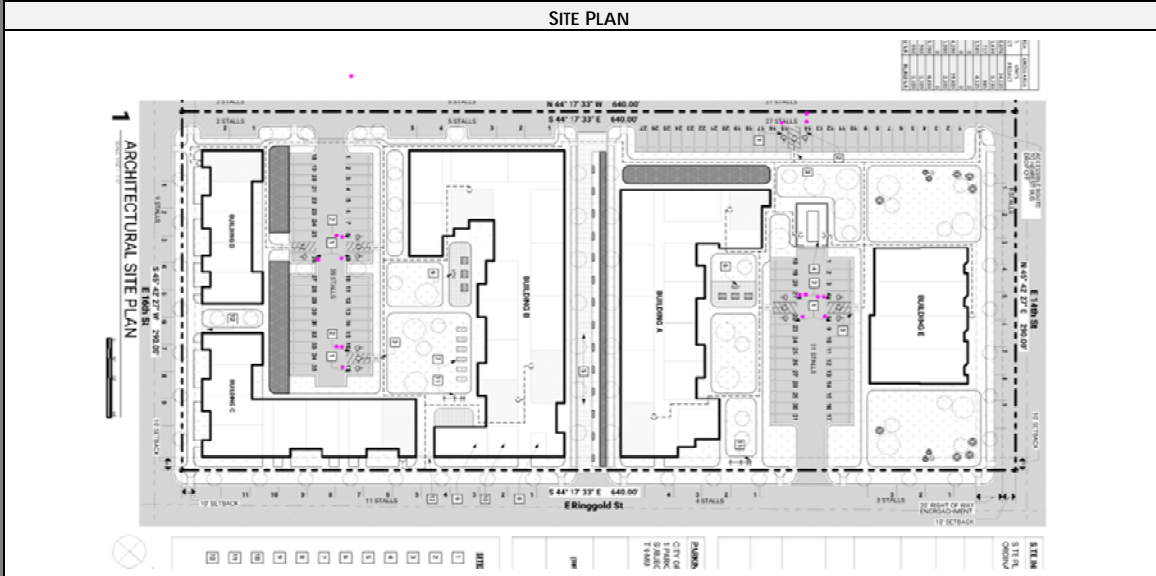


UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	36	44%	30%	9	11%
2	46	56%	40%	-	0%
3	-	0%	50%	17	21%
4	-	0%	60%	56	68%
			70%	-	0%
			80%	-	0%
			MR	-	0%
<b>TOTAL</b>	<b>82</b>	<b>100%</b>	<b>TOTAL</b>	<b>82</b>	<b>100%</b>

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.18	Expense Ratio	42.1%
Breakeven Occ.	84.5%	Breakeven Rent	\$876
Average Rent	\$963	B/E Rent Margin	\$86
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$4,638/unit	Controllable	\$2,949/unit

MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)			1.0%
Highest Unit Capture Rate	3%	1 BR/30%	4
Dominant Unit Cap. Rate	2%	2 BR/60%	32
Premiums (↑80% Rents)	N/A		N/A
Rent Assisted Units	82		100% Total Units

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	848 SF	Density	19.2/acre
Acquisition		\$07K/unit	\$550K
Building Cost	\$160.78/SF	\$136K/unit	\$11,176K
Hard Cost		\$168K/unit	\$13,776K
Total Cost		\$301K/unit	\$24,665K
Developer Fee	\$2,653K	(35% Deferred)	Paid Year: 9
Contractor Fee	\$1,722K	30% Boost	Yes





DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Legacy Bank and Trust	15/35	7.00%	\$5,800,000	1.18	Housing Authority COB	15/0	1.00%	\$550,000	1.18	Hunt Capital Partners	\$17,398,000
					City of Brownsville	0/0	0.00%	\$1,000	1.18	0	\$0
										BHOC VDC Senior, LP	\$915,665
TOTAL DEBT (Must Pay)			\$5,800,000		CASH FLOW DEBT / GRANTS			\$551,000		TOTAL EQUITY SOURCES	\$18,313,665
										TOTAL DEBT SOURCES	\$6,351,000
										TOTAL CAPITALIZATION	\$24,664,665

CONDITIONS

1 Receipt and acceptance by 10% test:

- HUD conditional approval of RAD conversion including the draft RAD Conversion Commitment "RCC" that clearly states HUD's anticipated monthly HAP Contract rents and operating budget.

2 Receipt and acceptance by Cost Certification:

- Certification of comprehensive testing for lead-based paint; that any appropriate abatement procedures were implemented; and that any remaining lead-based paint are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.

