

24179 Westwind of Plainview - Application Summary

REAL ESTATE ANALYSIS DIVISION

July 11, 2024

PROPERTY IDENTIFICATION	
Application #	24179
Development	Westwind of Plainview
City / County	Plainview / Hale
Region/Area	1 / Rural
Population	General
Set-Aside	General
Activity	New Construction

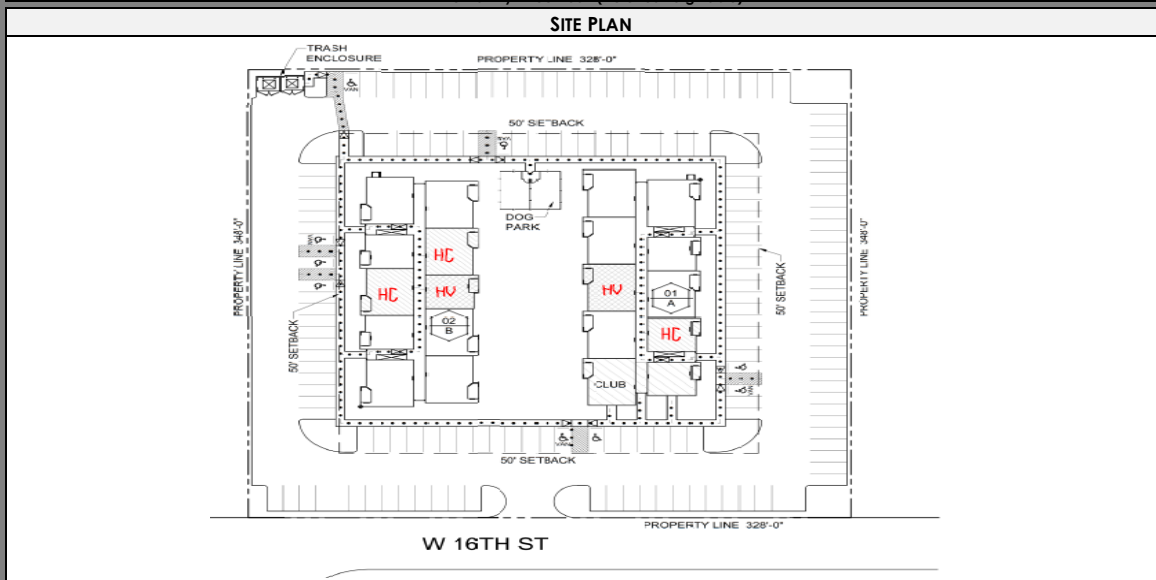
RECOMMENDATION					
TDHCA Program		Request	Recommended		
LIHTC (9% Credit)		\$1,058,716	\$1,058,716	\$18,254/Unit	\$0.88

KEY PRINCIPALS / SPONSOR		
Leah Garrett - Salem Clark Development, LLC		
Kelly Garrett - Salem Clark Development, LLC		
Related Parties	Contractor - Yes	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	17	29%	30%	5	9%
2	41	71%	40%	-	0%
3	-	0%	50%	12	21%
4	-	0%	60%	41	71%
			70%	-	0%
			80%	-	0%
			MR	-	0%
TOTAL	58	100%	TOTAL	58	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.17	Expense Ratio	62.1%
Breakeven Occ.	87.3%	Breakeven Rent	\$713
Average Rent	\$757	B/E Rent Margin	\$43
Property Taxes	\$894/unit	Exemption/PILOT	0%
Total Expense	\$5,350/unit	Controllable	\$2,393/unit

