



**Addendum to Underwriting Report**

Application #: **23504\_23933\_21131** Program(s): **9% HTC/MDL**

**Boulevard 61**

Address/Location: **6101 Richmond Avenue**

City: **Houston** County: **Harris** Zip: **77057**

APPLICATION HISTORY	
Report Date	PURPOSE
<b>07/07/23</b>	<b>MDL Award Memo</b>
02/17/23	Supplemental Credit Memo
07/20/21	Original Underwriting Report

**ALLOCATION**

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
<b>Multifamily Direct Loan</b>	\$1,440,000	0.00%	35	18	<b>\$7,100,000</b>	<b>2.00%</b>	<b>40</b>	<b>40</b>	<b>2</b>
<b>LIHTC (9% Credit)</b>	\$1,725,000				<b>\$1,725,000</b>				

\* Multifamily Direct Loan Terms:

\* Term of a Multifamily Direct Loan should match the term of any superior loan (within 6 months).

\* Lien position after conversion to permanent. The Department's lien position during construction may vary.

**CONDITIONS STATUS**

**1 Receipt and acceptance before Direct Loan Closing - REVISED**

- a: Updated application exhibits: Rent Schedule, Utility Allowance, Operating Expenses, Long-Term Pro Forma, Development Cost Schedule, Schedule of Sources; and documentation necessary to support
- b: Substantially final construction contract with Schedule of Values.
- c: Updated term sheets with substantially final terms from all lenders.
- d: Substantially final draft of limited partnership agreement.
- e: For Rehabilitation Developments, most recent annual operating statement.
- f: Updated documentation of rents and approval of project-based utility allowance model for Project-Based Vouchers for 25 units from Houston Housing Authority.
- g: Documentation that a noise study has been completed, and certification from the Architect that all recommendations from the noise study are incorporated into the development plans.

**2 Receipt and acceptance by Cost Certification:**

- Architect certification that all noise assessment recommendations were implemented and the Development is compliant with HUD noise guidelines.

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

## SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	9
50% of AMI	50% of AMI	35
60% of AMI	60% of AMI	42
80% of AMI	80% of AMI	4

TDHCA SET-ASIDES for DIRECT LOAN LURA		
Income Limit	Rent Limit	Number of Units
30% of AMFI	30% of AMFI	38

## ANALYSIS

In 2021 the Development received a 9% HTC allocation and approval of a \$1,440,000 Multifamily Direct Loan. The Development has also been awarded a 15% increase in the annual tax credit allocation under 2023 QAP Subchapter F, Supplemental Housing Tax Credits.

The current application under the 2023-1 NOFA General Set-Aside is for \$5,660,000 MultiFamily Direct Loan funding, resulting in a total Direct Loan award of \$7,100,000.

Ninety of 100 units are subject to HTC rent and income restrictions at 30%, 50%, 60%, and 80% AMI. With the requested additional Direct Loan funding, the required number of units with an additional layered 30% AMI restriction will increase from 7 units to 38 units.

### **Operating Pro Forma**

HTC and NHTF Program Rents have been updated to 2023.

Market Rents have been updated as of June 2023.

The Applicant has applied to Houston Housing Authority for Project-Based Vouchers for 25 units. The request will be considered at the July 2023 HHA Board Meeting. A commitment for the vouchers will be required before MDL Closing.

Underwritten Net Operating Income has increased from \$455,298 to \$557,449.

### **Development Cost**

Applicant's Cost Schedule includes \$15,509,930 Hard Cost, a \$6.2M increase from the original application.

Underwriter's estimate shows \$16,518,781 Hard Cost based on the draft construction contract Schedule of Values.

With the Total Development Cost variance less than 5%, conclusions about financing structure are based on the Applicant's lower cost. If the Underwriter's higher cost were used, there would not be sufficient Developer Fee available for deferral to balance sources and uses, and the Development would be considered infeasible. An updated construction Schedule of Values will be required at Closing, and the Total Sources of Funds must be sufficient to finance the documented cost.

Developer Fee is unchanged from the original underwriting.

Total Development Cost is \$32,245,400, a \$9.2M increase from the original application.

### **Sources of Funds**

Enterprise will provide equity bridge financing up to \$12,000,000 at 6.50% interest for a 30-month term.

Mason Joseph will provide a construction-to-permanent HUD 221d4 loan in the amount of \$7,400,000 at 5.50% interest and 0.35% MIP, with 40-year amortization and 40-year term.

A \$1,440,000 Multifamily Direct Loan was previously approved under the 2021 NOFA as a deferred payable loan at 0% interest. In June 2023 the TDHCA Board granted approval, subject to final underwriting, to \$5,660,000 in additional Direct Loan funding under the 2023 NOFA, specifying the total \$7,100,000 to be in second lien position with an interest rate of 2.00%, a 40-year term, and a 40-year amortization period repayable out of surplus cash as defined by HUD.

The Enterprise bridge loan term sheet indicates a 30-month construction period, while the Mason Joseph term sheet indicates a 16-month construction period. The Applicant indicates that the actual construction term for both loans will likely be 24 months, with up to two 6-month extensions, aligning with TDHCA's Direct Loan requirement that "The construction term for MFDL loans shall be coterminous with any superior construction loan(s), but no greater than 36 months."

Enterprise will provide \$15,868,413 in equity at a \$0.92 price for \$1,725,000 Housing Tax Credits (the original 9% award of \$1,500,000 plus \$225,000 in Supplemental Credits).

Permanent sources also include \$600,000 in Matching Funds and a \$500 local government contribution.

Underwritten deferred Developer Fee is \$533,349 higher than in the original application.

**Conclusion**

REA recommends approval of a construction-to-permanent Multifamily Direct Loan in the amount of \$7,100,000, at 2.00% interest, with 40-year term and 40-year amortization; loan payments will be calculated using 75% of Surplus Cash, as defined by FHA. Any portion of the loan not repaid will be due the earlier of the end of the Loan Term or upon sale, refinance, or transfer of the Property. Year 1 underwriting assumes a \$0 loan payment to maintain a 1.15 DCR. A fully amortized loan payment amount is \$258,007. MDL construction term is 24 months coterminous with the senior construction loans.

Underwriter: Thomas Cavanagh

Director of Real Estate Analysis: Jeanna Adams

**UNIT MIX/RENT SCHEDULE**  
**Boulevard 61, Houston, 9% HTC/MDL #23504\_23933\_21131**

LOCATION DATA	
CITY:	Houston
COUNTY:	Harris
Area Median Income	\$93,200
PROGRAM REGION:	6
PROGRAM RENT YEAR:	2023

UNIT DISTRIBUTION					
# Beds	# Units	% Total	Assisted	MDL	
Eff	-	0.0%	0	0	
1	46	46.0%	11	17	
2	42	42.0%	10	16	
3	12	12.0%	4	5	
4	-	0.0%	0	0	
5	-	0.0%	0	0	
<b>TOTAL</b>	<b>100</b>	<b>100.0%</b>	<b>25</b>	<b>38</b>	

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	90.00%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	882 sf

54%	Income	20%	30%	40%	50%	60%	70%	80%	MR	TOTAL
Average Income	# Units	-	9	-	35	42	-	4	10	100
	% Total	0.0%	9.0%	0.0%	35.0%	42.0%	0.0%	4.0%	10.0%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE																							
HTC		TDHCA Direct Loan Program		RENT ASSISTED UNIT		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS			TDHCA PRO FORMA RENTS			MARKET RENTS				
Type	Gross Rent	Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 30%	\$524	30%/30%	\$525	0	\$524	6	1	1	713	\$524	\$45	\$479	\$0	\$0.67	\$2,874	\$2,874	\$2,874	\$479	\$0.67	\$0	\$1,205	\$1.69	\$1,205
TC 50%	\$874	30%/30%	\$525	0	\$625	11	1	1	713	\$625	\$45	\$480	\$0	\$0.67	\$5,280	\$5,280	\$5,280	\$480	\$0.67	\$0	\$1,205	\$1.69	\$1,205
TC 50%	\$874			PBV	\$1,095	5	1	1	713	\$1,095	\$45	\$1,050	\$0	\$1.47	\$5,250	\$5,250	\$5,250	\$1,050	\$1.47	\$0	\$1,205	\$1.69	\$1,205
TC 60%	\$1,049			PBV	\$1,095	6	1	1	713	\$1,095	\$45	\$1,050	\$0	\$1.47	\$6,300	\$6,300	\$6,300	\$1,050	\$1.47	\$0	\$1,205	\$1.69	\$1,205
TC 60%	\$1,049	Match		0	\$1,049	1	1	1	713	\$1,049	\$45	\$1,004	\$0	\$1.41	\$1,004	\$1,004	\$1,004	\$1,004	\$1.41	\$0	\$1,205	\$1.69	\$1,205
TC 60%	\$1,049				\$1,049	1	1	1	713	\$1,049	\$45	\$1,004	\$0	\$1.41	\$1,004	\$1,004	\$1,004	\$1,004	\$1.41	\$0	\$1,205	\$1.69	\$1,205
TC 60%	\$1,049				\$1,049	9	1	1	783	\$1,049	\$45	\$1,004	\$0	\$1.28	\$9,036	\$9,036	\$9,036	\$1,004	\$1.28	\$0	\$1,399	\$1.79	\$1,399
TC 80%	\$1,399				\$1,399	2	1	1	783	\$1,399	\$45	\$1,354	\$0	\$1.73	\$2,708	\$2,708	\$2,708	\$1,354	\$1.73	\$0	\$1,399	\$1.79	\$1,399
MR					0	5	1	1	783	\$0	\$45	\$0	NA	\$1.79	\$6,995	\$6,995	\$6,995	\$1,399	\$1.79	NA	\$1,399	\$1.79	\$1,399
TC 30%	\$629	30%/30%	\$630	0	\$629	3	2	2	960	\$629	\$60	\$569	\$0	\$0.59	\$1,707	\$1,707	\$1,707	\$569	\$0.59	\$0	\$1,678	\$1.75	\$1,678
TC 50%	\$1,048	30%/30%	\$630	0	\$630	6	2	2	960	\$630	\$60	\$570	\$0	\$0.59	\$3,420	\$3,420	\$3,420	\$570	\$0.59	\$0	\$1,678	\$1.75	\$1,678
TC 50%	\$1,048	30%/30%	\$630	0	\$630	7	2	2	960	\$630	\$60	\$570	\$0	\$0.59	\$3,990	\$3,990	\$3,990	\$570	\$0.59	\$0	\$1,678	\$1.75	\$1,678
TC 60%	\$1,258			PBV	\$1,307	10	2	2	960	\$1,307	\$60	\$1,247	\$0	\$1.30	\$12,470	\$12,470	\$12,470	\$1,247	\$1.30	\$0	\$1,678	\$1.75	\$1,678
TC 60%	\$1,258	Match		0	\$1,258	1	2	2	960	\$1,258	\$60	\$1,198	\$0	\$1.25	\$1,198	\$1,198	\$1,198	\$1,198	\$1.25	\$0	\$1,678	\$1.75	\$1,678
TC 60%	\$1,258				\$1,258	8	2	2	960	\$1,258	\$60	\$1,198	\$0	\$1.25	\$9,584	\$9,584	\$9,584	\$1,198	\$1.25	\$0	\$1,678	\$1.75	\$1,678
TC 80%	\$1,678				\$1,678	2	2	2	960	\$1,678	\$60	\$1,618	\$0	\$1.69	\$3,236	\$3,236	\$3,236	\$1,618	\$1.69	\$0	\$1,678	\$1.75	\$1,678
MR					0	5	2	2	960	\$0	\$60	\$0	NA	\$1.75	\$8,390	\$8,390	\$8,390	\$1,678	\$1.75	NA	\$1,678	\$1.75	\$1,678
TC 50%	\$1,211	30%/30%	\$814	0	\$814	5	3	2	1,163	\$814	\$73	\$741	\$0	\$0.64	\$3,705	\$3,705	\$3,705	\$741	\$0.64	\$0	\$1,939	\$1.67	\$2,000
TC 50%	\$1,211			PBV	\$1,722	1	3	2	1,163	\$1,722	\$73	\$1,649	\$0	\$1.42	\$1,649	\$1,649	\$1,649	\$1,649	\$1.42	\$0	\$1,939	\$1.67	\$2,000
TC 60%	\$1,454			PBV	\$1,722	3	3	2	1,163	\$1,722	\$73	\$1,649	\$0	\$1.42	\$4,947	\$4,947	\$4,947	\$1,649	\$1.42	\$0	\$1,939	\$1.67	\$2,000
TC 60%	\$1,454	Match		0	\$1,454	1	3	2	1,163	\$1,454	\$73	\$1,381	\$0	\$1.19	\$1,381	\$1,381	\$1,381	\$1,381	\$1.19	\$0	\$1,939	\$1.67	\$2,000
TC 60%	\$1,454				\$1,454	2	3	2	1,163	\$1,454	\$73	\$1,381	\$0	\$1.19	\$2,762	\$2,762	\$2,762	\$1,381	\$1.19	\$0	\$1,939	\$1.67	\$2,000
<b>TOTALS/AVERAGES:</b>						<b>100</b>			<b>88,194</b>					<b>\$989</b>	<b>\$98,990</b>	<b>\$98,990</b>	<b>\$98,990</b>	<b>\$989</b>	<b>\$1.12</b>	<b>\$0</b>	<b>\$1,523</b>	<b>\$1.73</b>	<b>\$1,582</b>

