



Real Estate Analysis Division

December 30, 2024

Addendum to Underwriting Report

TDHCA Application #: 24150

Program(s): 9% HTC

Ovetta Rosedale

Address/Location: 4202-4210 Medical Pkwy

City: Austin

County: Travis

Zip: 78756

	APPLICATION HISTORY
Report Date	PURPOSE
12/30/24	Carryover Update Memo
07/01/24	Original Underwriting Report

ALLOCATION

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

CONDITIONS STATUS

1 Receipt and acceptance by Carryover:

- Formal approval for \$8,000,000 loan from Rental Housing Development Assistance (RHDA) clearly stating all terms, conditions and source of funding.

Status: Satisfied. The loan amount decreased from \$8M to \$5.195M. The terms/conditions and source of funding is satisfied.

2 Receipt and acceptance by Cost Certification:

- a: Attorney opinion validating federally sourced funds can be considered bona fide debt with a reasonable expectation that it will be repaid in full and further stating that the funds should not be deducted from eligible basis.

Status: Satisfied during carry over. The Applicant provided commitment letter from Rental Housing Development Assistance and the funds are coming from the 2022 General Obligation Bonds and federal money is not included.

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

- c: Architect certification that a noise assessment was completed, and that all 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	7
50% of AMI	50% of AMI	28
60% of AMI	60% of AMI	32
80% of AMI	80% of AMI	3

ANALYSIS

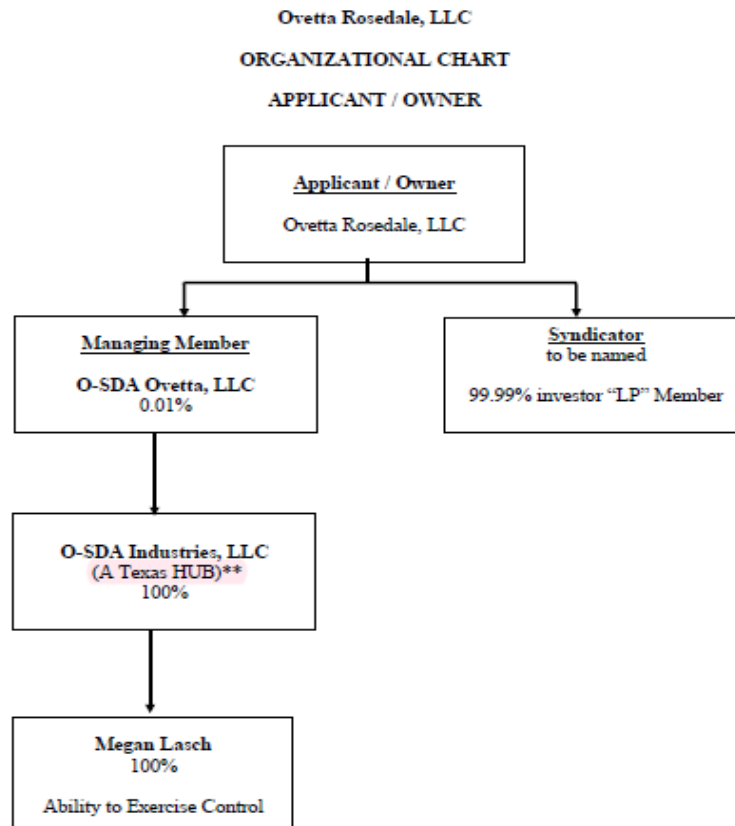
24150 Ovetta Rosedale received a \$2M LIHTC award from TDHCA in July 2024. The applicant has submitted a carryover update request related to changes in financing and organization structure which will facilitate an ad-valorem tax exemption.

The financial changes include an increase in their permanent debt and a reduction in the soft loan from Rental Housing Development Assistance (RHDA).

TDHCA Executive Director approved the organization change involving the replacement of O-SDA Ovetta, LLC, with Ovetta MM, LLC as the managing member of the owner, the addition of AAHC Ovetta Rosedale MM, LLC, as the managing member of Ovetta MM, LLC and the addition of Austin Affordable Housing Corporation, as owner of AAHC Ovetta Rosedale MM, LLC.

The approval was executed 11/14/2024.

Previous Ownership Structure



New Ownership Structure

Original Ownership Structure

O-SDA Ovetta, LLC 0.01%
Syndicator to be named 99.99%

New Ownership Structure

Ovetta MM, LLC .005%
O-SDA Ovetta, LLC .005%
Megan Lasch (to be replaced at closing with
syndicator to be named) 99.99%
AAHC Ovetta Rosedale MM, LLC (95%)

Operating Pro Forma

Underwritten (TDHCA Pro Forma)

The following annual operating expenses changed from previous underwriting:

- Underwriter utilizing 2024 rents
- Management fee increased \$3.9k
- Property taxes decreased by \$70k

The development is now claiming a 100% tax exemption.

Effective Gross Income increased by \$79k, Total Expenses decreased by \$66k, resulting in an increase in NOI of \$146k.

Applicant is assuming a discount on the rent collected for the TC80% units

Bedroom	Max Program TC80%	Gross Rent Collected by Applicant	Rent Discount	Net Discount per Unit TC80%
1BR	\$1,890	\$1,553	-18%	(\$337)
2BR	\$2,268	\$1,773	-22%	(\$495)
3BR	\$2,621	\$1,987	-24%	(\$634)

Development Cost

There was no change in Building Costs from initial underwriting. Applicant is still limiting their Voluntary Eligible Building Costs to \$8,283,352.

Total Housing Development Costs have increased by \$445,000 related to Financing, Developer Fee, and Soft Costs:

- Total Financing costs increased \$356,558
- Total Developer Fee decreased \$7,468
- Total Soft Costs increased \$95,911

Sources of Funds

Construction lender changed from Stellar Bank to Legacy Bank & Trust. The construction loan amount increased from \$12,200,000 to \$16,000,000 and the interest rate increased from 7% to 7.75%.

The Permanent lender changed from Stellar Bank to Boston Capital. Permanent debt obligation increased from \$2M to \$5,649,960 with a 7.31% interest rate and a term of 16 years.

Initial underwriting included a total of \$8M in soft funds from RHDA however, the commitment letter showed the soft funds loan decreased to \$5,195,000. The funds are coming from the 2022 Obligation Funds and will not include federal money. The loan is 0% interest during construction and 2% during the permanent phase with a 40-year term.

Applicant submitted the payment for the soft loan at \$188,782 as a payment is necessary to bring the DCR in the allowable range of 1.15 to 1.35 however, this payment would make the DCR fall below the minimum. Since the loan is payable from surplus cash, the Underwriter is utilizing a payment of \$75,762 necessary to achieve the maximum 1.35 DCR.

Hudson Housing Capital decreased their capital contribution from \$17,398,260 to \$16,998,300 and the credit price decreased from \$0.87 to \$0.85.

Underwriter recommends an annual tax credit allocation of \$2,000,000 as previously awarded.