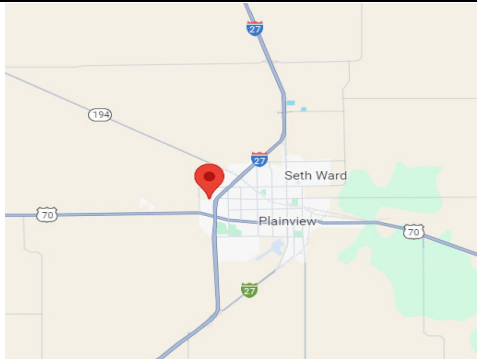


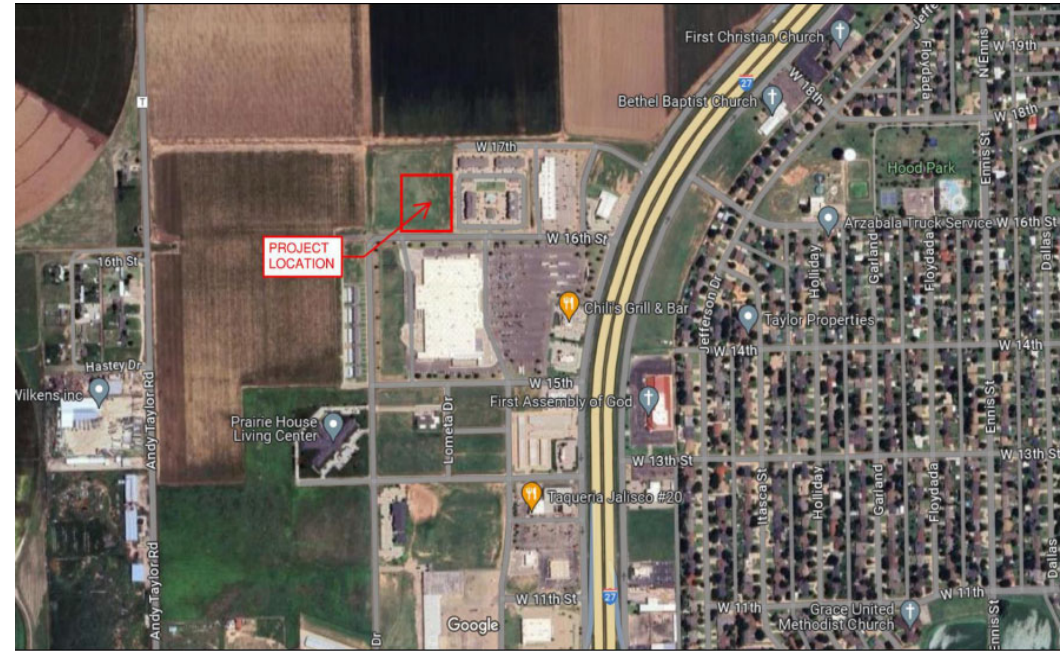
MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	5.1%		
Highest Unit Capture Rate	15%	2 BR/60%	30
Dominant Unit Cap. Rate	15%	2 BR/60%	30
Premiums (↑80% Rents)	N/A	N/A	
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	827 SF	Density	22.1/acre
Acquisition		\$04K/unit	\$250K
Building Cost	\$107.92/SF	\$89K/unit	\$5,175K
Hard Cost		\$114K/unit	\$6,634K
Total Cost		\$203K/unit	\$11,776K
Developer Fee	\$1,440K	(28% Deferred)	Paid Year: 14
Contractor Fee	\$929K	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	
Specialty Finance Group (SFG) - Permanent Term Loan	18/40	7.50%	\$2,050,000	1.17	City of Plainview - Reduced Fees	0/0	0.00%	\$250	1.17	Affordable Housing Partners, Inc. (AHP)	\$9,315,768	
											Salem Clark Development, LLC	\$410,140
											TOTAL EQUITY SOURCES	\$9,725,908
											TOTAL DEBT SOURCES	\$2,050,250
											TOTAL CAPITALIZATION	\$11,776,158
TOTAL DEBT (Must Pay)			\$2,050,000		CASH FLOW DEBT / GRANTS			\$250				

CONDITIONS
<ul style="list-style-type: none">Receipt and acceptance by Cost Certification:<ul style="list-style-type: none">Architect certification that buildings were tested for the presence of radon and any recommended mitigation measures 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
STRENGTHS/MITIGATING FACTORS
<ul style="list-style-type: none">New construction should enhance leasingDeveloper experience
WEAKNESSES/RISKS
<ul style="list-style-type: none">High Expense to Income RatioLow number of unitsLow projected 15-year cash flow
AREA MAP


AERIAL PHOTOGRAPH(s)




DEVELOPMENT IDENTIFICATION

TDHCA Application #: **24179** Program(s): **9% HTC**

Westwind of Plainview

Address/Location: ~4200 W. 16th Street

City: Plainview County: Hale Zip: 79072

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

Activity: New Construction Building Type: Garden (Up to 4-story) Region: 1

Analysis Purpose: New Application - Initial Underwriting

ALLOCATION

TDHCA Program	REQUEST				RECOMMENDATION						
	Amount	Int. Rate	Amort	Term	Amount	Int. Rate	Amort	Perm. Term	Perm Lien	Const. Term	Const Lien
LIHTC (9% Credit)	\$1,058,716				\$1,058,716						

CONDITIONS

- Receipt and acceptance by Cost Certification:
 - Architect certification that buildings were tested for the presence of radon and any recommended mitigation measures 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	5
50% of AMI	50% of AMI	12
60% of AMI	60% of AMI	41