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


**Real Estate Analysis Division****Underwriting Report****May 14, 2024****DEVELOPMENT IDENTIFICATION**

TDHCA Application #:	<b>24198</b>	Program(s):	<b>9% HTC</b>		
<b>Buena Vida Senior Living</b>					
Address/Location: <b>E Ringgold St and E 14th St</b>					
City:	<b>Brownsville</b>	County:	<b>Cameron</b>	Zip:	<b>78520</b>
Population:	<b>Elderly Limitation</b>	Program Set-Aside:	<b>At-Risk/Non-Profit</b>	Area:	<b>Urban</b>
Activity:	<b>New Construction</b>	Building Type:	<b>Elevator Served</b>	Region:	<b>11</b>
Analysis Purpose:		<b>New Application - Initial Underwriting</b>			

**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)	\$2,000,000				\$2,000,000						

**CONDITIONS**

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

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

**SET-ASIDES**

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	9
50% of AMI	50% of AMI	17
60% of AMI	60% of AMI	56

## DEVELOPMENT SUMMARY

Buena Vida Senior Living will provide for the new construction of 82 units of one and two-bedroom units for Brownsville's senior citizens. The property is part of the redevelopment and replacement of public housing owned by the Housing Authority of Brownsville (HACB). 100% of the units will have project-based vouchers that will subsidize the rents under the U.S. Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration program (RAD).

All units will be allocated to residents earning less than 60% AMI. The site is located on the original Buena Vida public housing community previously constructed in 1940 as the first low-income housing in Brownsville. There are currently several vacant multifamily buildings on the development site that are slated to be demolished. Resident services will be provided by the Housing Authority of the City of Brownsville (HACB) and will be offered on an ongoing basis. Site control is in the form of a 75-year ground lease on property owned by the Housing Authority of the City of Brownsville. A retail component will be pursued along E 14th Street.

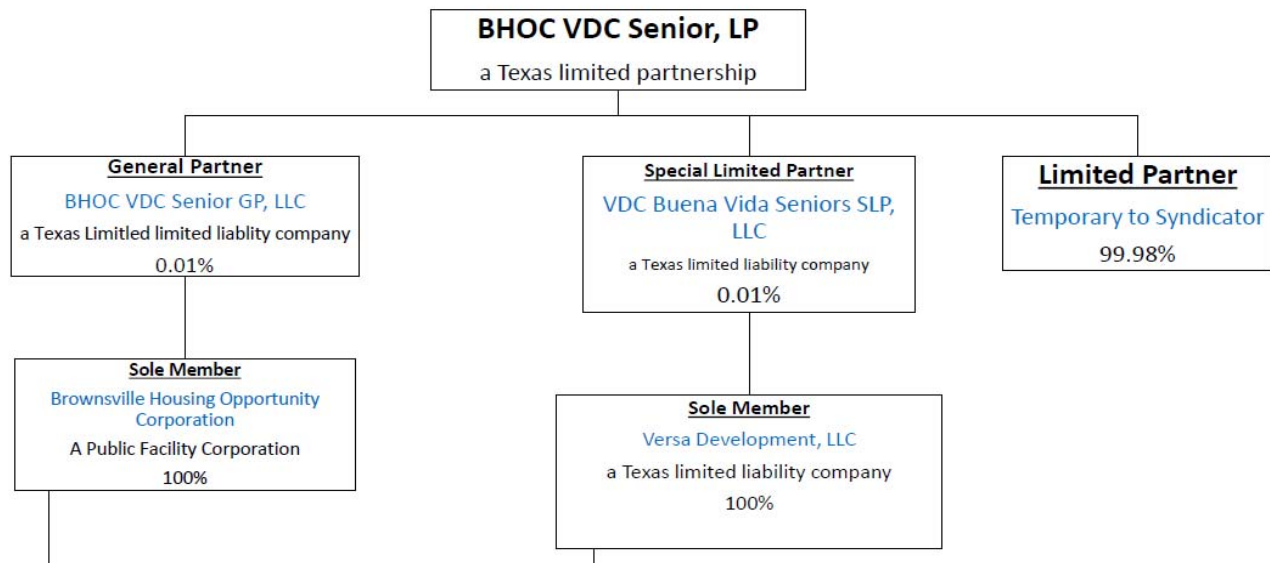
## RISK PROFILE

STRENGTHS/MITIGATING FACTORS	
▫	100% of units supported by RAD Rental Assistance
▫	Low gross capture rate

WEAKNESSES/RISKS	
▫	Feasibility dependent on RAD Contract and 100% tax exemption
▫	