ANNUAL POTENTIAL GROSS RENT:	
	\$1,186,680

**STABILIZED PRO FORMA**

**Boulevard 61, Houston, 9% HTC/MDL #23504\_23933\_21131**

STABILIZED FIRST YEAR PRO FORMA													
COMPARABLES		APPLICANT				PRIOR REPORT			TDHCA			VARIANCE	
Database	Local Comps	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
<b>POTENTIAL GROSS RENT</b>			\$1.12	\$989	\$1,186,680	\$1,052,688	\$1,052,688	\$1,186,680	\$989	\$1.12		0.0%	\$0
Laundry			\$30.00		\$36,000	12,000							
Total Secondary Income			\$30.00		\$1,222,680	\$1,064,688	\$1,064,688	\$1,222,680	\$30.00			0.0%	\$0
<b>POTENTIAL GROSS INCOME</b>					\$1,222,680	\$1,064,688	\$1,064,688	\$1,222,680				0.0%	\$0
Vacancy & Collection Loss			7.5% PGI		(91,701)	(79,852)	(79,865)	(91,701)	7.5% PGI			0.0%	-
<b>EFFECTIVE GROSS INCOME</b>					\$1,130,979	\$984,836	\$985,003	\$1,130,979				0.0%	\$0

General & Administrative	\$44,269	\$443/Unit	\$44,991	\$450	\$31,000	\$40,500	\$40,500	\$31,000	\$310	\$0.35	2.74%	0.0%	-
Management	\$45,242	4.4% EGI	\$46,774	\$468	\$33,930	\$49,439	\$49,250	\$33,929	\$339	\$0.38	3.00%	0.0%	1
Payroll & Payroll Tax	\$138,644	\$1,386/Unit	\$162,934	\$1,629	\$140,000	\$140,000	\$137,634	\$140,000	\$1,400	\$1.59	12.38%	0.0%	-
Repairs & Maintenance	\$76,423	\$764/Unit	\$86,760	\$868	\$41,000	\$46,000	\$65,000	\$65,000	\$650	\$0.74	5.75%	-36.9%	(24,000)
Electric/Gas	\$23,551	\$236/Unit	\$13,434	\$134	\$16,500	\$25,000	\$16,959	\$16,959	\$170	\$0.19	1.50%	-2.7%	(459)
Water, Sewer, & Trash	\$69,781	\$698/Unit	\$67,524	\$675	\$52,500	\$34,000	\$42,605	\$51,679	\$517	\$0.59	4.57%	1.6%	821
Property Insurance	\$44,852	\$0.51 /sf	\$80,795	\$808	\$135,000	\$70,000	\$70,000	\$135,000	\$1,350	\$1.53	11.94%	0.0%	-
Property Tax (@ 100%)	\$85,088	\$851/Unit	\$93,582	\$936	\$91,000	\$87,000	\$85,088	\$91,000	\$910	\$1.03	8.05%	0.0%	-
Reserve for Replacements					\$25,000	\$30,000	\$30,000	\$25,000	\$250	\$0.28	2.21%	0.0%	-
Supportive Services					\$4,000	\$4,000	\$4,000	\$4,000	\$40	\$0.05	0.35%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					\$3,600	\$3,600	\$3,600	\$3,600	\$36	\$0.04	0.32%	0.0%	-
<b>TOTAL EXPENSES</b>					\$573,530	\$529,539	\$544,873	\$598,459	\$5,985	\$6.79	52.92%	-4.2%	\$ (24,929)
<b>NET OPERATING INCOME ("NOI")</b>					\$557,449	\$455,298	\$440,130	\$532,520	\$5,325	\$6.04	47.08%	4.7%	\$ 24,929

<b>CONTROLLABLE EXPENSES</b>	\$2.810/Unit	\$3.046/Unit
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**CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS**  
**Boulevard 61, Houston, 9% HTC/MDL #23504\_23933\_21131**

DEBT / GRANT SOURCES													
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE						AS UNDERWRITTEN DEBT/GRANT STRUCTURE							
DEBT (Must Pay)	Fee	UW	App	Pmt	Rate	Amort	Term	Principal	Prior Underwriting		Cumulative		
									Applicant	TDHCA		DCR	LTC
Mason Joseph	0.35%	1.10	1.15	483,904	5.50%	40	40	\$7,400,000	\$6,500,000	\$6,500,000	1.15	22.9%	
Multifamily Direct Loan		1.10	1.15		2.00%	40	40	\$7,100,000	\$1,440,000	\$1,440,000	1.15	22.0%	
<b>CASH FLOW DEBT / GRANTS</b>													
City of Houston		1.10	1.15		0.00%	0	0	\$500	\$500	\$500	1.15	0.0%	
HEDK / Blazer		1.10	1.15		0.00%	0	0	\$600,000	\$110,000	\$110,000	1.15	1.9%	
<b>TOTAL DEBT / GRANT SOURCES</b>									<b>\$15,100,500</b>	<b>\$8,050,500</b>	<b>\$15,100,500</b>	<b>1.15</b>	<b>46.8%</b>
<b>NET CASH FLOW</b>									<b>\$48,616</b>	<b>\$73,545</b>	<b>\$73,545</b>	<b>1.15</b>	<b>NET CASH FLOW</b>

EQUITY SOURCES												
APPLICANT'S PROPOSED EQUITY STRUCTURE						AS UNDERWRITTEN EQUITY STRUCTURE						
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting	TDHCA	Amount	Annual Credit	% Cost	Annual Credits per Unit	
												Applicant
Enterprise	LIHTC Equity	49.2%	\$1,725,000	\$0.92	\$15,868,413	\$14,248,575	\$14,248,575	\$15,868,413	\$0.9199	49.2%	\$17,250	
DMA Development Company/USA Development	Additional (Excess) Funds Req'd	4.0%	(66% Deferred)		\$1,276,487	\$743,638	\$743,638	\$1,276,487	(66% Deferred)	4.0%	Total Developer Fee: \$1,935,000	
<b>TOTAL EQUITY SOURCES</b>												
						\$14,992,213	\$14,991,713	\$17,144,900		53.2%	53.2%	
<b>TOTAL CAPITALIZATION</b>						<b>\$23,042,713</b>	<b>\$23,042,213</b>	<b>\$32,245,400</b>	<b>15-Yr Cash Flow after Deferred Fee: \$425,631</b>			

DEVELOPMENT COST / ITEMIZED BASIS	APPLICANT COST / BASIS ITEMS				TDHCA COST / BASIS ITEMS				COST VARIANCE		
	Eligible Basis	New Const. Rehab	Total Costs		Eligible Basis	New Const. Rehab	Total Costs		%	\$	
			Applicant	TDHCA			Applicant	TDHCA			
Land Acquisition			\$7,300,000	\$7,300,000			\$7,300,000	\$7,300,000 / Unit	0.0%	\$0	
Off-Sites			\$0	\$0			\$0	\$ / Unit	0.0%	\$0	
Site Work		\$1,411,300	\$1,411,300	\$1,410,800			\$2,300,214	\$23,002 / Unit	-38.8%	(\$888,914)	
Site Amenities		\$306,000	\$306,000	\$306,000			\$434,300	\$4,343 / Unit	-29.5%	(\$128,300)	
Building Cost		\$13,792,630	\$13,792,630	\$7,545,723			\$13,784,267	\$156.29 /sf	0.1%	\$8,363	
Contingency		\$1,050,000	\$1,050,000	\$522,415			\$1,050,000	6.77%	0.0%	\$0	
Contractor Fees		\$2,267,570	\$2,267,570	\$1,347,281			\$2,267,570	13.70%	0.0%	\$0	
Soft Costs		\$1,934,400	\$1,934,400	\$1,175,300			\$1,934,400	\$19,344 / Unit	0.0%	\$0	
Financing		\$1,352,500	\$1,352,500	\$1,043,750			\$1,730,500	\$17,305 / Unit	0.0%	\$0	
Developer Fee		\$1,935,000	\$1,935,000	\$1,935,000			\$1,935,000	8.37%	0.0%	\$0	
Reserves			\$518,000	\$455,944			\$488,904	5 Months	6.0%	\$29,096	
<b>TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)</b>				<b>\$24,049,400</b>	<b>\$23,245,400</b>	<b>\$23,042,213</b>	<b>\$32,245,400</b>	<b>\$32,252 / Unit</b>	<b>-2.9%</b>	<b>(\$979,755)</b>	
Acquisition Cost		\$0	\$0	\$0			\$0				
Contingency		\$0	\$0	\$0			\$0				
Contractor's Fee		\$0	\$0	\$0			\$0				
Financing Cost		\$0	\$0	\$0			\$0				
Developer Fee		\$0	\$0	\$0			\$0				
Reserves		\$0	\$0	\$0			\$0				
<b>ADJUSTED BASIS / COST</b>				<b>\$24,049,400</b>	<b>\$23,245,400</b>	<b>\$23,042,213</b>	<b>\$32,245,400</b>	<b>\$32,252/unit</b>	<b>-2.9%</b>	<b>(\$979,755)</b>	
<b>TOTAL HOUSING DEVELOPMENT COSTS (Applicants Uses are within 5% of TDHCA Estimate):</b>				<b>\$32,245,400</b>							