DEVELOPMENT SUMMARY

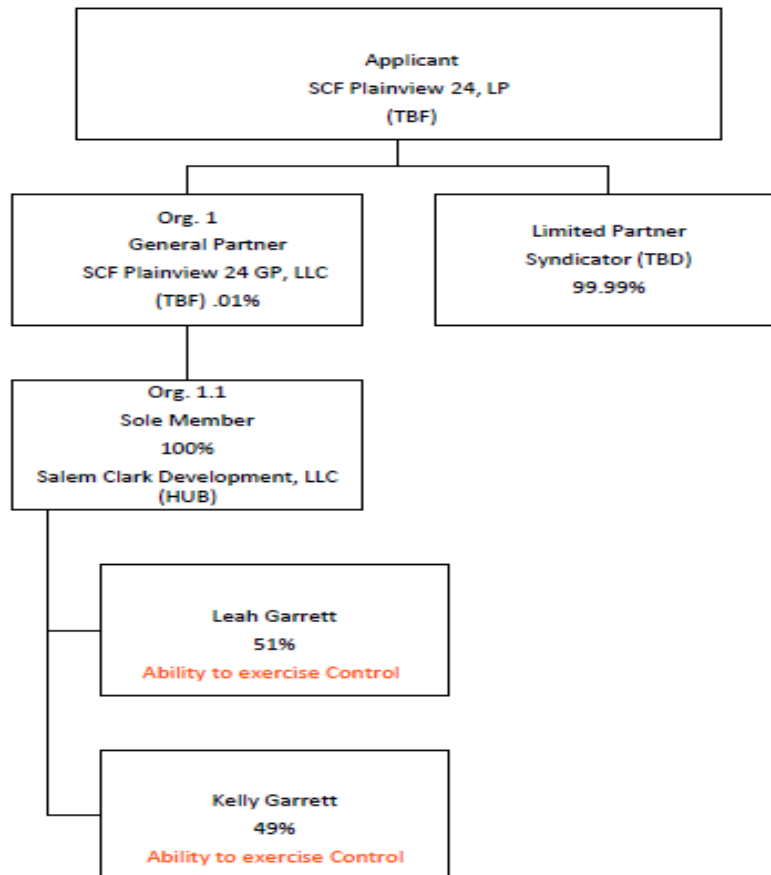
Westwind of Plainview is a typical garden style development serving families. The development will have 58 units comprised of 17 1-bdrm and 41 2-bdrm units, all targeted towards families at or below 60% AMI.

RISK PROFILE

STRENGTHS/MITIGATING FACTORS		WEAKNESSES/RISKS	
▫	New construction should enhance leasing	▫	High Expense to Income Ratio
▫	Developer experience	▫	Low number of units
▫		▫	Low projected 15-year cash flow