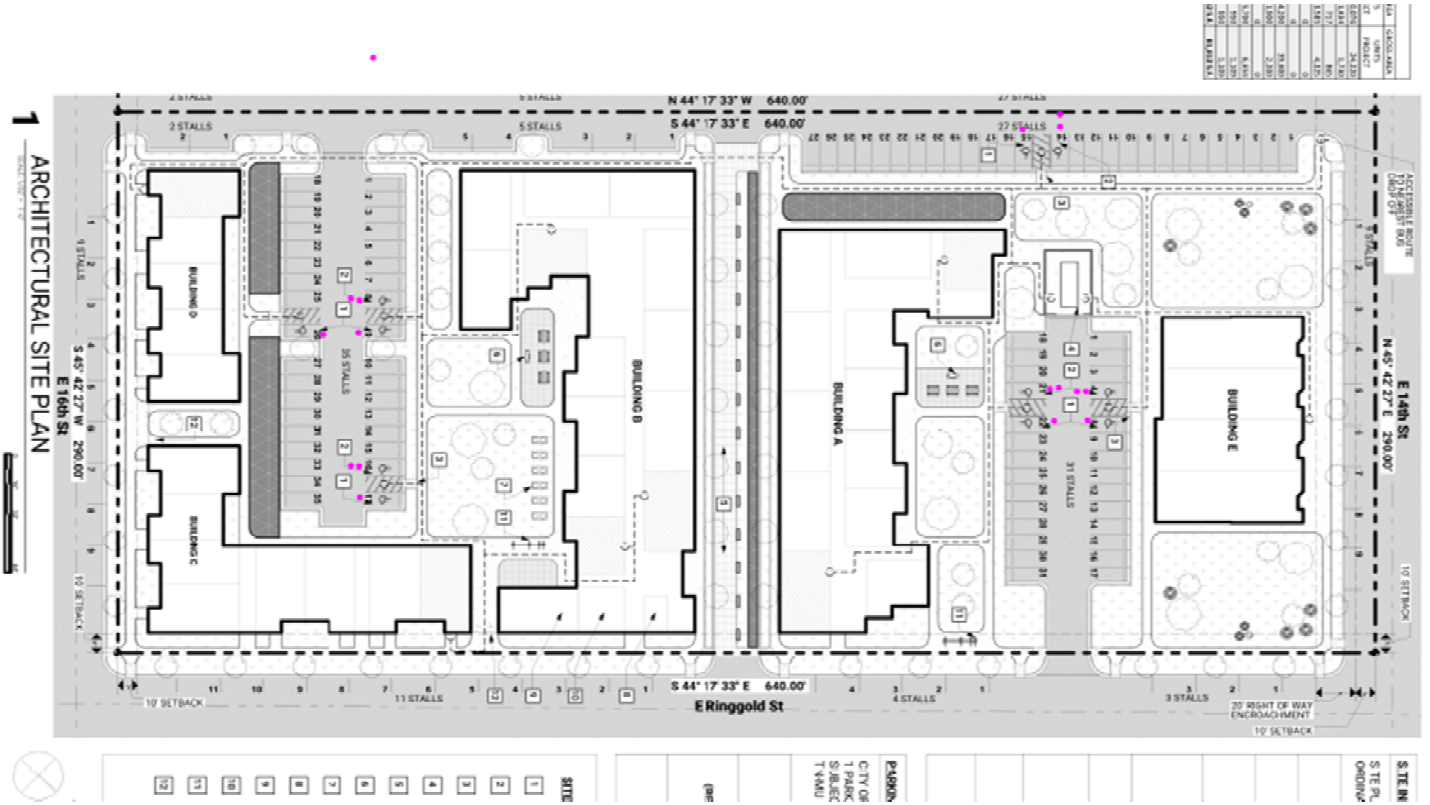
## DEVELOPMENT TEAM

### OWNERSHIP STRUCTURE



# DEVELOPMENT SUMMARY

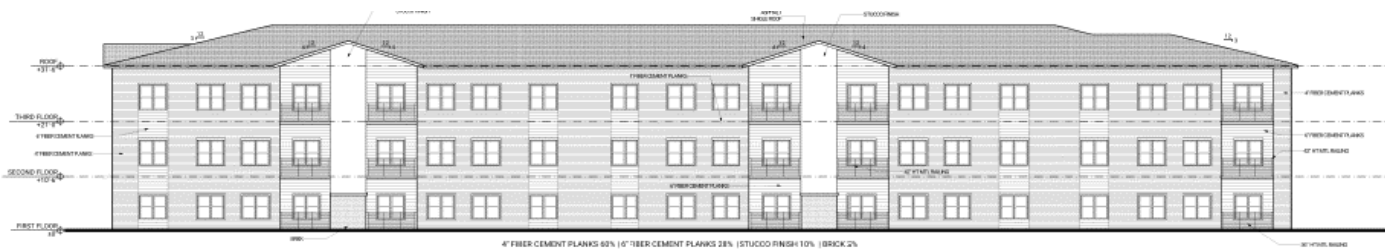
## SITE PLAN



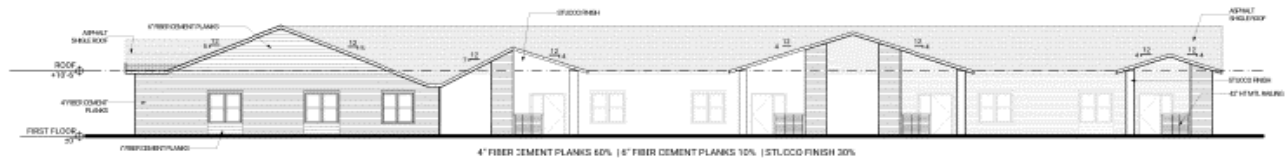


Comments:  
Provided parking of 136 spaces is compliant with city regulations.