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

Boulevard 61, Houston, 9% HTC/MDL #23504\_23933\_21131

	CREDIT CALCULATION ON QUALIFIED BASIS		
	Applicant	TDHCA	
	Acquisition	Construction Rehabilitation	Construction
ADJUSTED BASIS	\$0	\$24,049,400	\$24,041,037
Deduction of Federal Grants	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$24,049,400	\$24,041,037
High Cost Area Adjustment		130%	130%
TOTAL ADJUSTED BASIS	\$0	\$31,264,220	\$31,253,348
Applicable Fraction	90.00%	90.00%	90%
TOTAL QUALIFIED BASIS	\$0	\$28,137,798	\$28,128,013
Applicable Percentage	4.00%	9.00%	9.00%
ANNUAL CREDIT ON BASIS	0	\$2,532,402	\$2,531,521
CREDITS ON QUALIFIED BASIS		\$2,532,402	\$2,531,521

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION	
	Annual Credits	Proceeds	Credit Price \$0.9199	Variance to Request
Eligible Basis	\$2,532,402	\$23,295,767		
Needed to Fill Gap	\$1,863,762	\$17,144,900		
Previous Allocation	\$1,725,000	\$15,868,413	\$1,725,000	\$0

## Long-Term Pro Forma

**Boulevard 61, Houston, 9% HTC/MDL #23504\_23933\_21131**

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%	\$1,130,979	\$1,153,599	\$1,176,671	\$1,200,204	\$1,224,208	\$1,248,208	\$1,272,208	\$1,296,208	\$1,320,208	\$1,344,208	\$1,368,208	\$1,392,208	\$1,416,208	\$1,440,208	\$1,464,208	\$1,488,208	\$1,512,208	\$1,536,208	\$1,560,208	\$1,584,208	\$1,608,208	\$1,632,208	\$1,656,208	\$1,680,208	
TOTAL EXPENSES	3.00%	\$573,530	\$590,397	\$607,762	\$625,642	\$644,051	\$662,962	\$681,873	\$700,784	\$719,695	\$738,606	\$757,517	\$776,428	\$795,339	\$814,250	\$833,161	\$852,072	\$870,983	\$889,894	\$908,805	\$927,716	\$946,627	\$965,538	\$984,449	\$1,003,360	
<b>NET OPERATING INCOME ("NOI")</b>		<b>\$557,449</b>	<b>\$563,202</b>	<b>\$568,908</b>	<b>\$574,562</b>	<b>\$580,157</b>	<b>\$585,752</b>	<b>\$591,347</b>	<b>\$596,942</b>	<b>\$602,537</b>	<b>\$608,132</b>	<b>\$613,727</b>	<b>\$619,322</b>	<b>\$624,917</b>	<b>\$630,512</b>	<b>\$636,107</b>	<b>\$641,702</b>	<b>\$647,297</b>	<b>\$652,892</b>	<b>\$658,487</b>	<b>\$664,082</b>	<b>\$669,677</b>	<b>\$675,272</b>	<b>\$680,867</b>	<b>\$686,462</b>	<b>\$692,057</b>
EXPENSE/INCOME RATIO		50.7%	51.2%	51.7%	52.1%	52.6%	53.1%	53.6%	54.1%	54.6%	55.1%	55.6%	56.1%	56.6%	57.1%	57.6%	58.1%	58.6%	59.1%	59.6%	60.1%	60.6%	61.1%	61.6%	62.1%	
<b>MUST -PAY DEBT SERVICE</b>																										
TOTAL DEBT SERVICE		\$483,904	\$483,721	\$483,528	\$483,323	\$483,107	\$482,881	\$482,655	\$482,429	\$482,203	\$481,977	\$481,751	\$481,525	\$481,299	\$481,073	\$479,847	\$478,621	\$477,395	\$476,169	\$474,943	\$473,717	\$472,491	\$471,265	\$470,039	\$468,813	\$467,587
DEBT COVERAGE RATIO		1.15	1.16	1.18	1.19	1.20	1.21	1.22	1.23	1.24	1.25	1.26	1.27	1.28	1.29	1.30	1.31	1.32	1.33	1.34	1.35	1.36	1.37	1.38	1.39	1.40
<b>ANNUAL CASH FLOW</b>		<b>\$73,545</b>	<b>\$79,481</b>	<b>\$85,381</b>	<b>\$91,238</b>	<b>\$97,049</b>	<b>\$102,806</b>	<b>\$108,563</b>	<b>\$114,320</b>	<b>\$120,077</b>	<b>\$125,834</b>	<b>\$131,591</b>	<b>\$137,348</b>	<b>\$143,105</b>	<b>\$148,862</b>	<b>\$154,619</b>	<b>\$160,376</b>	<b>\$166,133</b>	<b>\$171,890</b>	<b>\$177,647</b>	<b>\$183,404</b>	<b>\$189,161</b>	<b>\$194,918</b>	<b>\$200,675</b>	<b>\$206,432</b>	<b>\$212,189</b>
Deferred Developer Fee Balance		\$1,202,942	\$1,123,461	\$1,038,080	\$946,842	\$849,793	\$746,744	\$633,695	\$510,646	\$377,597	\$234,548	\$91,499	-\$101,750	-\$244,801	-\$387,852	-\$530,903	-\$673,954	-\$817,005	-\$960,056	-\$1,103,107	-\$1,246,158	-\$1,389,209	-\$1,532,260	-\$1,675,311	-\$1,818,362	-\$1,961,413
<b>CUMULATIVE NET CASH FLOW</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>





**Addendum to Underwriting Report**

TDHCA Application #: **23933\_21131** Program(s): **9% HTC/MDL**

**Boulevard 61**

Address/Location: 6101 Richmond Avenue

City: Houston County: Harris Zip: 77057

APPLICATION HISTORY	
Report Date	PURPOSE
02/17/23	Supplemental Credit Memo
07/20/21	Original Underwriting Report

**ALLOCATION**

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
Multifamily Direct Loan (Soft Repayable)	\$1,440,000	0.00%	35	18	<b>\$1,440,000</b>	0.00%	<b>35</b>	18	<b>2</b>
LIHTC (9% Credit)	\$1,500,000				<b>\$1,725,000</b>				

\* Multifamily Direct Loan Terms:

\* Pursuant to 10 TAC §13.8(a), the term of a Multifamily Direct Loan should match the term of any superior loan (within 6 months).

\* Lien position after conversion to permanent. The Department's lien position during construction may vary.

**CONDITIONS STATUS**

- 1 Receipt and acceptance before Direct Loan Closing
  - a: Updated application exhibits: Rent Schedule, Utility Allowance, Operating Expenses, Long-Term Pro Forma, Development Cost Schedule, Schedule of Sources; and documentation necessary to support any changes from previous underwriting.
  - b: Substantially final construction contract with Schedule of Values.
  - c: Updated term sheets with substantially final terms from all lenders.
  - d: Substantially final draft of limited partnership agreement.
  - e: For Rehabilitation Developments, most recent annual operating statement.
  - f: Senior loan documents (and/or partnership documents) must contain a provision(s) that any stabilization resizing on the senior debt includes the debt service on the TDHCA MDL at a minimum 1.15 DCR.
  - g: Documentation identifying any required matching funds, and confirming that the source is eligible to be counted as matching funds under HUD and TDHCA requirements.
  - h: Documentation that a noise study has been completed, and certification from the Architect that all recommendations from the noise study are incorporated into the development plans.
- 2 Receipt and acceptance by Cost Certification:
  - Architect certification that all noise assessment recommendations were implemented and the Development is compliant with HUD noise guidelines.

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

**SET-ASIDES**

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	9
50% of AMI	50% of AMI	35
60% of AMI	60% of AMI	42
80% of AMI	80% of AMI	4

TDHCA SET-ASIDES for DIRECT LOAN LURA		
Income Limit	Rent Limit	Number of Units
30% of AMFI	30% of AMFI	7

## ANALYSIS

The Development received a 9% HTC allocation in 2021 and is requesting a 15% increase in annual tax credit allocation consistent with the 2023 QAP Subchapter F, Supplement Housing Tax Credits. Tax credits will be calculated at cost certification based on actual eligible costs incurred. For Developments with previously awarded Multifamily Direct Loans (MDL's), tax credits and the MDL will be re-underwritten at MDL closing.

Per Subchapter F, the developer fee cannot increase from the previously published underwriting report, and the deferred developer fee cannot decrease from the previously published underwriting report.

The underwriter recommends a total annual credit allocation of \$1,725,000.