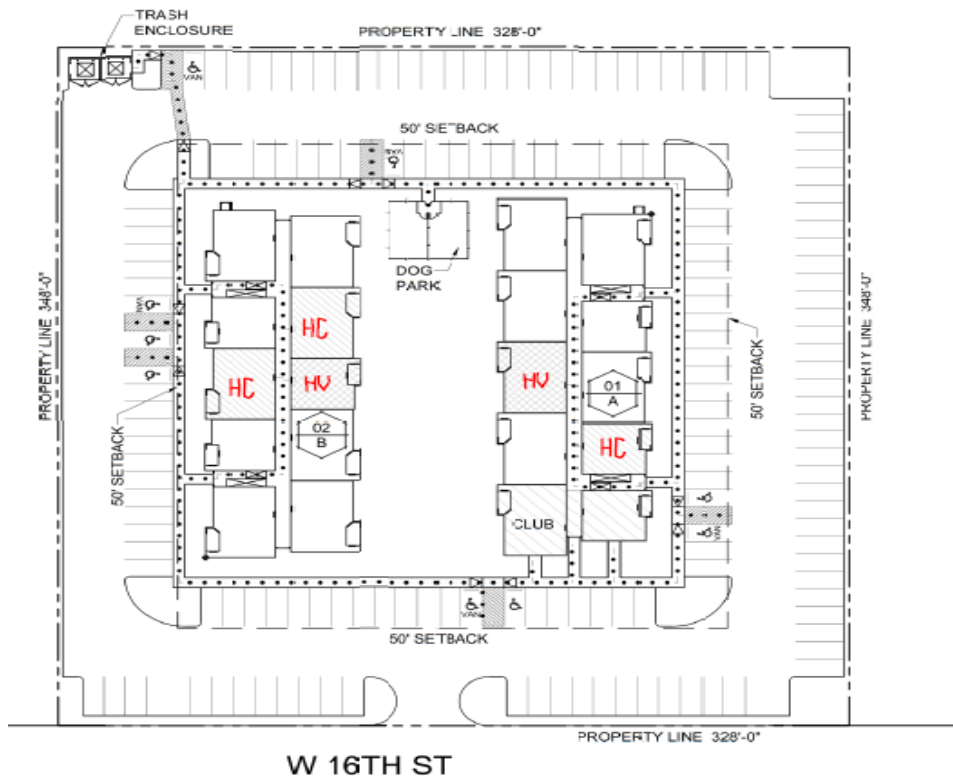
DEVELOPMENT TEAM

OWNERSHIP STRUCTURE



DEVELOPMENT SUMMARY

SITE PLAN



W 16TH ST



The Development is providing 167 total open surface parking at no fee. There is an expected average of parking based on the City's minimum parking requirements (157 spaces). The Applicant is meeting the parking requirement.

30-YEAR ARCHITECTURAL SHINGLES

12 5

12 5

WINDOW (TYP.)

FIBER CEMENT SIDING

METAL RAILING

15'-8" 20'-11" 15'-8" 20'-11" 15'-8" 20'-11" 15'-8" 20'-11" 15'-8" 20'-9 1/2"

182'-9 1/2"

Building Type	A	B										Total Buildings
Floors/Stories	3	3										
Number of Bldgs	1	1									2	
Units per Bldg	28	30										
Total Units	28	30									58	
Avg. Unit Size (SF)		827 sf	Total NRA (SF)		47,950	Common Area (SF)*		10,697				

7/11/24

SITE CONTROL INFO

Site Acreage: Development Site: 2.62 acres Density: 22.1 units/acre
Site Control: 2.62 **Site Plan:** 2.62 **Appraisal:** 2.62 **ESA:** ~2.62
Feasibility Report Survey: 2.62 **Feasibility Report Engineer's Plan:** 2.62 **Existing LURA:** n/a

Control Type: Unimproved Property Contract

Development Site: 2.62 acres Cost: \$250,000 \$4,310 per unit

Seller: State Street Housing Development, LP

Buyer: Chaz Garrett

Assignee: SCF Plainview 24, LP

Related-Party Seller/Identity of Interest: Yes

Comments:

After Westwind of Plainview in Plainview, TX, is awarded Low Income Housing Tax Credits, then Chaz Garrett will assign his rights to the attached contract to SCF Plainview 24, LP.

The LURA will encumber the entire development site, and there will not be a need for land dedications/ROW's for the development site.

APPRAISED VALUE

Appraiser: SMS APPRAISAL/ENVIRONMENTAL SERVICES, INC. Date: 2/26/2024

Land as Vacant: <u>2.62</u> acres	<u>\$290,000</u>	Per Unit: <u>\$5,000</u>
Existing Buildings: (as-is)	<u>\$0</u>	Per Unit: <u>\$0</u>
Total Development: (as-is)	<u>\$290,000</u>	Per Unit: <u>\$5,000</u>

SITE INFORMATION

Flood Zone: x

Scattered Site? No

Zoning: Not Zoned,
Requesting Annex

Within 100-yr floodplain? No

Re-Zoning Required? Yes

Utilities at Site? Yes

Year Constructed: N/A

Title Issues? No

Current Uses of Subject Site:

Vacant land

Other Observations:

The applicant stated that the application for annexation and re-zoning has been filed, but the process has not been completed yet. This process is typically completed after awards.

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering, LLC

Date: 2/22/2024

Recognized Environmental Conditions (RECs) and Other Concerns:

- Radon resistant construction and post-construction radon testing.

MARKET ANALYSIS

Provider: Apartment MarketData, LLC

Date: 3/14/2024

Primary Market Area (PMA): 436.66 sq. miles 12 mile equivalent radius

AFFORDABLE HOUSING INVENTORY

Competitive Supply (Proposed, Under Construction, and Unstabilized)

File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
N/A	None	N/A	#N/A	#N/A	N/A	#N/A

Stabilized Affordable Developments in PMA

Total Units	285
Total Developments	4
Average Occupancy	95.4%

OVERALL DEMAND ANALYSIS

		Market Analyst			
		HTC	Assisted		
Total Households in the Primary Market Area		8,733			
Potential Demand from the Primary Market Area		1,044			
10% External Demand		104			
Potential Demand from Other Sources		0			
GROSS DEMAND		1,148			
Subject Affordable Units		58			
Unstabilized Competitive Units		0			
RELEVANT SUPPLY		58			
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE		5.1%			

