

Aug 25th, 2025  
Sussette Kenney  
Asset Management  
TDHCA  
P.O. BOX 13941  
Austin, TX 78711-3941

Re: HTC 24224 Gatesville Crossing Material Amendment Request

Dear Ms. Kenney,

This letter concerns a material amendment request for 24224 Gatesville Crossing to reduce the total number of units from 32 units to 26 units (with associated architectural changes). This request is due to financing challenges that are out of the Applicant's control.

At the time of the 2024 application submittal, many of the disruptions caused by COVID-19 in the housing industry had begun to stabilize. However, since then, the developer has faced significant and compounding financial challenges, including new increases in construction costs, declining equity pricing, and rising interest rates, all of which have created a budget gap.

One of the primary drivers of increased construction costs has been the uncertainty concerning tariffs on key building materials. Cost increases due to tariffs have had widespread impact across the construction industry. In response, the developer sought competitive bids from multiple contractors to mitigate costs, but even the most favorable estimates were still significantly higher than those available at the time of the original application.

The most impactful change has been the dramatic decrease in equity pricing. At application equity pricing was \$0.84 per tax credit dollar. Now the most favorable rate the developer could procure for a rural region was \$0.73 per tax credit dollar, a 13% decrease or a \$1.14 million decrease in funds available for the project.

In conjunction with decreasing equity pricing, interest rates have also risen. At application the interest rates for the construction and permanent phase were 7.25% and 6.75% respectively. While the construction loan interest rate has remained the same, the permanent loan interest rate has increased by ~11% to 7.50%.

The developer explored every available, but the rural location of the development limits the number of solutions to address these changes. There are not soft funds in the area nor is the development eligible for a tax exemption. Without a way to raise additional funds to the development, the only viable solution was to modify the scope of the development.

At application the development had 32 units; 4 one bedrooms, 20 two bedrooms and 8 three bedrooms. To address the cost escalation, the developer is proposing reducing the total number of

units to 26 units. The new unit mix will be comprised of 4 one bedrooms, 18 two bedrooms and 4 three bedrooms.

The development originally was 32,028 NRA SF and 5,206 SF of common area. The square footage of the units will remain the same and with the reduction of units the new NRA SF will be 25,308 SF. The common area also decreased from 5,206 SF to 4,978 SF, a ~4.4% reduction. To minimize costs without reducing the quality of common spaces, only the common area attributed to the breezeways was reduced.

The development originally had 32 units, 4 market and 28 units at 60% AMI. The developer is proposing a decrease of 6 units in total; 4 market rate and 2 LI units, or a 7.14% decrease in the number of LI units.

Concurrent with the decrease in units, the number of parking spots has decreased. At application there were 55 stalls in total: 47 standard, 6 standard ADA and 2 van accessible. The proposed changes would yield 50 stalls in total: 43 standard, 5 standard ADA and 2 van accessible.

Please note that even though these proposed changes result in a point decrease, Gatesville Crossing was the only development in its region. Thus, Gatesville Crossing would have still been awarded if it had submitted at the proposed point level.

Please see the attached architectural plans and application forms regarding the unit reduction. Financial letters are provided by Sterling Bank who has reviewed this project and upon approval of this amendment and a force majeure request will allow the developer to close almost immediately after the October board meeting. Please also see the attached from Raymond Jones that elaborates on the need for this amendment and confirms that this development is infeasible without the reduction in units.

Thank you for your attention and consideration of this amendment request. If this amendment is approved, the developer is prepared to close in October 2025 and begin construction shortly thereafter. The good cause for this amendment is to enable this project to move forward and provide much needed affordable units in Athens. This application is also requesting a Credit Return resulting from Force Majeure Events that has been submitted under separate cover.

Please contact me at 512-689-9409 with any questions.

Sincerely,

A handwritten signature in black ink that reads "Bronte Bejarano". The script is cursive and fluid, with the first letter of each name being capitalized and prominent.

Bronte Bejarano

S Anderson Consulting



*August 25, 2025*

*Gatesville Crossing, LP  
Attn: J. Ryan Hamilton  
3556 S. Culpepper Circle, Suite 4  
Springfield, MO 65804*

*RE: Gatesville Crossing  
26 LIHTC Units  
Gatesville, TX*

*Dear Mr. Hamilton:*

*The Gatesville Crossing project was originally proposed with 32 units. Since that time, equity pricing decreased from \$0.84 to \$0.73, which makes the project completely infeasible. We appreciate Trinity's solution to reduce the unit count from 32 to units to 26, which allows the development to move forward.*

*Best regards,*

  
*Philip M. Minden  
Executive Vice President*

# RAYMOND JAMES®

July 20, 2025

Ryan Hamilton  
Trinity Housing Development Texas, LLC  
3556 S. Culpepper, Suite 7  
Springfield, MO

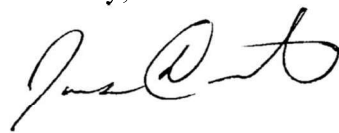
RE: Gatesville Crossing & Athens Trails Unit Count Reduction & Placed In Service Request  
TDHCA #24224 & 24215