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

UNIT MIX/RENT SCHEDULE	
Ovetta Rosedale, Austin, 9% HTC #24150	

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

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	7	10.0%	0	0	0	0
1	14	20.0%	0	0	0	0
2	33	47.1%	0	0	0	0
3	16	22.9%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	70	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	819 sf

54%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	7	-	28	32	-	3	-	70
Income	% Total	0.0%	10.0%	0.0%	40.0%	45.7%	0.0%	4.3%	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%	\$661	2	0	1	510	\$661	\$47	\$614	\$0	\$1.20	\$614	\$1,228	\$1,228	\$614	\$1.20	\$0	\$1,352	\$2.65	\$1,352
TC 30%	\$661	1	0	1	552	\$661	\$47	\$614	\$0	\$1.11	\$614	\$614	\$614	\$614	\$1.11	\$0	\$1,421	\$2.57	\$1,421
TC 50%	\$1,102	1	0	1	510	\$1,102	\$47	\$1,055	\$0	\$2.07	\$1,055	\$1,055	\$1,055	\$1,055	\$2.07	\$0	\$1,421	\$2.79	\$1,421
TC 50%	\$1,102	2	0	1	552	\$1,102	\$47	\$1,055	\$0	\$1.91	\$1,055	\$2,110	\$2,110	\$1,055	\$1.91	\$0	\$1,407	\$2.55	\$1,407
TC 60%	\$1,323	1	0	1	510	\$1,323	\$47	\$1,276	\$0	\$2.50	\$1,276	\$1,276	\$1,276	\$1,276	\$2.50	\$0	\$1,352	\$2.65	\$1,352
TC 30%	\$708	2	1	1	600	\$708	\$53	\$655	\$0	\$1.09	\$655	\$1,310	\$1,310	\$655	\$1.09	\$0	\$1,500	\$2.50	\$1,568
TC 50%	\$1,181	5	1	1	600	\$1,181	\$53	\$1,128	\$0	\$1.88	\$1,128	\$5,640	\$5,640	\$1,128	\$1.88	\$0	\$1,500	\$2.50	\$1,568
TC 60%	\$1,417	5	1	1	600	\$1,417	\$53	\$1,364	\$0	\$2.27	\$1,364	\$6,820	\$6,820	\$1,364	\$2.27	\$0	\$1,500	\$2.50	\$1,568
TC 60%	\$1,417	1	1	1	652	\$1,417	\$53	\$1,364	\$0	\$2.09	\$1,364	\$1,364	\$1,364	\$1,364	\$2.09	\$0	\$1,500	\$2.30	\$1,654
TC 80%	\$1,890	1	1	1	652	\$1,890	\$53	\$1,837	(\$337)	\$2.30	\$1,500	\$1,500	\$1,500	\$1,500	\$2.30	(\$337)	\$1,500	\$2.30	\$1,654
TC 30%	\$850	1	2	2	850	\$850	\$73	\$777	\$0	\$0.91	\$777	\$777	\$777	\$777	\$0.91	\$0	\$1,700	\$2.00	\$2,175
TC 50%	\$1,417	12	2	2	850	\$1,417	\$73	\$1,344	\$0	\$1.58	\$1,344	\$16,128	\$16,128	\$1,344	\$1.58	\$0	\$1,700	\$2.00	\$2,175
TC 50%	\$1,417	1	2	2	896	\$1,417	\$73	\$1,344	\$0	\$1.50	\$1,344	\$1,344	\$1,344	\$1,344	\$1.50	\$0	\$1,700	\$1.90	\$2,245
TC 50%	\$1,417	1	2	2	904	\$1,417	\$73	\$1,344	\$0	\$1.49	\$1,344	\$1,344	\$1,344	\$1,344	\$1.49	\$0	\$1,700	\$1.88	\$2,220
TC 60%	\$1,701	15	2	2	850	\$1,701	\$73	\$1,628	\$0	\$1.92	\$1,628	\$24,420	\$24,420	\$1,628	\$1.92	\$0	\$1,700	\$2.00	\$2,175
TC 60%	\$1,701	1	2	2	896	\$1,701	\$73	\$1,628	\$0	\$1.82	\$1,628	\$1,628	\$1,628	\$1,628	\$1.82	\$0	\$1,700	\$1.90	\$2,245
TC 60%	\$1,701	1	2	2	904	\$1,701	\$73	\$1,628	\$0	\$1.80	\$1,628	\$1,628	\$1,628	\$1,628	\$1.80	\$0	\$1,700	\$1.88	\$2,220
TC 80%	\$2,268	1	2	2	904	\$2,268	\$73	\$2,195	(\$495)	\$1.88	\$1,700	\$1,700	\$1,700	\$1,700	\$1.88	(\$495)	\$1,700	\$1.88	\$2,220
TC 30%	\$982	1	3	2	1,050	\$982	\$87	\$895	\$0	\$0.85	\$895	\$895	\$895	\$895	\$0.85	\$0	\$1,900	\$1.81	\$2,399
TC 50%	\$1,638	6	3	2	1,050	\$1,638	\$87	\$1,551	\$0	\$1.48	\$1,551	\$9,306	\$9,306	\$1,551	\$1.48	\$0	\$1,900	\$1.81	\$2,399
TC 60%	\$1,965	8	3	2	1,050	\$1,965	\$87	\$1,878	\$0	\$1.79	\$1,878	\$15,024	\$15,024	\$1,878	\$1.79	\$0	\$1,900	\$1.81	\$2,399
TC 80%	\$2,621	1	3	2	1,050	\$2,621	\$87	\$2,534	(\$634)	\$1.81	\$1,900	\$1,900	\$1,900	\$1,900	\$1.81	(\$634)	\$1,900	\$1.81	\$2,399
TOTALS/AVERAGES:		70			57,304				(\$21)	\$1.73	\$1,414	\$99,011	\$99,011	\$1,414	\$1.73	(\$21)	\$1,674	\$2.05	\$2,032

ANNUAL POTENTIAL GROSS RENT:		\$1,188,132	\$1,188,132	
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STABILIZED PRO FORMA

Ovetta Rosedale, Austin, 9% HTC #24150

STABILIZED FIRST YEAR PRO FORMA															
COMPARABLES				APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
Database	Travis County			% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$1.73	\$1,414	\$1,188,132	\$1,102,392	\$1,102,392	\$1,188,132	\$1,414	\$1.73		0.0%	\$0
late fees, app fees, retained deposits						\$20.00	\$16,800	16,800							
Total Secondary Income						\$20.00			16,800	\$16,800	\$20.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$1,204,932	\$1,119,192	\$1,119,192	\$1,204,932				0.0%	\$0
Vacancy & Collection Loss						7.5% PGI	(90,370)	(83,939)	(83,939)	(90,370)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME							\$1,114,562	\$1,035,253	\$1,035,253	\$1,114,562				0.0%	\$0