Underwriter:	<u>Deborah Willson</u>
Manager of Real Estate Analysis:	<u>Gregg Kazak</u>
Director of Real Estate Analysis:	<u>Jeanna Adams</u>

# 21131 Boulevard 61 - Application Summary

REAL ESTATE ANALYSIS DIVISION  
July 20, 2021

## PROPERTY IDENTIFICATION

Application #	21131
Development	Boulevard 61
City / County	Houston / Harris
Region/Area	6 / Urban
Population	General
Self-Aside	General
Activity	New Construction

## RECOMMENDATION

TDHCA Program	Request	Recommended
LIHTC (9% Credit)	\$1,500,000	\$1,500,000/Unit
	Amount	Rate
	\$1,440,000	0.00%
	Term	35
	Term	18
	Lien	2

Multifamily Direct Loan (Soft Repayable)

## TYPICAL BUILDING ELEVATION/PHOTO



## KEY PRINCIPALS / SPONSOR

DMA Development Company, LLC  
Diana McIver  
Janine Sisak

Related Parties: Contractor - No Seller - No

UNIT DISTRIBUTION			INCOME AVERAGING		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	46	46%	30%	9	9%
2	42	42%	40%	-	0%
3	12	12%	50%	35	35%
4	-	0%	60%	42	42%
			70%	-	0%
			80%	4	4%
			MR	10	10%
<b>TOTAL</b>	<b>100</b>	<b>100%</b>	<b>TOTAL</b>	<b>100</b>	<b>100%</b>

## PRO FORMA FEASIBILITY INDICATORS

Pro Forma Underwritten	Applicant's Pro Forma
Debt Coverage	1.20
Expense Ratio	53.8%
Breakeven Occ.	85.4%
Breakeven Rent	\$809
Average Rent	\$877
B/E Rent Margin	1
Property Taxes	\$870/unit
Exemption/PILOT	0%
Total Expense	\$5,295/unit
Controllable	\$2,855/unit

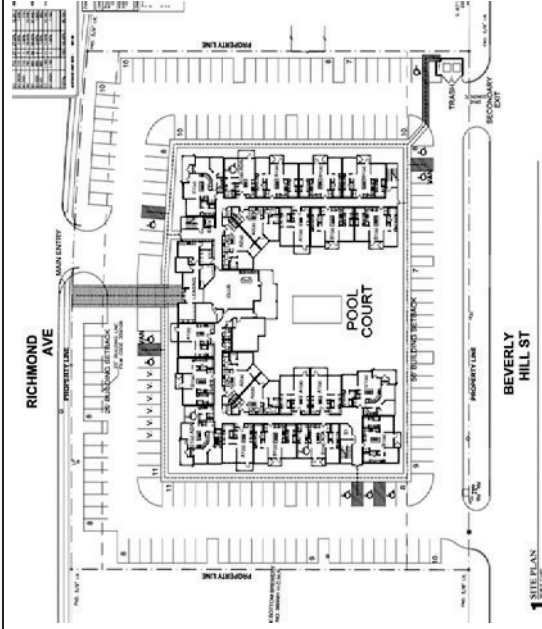
## MARKET FEASIBILITY INDICATORS

Gross Capture Rate (10% Maximum)	0.5%
Highest Unit Capture Rate	2% 2 BR/60%
Dominant Unit Cap. Rate	2% 2 BR/60%
Premiums (±60% Rents)	Yes
Rent Assisted Units	N/A
Avg. Rent	\$375/Avg.

## DEVELOPMENT COST SUMMARY

Costs Underwritten	Applicant's Costs
Avg. Unit Size	882 SF
Density	35.8/acre
Acquisition	\$73K/unit
Building Cost	\$75K/unit
Hard Cost	\$98K/unit
Total Cost	\$230K/unit
Developer Fee	\$1,935K (38% Deferred)
Contractor Fee	\$1,347K
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	
JP Morgan Chase Bank	18/35	4.71%	\$6,500,000	1.20	City of Houston	0/0	0.00%	\$500	1.20	RBC Capital	\$14,248,575	
					HEDK	0/0	0.00%	\$110,000	1.20	DMA Development Company/JSA Dev	\$743,138	
<b>TOTAL DEBT (Must Pay)</b>					<b>CASH FLOW DEBT / GRANTS</b>					<b>TOTAL EQUITY SOURCES</b>		<b>\$14,991,713</b>
					<b>CASH FLOW DEBT / GRANTS</b>					<b>TOTAL DEBT SOURCES</b>		<b>\$6,610,500</b>
					<b>CASH FLOW DEBT / GRANTS</b>					<b>TOTAL CAPITALIZATION</b>		<b>\$21,602,213</b>

**CONDITIONS**

1 Receipt and acceptance before Direct Loan Closing

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RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫ Developer Experience	
▫ Overall Feasibility Indicators	
▫ Low gross capture rate	
WEAKNESSES/RISKS	
▫ Low long-term cash flow	

**AREA MAP**

**AERIAL PHOTOGRAPH(S)**



**DEVELOPMENT IDENTIFICATION**

TDHCA Application #: **21131** Program(s): **9% HTC/MDL**

**Boulevard 61**

Address/Location: 6101 Richmond Avenue

City: Houston County: Harris Zip: 77057

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

Activity: New Construction Building Type: Elevator Served Region: 6

Analysis Purpose: New Application - Initial Underwriting

**ALLOCATION**

TDHCA Program	REQUEST				RECOMMENDATION				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	Lien
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**SET-ASIDES**

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
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80% of AMI	80% of AMI	4

TDHCA SET-ASIDES for DIRECT LOAN LURA		
Income Limit	Rent Limit	Number of Units
30% of AMFI	30% of AMFI	7

**DEVELOPMENT SUMMARY**

This is the new construction of 100 general population units in a single four-story, elevator-served building. Seven units will be restricted with an MDL LURA; MDL funded by NHTF funds.

**RISK PROFILE**

STRENGTHS/MITIGATING FACTORS	
▫	Developer Experience
▫	Overall Feasibility Indicators
▫	Low gross capture rate