Population:

General

Market Area:

Rural

Maximum Gross Capture Rate:

30%

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	263	26	5	0	1.7%				
50% AMGI	151	15	12	0	7.2%				
60% AMGI	630	63	41	0	5.9%				

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%	65	7	2	0	2.8%					
1 BR/50%	39	4	4	0	9.3%					
1 BR/60%	84	8	11	0	11.9%					
2 BR/30%	52	5	3	0	5.2%					
2 BR/50%	73	7	8	0	10.0%					
2 BR/60%	177	18	30	0	15.4%					

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)

NOI:	\$189,746	Avg. Rent:	\$757	Expense Ratio:	62.1%
Debt Service:	\$161,885	B/E Rent:	\$713	Controllable Expenses:	\$2,393
Net Cash Flow:	\$27,860	UW Occupancy:	92.5%	Property Taxes/Unit:	\$894
Aggregate DCR:	1.17	B/E Occupancy:	87.3%	Program Rent Year:	2023

There were limited comparables in Hale county, so underwriter elected to use both Hale & Lubbock Counties as comparables for expenses.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)

Acquisition	\$95,420/ac	\$4,310/unit	\$250,000	Contractor Fee	\$928,760
Off-site + Site Work		\$17,672/unit	\$1,025,000	Soft Cost + Financing	\$2,425,862
Building Cost	\$107.92/sf	\$89,224/unit	\$5,175,000	Developer Fee	\$1,439,563
Contingency	7.00%	\$7,483/unit	\$434,000	Reserves	\$97,973
Total Development Cost		\$203,037/unit	\$11,776,158	Rehabilitation Cost	N/A

Qualified for 30% Basis Boost?

Rural [9% only]

Developer Fee:

Eligible Developer Fee is overstated by \$274 and Total Developer Fee is overstated by \$437.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$11,776,158	\$10,945,903	\$1,280,671

UNDERWRITTEN CAPITALIZATION

INTERIM SOURCES

Funding Source	Description	Amount	Rate	LTC
M1 Bank - Construction Loan	Construction Lender	\$8,805,000	9.00%	75%
Affordable Housing Partners, Inc. (AHP)	HTC	\$1,863,154	\$0.88	16%
City of Plainview - Reduced Fees	\$11.9(d)(2)LPS Contribution	\$250	0.00%	0%
Salem Clark Development, LLC	Deferred Developer Fee	\$1,108,191	0.00%	9%
		\$11,776,595	Total Sources	

PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Specialty Finance Group (SFG) - Permanent Term Loan	\$2,050,000	7.50%	40	18.0	\$2,050,000	7.50%	40	18.0	17%
City of Plainview - Reduced Fees	\$250	Fee Waiver			\$250	Fee Waiver			0%
Total	\$2,050,250				\$2,050,250				

	PROPOSED			UNDERWRITTEN			
Equity & Deferred Fees	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Affordable Housing Partners, Inc. (AHP)	\$9,315,768	\$0.88		\$9,315,768	\$0.88	79%	
Salem Clark Development, LLC	\$410,577		29%	\$410,140		3%	28%
	Total	\$9,726,345		\$9,725,908			
				\$11,776,158	Total Sources		

Credit Price Sensitivity based on current capital structure

\$0.919	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.874	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Gap Analysis:	
Total Development Cost	\$11,776,158
Permanent Sources (debt + non-HTC equity)	\$2,050,250
Gap in Permanent Financing	\$9,725,908

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$11,268,773	\$1,280,671
Needed to Balance Sources & Uses	\$9,725,908	\$1,105,328
Requested by Applicant	\$9,315,768	\$1,058,716

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$9,315,768	\$1,058,716

Deferred Developer Fee	\$410,140	(28% deferred)
Repayable in	14 years	

Recommendation:

Underwriter is recommending \$1,058,716 of annual tax credits as requested by the Applicant.