General & Administrative	\$42,086	\$601/Unit	\$47,374	\$677	3.77%	\$0.73	\$600	\$42,000	\$42,000	\$42,086	\$42,086	\$601	\$0.73	3.78%	-0.2%	(86)
Management	\$44,135	4.7% EGI	\$41,625	\$595	5.00%	\$0.97	\$796	\$55,728	\$51,763	\$51,763	\$55,728	\$796	\$0.97	5.00%	0.0%	(0)
Payroll & Payroll Tax	\$83,517	\$1,193/Unit	\$114,819	\$1,640	12.37%	\$2.41	\$1,970	\$137,900	\$137,900	\$114,819	\$114,819	\$1,640	\$2.00	10.30%	20.1%	23,081
Repairs & Maintenance	\$69,991	\$1,000/Unit	\$68,338	\$976	4.39%	\$0.85	\$699	\$48,900	\$48,900	\$45,500	\$45,500	\$650	\$0.79	4.08%	7.5%	3,400
Electric/Gas	\$24,502	\$350/Unit	\$9,391	\$134	1.10%	\$0.21	\$175	\$12,250	\$12,250	\$9,391	\$9,391	\$134	\$0.16	0.84%	30.4%	2,859
Water, Sewer, & Trash	\$62,626	\$895/Unit	\$49,802	\$711	4.45%	\$0.87	\$709	\$49,600	\$49,600	\$49,802	\$49,802	\$711	\$0.87	4.47%	-0.4%	(202)
Property Insurance	\$39,742	\$0.69 /sf	\$26,623	\$380	7.18%	\$1.40	\$1,143	\$80,000	\$80,000	\$80,000	\$80,000	\$1,143	\$1.40	7.18%	0.0%	-
Property Tax (@ 0%) 1.8092	\$47,545	\$679/Unit	\$70,798	\$1,011	0.00%	\$0.00	\$0	\$0	\$89,000	\$70,798	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements					1.88%	\$0.37	\$300	\$21,000	\$21,000	\$21,000	\$21,000	\$300	\$0.37	1.88%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.25%	\$0.05	\$40	\$2,800	\$2,800	\$2,800	\$2,800	\$40	\$0.05	0.25%	0.0%	-
Alarm Consultant					0.14%	\$0.03	\$23	\$1,580	\$1,580	\$1,580	\$1,580	\$23	\$0.03	0.14%	0.0%	-
TOTAL EXPENSES					40.53%	\$7.88	\$6,454	\$451,758	\$536,793	\$489,538	\$422,705	\$6,039	\$7.38	37.93%	6.9%	\$ 29,053
NET OPERATING INCOME ("NOI")					59.47%	\$11.57	\$9,469	\$662,804	\$498,460	\$545,715	\$691,857	\$9,884	\$12.07	62.07%	-4.2%	\$ (29,053)

CONTROLLABLE EXPENSES		\$4,152/Unit		\$3,737/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Ovetta Rosedale, Austin, 9% HTC #24150

		DEBT / GRANT SOURCES																		
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE									AS UNDERWRITTEN DEBT/GRANT STRUCTURE									
											Cumulative									
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative				
		UW	App						Applicant	TDHCA						DCR	LTC			
Boston Capital Finance LLC		1.72	1.65	402,480	7.31%	40	16.0	\$5,649,960	\$2,000,000	\$2,000,000	\$5,649,960	16.0	40.0	7.31%	\$436,679	1.58	19.6%			
Adjustment to Debt Per §11.302(c)(2)	0.00%											16.0	40.0	7.31%		1.58	0.0%			
Legacy Bank & Trust		1.72	1.65	\$0	0.00%	0	0.0	\$0			\$0	0.0	0.0	0.00%		1.58	0.0%			
RHDA Soft Loan		1.17	1.12	\$188,782	2.00%	0	40.0	\$5,195,000	\$8,000,000	\$8,000,000	\$5,195,000	40.0	0.0	2.00%	\$75,762	1.35	18.0%			
CASH FLOW DEBT / GRANTS																				
				\$591,262	TOTAL DEBT / GRANT SOURCES			\$10,844,960	\$10,000,000	\$10,000,000	\$10,844,960	TOTAL DEBT SERVICE			\$512,440	1.35	37.5%			
NET CASH FLOW		\$100,595	\$71,542	TDHCA NET OPERATING INCOME														\$691,857	\$179,417	NET CASH FLOW

EQUITY / DEFERRED FEES	EQUITY SOURCES												
	APPLICANT'S PROPOSED EQUITY STRUCTURE							AS UNDERWRITTEN EQUITY STRUCTURE					
	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
Applicant						TDHCA							
Hudson	LIHTC Equity	58.8%	\$2,000,000	\$0.85	\$16,998,300	\$17,398,260	\$17,398,260	\$16,998,300	\$0.85	\$2,000,000	58.8%	\$28,571	Previous Allocation
OSDA	Deferred Developer Fees	3.6%	(37% Deferred)		\$1,040,930	\$1,040,930	\$1,040,930	\$1,040,930	(37% Deferred)		3.6%	Total Developer Fee:	\$2,805,544
Additional (Excess) Funds Req'd		0.0%					\$0	\$0			0.0%		
TOTAL EQUITY SOURCES		62.5%			\$18,039,230	\$18,439,190	\$18,439,190	\$18,039,230			62.5%		
TOTAL CAPITALIZATION					\$28,884,190	\$28,439,190	\$28,439,190	\$28,884,190			15-Yr Cash Flow after Deferred Fee:		\$2,757,950

		DEVELOPMENT COST / ITEMIZED BASIS														
		APPLICANT COST / BASIS ITEMS						TDHCA COST / BASIS ITEMS				COST VARIANCE				
		Eligible Basis				Prior Underwriting				Eligible Basis						
		Acquisition	New Const. Rehab.			Applicant	TDHCA			New Const. Rehab.	Acquisition			%	\$	
Land Acquisition				\$75,714 / Unit	\$5,300,000	\$5,300,000	\$5,300,000	\$5,300,000	\$75,714 / Unit			0.0%	\$0			
Building Acquisition		\$0		\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit		\$0	0.0%	\$0			
Relocation					\$20,000	\$20,000	\$20,000	\$20,000				0.0%	\$0			
Off-Sites			\$0	\$1,571 / Unit	\$110,000	\$110,000	\$110,000	\$110,000	\$1,571 / Unit	\$0		0.0%	\$0			
Site Work			\$976,000	\$15,657 / Unit	\$1,096,000	\$1,096,000	\$1,096,000	\$1,096,000	\$15,657 / Unit	\$976,000		0.0%	\$0			
Site Amenities			\$80,000	\$1,143 / Unit	\$80,000	\$80,000	\$80,000	\$80,000	\$1,143 / Unit	\$80,000		0.0%	\$0			
Building Cost			\$8,283,352	\$202.87 /sf	\$166,079/Unit	\$11,625,540	\$11,625,540	\$10,892,888	\$10,892,888	\$155,613/Unit		\$190.09 /sf	\$8,283,352	6.7%	\$732,652	
Contingency			\$653,208	6.99%	6.95%	\$896,808	\$896,808	\$852,522	\$852,522	7.00%		6.99%	\$653,208	5.2%	\$44,286	
Contractor Fees			\$1,397,865	13.99%	13.90%	\$1,919,169	\$1,919,169	\$1,824,397	\$1,824,397	14.00%	13.99%	\$1,397,865	5.2%	\$94,771		
Soft Costs		\$0	\$2,131,175	\$33,588 / Unit		\$2,351,190	\$2,255,279	\$2,255,279	\$2,351,190	\$33,588 / Unit		\$2,131,175	\$0	0.0%	\$0	
Financing		\$0	\$1,664,440	\$35,018 / Unit		\$2,451,294	\$2,094,737	\$2,094,737	\$2,451,294	\$35,018 / Unit		\$1,664,440	\$0	0.0%	\$0	
Developer Fee			\$0	\$2,233,176	14.71%	14.76%	\$2,805,544	\$2,813,012	\$2,711,472	\$2,733,733	15.00%	14.71%	\$2,233,176	\$0	2.6%	\$71,811
Reserves				3 Months		\$228,645	\$228,645	\$228,645	\$228,645	3 Months				0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$17,419,215	\$412,631 / Unit		\$28,884,190	\$28,439,190	\$27,465,940	\$27,940,670	\$399,152 / Unit		\$17,419,215	\$0	3.4%	\$943,520	
Acquisition Cost		\$0				\$0	\$0									
Contingency			\$0			\$0	\$0									
Contractor's Fee			\$0			\$0	\$0									
Financing Cost			\$0													
Developer Fee		\$0	\$0			\$0	\$0									
Reserves						\$0	\$0									
ADJUSTED BASIS / COST		\$0	\$17,419,215	\$412,631/unit		\$28,884,190	\$28,439,190	\$27,465,940	\$27,940,670	\$399,152/unit		\$17,419,215	\$0	3.4%	\$943,520	
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$28,884,190										