WEAKNESSES/RISKS	
▫	
▫	Low long-term cash flow
▫	

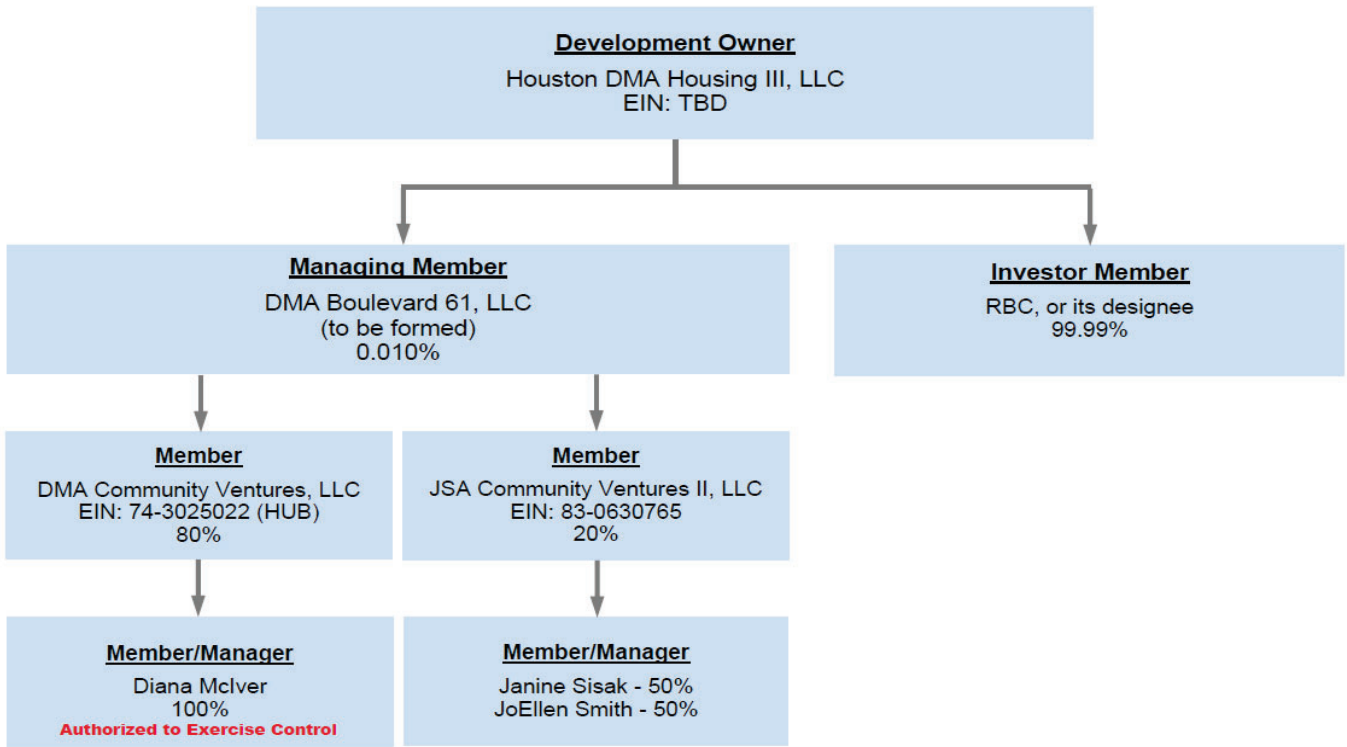
**DEVELOPMENT TEAM**

**PRIMARY CONTACTS**

Name: Janine Sisak  
 Phone: 512-328-3232  
 Relationship: Developer

Name: Mark Gilbert  
 Phone: 512-328-3232  
 Relationship: Developer

OWNERSHIP STRUCTURE

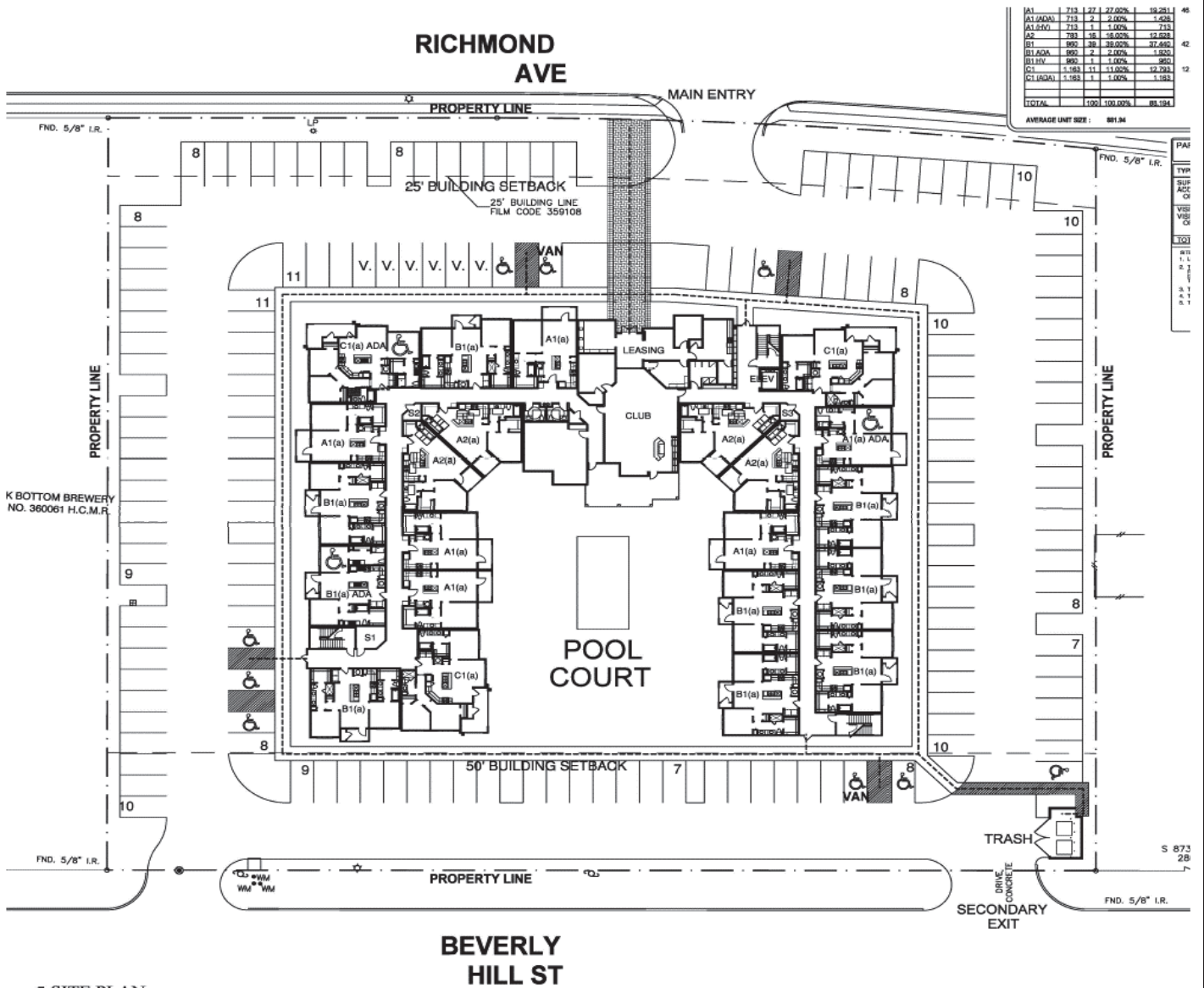


- The Applicant, Developer, and Property Manager are related entities. Since 1980, DMA Companies has assisted with the development or rehabilitation of more than 13,000 affordable housing units in 43 states. Houston DMA Housing, Inc has built 26 HTC developments in Texas since 1998.



# DEVELOPMENT SUMMARY

## SITE PLAN



**1 SITE PLAN**  
SCALE 1"=20'

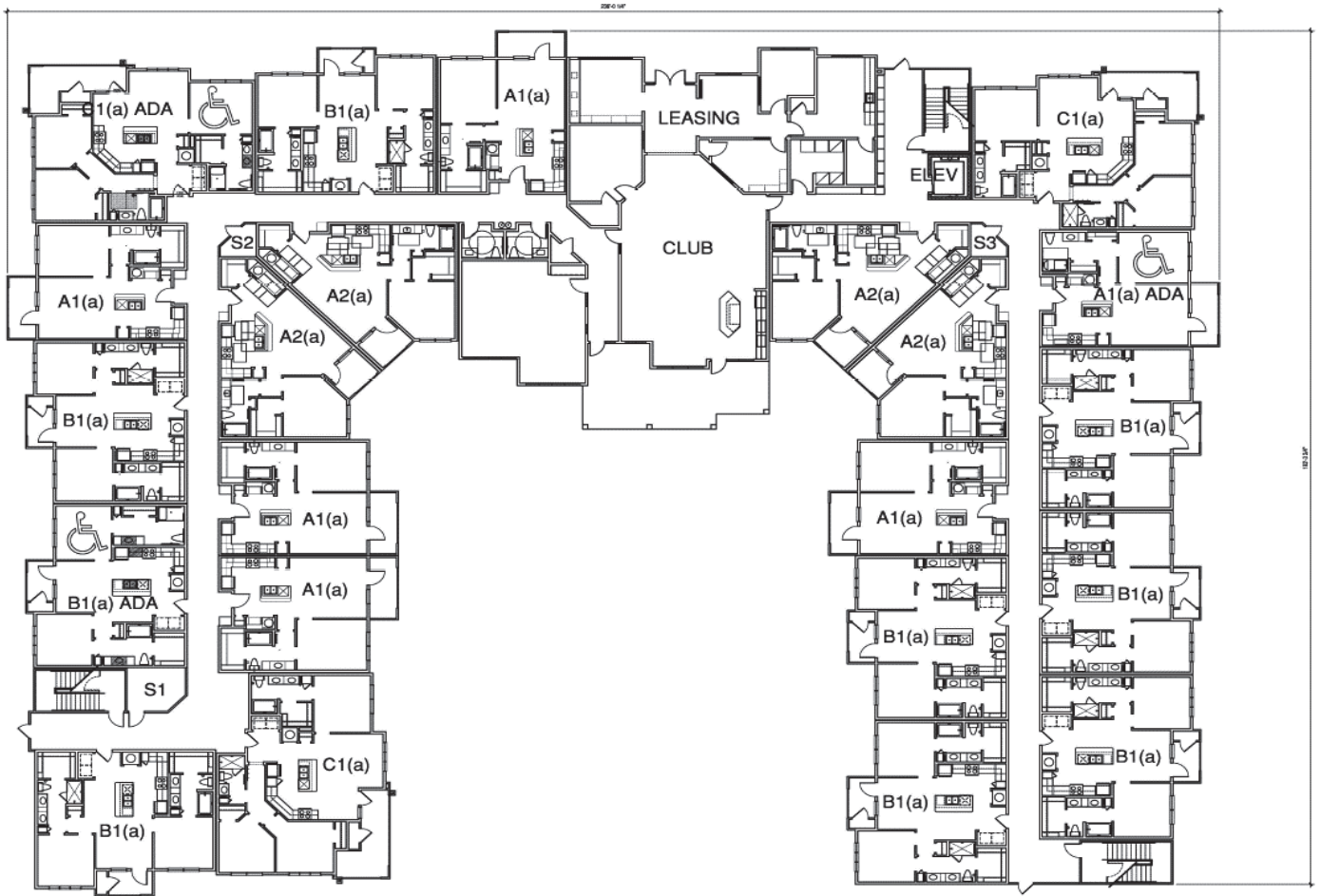


Comments:

The site will have access from both the north and south via two publicly dedicated ROWs, Richmond Ave and Beverly Hill Street. Richmond Ave has a 120' ROW to the north of the site. Beverly Hill St. has a 60' ROW along the southern site boundary. Site amenities will include a swimming pool, clubhouse with a multi-purpose room.

156 parking spaces are required for this development. A total of 160 parking spaces will be provided (145 surface parking with 7 accessible parking spaces and 8 visitor spaces).

BUILDING PLAN (Typical)



Comments:

General units have balconies, wet kitchen islands, a walk-in closet, and in-unit washers and dryers. The building's "U" shape makes it not have an efficient plumbing run.

**BUILDING ELEVATION**



**Comments:**

The 100 unit development will be a single four-story building with an elevator. There will be 45 one bedroom/one-bath, 42 two-bedroom/two-bath units and 12 three-bedroom/two-bath units. There is a good amount of building articulation with a flat roof, composition of 20% brick, 30% stucco and 50% fiber cement panels.

**BUILDING CONFIGURATION**

Building Type	1												<b>Total Buildings</b>
Floors/Stories	4												<b>1</b>
Number of Bldgs	1												
Units per Bldg	100												
<b>Total Units</b>	<b>100</b>												<b>100</b>
<b>Avg. Unit Size (SF)</b>		<b>882 sf</b>	<b>Total NRA (SF)</b>		<b>88,194</b>	<b>Common Area (SF)*</b>		<b>4,861</b>					

\*Common Area Square Footage as specified on Architect Certification

**SITE CONTROL INFO**

**Site Acreage:** Development Site: 2.79 acres      Density: 35.8 units/acre  
**Site Control:** 2.8      **Site Plan:** 2.8      **Appraisal:** NA      **ESA:** 2.79  
**Feasibility Report Survey:** 2.79      **Feasibility Report Engineer's Plan:** 2.79

Control Type: Purchase and Sale Agreement

Development Site: 2.79 acres      Cost: \$7,300,000      \$73,000 per unit

Seller: Richmond 6101, LLC

Buyer: DMA Development Company, LLC

Related-Party Seller/Identity of Interest: No

**Comments:**

Per Applicant, the LURA will encumber 2.79 acres; the 0.01 discrepancy in site acreage is minor and due to rounding.

SITE INFORMATION

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

Current Uses of Subject Site:

Unoccupied night club

Surrounding Uses:

North: Richmond Avenue, multi-tenant retail center, unoccupied office building, multi-tenant office building / bilingual school and parking lot of Dave & Busters

East: Sports bar / restaurant

South: Beverly Hills Street, multi-tenant residential property, undeveloped land and Compound Pharmacy Solutions

West: Vacant land

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering, Inc. Date: 2/8/2021

Recognized Environmental Conditions (RECs) and Other Concerns:

- Noise mitigation will be required to establish a noise environment below 65 dB in proposed noise sensitive locations of the new development.

## MARKET ANALYSIS

Provider: Affordable Housing Analysts

Date: 3/12/2021

Contact: Bob Coe

Phone: 281-387-7552

Primary Market Area (PMA): 9.025 sq. miles 2 mile equivalent radius

ELIGIBLE HOUSEHOLDS BY INCOME								
Harris County Income Limits								
HH Size		1	2	3	4	5	6	7+
30% AMGI	Min	\$13,290	\$13,290	\$15,960	\$15,960	---	---	---
	Max	\$16,560	\$18,930	\$21,300	\$23,640	---	---	---
50% AMGI	Min	\$13,320	\$13,320	\$15,960	\$15,960	\$18,450	\$18,450	---
	Max	\$27,600	\$31,550	\$35,500	\$39,400	\$42,600	\$45,750	---
60% AMGI	Min	\$26,610	\$26,610	\$31,950	\$31,950	\$36,900	\$36,900	---
	Max	\$33,120	\$37,860	\$42,600	\$47,280	\$51,120	\$54,900	---
80% AMGI	Min	\$35,490	\$35,490	\$42,600	\$42,600	---	---	---
	Max	\$44,160	\$50,480	\$56,800	\$63,040	---	---	---

AFFORDABLE HOUSING INVENTORY						
Competitive Supply (Proposed, Under Construction, and Unstabilized)						
File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
	None					
Other Affordable Developments in PMA since 2016						
20205	Ella Grand		New	Elderly	n/a	145
20141	Richmond Senior Village		New	Elderly	n/a	125
21006	Westheimer Garden Villas		New	Elderly	n/a	85
<b>Stabilized Affordable Developments in PMA</b>					Total Units	174
					Total Developments	1
					Average Occupancy	98%

OVERALL DEMAND ANALYSIS				
	Market Analyst			
	HTC	Assisted		
Total Households in the Primary Market Area	39,180			
Potential Demand from the Primary Market Area	17,066			
10% External Demand	1,707			
Potential Demand from Other Sources				
<b>GROSS DEMAND</b>	18,773			
Subject Affordable Units	90			
<b>RELEVANT SUPPLY</b>	90			
<b>Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE</b>		<b>0.48%</b>		

<b>Population:</b>	<b>General</b>	<b>Market Area:</b>	<b>Urban</b>	<b>Maximum Gross Capture Rate:</b>	<b>10%</b>
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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	3,571	357	9		0.23%
50% AMGI	5,184	518	35		0.61%
60% AMGI	6,414	641	42		0.60%
80% AMGI	1,898	190	4		0.19%

Demand Analysis:

The capture rate calculation determines the percentage of the qualified demand that is needed to absorb the proposed units. All capture rates reported are below the maximum thresholds.