BUILDING ELEVATION



4 BUILDING A - SOUTH ELEVATION  
SCALE 3/32" = 1'-0"



1 BUILDING C - EAST ELEVATION  
SCALE 3/32" = 1'-0"

BUILDING CONFIGURATION

Building Type	D	C	A	B									Total Buildings
Floors/Stories	1	1	3	3									
Number of Bldgs	1	1	1	1									4
Units per Bldg	5	8	34	35									
Total Units	5	8	34	35									82
Avg. Unit Size (SF)	848 sf		Total NRA (SF)		69,512		Common Area (SF)*		20,815				

\*Common Area Square Footage as specified on Architect Certification

SITE CONTROL INFO

Site Acreage:

Development Site: 4.26 acres

Density: 19.2 units/acre

Site Control: 4.26

Site Plan: 4.26

Appraisal: 4.26

ESA: 4.26

Feasibility Report Survey: 4.26

Feasibility Report Engineer's Plan: 4.26

Existing LURA: NA

Control Type:

Contract for Ground Lease and Bill of Sale

Development Site: 4.26 acres

Cost: \$550,000

\$6,707 per unit

Seller:

Housing Authority of the City of Brownsville

Buyer:

BHOC VDC Senior, LP

Related-Party Seller/Identity of Interest:

No

Comments:

Ground lease is contemplated for the tax exemption.

There is a right of way known as E 14th Street encroaching into the site by an estimated 27 feet. This area will be conveyed to the City of Brownsville at a later date and negligibly impacts the site acreage.

APPRAISED VALUE

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

Land as Vacant: 4.261 acres \$555,000 Per Unit: \$6,768

SITE INFORMATION

Flood Zone: Zone X Scattered Site? No

Zoning: TN-MU Trad. Within 100-yr floodplain? No  
Neighborhood  
Mixed Use

Re-Zoning Required? No Utilities at Site? Yes

Year Constructed: NA Title Issues? No

Current Uses of Subject Site:

Vacant multifamily buildings

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Ambiotec Environmental Consultants Date: 2/1/2024

Recognized Environmental Conditions (RECs) and Other Concerns:

- Lead-based paint is present in the vacant buildings that are currently on site.

MARKET ANALYSIS

Provider: Gibson Consulting, LLC Date: 3/27/2024

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

AFFORDABLE HOUSING INVENTORY

Competitive Supply (Proposed, Under Construction, and Unstabilized)

File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
23015	Avanti Legacy del Sol	Yes	New	Elderly	84	84
23019	Avanti Legacy Lyon	Yes	New	Elderly	84	84

Stabilized Affordable Developments in PMA

Total Units	2,396
Total Developments	19
Average Occupancy	96%

OVERALL DEMAND ANALYSIS				
		Market Analyst		
		HTC	Assisted	
Total Households in the Primary Market Area		33,227		
Senior Households in the Primary Market Area		12,045		
Potential Demand from the Primary Market Area		7,525		
10% External Demand		753		
Potential Demand from Other Sources		0		
GROSS DEMAND		8,278		
Subject Affordable Units		82		
Unstabilized Competitive Units		0		
RELEVANT SUPPLY		82		
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE		1.0%		

Population:	Elderly Limitation	Market Area:	Urban	Maximum Gross Capture Rate:	10%
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UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND									
		Market Analyst							
AMGI Band	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate				
30% AMGI	533	53	9	0	2%				
50% AMGI	1,449	145	17	0	1%				
60% AMGI	4,919	492	56	0	1%				

UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE									
		Market Analyst							
Unit Type	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate				
1 BR/30%	141	14	4	0	3%				
1 BR/50%	383	38	8	0	2%				
1 BR/60%	1,300	130	24	0	2%				
2 BR/30%	210	21	5	0	2%				
2 BR/50%	570	57	9	0	1%				
2 BR/60%	1,935	194	32	0	2%				

## OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)					
NOI:	\$523,237	Avg. Rent:	\$963	Expense Ratio:	42.1%
Debt Service:	\$444,644	B/E Rent:	\$876	Controllable Expenses:	\$2,949
Net Cash Flow:	\$78,593	UW Occupancy:	92.5%	Property Taxes/Unit:	\$0
Aggregate DCR:	1.18	B/E Occupancy:	84.5%	Program Rent Year:	2023

100% property tax exemption achieved through the Ground Lease with the Housing Authority of the City of Brownsville (HACB).