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Ovetta Rosedale, Austin, 9% HTC #24150

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$17,419,215	\$0	\$17,419,215
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$17,419,215	\$0	\$17,419,215
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$22,644,980	\$0	\$22,644,980
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$22,644,980	\$0	\$22,644,980
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$2,038,048	\$0	\$2,038,048
CREDITS ON QUALIFIED BASIS	\$2,038,048		\$2,038,048	

	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price \$0.8499	Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$2,038,048	\$17,321,677	----	----	----
Needed to Fill Gap	\$2,122,475	\$18,039,230	----	----	----
Previous Allocation	\$2,000,000	\$16,998,300	\$2,000,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	57,304 SF	\$119.23	6,832,157
Adjustments				
Exterior Wall Finish	5.20%		6.20	\$355,272
Elderly	0.00%		0.00	0
9-Ft. Ceilings	0.00%		0.00	0
Roof Adjustment(s)			7.21	413,000
Subfloor			0.60	34,382
Floor Cover			3.68	210,879
Breezeways	\$40.69	9,270	6.58	377,233
Balconies	\$36.23	2,285	1.44	82,786
Plumbing Fixtures	\$1,420	147	3.64	208,740
Rough-ins	\$700	140	1.71	98,000
Built-In Appliances	\$2,280	70	2.79	159,600
Exterior Stairs	\$3,550	11	0.68	39,050
Heating/Cooling			3.12	178,788
Storage Space	\$40.69	140	0.10	5,697
Carports	\$16.05	0	0.00	0
Podium Parking	\$87.60	19,070	29.15	1,670,473
Common/Support Area	\$130.49	3,885	8.85	506,935
Elevators	\$168,600	1	2.94	168,600
Other: Cantilevers, Support Columns, Windows, Metal Package			20.69	1,185,800
Fire Sprinklers	\$3.65	70,599	4.50	257,686
SUBTOTAL			223.11	12,785,079
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			223.11	\$12,785,079
Plans, specs, survey, bldg permits	3.30%		(7.36)	(\$421,908)
Contractor's OH & Profit	11.50%		(25.66)	(1,470,284)
NET BUILDING COSTS		\$155,613/unit	\$190.09/sf	\$10,892,888

Long-Term Pro Forma

Ovetta Rosedale, Austin, 9% HTC #24150

	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%	\$1,114,562	\$1,136,853	\$1,159,590	\$1,182,782	\$1,206,438	\$1,332,005	\$1,470,641	\$1,623,707	\$1,792,703	\$1,979,289	\$2,185,295	\$2,412,742
TOTAL EXPENSES	3.00%	\$422,705	\$434,829	\$447,305	\$460,145	\$473,358	\$545,422	\$628,618	\$724,682	\$835,624	\$963,770	\$1,111,811	\$1,282,863
NET OPERATING INCOME ("NOI")		\$691,857	\$702,024	\$712,285	\$722,638	\$733,080	\$786,583	\$842,023	\$899,025	\$957,080	\$1,015,520	\$1,073,484	\$1,129,880
EXPENSE/INCOME RATIO		37.9%	38.2%	38.6%	38.9%	39.2%	40.9%	42.7%	44.6%	46.6%	48.7%	50.9%	53.2%
MUST -PAY DEBT SERVICE													
Boston Capital Finance LLC		\$436,679	\$436,679	\$436,679	\$436,679	\$436,679	\$436,679	\$436,679	\$436,679	\$436,679	\$436,679	\$436,679	\$436,679
RHDA Soft Loan		\$75,762	\$75,762	\$75,762	\$75,762	\$75,762	\$75,762	\$75,762	\$75,762	\$75,762	\$75,762	\$75,762	\$75,762
TOTAL DEBT SERVICE		\$512,440	\$512,440	\$512,440	\$512,440	\$512,440	\$512,440	\$512,440	\$512,440	\$512,440	\$512,440	\$512,440	\$512,440
DEBT COVERAGE RATIO		1.35	1.37	1.39	1.41	1.43	1.53	1.64	1.75	1.87	1.98	2.09	2.20
ANNUAL CASH FLOW		\$179,417	\$189,584	\$199,845	\$210,197	\$220,640	\$274,143	\$329,583	\$386,585	\$444,639	\$503,079	\$561,044	\$617,439
Deferred Developer Fee Balance		\$861,514	\$671,930	\$472,085	\$261,888	\$41,248	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$1,221,624	\$2,757,950	\$4,576,337	\$6,683,123	\$9,081,641	\$11,771,322	\$14,746,607

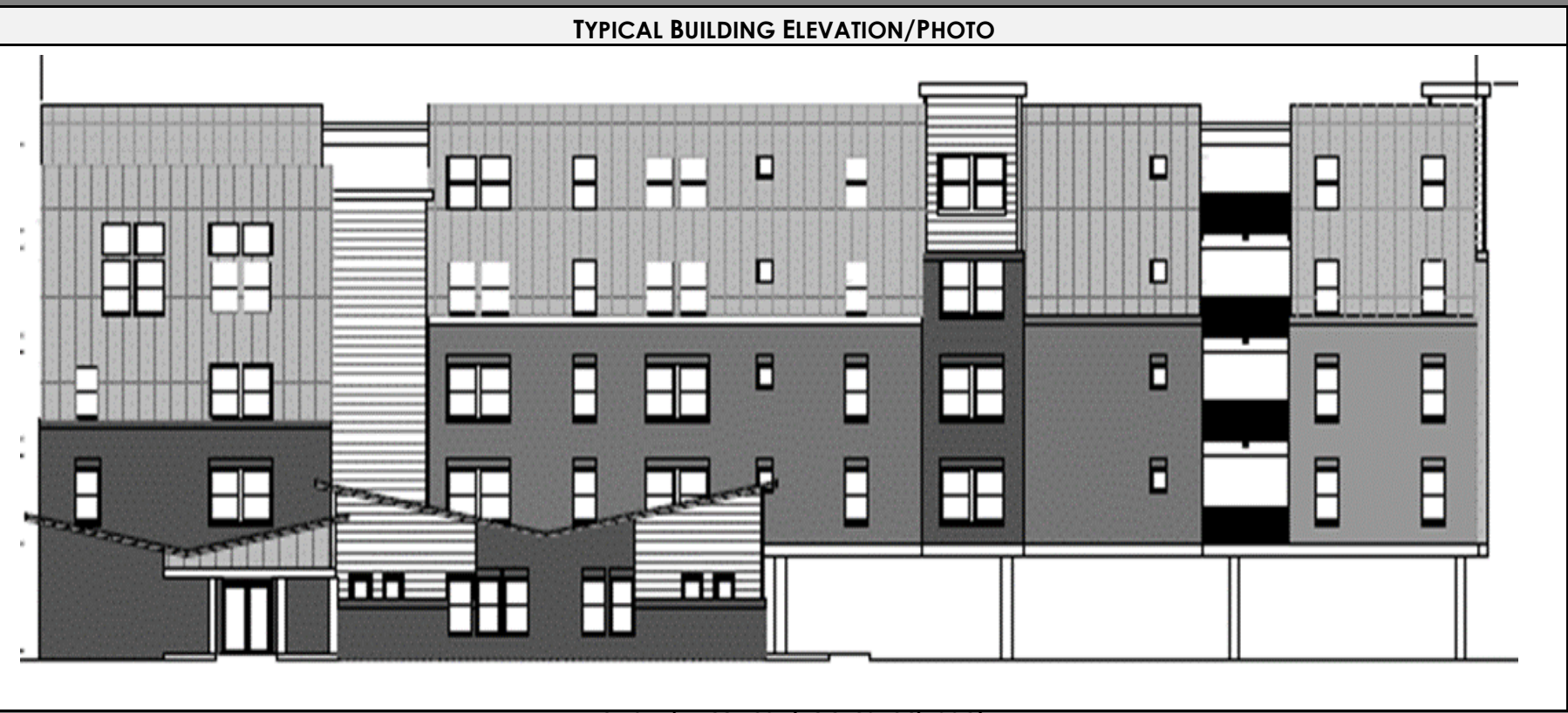
24150 Ovetta Rosedale - Application Summary