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%	1,353	135	6		0%
1 BR/50%	1,729	173	16		1%
1 BR/60%	1,549	155	17		1%
1 BR/80%	2,635	264	2		0%
2 BR/30%	603	60	3		0%
2 BR/50%	922	92	13		1%
2 BR/60%	892	89	19		2%
2 BR/80%	1,366	137	2		0%
3 BR/50%	942	94	6		1%
3 BR/60%	617	62	6		1%

Market Analyst Comments:

There are no Family projects under construction, none proposed, none approved and none unstabilized in the primary market area. There are no market rate General Population complexes that were recently built, and none proposed. (p14).

## OPERATING PRO FORMA

### SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)

NOI:	\$455,298	Avg. Rent:	\$877	Expense Ratio:	53.8%
Debt Service:	\$379,349	B/E Rent:	\$809	Controllable Expenses:	\$2,855
Net Cash Flow:	\$75,948	UW Occupancy:	92.5%	Property Taxes/Unit:	\$870
Aggregate DCR:	1.20	B/E Occupancy:	85.4%	Program Rent Year:	2020

There are 7 MDFL units that are restricted at 30% AMI. All HTC units are underwritten at max program rents. The 10% market units are underwritten at gross 80% AMI rents per REA rule.

The project is underwritten with 7 unit vacant and the breakeven vacancy is 14 units. The average rent is \$68 above the break-even rent.

The landlord will pay for water and sewer.

The Lender signed a long-term pro forma that includes \$4,000 annual expense for Supportive Services.

Pursuant to §11.302(d)(2)(K), the estimated expenses underwritten at Application will be included in the DCR calculation at Cost Cert regardless if actually incurred.

Underwriter mostly utilized local comp averages which are in line with Applicant's estimates. The Applicant provided a \$87K insurance quote.

Deferred fee pays off in year 9 with a 15-year cumulative net cash flow of \$813k.

## DEVELOPMENT COST EVALUATION

### SUMMARY- AS UNDERWRITTEN (Applicant's Costs)

Acquisition	\$2,616,487/ac	\$73,000/unit	<b>\$7,300,000</b>	Contractor Fee	<b>\$1,347,281</b>
Off-site + Site Work		\$17,168/unit	<b>\$1,716,800</b>	Soft Cost + Financing	<b>\$2,219,050</b>
Building Cost	\$85.56/sf	\$75,457/unit	<b>\$7,545,723</b>	Developer Fee	<b>\$1,935,000</b>
Contingency	5.64%	\$5,224/unit	<b>\$522,415</b>	Reserves	<b>\$455,944</b>
<b>Total Development Cost</b>	\$230,422/unit	<b>\$23,042,213</b>		<b>Rehabilitation Cost</b>	<b>N/A</b>

<b>Qualified for 30% Basis Boost?</b>	High Opportunity Index [9% only]
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#### Site Work:

Site work costs of \$14k per unit cost includes: demolition, grading, paving, and utilities for the site. Site amenities of \$3k per unit include a pool and a clubhouse. \$50K is for demolition of an existing parking lot and building on site.

#### Building Cost:

Applicant's building costs are \$85.56/sf and Underwriter's building costs are \$92.28/sf. The units have islands with plumbing and the building is a "U" shape, which increases the standard building costs. Overall development costs are within 5% of Underwriter's, therefore Applicant's costs are used.

Applicant limited eligible basis by \$145K for scoring purposes.

#### Reserves:

Capitalized reserves represent approximately 6 months of operating expenses and debt service.



Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$23,042,213	\$14,805,067	\$1,558,974

**UNDERWRITTEN CAPITALIZATION**

INTERIM SOURCES				
Funding Source	Description	Amount	Rate	LTC
TDHCA	Deferred Repayable	\$1,440,000	0.00%	6%
JP Morgan Chase Bank	Conventional Loan	\$15,000,000	3.00%	65%
RBC Capital	HTC	\$6,492,213	\$0.95	28%
City of Houston	§11.9(d)(2)LPS Contribution	\$500		0%
HEDK	Direct Loan Match	\$110,000		0%
		<b>\$23,042,713</b>	<b>Total Sources</b>	

Comments:

Applicant has requested a \$1,440,000 Multifamily Direct Loan within the Soft Repayable set-aside.  
HEDK is providing \$110,000 donated services.

**PERMANENT SOURCES**

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
JP Morgan Chase Bank	\$6,500,000	4.71%	35	18	\$6,500,000	4.71%	35	18	28%
Multifamily Direct Loan - Deferred Repayable	\$1,440,000	0.00%	35	18	\$1,440,000	0.00%	35	18	6%
City of Houston	\$500				\$500				0%
HEDK	\$110,000				\$110,000				0%
<b>Total</b>	<b>\$8,050,500</b>				<b>\$8,050,500</b>				

Comments:

The TDHCA Multifamily Direct Loan will be a deferred payable loan at 0% interest with an 18-year term to match the senior debt. The long-term pro forma shows \$1.2M cumulative cash flow (after repaying the deferred Developer Fee) available to repay the MFDL through year 18. Underwriter assumes the unpaid balance of the MFDL can be repaid by refinancing at maturity.

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
RBC Capital	\$14,248,575	\$0.95		\$14,248,575	\$0.95	62%	
DMA Development Company/JSA Development Company II, LLC	\$743,638		38%	\$743,138		3%	38%
<b>Total</b>	<b>\$14,992,213</b>			<b>\$14,991,713</b>			
				<b>\$23,042,213</b>	<b>Total Sources</b>		

**Credit Price Sensitivity based on current capital structure**

<b>\$0.999</b>	Maximum Credit Price before the Development is oversourced and allocation is limited
<b>\$0.896</b>	Minimum Credit Price below which the Development would be characterized as infeasible

## CONCLUSIONS

### Recommended Financing Structure:

Gap Analysis:	
Total Development Cost	\$23,042,213
Permanent Sources (debt + non-HTC equity)	\$8,050,500
<b>Gap in Permanent Financing</b>	<b>\$14,991,713</b>

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$14,808,767	\$1,558,974
Needed to Balance Sources & Uses	\$14,991,713	\$1,578,233
Requested by Applicant	\$14,248,575	\$1,500,000

	RECOMMENDATION				
	Equity Proceeds	Annual Credits			
<b>Tax Credit Allocation</b>	<b>\$14,248,575</b>	<b>\$1,500,000</b>			
	Amount	Interest Rate	Amort	Term	Lien
<b>Multifamily Direct Loan - Deferred Repayable</b>	<b>\$1,440,000</b>	0.00%	35	18	2
<b>Deferred Developer Fee</b>	<b>\$743,138</b>	( 38% deferred)			
<b>Repayable in</b>	<b>9 years</b>				

#### Comments:

Underwriter recommends \$1,500,000 in annual tax credits as requested by Applicant.

Underwriter recommends award of \$1,440,000 Multifamily Direct Loan funds as a second lien deferred payable loan at 0% interest with an 18-year term to match the senior debt.

If the Direct Loan funds are not awarded, the development would be infeasible since there is insufficient Developer Fee available to defer.

Underwriter:	<i>Deborah Willson</i>
Manager of Real Estate Analysis:	<i>Jeanna Adams</i>
Director of Real Estate Analysis:	<i>Thomas Cavanagh</i>

**UNIT MIX/RENT SCHEDULE**

**Boulevard 61, Houston, 9% HTC/MDL #21131**

LOCATION DATA	
CITY:	Houston
COUNTY:	Harris
Area Median Income	\$78,800
PROGRAM REGION:	6
PROGRAM RENT YEAR:	2020

UNIT DISTRIBUTION			
# Beds	# Units	% Total	MDL
Eff	-	0.0%	0
1	46	46.0%	0
2	42	42.0%	0
3	12	12.0%	0
4	-	0.0%	0
5	-	0.0%	0
<b>TOTAL</b>	<b>100</b>	<b>100.0%</b>	<b>-</b>

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	90.00%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	862 sf

54%	Income	20%	30%	40%	50%	60%	70%	80%	MR	TOTAL
Average	# Units	-	9	-	35	42	-	4	10	100
Income	% Total	0.0%	9.0%	0.0%	35.0%	42.0%	0.0%	4.0%	10.0%	100.0%