All units will be supported by a RAD Contract.

## DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)					
Acquisition	\$129,108/ac	\$6,707/unit	\$550,000	Contractor Fee	\$1,722,016
Off-site + Site Work		\$21,605/unit	\$1,771,643	Soft Cost + Financing	\$4,028,166
Building Cost	\$160.78/sf	\$136,290/unit	\$11,175,807	Developer Fee	\$2,653,234
Contingency	5.76%	\$10,100/unit	\$828,199	Reserves	\$495,600
Total Development Cost		\$300,789/unit	\$24,664,665	Rehabilitation Cost	N/A
Qualified for 30% Basis Boost?		Located in QCT with < 20% HTC units/HH			

Contingency:

Applicant overstated eligible contingency by \$25,165.

Contractor Fee:

Applicant overstated eligible contractor fees by \$3,523.

Developer Fee:

Applicant overstated eligible developer fees by \$4,302.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$24,664,665	\$20,308,478	\$2,376,092

## UNDERWRITTEN CAPITALIZATION

INTERIM SOURCES				
Funding Source	Description	Amount	Rate	LTC
Legacy Bank and Trust	Const. to Perm Loan	\$18,100,000	8.00%	73%
Hunt Capital Partners	HTC	\$4,349,500	\$0.87	18%
BHOC VDC Senior, LP	Deferred Developer Fee	\$1,664,165	0.00%	7%
City of Brownsville	Local Government Funds	\$1,000	0.00%	0%
		\$24,664,665	Total Sources	

## PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Legacy Bank and Trust	\$5,800,000	7.00%	35	15.0	\$5,800,000	7.00%	35	15.0	24%
City of Brownsville	\$1,000	Fee Waiver			\$1,000	Fee Waiver			0%
Total	\$6,351,000				\$6,351,000				



Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Hunt Capital Partners	\$17,398,000	\$0.87		\$17,398,000	\$0.87	71%	
BHOC VDC Senior, LP	\$915,665		35%	\$915,665		4%	35%
<b>Total</b>	<b>\$18,313,665</b>			<b>\$18,313,665</b>			
				<b>\$24,664,665</b>	<b>Total Sources</b>		

Credit Price Sensitivity based on current capital structure	
<b>\$0.916</b>	Maximum Credit Price before the Development is oversourced and allocation is limited
<b>\$0.819</b>	Minimum Credit Price below which the Development would be characterized as infeasible

## CONCLUSIONS

Gap Analysis:	
Total Development Cost	\$24,664,665
Permanent Sources (debt + non-HTC equity)	\$6,351,000
<b>Gap in Permanent Financing</b>	<b>\$18,313,665</b>

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$20,669,623	\$2,376,092
Needed to Balance Sources & Uses	\$18,313,665	\$2,105,261
Requested by Applicant	\$17,398,000	\$2,000,000

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
<b>Tax Credit Allocation</b>	<b>\$17,398,000</b>	<b>\$2,000,000</b>

<b>Deferred Developer Fee</b>	<b>\$915,665</b>	( 35% deferred)
<b>Repayable in</b>	<b>9 years</b>	

### Recommendation:

Underwriter recommends an annual tax credit allocation of \$2,000,000 per the Applicant's request.

Underwriter: Jeffrey Price

Manager of Real Estate Analysis: Diamond Unique Thompson

Director of Real Estate Analysis: Jeanna Adams

UNIT MIX/RENT SCHEDULE
<i>Buena Vida Senior Living, Brownsville, 9% HTC #24198</i>

LOCATION DATA	
CITY:	Brownsville
COUNTY:	Cameron
Area Median Income	\$62,000
PROGRAM REGION:	11
PROGRAM RENT YEAR:	2023

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	-	0.0%	0	0	0	0
1	36	43.9%	36	0	0	0
2	46	56.1%	46	0	0	0
3	-	0.0%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	82	100.0%	82	-	-	-