REAL ESTATE ANALYSIS DIVISION
July 1, 2024

PROPERTY IDENTIFICATION	
Application #	24150
Development	Ovetta Rosedale
City / County	Austin / Travis
Region/Area	7 / Urban
Population	General
Set-Aside	General
Activity	New Construction

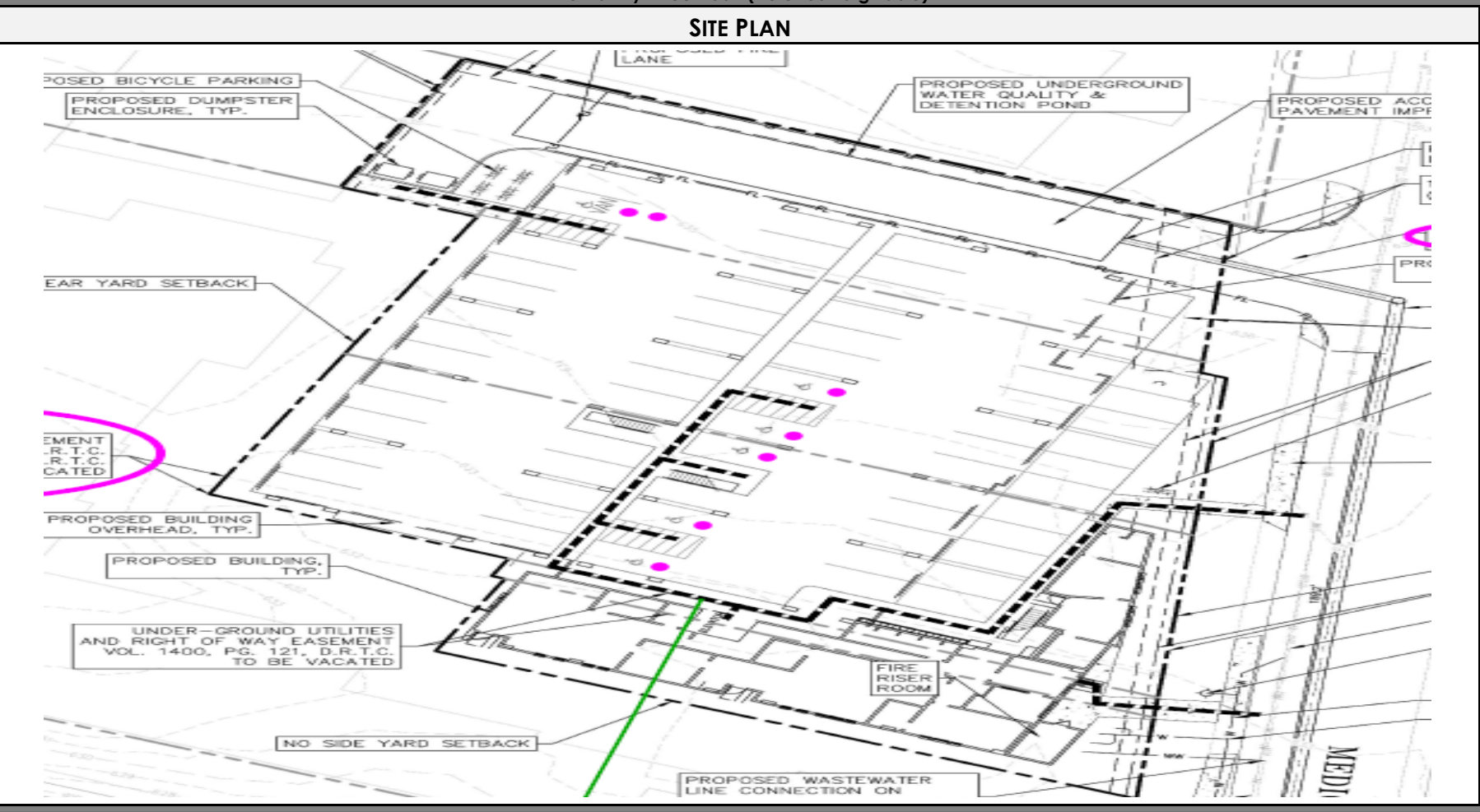
RECOMMENDATION				
TDHCA Program		Request	Recommended	
LIHTC (9% Credit)		\$2,000,000	\$2,000,000	\$28,571/Unit
				\$0.87

KEY PRINCIPALS / SPONSOR		
O-SDA Industries, LLC Megan Lasch		
Related Parties	Contractor - No	Seller - No



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	7	10%	20%	-	0%
1	14	20%	30%	7	10%
2	33	47%	40%	-	0%
3	16	23%	50%	28	40%
4	-	0%	60%	32	46%
			70%	-	0%
			80%	3	4%
			MR	-	0%
TOTAL	70	100%	TOTAL	70	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		TDHCA's Pro Forma	
Debt Coverage	✓ 1.24	Expense Ratio	✓ 47.3%
Breakeven Occ.	✓ 83.0%	Breakeven Rent	\$1,176
Average Rent	\$1,312	B/E Rent Margin	✓ \$136
Property Taxes	\$1,011/unit	Exemption/PILOT	0%
Total Expense	\$6,993/unit	Controllable	\$3,737/unit