Dear Mr. Hamilton,

As the proposed syndicator for the abovementioned developments, I need to raise the concerns regarding viability of the underwriting and the Placed In Service date of 12/31/26. After multiple reviews of the underwriting, it has become apparent that the current market conditions do not appear to make these developments viable without an adjustment to the tax credit price. At the time the General Partner submitted these applications, the equity market was noticeably different then where we are today. Based on current market conditions, RJAHI has proposed tax credit pricing of \$0.73 to satisfy current investor return requirements. This adjustment in pricing coupled with the headwinds of the higher construction costs in the development budget and insurance costs in the operating budget make the developments only feasible by reducing the unit count.

Additionally, we plan to diligently work toward a closing with the overall development team, but based on current timing, it seems that a closing date of mid to late October is realistic. It is our typical underwriting guideline to have a 90 day buffer to the construction schedule when compared to the completion date. Given the current construction schedule of 16 months and a closing in mid/late October, we would exceed our underwriting guideline as well as the Placed In Service deadline of 12/31/26. Therefore, please consider this request to grant a force majeure change with a Placed In Service deadline of 12/31/27.

Sincerely,



James Dunton  
Managing Director of Acquisitions  
Raymond James Affordable Housing Investments, Inc.

**Raymond James Affordable Housing Investments**  
A Subsidiary of Raymond James Financial

880 Carillon Parkway • St. Petersburg, FL 33716  
800-438-8088 Toll Free • 727-567-8455 Fax  
Visit our Web Site at [www.raymondjames/ahi.com](http://www.raymondjames/ahi.com)

# GATESVILLE CROSSING

GATESVILLE, CORYELL COUNTY, TEXAS

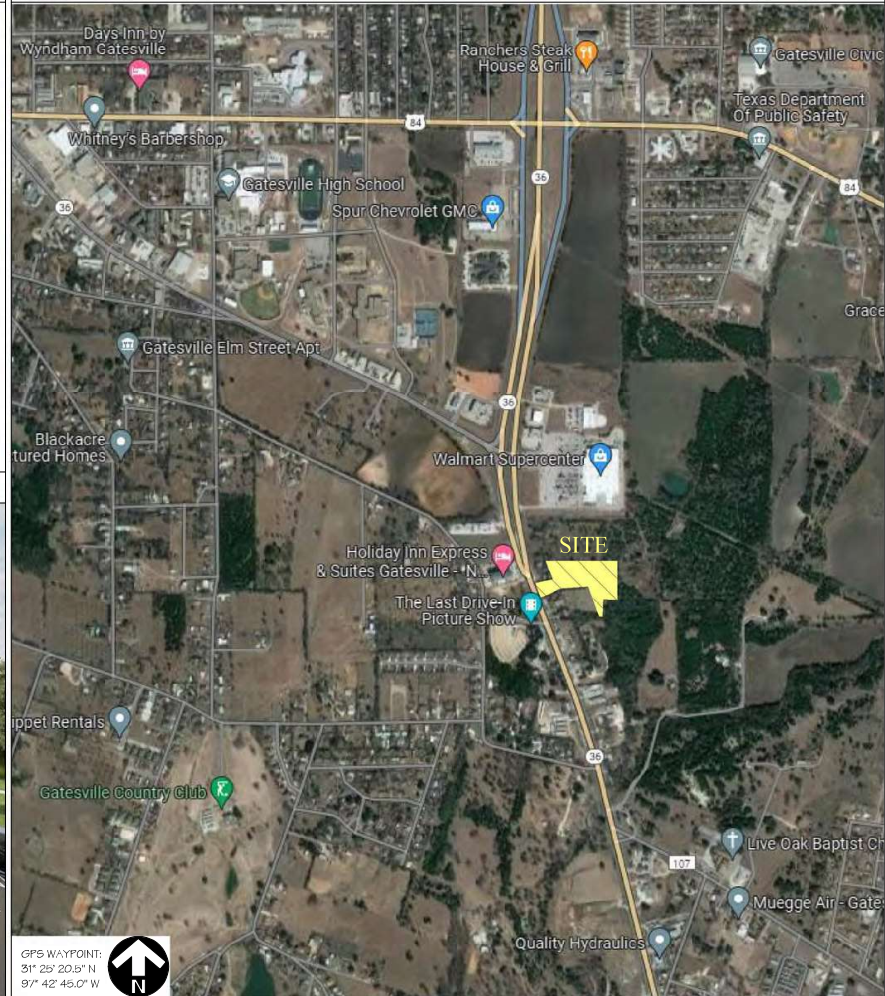
## INDEX TO DRAWINGS

AP0	COVER SHEET
AP1	ARCHITECTUAL SITE PLAN
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AP9	COMMUNITY BUILDING EXTERIOR ELEVATIONS
AP10	SAMPLE RENDERINGS