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	848 sf

55%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	9	-	17	56	-	-	-	82
Income	% Total	0.0%	11.0%	0.0%	20.7%	68.3%	0.0%	0.0%	0.0%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE																						
HTC		RENT ASSISTED UNIT		Match Units	UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	Match Units	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten		Mrkt Analyst
TC 30%	\$405	RAD	\$906	0	4	1	1	717	\$906	\$69	\$837	\$0	\$1.17	\$837	\$3,348	\$3,348	\$837	\$1.17	\$0	\$1,100	\$1.53	\$1,100
TC 50%	\$676	RAD	\$906	0	8	1	1	717	\$906	\$69	\$837	\$0	\$1.17	\$837	\$6,696	\$6,696	\$837	\$1.17	\$0	\$1,100	\$1.53	\$1,100
TC 60%	\$811	RAD	\$906	0	24	1	1	717	\$906	\$69	\$837	\$0	\$1.17	\$837	\$20,088	\$20,088	\$837	\$1.17	\$0	\$1,100	\$1.53	\$1,100
TC 30%	\$486	RAD	\$1,152	0	5	2	2	950	\$1,152	\$91	\$1,061	\$0	\$1.12	\$1,061	\$5,305	\$5,305	\$1,061	\$1.12	\$0	\$1,350	\$1.42	\$1,350
TC 50%	\$811	RAD	\$1,152	0	9	2	2	950	\$1,152	\$91	\$1,061	\$0	\$1.12	\$1,061	\$9,549	\$9,549	\$1,061	\$1.12	\$0	\$1,350	\$1.42	\$1,350
TC 60%	\$973	RAD	\$1,152	0	32	2	2	950	\$1,152	\$91	\$1,061	\$0	\$1.12	\$1,061	\$33,952	\$33,952	\$1,061	\$1.12	\$0	\$1,350	\$1.42	\$1,350
TOTALS/AVERAGES:					82			69,512				\$0	\$1.14	\$963	\$78,938	\$78,938	\$963	\$1.14	\$0	\$1,240	\$1.46	\$1,240

ANNUAL POTENTIAL GROSS RENT:	\$947,256	\$947,256
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\*MFDL units float among Unit Types

# STABILIZED PRO FORMA

*Buena Vida Senior Living, Brownsville, 9% HTC #24198*

## STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				TDHCA				VARIANCE	
	Database	County Comps	% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.14	\$963	\$947,256	\$947,256	\$963	\$1.14		0.0%	\$0
late fees, phone, cable, laundry					\$30.00	\$29,520						
Total Secondary Income					\$30.00		\$29,520	\$30.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$976,776	\$976,776				0.0%	\$0
Vacancy & Collection Loss				7.5% PGI		(73,258)	(73,258)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$903,518	\$903,518				0.0%	\$0

General & Administrative	\$26,976	\$329/Unit	\$36,106	\$440	3.23%	\$0.42	\$356	\$29,220	\$26,976	\$329	\$0.39	2.99%	8.3%	2,244
Management	\$27,903	4.1% EGI	\$38,646	\$471	5.00%	\$0.65	\$551	\$45,176	\$45,176	\$551	\$0.65	5.00%	0.0%	0
Payroll & Payroll Tax	\$100,724	\$1,228/Unit	\$88,627	\$1,081	11.24%	\$1.46	\$1,239	\$101,571	\$100,724	\$1,228	\$1.45	11.15%	0.8%	847
Repairs & Maintenance	\$51,298	\$626/Unit	\$43,979	\$536	5.44%	\$0.71	\$600	\$49,174	\$53,300	\$650	\$0.77	5.90%	-7.7%	(4,126)
Electric/Gas	\$15,214	\$186/Unit	\$18,239	\$222	1.92%	\$0.25	\$212	\$17,352	\$18,239	\$222	\$0.26	2.02%	-4.9%	(887)
Water, Sewer, & Trash	\$52,037	\$635/Unit	\$53,930	\$658	4.92%	\$0.64	\$543	\$44,496	\$53,930	\$658	\$0.78	5.97%	-17.5%	(9,434)
Property Insurance	\$58,987	\$0.85 /sf	\$60,395	\$737	7.69%	\$1.00	\$848	\$69,512	\$60,395	\$737	\$0.87	6.68%	15.1%	9,117
Property Tax (@ 0%) 2.2600	\$59,571	\$726/Unit			0.00%	\$0.00	\$0	\$0	\$0	\$0.00	\$0.00	0.00%	0.0%	-
Reserve for Replacements					2.27%	\$0.29	\$250	\$20,500	\$20,500	\$250	\$0.29	2.27%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.36%	\$0.05	\$40	\$3,280	\$3,280	\$40	\$0.05	0.36%	0.0%	-
TOTAL EXPENSES					42.09%	\$5.47	\$4,638	\$380,281	\$382,521	\$4,665	\$5.50	42.34%	-0.6%	\$ (2,240)
NET OPERATING INCOME ("NOI")					57.91%	\$7.53	\$6,381	\$523,237	\$520,997	\$6,354	\$7.50	57.66%	0.4%	\$ 2,240

CONTROLLABLE EXPENSES							\$2,949/Unit				\$3,087/Unit			
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**CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS**