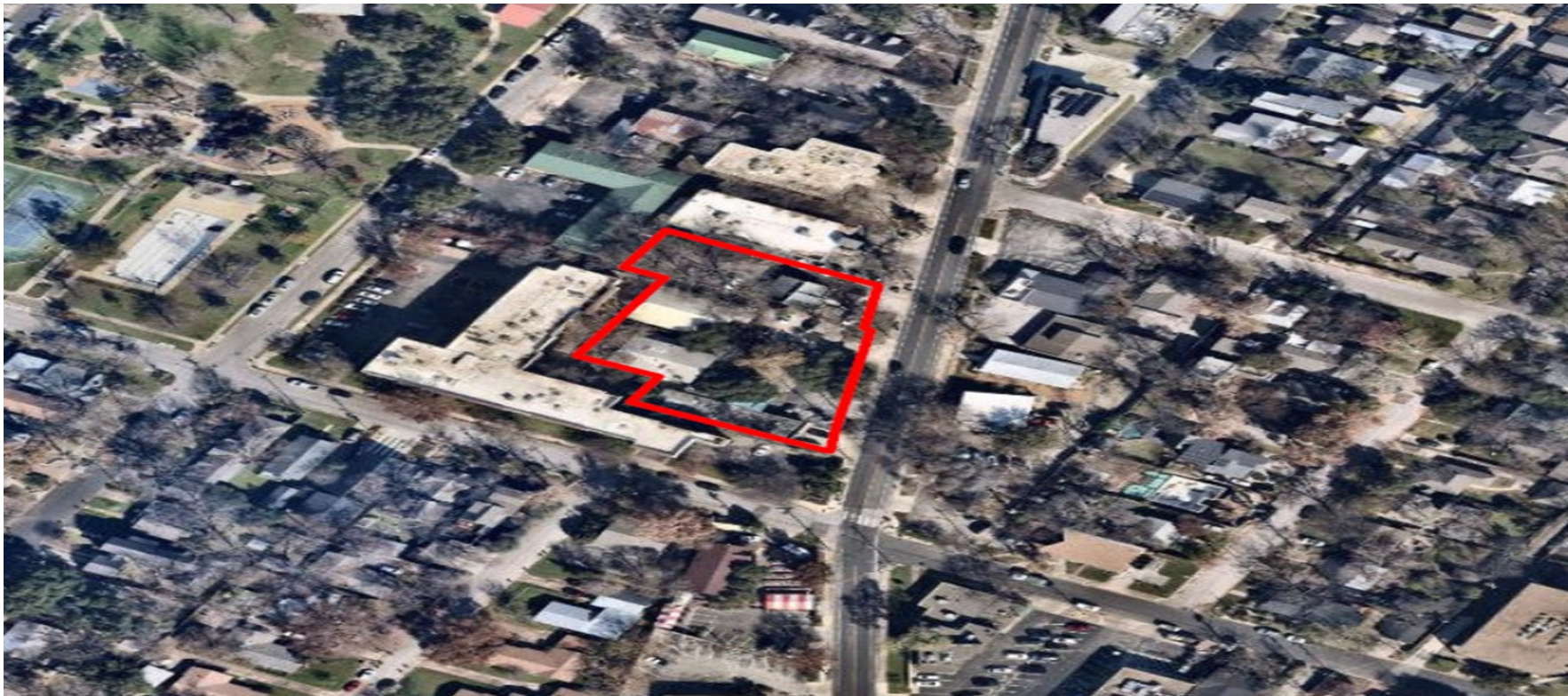
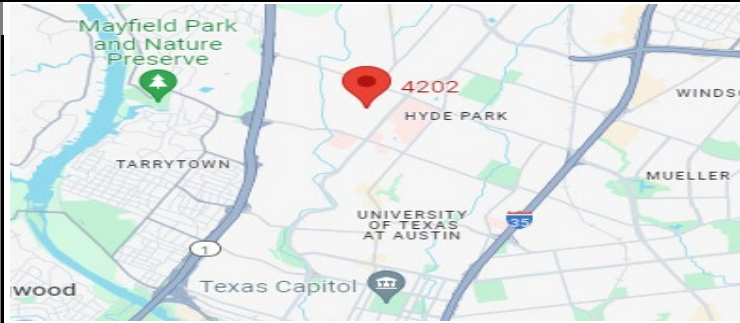


MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)		✓	0.5%
Highest Unit Capture Rate	① 14%	3 BR/50%	6
Dominant Unit Cap. Rate	✓ 2%	2 BR/60%	17
Premiums (↑80% Rents)	N/A		N/A
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	819 SF	Density	88.6/acre
Acquisition		\$76K/unit	\$5,320K
Building Cost	\$202.87/SF	\$166K/unit	\$11,626K
Hard Cost		\$197K/unit	\$13,808K
Total Cost		\$406K/unit	\$28,439K
Developer Fee	\$2,813K	(37% Deferred)	Paid Year: 9
Contractor Fee	\$1,919K	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					
Stellar Bank	15/40	7.00%	\$2,000,000	3.66						Hudson	\$17,398,260					
Rental Housing Development Assistance (Soft Loan)	40/40	2.00%	\$8,000,000	1.24							\$0					
										OSDA	\$1,040,930					
										TOTAL EQUITY SOURCES	\$18,439,190					
										TOTAL DEBT SOURCES	\$10,000,000					
										TOTAL CAPITALIZATION	\$28,439,190					
TOTAL DEBT (Must Pay)			\$10,000,000		CASH FLOW DEBT / GRANTS			\$0								

CONDITIONS											
1 Receipt and acceptance by Carryover: <ul style="list-style-type: none">Formal approval for \$8,000,000 loan from Rental Housing Development Assistance (RHDA) clearly stating all terms, conditions and source of funding.											
2 Receipt and acceptance by Cost Certification: <ul style="list-style-type: none">a: Attorney opinion validating federally sourced funds can be considered bona fide debt with a reasonable expectation that it will be repaid in full and further stating that the funds should not be deducted from eligible basis.b: Certification that testing for asbestos was performed on the existing structures prior to demolition, and if necessary, a certification that any appropriate abatement procedures were implemented.c: Architect certification that a noise assessment was completed, and that all 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.											

RISK PROFILE					AERIAL PHOTOGRAPH(s)						
STRENGTHS/MITIGATING FACTORS											
Previous Developer Experience											
Low Gross Capture Rate											
Low Expense Ratio											
WEAKNESSES/RISKS											
Low Number of Units											
Parking less than 1 space per unit											
AREA MAP											
											



DEVELOPMENT IDENTIFICATION

TDHCA Application #: **24150** Program(s): **9% HTC**

Ovetta Rosedale

Address/Location: 4202-4210 Medical Pkwy

City: Austin County: Travis Zip: 78756

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

Activity: New Construction Building Type: Elevator Served Region: 7

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

CONDITIONS

- Receipt and acceptance by Carryover:
 - Formal approval for \$8,000,000 loan from Rental Housing Development Assistance (RHDA) clearly stating all terms, conditions and source of funding.
 - Receipt and acceptance by Cost Certification:
 - Attorney opinion validating federally sourced funds can be considered bona fide debt with a reasonable expectation that it will be repaid in full and further stating that the funds should not be deducted from eligible basis.
 - Certification that testing for asbestos was performed on the existing structures prior to demolition, and if necessary, a certification that any appropriate abatement procedures were implemented.
 - Architect certification that a noise assessment was completed, and that all 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	7
50% of AMI	50% of AMI	28
60% of AMI	60% of AMI	32
80% of AMI	80% of AMI	3