Underwriter:	<u>Mario Castellanos</u>
Manager of Real Estate Analysis:	<u>Robert Castillo</u>
Director of Real Estate Analysis:	<u>Jeanna Adams</u>

UNIT MIX/RENT SCHEDULE
<i>Westwind of Plainview, Plainview, 9% HTC #24179</i>

LOCATION DATA	
CITY:	Plainview
COUNTY:	Hale
Area Median Income	\$64,100
PROGRAM REGION:	1
PROGRAM RENT YEAR:	2023

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	-	0.0%	0	0	0	0
1	17	29.3%	0	0	0	0
2	41	70.7%	0	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	58	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	827 sf

55%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	5	-	12	41	-	-	-	58
Income	% Total	0.0%	8.6%	0.0%	20.7%	70.7%	0.0%	0.0%	0.0%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE																			
HTC		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten		Mrkt Analyst
TC 30%	\$405	2	1	1	650	\$405	\$81	\$324	\$0	\$0.50	\$324	\$648	\$648	\$324	\$0.50	\$0	\$864	\$1.33	\$864
TC 50%	\$676	4	1	1	650	\$676	\$81	\$595	\$0	\$0.92	\$595	\$2,380	\$2,380	\$595	\$0.92	\$0	\$864	\$1.33	\$864
TC 60%	\$811	11	1	1	650	\$811	\$81	\$730	\$0	\$1.12	\$730	\$8,030	\$8,030	\$730	\$1.12	\$0	\$864	\$1.33	\$864
TC 30%	\$486	3	2	2	900	\$486	\$105	\$381	\$0	\$0.42	\$381	\$1,143	\$1,143	\$381	\$0.42	\$0	\$1,012	\$1.12	\$1,012
TC 50%	\$811	8	2	2	900	\$811	\$105	\$706	\$0	\$0.78	\$706	\$5,648	\$5,648	\$706	\$0.78	\$0	\$1,012	\$1.12	\$1,012
TC 60%	\$973	30	2	2	900	\$973	\$105	\$868	\$0	\$0.96	\$868	\$26,040	\$26,040	\$868	\$0.96	\$0	\$1,012	\$1.12	\$1,012
TOTALS/AVERAGES:		58			47,950				\$0	\$0.92	\$757	\$43,889	\$43,889	\$757	\$0.92	\$0	\$969	\$1.17	\$969

ANNUAL POTENTIAL GROSS RENT:	\$526,668	\$526,668	
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STABILIZED PRO FORMA

Westwind of Plainview, Plainview, 9% HTC #24179

STABILIZED FIRST YEAR PRO FORMA

		COMPARABLES		APPLICANT				TDHCA				VARIANCE	
		Database	Hale & Lubbock Counties	% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$0.92	\$757	\$526,668	\$526,668	\$757	\$0.92		0.0%	\$0
Application Fees, NSF, Pet Rent						\$20.00	\$13,920						
Total Secondary Income						\$20.00		\$13,920	\$20.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$540,588	\$540,588				0.0%	\$0
Vacancy & Collection Loss						7.5% PGI	(40,544)	(40,544)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME							\$500,044	\$500,044				0.0%	\$0

General & Administrative	\$28,276	\$488/Unit	\$23,509	\$405	4.10%	\$0.43	\$353	\$20,500	\$28,276	\$488	\$0.59	5.65%	-27.5%	(7,776)
Management	\$27,055	7.5% EGI	\$23,545	\$406	4.00%	\$0.42	\$345	\$20,002	\$20,002	\$345	\$0.42	4.00%	0.0%	0
Payroll & Payroll Tax	\$63,208	\$1,090/Unit	\$62,270	\$1,074	9.05%	\$0.94	\$780	\$45,236	\$45,236	\$780	\$0.94	9.05%	0.0%	-
Repairs & Maintenance	\$52,013	\$897/Unit	\$25,583	\$441	7.50%	\$0.78	\$647	\$37,525	\$37,700	\$650	\$0.79	7.54%	-0.5%	(176)
Electric/Gas	\$15,302	\$264/Unit	\$10,864	\$187	1.44%	\$0.15	\$124	\$7,210	\$10,864	\$187	\$0.23	2.17%	-33.6%	(3,654)
Water, Sewer, & Trash	\$22,980	\$396/Unit	\$25,181	\$434	5.66%	\$0.59	\$488	\$28,295	\$25,181	\$434	\$0.53	5.04%	12.4%	3,114
Property Insurance	\$33,570	\$0.70 /sf	\$45,957	\$792	10.22%	\$1.07	\$881	\$51,107	\$51,107	\$881	\$1.07	10.22%	0.0%	-
Property Tax (@ 100%) 1.9706	\$30,806	\$531/Unit	\$42,696	\$736	10.37%	\$1.08	\$894	\$51,862	\$38,376	\$662	\$0.80	7.67%	35.1%	13,486
Reserve for Replacements					2.90%	\$0.30	\$250	\$14,500	\$14,500	\$250	\$0.30	2.90%	0.0%	-
Cable TV					5.32%	\$0.55	\$458	\$26,592	\$26,592	\$458	\$0.55	5.32%	0.0%	-
Supportive Services					1.03%	\$0.11	\$89	\$5,150	\$5,150	\$89	\$0.11	1.03%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.46%	\$0.05	\$40	\$2,320	\$2,320	\$40	\$0.05	0.46%	0.0%	-
TOTAL EXPENSES					62.05%	\$6.47	\$5,350	\$310,298	\$305,302	\$5,264	\$6.37	61.06%	1.6%	\$ 4,996
NET OPERATING INCOME ("NOI")					37.95%	\$3.96	\$3,271	\$189,746	\$194,741	\$3,358	\$4.06	38.94%	-2.6%	\$ (4,996)