**UNIT MIX / MONTHLY RENT SCHEDULE**

HTC	Gross Rent	Type	UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
			# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Delta to Max	Underwritten	Mrkt Analyst			
TC 30%	\$443		3	1	1	713	\$443	\$45	\$398	\$0	\$0.56	\$398	\$1,194	\$1,194	\$398	\$1	\$0	\$1,183	\$1.66	\$1,205
TC 30%	\$443		3	1	1	713	\$443	\$45	\$398	\$0	\$0.56	\$398	\$1,194	\$1,194	\$398	\$1	\$0	\$1,183	\$1.66	\$1,205
TC 50%	\$739	30%/30%	3	1	1	713	\$444	\$45	\$399	(\$1)	\$0.56	\$398	\$1,194	\$1,197	\$399	\$1	\$0	\$1,183	\$1.66	\$1,205
TC 50%	\$739		13	1	1	713	\$739	\$45	\$694	\$0	\$0.97	\$694	\$9,022	\$9,022	\$694	\$1	\$0	\$1,183	\$1.66	\$1,205
TC 60%	\$887		4	1	1	713	\$887	\$45	\$842	\$0	\$1.18	\$842	\$3,368	\$3,368	\$842	\$1	\$0	\$1,183	\$1.66	\$1,205
TC 60%	\$887		4	1	1	713	\$887	\$45	\$842	\$0	\$1.18	\$842	\$3,368	\$3,368	\$842	\$1	\$0	\$1,183	\$1.66	\$1,205
TC 60%	\$887		9	1	1	783	\$887	\$45	\$842	\$0	\$1.08	\$842	\$7,578	\$7,578	\$842	\$1	\$0	\$1,183	\$1.51	\$1,275
TC 80%	\$1,183		2	1	1	783	\$1,183	\$45	\$1,138	\$0	\$1.45	\$1,138	\$2,276	\$2,276	\$1,138	\$1	\$0	\$1,183	\$1.51	\$1,275
MR			5	1	1	783	\$0	\$45	\$0	NA	\$1.51	\$1,183	\$5,915	\$5,915	\$1,183	\$2	NA	\$1,183	\$1.51	\$1,275
TC 30%	\$532		3	2	2	960	\$532	\$54	\$478	\$0	\$0.50	\$478	\$1,434	\$1,434	\$478	\$0	\$0	\$1,420	\$1.48	\$1,475
TC 50%	\$887	30%/30%	3	2	2	960	\$532	\$54	\$478	\$0	\$0.50	\$478	\$1,434	\$1,434	\$478	\$0	\$0	\$1,420	\$1.48	\$1,475
TC 50%	\$887		10	2	2	960	\$887	\$54	\$833	\$0	\$0.87	\$833	\$8,330	\$8,330	\$833	\$1	\$0	\$1,420	\$1.48	\$1,475
TC 60%	\$1,065		6	2	2	960	\$1,065	\$54	\$1,011	\$0	\$1.05	\$1,011	\$6,066	\$6,066	\$1,011	\$1	\$0	\$1,420	\$1.48	\$1,475
TC 60%	\$1,065		13	2	2	960	\$1,065	\$54	\$1,011	\$0	\$1.05	\$1,011	\$13,143	\$13,143	\$1,011	\$1	\$0	\$1,420	\$1.48	\$1,475
TC 80%	\$1,420		2	2	2	960	\$1,420	\$54	\$1,366	\$0	\$1.42	\$1,366	\$2,732	\$2,732	\$1,366	\$1	\$0	\$1,420	\$1.48	\$1,475
MR			5	2	2	960	\$0	\$54	\$0	NA	\$1.42	\$1,420	\$7,100	\$7,100	\$1,420	\$1	NA	\$1,420	\$1.48	\$1,475
TC 50%	\$1,025	30%/30%	1	3	2	1,163	\$615	\$61	\$554	(\$1)	\$0.48	\$553	\$554	\$554	\$554	\$0	\$0	\$1,625	\$1.40	\$1,625
TC 50%	\$1,025		5	3	2	1,163	\$1,025	\$61	\$964	(\$1)	\$0.83	\$963	\$4,815	\$4,820	\$964	\$1	\$0	\$1,625	\$1.40	\$1,625
TC 60%	\$1,230		6	3	2	1,163	\$1,230	\$61	\$1,169	(\$1)	\$1.00	\$1,168	\$7,008	\$7,014	\$1,169	\$1	\$0	\$1,625	\$1.40	\$1,625
<b>TOTALS/AVERAGES:</b>			<b>100</b>			<b>88,194</b>					<b>\$0.99</b>	<b>\$877</b>	<b>\$87,724</b>	<b>\$87,739</b>	<b>\$877</b>	<b>\$0.99</b>	<b>\$0</b>	<b>\$1,336</b>	<b>\$1.51</b>	<b>\$1,380</b>

<b>ANNUAL POTENTIAL GROSS RENT:</b>	<b>\$1,052,688</b>	<b>\$1,052,688</b>
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**STABILIZED PRO FORMA**

**Boulevard 61, Houston, 9% HTC/MDL #21131**

STABILIZED FIRST YEAR PRO FORMA													
COMPARABLES				APPLICANT				TDHCA				VARIANCE	
Database	Local Comps	% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	Per SF	% EGI	%	\$	
<b>POTENTIAL GROSS RENT</b>			\$0.99	\$877	\$1,052,688	\$1,052,868	\$877	\$0.99			0.0%	(\$180)	
Laundry				\$10.00	\$12,000								
Total Secondary Income				\$10.00	\$12,000	\$12,000	\$10.00				0.0%	\$0	
<b>POTENTIAL GROSS INCOME</b>					\$1,064,688	\$1,064,868					0.0%	(\$180)	
Vacancy & Collection Loss			7.5% PGI		(79,852)	(79,865)	7.5% PGI				0.0%	14	
<b>EFFECTIVE GROSS INCOME</b>					\$984,836	\$985,003					0.0%	(\$167)	

General & Administrative	\$44,269	\$443/Unit	\$432	\$0.46	\$405	\$40,500	\$405	\$0.46	\$405	4.11%	0.0%	-
Management	\$45,242	4.4% EGI	\$338	\$0.56	\$494	\$49,439	\$493	\$0.56	\$493	5.00%	0.4%	189
Payroll & Payroll Tax	\$138,644	\$1,386/Unit	\$1,376	\$1.59	\$1,400	\$140,000	\$1,376	\$1.56	\$1,376	13.97%	1.7%	2,366
Repairs & Maintenance	\$76,423	\$764/Unit	\$420	\$0.52	\$460	\$46,000	\$650	\$0.74	\$650	6.60%	-29.2%	(19,000)
Electric/Gas	\$23,551	\$236/Unit	\$170	\$0.28	\$250	\$25,000	\$170	\$0.19	\$170	1.72%	47.4%	8,041
Water, Sewer, & Trash	\$69,781	\$698/Unit	\$426	\$0.39	\$340	\$34,000	\$426	\$0.48	\$426	4.33%	-20.2%	(8,605)
Property Insurance	\$44,852	\$0.51/sf	\$398	\$0.79	\$700	\$70,000	\$700	\$0.79	\$700	7.11%	0.0%	-
Property Tax (@ 100%) 2.3994	\$85,088	\$851/Unit	\$1,057	\$0.99	\$870	\$87,000	\$851	\$0.96	\$851	8.64%	2.2%	1,912
Reserve for Replacements				\$0.34	\$300	\$30,000	\$300	\$0.34	\$300	3.05%	0.0%	-
Supportive Services				\$0.05	\$40	\$4,000	\$40	\$0.05	\$40	0.41%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)				\$0.04	\$36	\$3,600	\$36	\$0.04	\$36	0.37%	0.0%	-
<b>TOTAL EXPENSES</b>					\$5,295	\$529,539	\$5,449	\$6.18	\$5,449	55.32%	-2.8%	\$(15,334)
<b>NET OPERATING INCOME ("NOI")</b>					\$4,553	\$455,298	\$4,401	\$4.99	\$4,401	44.68%	3.4%	\$ 15,168

<b>CONTROLLABLE EXPENSES</b>					\$2,855/Unit					\$3,027/Unit		
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**CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS**  
**Boulevard 61, Houston, 9% HTC/MDL #21131**

DEBT / GRANT SOURCES															
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE						AS UNDERWRITTEN DEBT/GRANT STRUCTURE									
Fee	Cumulative DCR	UW	App	Pmt	Rate	Amort	Term	Principal	Principal	Term	Amort	Rate	Pmt	Cumulative	
														LTC	DCR
JP Morgan Chase Bank	1.16	1.20	1.20	379,349	4.71%	35	18	\$6,500,000	\$6,500,000	18	35	4.71%	\$379,349	1.20	28.2%
Adjustment to Debt Per \$11,302(c)(2)														1.20	0.0%
Multifamily Direct Loan - Deferred Repayable	1.16	1.20			0.00%	35	18	\$1,440,000	\$1,440,000	18	35	0.00%	\$0	1.20	6.2%
<b>CASH FLOW DEBT / GRANTS</b>								\$500	\$500	0	0	0.00%		1.20	0.0%
City of Houston	1.16	1.20			0.00%	0	0	\$110,000	\$110,000	0	0	0.00%		1.20	0.5%
HEDK	1.16	1.20			0.00%	0	0	\$8,050,500	\$8,050,500				\$379,349	1.20	34.9%
<b>NET CASH FLOW</b>	\$60,781	\$75,949						<b>APPLICANT</b>	<b>NET OPERATING INCOME</b>	<b>\$455,298</b>			<b>\$75,948</b>	<b>NET CASH FLOW</b>	

EQUITY SOURCES														
APPLICANT'S PROPOSED EQUITY STRUCTURE						AS UNDERWRITTEN EQUITY STRUCTURE								
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Amount	Credit Price	Annual Credit	% Cost	Annual Credit	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
RBC Capital	UHTC Equity	61.8%	\$1,500,000	\$0.95	\$14,248,575	\$14,248,575	\$0.9499	\$1,500,000	61.8%	\$1,500,000	\$1,500,000	61.8%	\$15,000	Applicant Request
DIMA Development Company/JSA Development	Deferred Developer Fees	3.2%	(38% Deferred)		\$743,138	\$743,138	(38% Deferred)		3.2%			3.2%	Total Developer Fee:	\$1,935,000
Additional (Excess) Funds Req'd		0.0%			\$0	\$0			0.0%			0.0%		
<b>TOTAL EQUITY SOURCES</b>		<b>65.1%</b>			<b>\$14,992,213</b>	<b>\$14,991,713</b>			<b>65.1%</b>					
<b>TOTAL CAPITALIZATION</b>					<b>\$23,042,713</b>	<b>\$23,042,213</b>							15-Yr Cash Flow after Deferred Fee:	<b>\$813,506</b>