*Buena Vida Senior Living, Brownsville, 9% HTC #24198*

DEBT / GRANT SOURCES															
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE								AS UNDERWRITTEN DEBT/GRANT STRUCTURE							
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Term	Amort	Rate	Pmt	Cumulative	
		UW	App											DCR	LTC
Legacy Bank and Trust		1.17	1.18	444,645	7.00%	35	15.0	\$5,800,000	\$5,800,000	15.0	35.0	7.00%	\$444,644	1.18	23.5%
<b>CASH FLOW DEBT / GRANTS</b>															
Housing Authority COB		1.17	1.18		1.00%	0	15.0	\$550,000	\$550,000	15.0	0.0	1.00%		1.18	2.2%
City of Brownsville		1.17	1.18		0.00%	0	0.0	\$1,000	\$1,000	0.0	0.0	0.00%		1.18	0.0%
				\$444,645	<b>TOTAL DEBT / GRANT SOURCES</b>			\$6,351,000	\$6,351,000	<b>TOTAL DEBT SERVICE</b>			\$444,644	1.18	25.7%

<b>NET CASH FLOW</b>	\$76,352	\$78,592	<b>APPLICANT</b>		<b>NET OPERATING INCOME</b>		\$523,237	\$78,593	<b>NET CASH FLOW</b>
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		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
EQUITY / DEFERRED FEES											
Hunt Capital Partners	LIHTC Equity	70.5%	\$2,000,000	\$0.87	\$17,398,000	\$17,398,000	\$0.8699	\$2,000,000	70.5%	\$24,390	Applicant Request
BHOC VDC Senior, LP	Deferred Developer Fees	3.7%	(35% Deferred)		\$915,665	\$915,665	(35% Deferred)		3.7%	Total Developer Fee:	
Additional (Excess) Funds Req'd		0.0%				\$0			0.0%	\$2,653,234	
TOTAL EQUITY SOURCES		74.3%			\$18,313,665	\$18,313,665			74.3%		

<b>TOTAL CAPITALIZATION</b>	\$24,664,665	\$24,664,665			15-Yr Cash Flow after Deferred Fee:		\$1,025,748
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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				\$6,707 / Unit	\$550,000	\$550,000	\$6,707 / Unit				0.0%	\$0	
Off-Sites			\$0	\$433 / Unit	\$35,500	\$35,500	\$433 / Unit		\$0		0.0%	\$0	
Site Work			\$1,177,643	\$18,313 / Unit	\$1,501,643	\$1,501,643	\$18,313 / Unit		\$1,177,643		0.0%	\$0	
Site Amenities			\$234,500	\$2,860 / Unit	\$234,500	\$234,500	\$2,860 / Unit		\$234,500		0.0%	\$0	
Commercial Space			\$0	\$17,561 / Unit	\$1,440,000	\$1,440,000	\$17,561 / Unit		\$0		0.0%	\$0	
Building Cost			\$10,059,776	\$160.78 /sf	\$136,290/Unit	\$11,175,807	\$11,290,943	\$137,694/Unit	\$162.43 /sf	\$10,059,776		-1.0%	(\$115,136)
Contingency			\$828,199	7.22%	5.76%	\$828,199	\$828,199	5.71%	7.00%	\$803,034		0.0%	\$0
Contractor Fees			\$1,722,016	14.00%	11.32%	\$1,722,016	\$1,722,016	11.23%	14.00%	\$1,718,493		0.0%	\$0
Soft Costs		\$0	\$1,682,253	\$20,515 / Unit		\$1,682,253	\$20,515 / Unit		\$1,682,253	\$0	0.0%	\$0	
Financing		\$0	\$1,983,846	\$28,609 / Unit		\$2,345,913	\$28,609 / Unit		\$1,983,846	\$0	0.0%	\$0	
Developer Fee		\$0	\$2,653,234	15.00%	12.88%	\$2,653,234	\$2,653,234	12.81%	15.00%	\$2,648,932	\$0	0.0%	\$0
Reserves				7 Months		\$495,600	\$824,925		12 Months		-39.9%	(\$329,325)	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$20,341,467	\$300,789 / Unit		\$24,664,665	\$25,109,126	\$306,209 / Unit		\$20,308,478	\$0	-1.8%	(\$444,461)
Acquisition Cost		\$0				\$0							
Contingency			(\$25,165)			\$0							
Contractor's Fee			(\$3,523)			\$0							
Financing Cost			\$0										
Developer Fee		\$0	(\$4,302)	15.00%		\$0							
Reserves						\$0							
ADJUSTED BASIS / COST		\$0	\$20,308,478	\$300,789/unit		\$24,664,665	\$25,109,126	\$306,209/unit		\$20,308,478	\$0	-1.8%	(\$444,461)
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$24,664,665							

**CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS**

**Buena Vida Senior Living, Brownsville, 9% HTC #24198**

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
<b>ADJUSTED BASIS</b>	\$0	\$20,308,478	\$0	\$20,308,478
Deduction of Federal Grants	\$0	\$0	\$0	\$0
<b>TOTAL ELIGIBLE BASIS</b>	\$0	\$20,308,478	\$0	\$20,308,478
High Cost Area Adjustment		130%		130%
<b>TOTAL ADJUSTED BASIS</b>	\$0	\$26,401,021	\$0	\$26,401,021
Applicable Fraction	100.00%	100.00%	100%	100%
<b>TOTAL QUALIFIED BASIS</b>	\$0	\$26,401,021	\$0	\$26,401,021
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
<b>ANNUAL CREDIT ON BASIS</b>	\$0	\$2,376,092	\$0	\$2,376,092
<b>CREDITS ON QUALIFIED BASIS</b>	\$2,376,092		\$2,376,092	

	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8699	Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
<b>Eligible Basis</b>	\$2,376,092	\$20,669,623	----	----	----
<b>Needed to Fill Gap</b>	\$2,105,261	\$18,313,665	----	----	----
<b>Applicant Request</b>	\$2,000,000	\$17,398,000	<b>\$2,000,000</b>	<b>\$0</b>	<b>\$0</b>

BUILDING COST ESTIMATE					
CATEGORY		FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served		69,512 SF	\$124.76	8,672,545
Adjustments					
Exterior Wall Finish		3.60%		4.49	\$312,212
Elderly		9.00%		11.23	780,529
9-Ft. Ceilings		3.45%		4.30	299,203
Roof Adjustment(s)				0.35	24,398
Subfloor				(0.77)	(53,460)
Floor Cover				5.79	402,214
Breezeways		\$39.52	17,739	10.09	701,095
Balconies		\$39.18	5,776	3.26	226,317
Plumbing Fixtures		\$1,420	138	2.82	195,960
Rough-ins		\$700	164	1.65	114,800
Built-In Appliances		\$2,280	82	2.69	186,960
Exterior Stairs		\$3,550	12	0.61	42,600
Heating/Cooling				3.12	216,877
Storage Space		\$39.52	0	0.00	0
Carports		\$16.05	0	0.00	0
Garages		\$30.00	0	0.00	0
Common/Support Area		\$130.69	3,802	7.15	496,887
Elevators		\$150,400	2	4.33	300,800
Other:				0.00	0
Fire Sprinklers		\$3.65	91,053	4.78	332,343
SUBTOTAL				190.65	13,252,281
Current Cost Multiplier		1.00		0.00	0
Local Multiplier		1.00		0.00	0
Reserved					0
TOTAL BUILDING COSTS				190.65	\$13,252,281
Plans, specs, survey, bldg permits		3.30%		(6.29)	(\$437,325)
Contractor's OH & Profit		11.50%		(21.92)	(1,524,012)
NET BUILDING COSTS			\$137,694/unit	\$162.43/sf	\$11,290,943

## Long-Term Pro Forma

*Buena Vida Senior Living, Brownsville, 9% HTC #24198*

	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%	\$903,518	\$921,588	\$940,020	\$958,820	\$977,997	\$1,079,787	\$1,192,173	\$1,316,255	\$1,453,252	\$1,604,507	\$1,771,506
TOTAL EXPENSES	3.00%	\$380,281	\$391,238	\$402,514	\$414,119	\$426,064	\$491,226	\$566,485	\$653,422	\$753,862	\$869,922	\$1,004,051
<b>NET OPERATING INCOME ("NOI")</b>		<b>\$523,237</b>	<b>\$530,350</b>	<b>\$537,506</b>	<b>\$544,701</b>	<b>\$551,933</b>	<b>\$588,562</b>	<b>\$625,687</b>	<b>\$662,833</b>	<b>\$699,389</b>	<b>\$734,585</b>	<b>\$767,455</b>
EXPENSE/INCOME RATIO		42.1%	42.5%	42.8%	43.2%	43.6%	45.5%	47.5%	49.6%	51.9%	54.2%	56.7%
<b>MUST -PAY DEBT SERVICE</b>												
Legacy Bank and Trust		\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644
TOTAL DEBT SERVICE		\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644	\$444,644
DEBT COVERAGE RATIO		1.18	1.19	1.21	1.23	1.24	1.32	1.41	1.49	1.57	1.65	1.73
<b>ANNUAL CASH FLOW</b>												
Deferred Developer Fee Balance		\$837,072	\$751,366	\$658,504	\$558,447	\$451,158	\$0	\$0	\$0	\$0	\$0	\$0
<b>CUMULATIVE NET CASH FLOW</b>		\$0	\$0	\$0	\$0	\$0	\$194,895	\$1,025,748	\$2,042,506	\$3,243,498	\$4,623,533	\$6,172,998