DEVELOPMENT SUMMARY

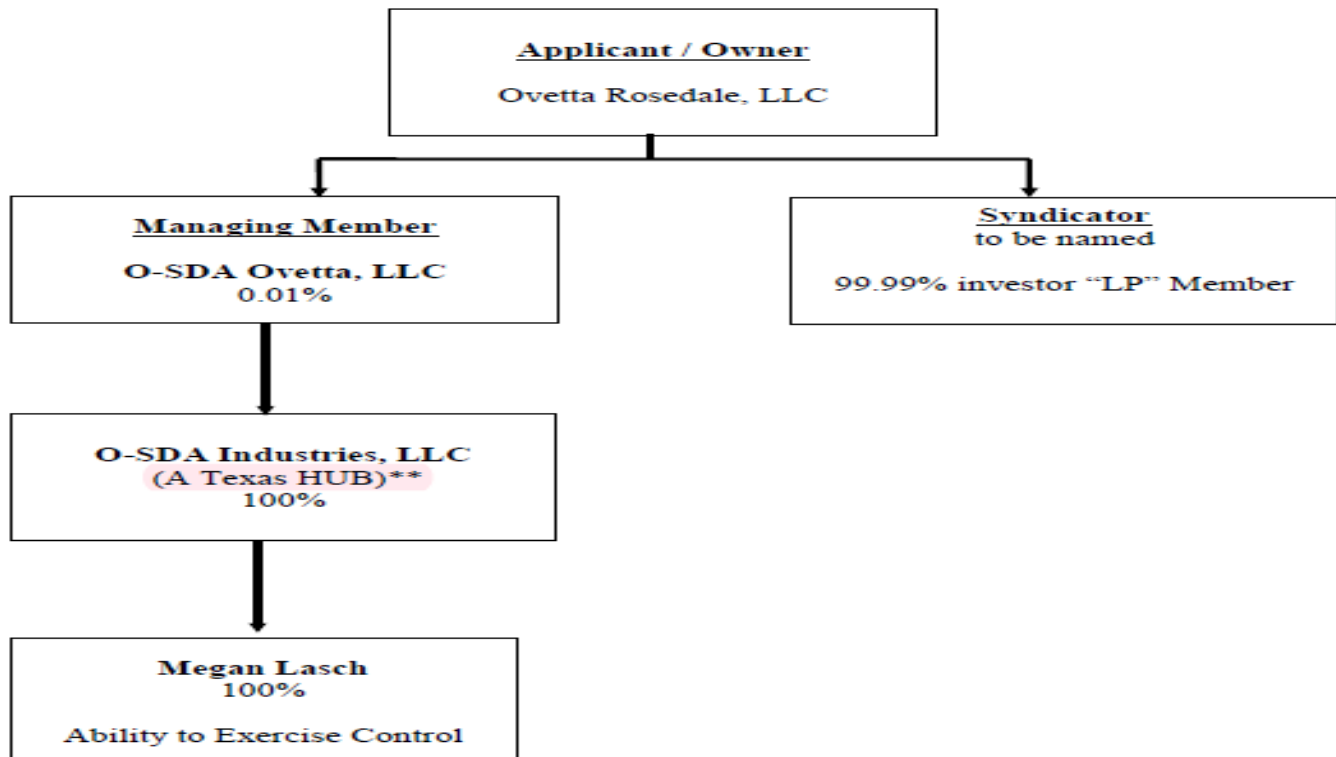
Ovetta Rosedale is a proposed new construction development serving the general population. The development will have 70 units contained in one 5 story elevator-served building with structured parking. The development will provide a High Quality Pre-K program in accordance with QAP requirements and the Pre-K is located on the first floor of the building.

RISK PROFILE

STRENGTHS/MITIGATING FACTORS		WEAKNESSES/RISKS	
▫	Previous Developer Experience	▫	Low Number of Units
▫	Low Gross Capture Rate	▫	Parking less than 1 space per unit
▫	Low Expense Ratio	▫	

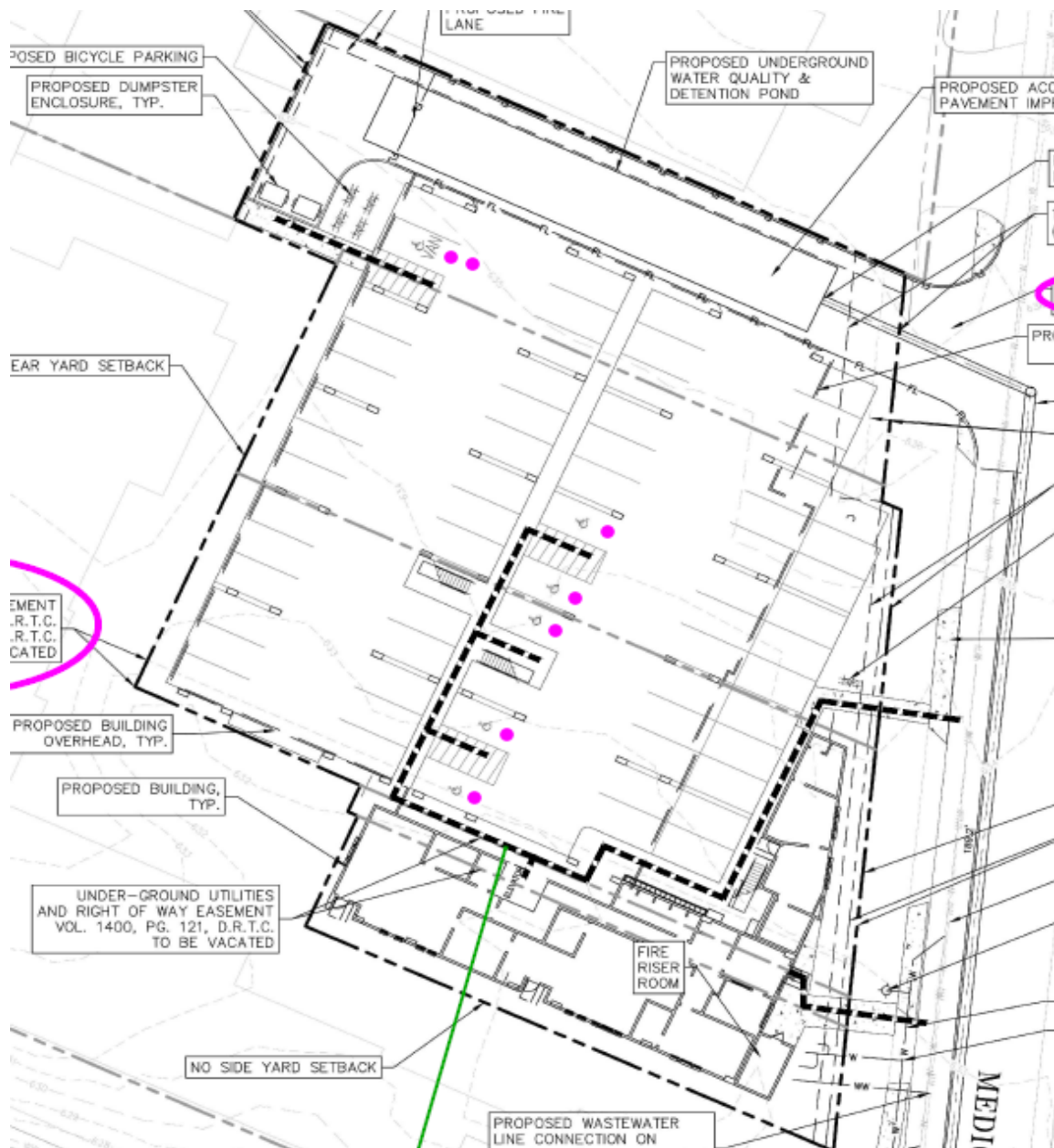
DEVELOPMENT TEAM

OWNERSHIP STRUCTURE



DEVELOPMENT SUMMARY

SITE PLAN





Parking	No Fee		Tenant-Paid		Total	
Garage	65	0.9/unit	0	--	65	0.9/unit
Total Parking	65	0.9/unit	0	--	65	0.9/unit

Comments:

The current required parking is zero spaces however, the development will offer 59 standard garage parking spaces and 6 accessible garage parking spaces at no additional cost to the tenants. The current site plan meets city requirements of 6 accessible parking spaces.