DEVELOPMENT COST / ITEMIZED BASIS												
APPLICANT COST / BASIS ITEMS						TDHCA COST / BASIS ITEMS						
Eligible Basis	Acquisition	New Const. Rehab	Total Costs	Total Costs	Total Costs	Eligible Basis	New Const. Rehab	Acquisition	Total Costs	Total Costs	COST VARIANCE	
												%
Land Acquisition	\$0	\$7,300,000	\$7,300,000	\$7,300,000	\$73,000 / Unit				\$73,000	\$73,000 / Unit	0.0%	\$0
Off-Sites	\$0	\$0	\$0	\$0	\$ / Unit				\$0	\$ / Unit	0.0%	\$0
Site Work	\$1,360,800	\$1,410,800	\$1,410,800	\$1,410,800	\$14,108 / Unit				\$1,360,800	\$13,608 / Unit	0.0%	\$0
Site Amenities	\$306,000	\$306,000	\$306,000	\$306,000	\$3,060 / Unit				\$306,000	\$3,060 / Unit	0.0%	\$0
Building Cost	\$7,400,000	\$7,545,723	\$7,545,723	\$8,138,232	\$75,457 / Unit				\$82,282 / sf	\$82,282 / sf	-7.3%	(\$592,509)
Contingency	\$496,871	\$522,415	\$522,415	\$522,415	5.64%				\$496,871	5.48%	0.0%	\$0
Contractor Fees	\$1,260,000	\$1,347,281	\$1,347,281	\$1,347,281	13.77%				\$1,260,000	13.17%	0.0%	\$0
Soft Costs	\$0	\$1,175,300	\$1,175,300	\$1,175,300	\$11,753 / Unit				\$1,175,300	\$11,753 / Unit	0.0%	\$0
Financing	\$0	\$875,000	\$875,000	\$1,043,750	\$10,438 / Unit				\$875,000	\$8,750 / Unit	0.0%	\$0
Developer Fee	\$0	\$1,935,000	\$1,935,000	\$1,935,000	14.78%				\$1,931,096	14.14%	0.0%	\$0
Reserves	\$0	\$455,944	\$455,944	\$455,944	6 Months				\$455,944	6 Months	0.0%	\$0
<b>TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)</b>	<b>\$0</b>	<b>\$14,805,971</b>	<b>\$23,042,213</b>	<b>\$23,042,213</b>	<b>\$230,422 / Unit</b>				<b>\$23,634,722</b>	<b>\$236,347 / Unit</b>	<b>-2.6%</b>	<b>(\$692,509)</b>
Acquisition Cost	\$0	\$0	\$0	\$0					\$0			\$0
Contingency	\$0	\$0	\$0	\$0					\$0			\$0
Contractor's Fee	\$0	\$0	\$0	\$0					\$0			\$0
Financing Cost	\$0	(\$3,904)	\$0	\$0	15.00%				\$0			\$0
Developer Fee	\$0	\$14,805,067	\$14,805,067	\$14,805,067					\$14,805,067			\$0
Reserves	\$0	\$0	\$0	\$0					\$0			\$0
<b>ADJUSTED BASIS / COST</b>	<b>\$0</b>	<b>\$14,805,067</b>	<b>\$23,042,213</b>	<b>\$23,042,213</b>	<b>\$230,422 / Unit</b>				<b>\$14,805,067</b>	<b>\$148,050.67 / Unit</b>	<b>-2.6%</b>	<b>(\$692,509)</b>
<b>TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):</b>												<b>\$23,042,213</b>

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

Boulevard 61, Houston, 9% HTC/MDL #21131

CREDIT CALCULATION ON QUALIFIED BASIS		
Applicant	TDHCA	
Acquisition	Construction Rehabilitation	Construction
\$0	\$14,805,067	\$14,805,067
\$0	\$0	\$0
\$0	\$14,805,067	\$14,805,067
	130%	130%
\$0	\$19,246,587	\$19,246,587
90.00%	90.00%	90%
\$0	\$17,321,928	\$17,321,928
4.00%	9.00%	9.00%
0	\$1,558,974	\$1,558,974
	\$1,558,974	\$1,558,974

ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS			FINAL ANNUAL LIHTC ALLOCATION		
Method	Annual Credits	Proceeds	Credit Price	\$0.9499	Variance to Request
Eligible Basis	\$1,558,974	\$14,808,767	Credit Allocation	-----	Proceeds
Needed to Fill Gap	\$1,578,233	\$14,991,713		-----	-----
Applicant Request	\$1,500,000	\$14,248,575		-----	-----
			\$1,500,000		\$0

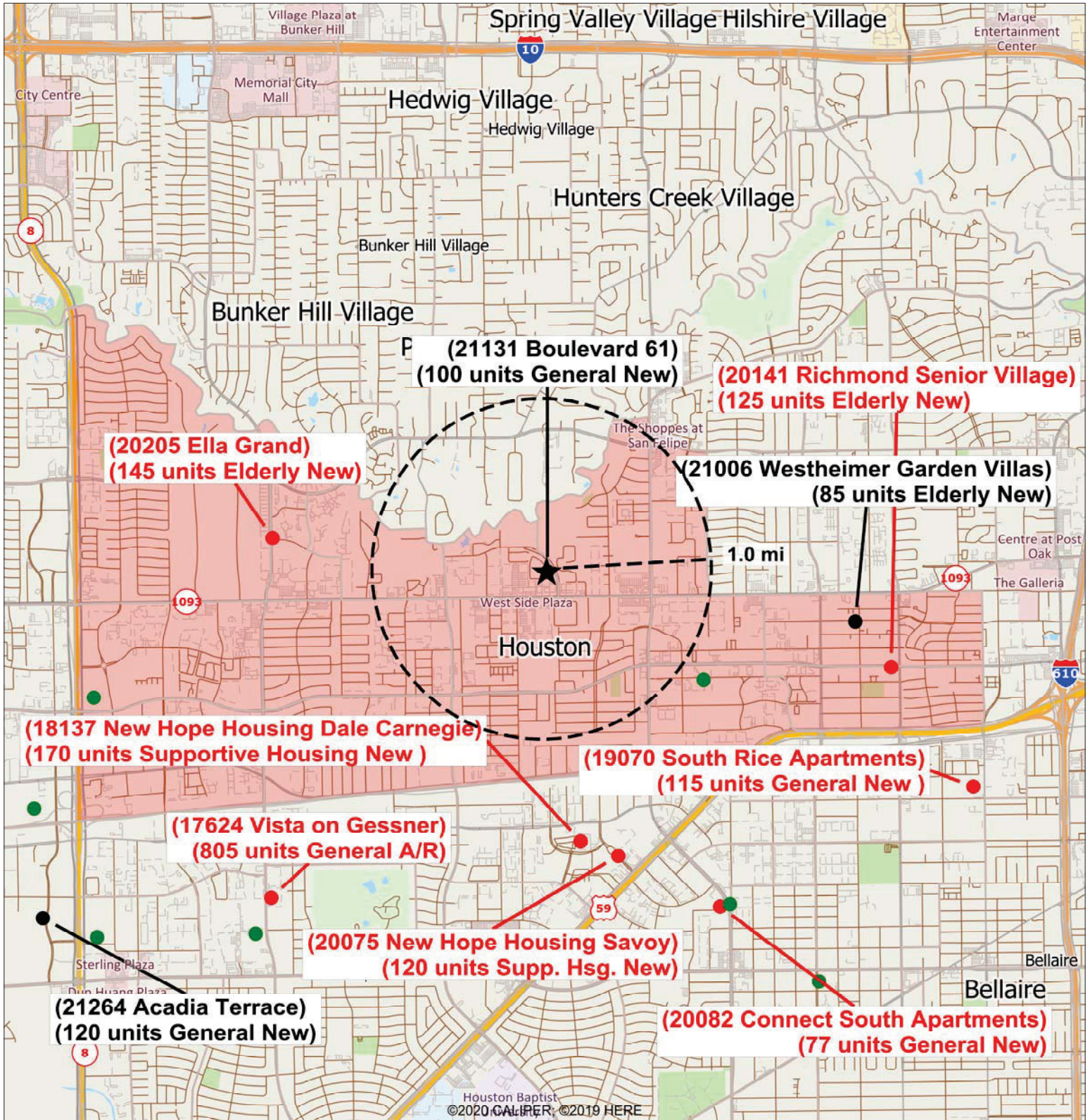
BUILDING COST ESTIMATE					
CATEGORY	FACTOR	UNITS/SF	PER SF		
Base Cost:	Elevator Served	88,194 SF	\$69.27		6,109,278
Adjustments					
Exterior Wall Finish	4.00%		2.77		\$244,371
Elderly	0.00%		0.00		0
9-FL Ceilings	3.50%		2.42		213,825
Roof Adjustment(s)			2.40		211,686
Subfloor			0.22		19,623
Floor Cover			2.56		225,777
Enclosed Corridors	\$60.82	12,924	8.91		786,049
Balconies	\$30.69	7,746	2.70		237,736
Plumbing Fixtures	\$1,080	258	3.16		278,640
Rough-ins	\$530	200	1.20		106,000
Built-In Appliances	\$1,830	100	2.07		183,000
Exterior Stairs	\$2,460	3	0.08		7,380
Heating/Cooling			2.34		206,374
Storage Space	\$60.82	0	0.00		0
Carports	\$12.25	0	0.00		0
Garages			0		0
Common/Support Area	\$96.38	4,342	4.74		418,472
Elevators			1		0
Other:			0.00		0
Fire Sprinklers	\$2.88	105,460	3.44		303,725
<b>SUBTOTAL</b>			<b>108.31</b>		<b>9,551,916</b>
Current Cost Multiplier	1.00		0.00		0
Local Multiplier	1.00		0.00		0
Reserved					0
<b>TOTAL BUILDING COSTS</b>			<b>108.31</b>		<b>\$9,551,916</b>
Plans, specs, survey, bldg permits	3.30%		(3.57)		(\$315,213)
Contractor's OH & Profit	11.50%		(12.46)		(1,098,470)
<b>NET BUILDING COSTS</b>					<b>\$8,138,232</b>
		\$81,382/unit	\$92.29/sf		

## Long-Term Pro Forma

**Boulevard 61, Houston, 9% HTC/MDL #21131**

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	\$984,836	\$1,004,533	\$1,024,624	\$1,045,116	\$1,066,019	\$1,176,971	\$1,299,471	\$1,434,721	\$1,584,048	\$1,748,916	\$1,930,945
TOTAL EXPENSES	\$529,539	\$544,931	\$560,774	\$577,083	\$593,871	\$685,506	\$791,428	\$913,881	\$1,055,464	\$1,219,183	\$1,408,521
<b>NET OPERATING INCOME ("NOI")</b>	<b>\$455,298</b>	<b>\$459,603</b>	<b>\$463,850</b>	<b>\$468,033</b>	<b>\$472,148</b>	<b>\$491,465</b>	<b>\$508,043</b>	<b>\$520,839</b>	<b>\$528,584</b>	<b>\$529,734</b>	<b>\$522,424</b>
EXPENSE/INCOME RATIO	53.8%	54.2%	54.7%	55.2%	55.7%	58.2%	60.9%	63.7%	66.6%	69.7%	72.9%
<b>MUST -PAY DEBT SERVICE</b>											
TOTAL DEBT SERVICE	\$379,349	\$379,349	\$379,349	\$379,349	\$379,349	\$379,349	\$379,349	\$379,349	\$379,349	\$379,349	\$379,349
DEBT COVERAGE RATIO	1.20	1.21	1.22	1.23	1.24	1.30	1.34	1.37	1.39	1.40	1.38
<b>ANNUAL CASH FLOW</b>											
Deferred Developer Fee Balance	\$75,948	\$80,253	\$84,500	\$88,684	\$92,798	\$112,116	\$128,694	\$141,490	\$149,235	\$150,385	\$143,075
<b>CUMULATIVE NET CASH FLOW</b>	\$667,190	\$586,936	\$502,436	\$413,752	\$320,953	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$201,904	\$813,506	\$1,497,112	\$2,230,104	\$2,982,712	\$3,716,508

# 21131 Boulevard 61 PMA Map



Disclaimer: This map is not a survey. Boundaries, distance and scale are approximate only.