CONTROLLABLE EXPENSES		\$2,393/Unit		\$2,539/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS
<i>Westwind of Plainview, Plainview, 9% HTC #24179</i>

		DEBT / GRANT SOURCES																
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE							AS UNDERWRITTEN DEBT/GRANT STRUCTURE									
		Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Term	Amort	Rate	Pmt	Cumulative				
UW	App	DCR	LTC															
DEBT (Must Pay)	Fee																	
Specialty Finance Group (SFG) - Permanent Term Loan		1.20	1.17	161,885	7.50%	40	18.0	\$2,050,000	\$2,050,000	18.0	40.0	7.50%	\$161,885	1.17	17.4%			
CASH FLOW DEBT / GRANTS																		
City of Plainview - Reduced Fees		1.20	1.17		0.00%	0	0.0	\$250	\$250	0.0	0.0	0.00%		1.17	0.0%			
				\$161,885	TOTAL DEBT / GRANT SOURCES			\$2,050,250	\$2,050,250	TOTAL DEBT SERVICE			\$161,885	1.17	17.4%			
NET CASH FLOW		\$32,856	\$27,860	APPLICANT NET OPERATING INCOME												\$189,746	\$27,860	NET CASH FLOW

	EQUITY SOURCES										
	APPLICANT'S PROPOSED EQUITY STRUCTURE					AS UNDERWRITTEN EQUITY STRUCTURE					
	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
EQUITY / DEFERRED FEES											
Affordable Housing Partners, Inc. (AHP)	LIHTC Equity	79.1%	\$1,058,716	\$0.88	\$9,315,768	\$9,315,768	\$0.8799	\$1,058,716	79.1%	\$18,254	Applicant Request
Salem Clark Development, LLC	Deferred Developer Fees	3.5%	(29% Deferred)		\$410,577	\$410,140	(28% Deferred)		3.5%	Total Developer Fee: \$1,439,563	
Additional (Excess) Funds Req'd		0.0%				\$0			0.0%		
TOTAL EQUITY SOURCES		82.6%			\$9,726,345	\$9,725,908			82.6%		
TOTAL CAPITALIZATION					\$11,776,595	\$11,776,158			15-Yr Cash Flow after Deferred Fee: \$63,947		

														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						\$4,310 / Unit	\$250,000	\$250,000	\$4,310 / Unit					0.0%	\$0												
Building Acquisition		\$0				\$ / Unit	\$0	\$0	\$ / Unit			\$0		0.0%	\$0												
Off-Sites			\$0			\$ / Unit	\$0	\$0	\$ / Unit		\$0			0.0%	\$0												
Site Work			\$871,250			\$16,293 / Unit	\$945,000	\$945,000	\$16,293 / Unit		\$871,250			0.0%	\$0												
Site Amenities			\$80,000			\$1,379 / Unit	\$80,000	\$80,000	\$1,379 / Unit		\$80,000			0.0%	\$0												
Building Cost			\$5,175,000	\$107.92/sf	\$89,224/Unit	\$5,175,000	\$5,511,341	\$95,023/Unit	\$114.94 /sf	\$5,175,000			-6.1%	(\$336,341)													
Contingency			\$428,838	7.00%	7.00%	\$434,000	\$434,000	6.64%	7.00%	\$428,838			0.0%	\$0													
Contractor Fees			\$917,712	14.00%	14.00%	\$928,760	\$928,760	13.32%	14.00%	\$917,712			0.0%	\$0													
Soft Costs		\$0	\$1,145,002			\$19,741 / Unit	\$1,145,002	\$1,145,002	\$19,741 / Unit	\$1,145,002	\$0		0.0%	\$0													
Financing		\$0	\$900,375			\$22,084 / Unit	\$1,280,860	\$1,280,860	\$22,084 / Unit	\$900,375	\$0		0.0%	\$0													
Developer Fee		\$0	\$1,428,000	15.00%	15.00%	\$1,440,000	\$1,439,563	14.49%	15.00%	\$1,427,726	\$0		0.0%	\$437													
Reserves						2 Months	\$97,973	\$97,973	3 Months				0.0%	\$0													
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$10,946,177			\$203,045 / Unit	\$11,776,595	\$12,112,499	\$208,836 / Unit	\$10,945,903	\$0		-2.8%	(\$335,904)													
Acquisition Cost		\$0					\$0																				
Contingency			(\$0)				\$0																				
Contractor's Fee			\$0				\$0																				
Financing Cost			\$0																								
Developer Fee		\$0	(\$274)	15.00%	15.00%		(\$437)																				
Reserves							\$0																				
ADJUSTED BASIS / COST		\$0	\$10,945,903			\$203,037/unit	\$11,776,158	\$12,112,499	\$208,836/unit	\$10,945,903	\$0		-2.8%	(\$336,341)													
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):							\$11,776,158																				