## SAMPLE EXTERIOR RENDERING



## PROJECT LOCATION



AUGUST 2025

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GATESVILLE CROSSING  
GATESVILLE, CORYELL COUNTY, TEXAS  
4835

AP0

8/19/2025 9:03:58 AM

TABLE 1: UNITS PER BUILDING TYPE

UNIT LABEL	NRA PER UNIT TYPE	BUILDING / LEVEL IDENTIFICATION			TOTAL NUMBER OF UNITS PER UNIT TYPE
		"A"			
		FIRST	SECOND	THIRD	
		NUMBER OF UNIT(S) PER BUILDING / FLOOR			
TYP. 1-BR	751 SF	-	2	-	2
FHA 1-BR	751 SF	2	-	-	2
TYP. 2-BR	974 SF	-	6	6	12
FHA 2-BR	974 SF	4	-	-	4
FHA HEARING/VISUAL 2-BR	974 SF	1	-	-	1
ADA 2-BR	974 SF	1	-	-	1
TYP. 3-BR	1,193 SF	-	2	-	2
FHA 3-BR	1,193 SF	1	-	-	1
ADA 3-BR	1,193 SF	1	-	-	1
TOTAL NUMBER OF UNITS PER BUILDING / FLOOR:		10	10	6	26

TABLE 2: REQUIRED ACCESSIBLE UNITS

UNIT TYPE	IN COMPLIANCE WITH	BUILDING / LEVEL IDENTIFICATION	
		FIRST	TOTAL
FHA / HV 2-BR	HEARING/VISUAL	1	1
ADA 2-BR	ADA / MOBILITY	1	1
ADA 3-BR	ADA / MOBILITY	1	1

MOBILITY UNITS REQUIRED (26 X 5% =13)

MOBILITY UNITS PROVIDED = 2

HEARING/VISUAL UNITS REQUIRED (26 X 2% =0.52)

HEARING/VISUAL UNITS PROVIDED = 1

TABLE 3: SQUARE FOOT CALCULATIONS PER BUILDING

NOTE: SQUARE FOOT CALCULATIONS ARE MEASURED FROM OUT TO OUTSIDE FACE OF STUD TO CENTERLINE OF UNIT PARTITION

AREA TYPE	BUILDING / LEVEL IDENTIFICATION				DEV. TOTAL
	"A"			COMM. BLDG.	
	FIRST	SECOND	THIRD		
TOTAL NRA	9,732 SF	9,732 SF	5,844 SF	-	25,308 SF
COMMON AREA - ACCESSIBLE TO TENANT(S)	-	-	-	1,954 SF	1,954 SF
BREEZEWAY(S)	1,566 SF	729 SF	729 SF	-	3,024 SF
UNIT PORCH(ES)/PATIO(S)/BALCONY	590 SF	590 SF	354 SF	-	1,534 SF
UTILITY CLOSETS - RESTRICTED TO EMPLOYEE(S)	69 SF	-	-	148 SF	217 SF
EXTERIOR STORAGE	190 SF	190 SF	114 SF	-	494 SF
TOTAL BUILDING AREA PER BUILDING:	12,147 SF	11,241 SF	7,041 SF	2,102 SF	32,531 SF

## SITE LEGEND

--- ACCESSIBLE ROUTE (36" MIN. WIDTH, 2% CROSS SLOPE MAX, 5% RUNNING SLOPE MAX)



ADA ACCESSIBLE



HEARING/VISUAL (H/V) ACCESSIBLE

## UNIT TYPE LEGEND

TYP. = TYPICAL UNIT  
FHA = FAIR HOUSING ACT  
ADA = AMERICANS WITH DISABILITIES ACT  
HV = HEARING/VISUAL

TABLE 4: PARKING PROVIDED

NOTE: ALL PARKING PROVIDED IS UNCOVERED	
TYPE	QUANTITY
STANDARD SPACE(S)	43
STANDARD ACCESSIBLE SPACE(S)	5
VAN ACCESSIBLE SPACE(S)	2
TOTAL PARKING PROVIDED:	50
LOCAL PARKING REQUIREMENTS: (1) SPACE FOR EACH DWELLING UNIT PLUS (1) SPACE FOR EVERY (3) BEDROOMS	
PARKING PROVIDED MEETS ZONING REQUIREMENT	

## SITE INFORMATION

LAND AREA:	+/- 5.89 ACRE(S)
EXISTING USE:	UNDEVELOPED
CURRENT ZONING:	BUSINESS / COMMERCIAL
PROPOSED USE:	MULTIFAMILY APARTMENTS
DETENTION/RETENTION POND:	SEE SITE PLAN FOR LOCATION
FLOOD PLAIN:	FLOOD ZONE X, NO MITIGATION REQUIRED



120 60 0 120  
FEET



AUGUST 2025

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**GATESVILLE CROSSING**

GATESVILLE, CORYELL COUNTY, TEXAS

GATESVILLE CROSSING, LP

4835

AP1

8/21/2025 10:06:42 AM