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Westwind of Plainview, Plainview, 9% HTC #24179

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$10,945,903	\$0	\$10,945,903
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$10,945,903	\$0	\$10,945,903
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$14,229,674	\$0	\$14,229,674
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$14,229,674	\$0	\$14,229,674
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,280,671	\$0	\$1,280,671
CREDITS ON QUALIFIED BASIS	\$1,280,671		\$1,280,671	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price \$0.8799	Variance to Request	
	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,280,671	\$11,268,773	----	----	----
Needed to Fill Gap	\$1,105,328	\$9,725,908	----	----	----
Applicant Request	\$1,058,716	\$9,315,768	\$1,058,716	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	47,950 SF	\$95.00	4,555,373
Adjustments				
Exterior Wall Finish	0.00%		0.00	\$0
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.00%		2.85	136,661
Roof Adjustment(s)			0.00	0
Subfloor			(0.21)	(10,229)
Floor Cover			3.68	176,456
Breezeways	\$40.01	8,870	7.40	354,929
Balconies	\$39.97	3,351	2.79	133,928
Plumbing Fixtures	\$1,420	164	4.86	232,880
Rough-ins	\$700	116	1.69	81,200
Built-In Appliances	\$2,280	58	2.76	132,240
Exterior Stairs	\$3,550	8	0.59	28,400
Heating/Cooling			3.12	149,604
Storage Space	\$40.01	668	0.56	26,730
Carports	\$16.05	0	0.00	0
Garages	\$30.00	0	0.00	0
Common/Support Area	\$143.64	1,770	5.30	254,246
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$3.65	59,258	4.51	216,292
SUBTOTAL			134.91	6,468,710
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			134.91	\$6,468,710
Plans, specs, survey, bldg permits	3.30%		(4.45)	(\$213,467)
Contractor's OH & Profit	11.50%		(15.51)	(743,902)
NET BUILDING COSTS		\$95,023/unit	\$114.94/sf	\$5,511,341

Long-Term Pro Forma

Westwind of Plainview, Plainview, 9% HTC #24179

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35	Year 40
EFFECTIVE GROSS INCOME	2.00%	\$500,044	\$510,045	\$520,246	\$530,651	\$541,264	\$597,599	\$659,797	\$728,470	\$804,289	\$888,000	\$980,424	\$1,082,467
TOTAL EXPENSES	3.00%	\$310,298	\$319,407	\$328,785	\$338,441	\$348,382	\$402,675	\$465,491	\$538,176	\$622,285	\$719,623	\$832,280	\$962,676
NET OPERATING INCOME ("NOI")		\$189,746	\$190,638	\$191,460	\$192,210	\$192,882	\$194,924	\$194,306	\$190,294	\$182,005	\$168,378	\$148,145	\$119,792
EXPENSE/INCOME RATIO		62.1%	62.6%	63.2%	63.8%	64.4%	67.4%	70.6%	73.9%	77.4%	81.0%	84.9%	88.9%
MUST -PAY DEBT SERVICE													
Specialty Finance Group (SFG) - Permanent Term Loan		\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885
TOTAL DEBT SERVICE		\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885	\$161,885
DEBT COVERAGE RATIO		1.17	1.18	1.18	1.19	1.19	1.20	1.20	1.18	1.12	1.04	0.92	0.74
ANNUAL CASH FLOW		\$27,860	\$28,752	\$29,575	\$30,324	\$30,996	\$33,038	\$32,420	\$28,409	\$20,119	\$6,492	(\$13,741)	(\$42,094)
Deferred Developer Fee Balance		\$382,280	\$353,528	\$323,953	\$293,629	\$262,633	\$100,592	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$63,947	\$215,536	\$334,620	\$396,707	\$371,394	\$221,217