SITE CONTROL INFO

Site Acreage: Development Site: 0.79 acres Density: 88.6 units/acre
Site Control: 0.79 **Site Plan:** 0.788 **Appraisal:** NA **ESA:** 0.788
Feasibility Report Survey: 0.79 **Feasibility Report Engineer's Plan:** 0.788 **Existing LURA:** NA

Control Type: Assignment & Assumption of Commercial Contract - Improved Property

Tract 1:	<u>0.363</u>	acres	Cost:	<u>\$2,454,160</u>	Seller:	<u>Ronald Habitzreiter and Ed Hargett dba H&H Properties</u>
Tract 2:	<u>0.421</u>	acres	Cost:	<u>\$2,845,840</u>	Seller:	<u>William Andrew Hibbert</u>

Development Site: 0.79 acres Cost: \$5,300,000 \$75,714 per unit

Seller: Ronald Habitzreiter and Ed Hargett dba H&H Properties / William Andrew Hibbert

Buyer /

Assignor: O-SDA Industries, LLC

Assignee: Ovetta Rosedale, LLC

Related-Party Seller/Identity of Interest: No

Comments:

O-SDA Industries, LLC was the original Buyer on both purchase contracts who then assigned their interest in the contracts to Ovetta Rosedale, LLC.

The LURA will encumber the entire 0.79 development site

SITE INFORMATION

Flood Zone: <u>X</u>	Scattered Site? <u>No</u>
Zoning: <u>CS & LO (Afford Unlocked)</u>	Within 100-yr floodplain? <u>No</u>
Re-Zoning Required? <u>No</u>	Utilities at Site? <u>Yes</u>
Year Constructed: <u>NA</u>	Title Issues? <u>No</u>

Current Uses of Subject Site:

A salon, an unoccupied medical clinic and an unoccupied commercial building that was previously Austin Screen Printing, LLC..

Other Observations:

The subject property is currently zoned for General Commercial Services (CS) and Limited Office (LO). Under current zoning classification, multi-family use is not permitted. However, this site is the subject of an application for the City's Affordability Unlocked Program (AU Program). The proposed development is eligible to be certified as a qualifying development. If certified under the AU program, the site can be developed as multi-family housing.

CURRENT OCCUPANT LEASING PROPERTY

The only remaining tenant currently occupying the property is The Arellano-Miranda Hairstyling Group, LLC. The seller has allowed the tenant to continue leasing the property on a month-to-month basis. This tenant is searching for a new location and will relocate prior to the closing date.

No TDHCA funds that are subject to URA are included in the application. Per the Applicant, the budgeted amount of \$20,000 is a requirement by the City's Rental Housing Development Assistance (RHDA) Program, if necessary for relocation.

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering

Date: 1/30/2024

Recognized Environmental Conditions (RECs) and Other Concerns:

- Since the subject property includes several commercial buildings that were built prior to 1978, lead-based paint may be present on painted surfaces of the buildings. No paint chips were noted on the ground during the site inspection. No lead-based paint sampling was performed as part of this ESA and no previous lead-based paint inspection reports or abatement reports were provided to Phase Engineering, LLC.
- Three of the five onsite buildings were constructed in between 1940 and 1980, thus a visual asbestos inspection was conducted by Phase Engineering. Potential ACBMs in the form of wall material, ceiling material and miscellaneous building materials in good non-friable condition were observed at the subject property. No potential suspect damaged friable ACBMs were observed. No asbestos sampling was performed as part of this ESA and no previous asbestos inspection reports or abatement reports were provided to Phase Engineering.
- = Due to proximity to several major roadways, a noise study is recommended for the proposed development. It is likely 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: Apartment MarketData, LLC

Date: 3/10/2024

Primary Market Area (PMA): 13 sq. miles 2 mile equivalent radius

Stabilized Affordable Developments in PMA	Total Units	130
	Total Developments	1
	Average Occupancy	100%

OVERALL DEMAND ANALYSIS				
	Market Analyst			
	HTC	Assisted		
Total Households in the Primary Market Area	33,283			
Potential Demand from the Primary Market Area	11,678			
10% External Demand	1,168			
Potential Demand from Other Sources	0			
GROSS DEMAND	12,846			
Subject Affordable Units	70			
Unstabilized Competitive Units	0			
RELEVANT SUPPLY	70			
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	0.5%			

Population:	General	Market Area:	Urban	Maximum Gross Capture Rate:	10%
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UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND									
		Market Analyst							
AMGI Band		Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate			
30% AMGI		1,770	177	7	0	0%			
50% AMGI		2,296	230	28	0	1%			
60% AMGI		5,044	504	32	0	1%			
80% AMGI		2,568	257	3	0	0%			

UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE									
		Market Analyst							
Unit Type		Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate			
0 BR/30%		234	23	3	0	1%			
0 BR/50%		252	25	3	0	1%			
0 BR/60%		537	54	1	0	0%			
1 BR/30%		398	40	2	0	0%			
1 BR/50%		450	45	5	0	1%			
1 BR/60%		987	99	6	0	1%			
1 BR/80%		859	86	1	0	0%			
2 BR/30%		257	26	1	0	0%			
2 BR/50%		295	30	14	0	4%			
2 BR/60%		742	74	17	0	2%			
2 BR/80%		761	76	1	0	0%			
3 BR/30%		47	5	1	0	2%			
3 BR/50%		38	4	6	0	14%			
3 BR/60%		133	13	8	0	5%			
3 BR/80%		139	14	1	0	1%			

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (TDHCA Pro Forma)

NOI:	\$545,715	Avg. Rent:	\$1,312	Expense Ratio:	47.3%
Debt Service:	\$439,856	B/E Rent:	\$1,176	Controllable Expenses:	\$3,737
Net Cash Flow:	\$105,859	UW Occupancy:	92.5%	Property Taxes/Unit:	\$1,011
Aggregate DCR:	1.24	B/E Occupancy:	83.0%	Program Rent Year:	2023

Applicant is assuming a discount on the rent collected for the TC 80% units.

Bedroom	Max Program TC80%	Rent Collected in application	Rent Discount	Net Discount per Unit TC80%
1BR	\$1,753	\$1,500	-14%	(\$200)
2BR	\$2,104	\$1,700	-19%	(\$331)
3BR	\$2,430	\$1,900	-22%	(\$443)

Underwrote to the max rent the applicant is assuming to collect.

UW adjusted the soft loan payment. It was submitted lower than the UW's calculation. In year three of the Applicant's Pro Forma, the correct payment is shown.

Using TDHCA's Pro Forma. Underwriter is using comparable Travis County properties to estimate the expenses.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)

Acquisition	\$6,708,861/ac	\$76,000/unit	\$5,320,000	Contractor Fee	\$1,919,169
Off-site + Site Work		\$18,371/unit	\$1,286,000	Soft Cost + Financing	\$4,350,016
Building Cost	\$202.87/sf	\$166,079/unit	\$11,625,540	Developer Fee	\$2,813,012
Contingency	6.95%	\$12,812/unit	\$896,808	Reserves	\$228,645
Total Development Cost		\$406,274/unit	\$28,439,190	Rehabilitation Cost	N/A

Qualified for 30% Basis Boost?

High Opportunity Index [9% only]

Off-site:

Applicant is including \$110,000 in Total Off-Site Costs; \$10,000 Off-Site Concrete; \$100,000 Off-Site Utility Improvements.

Building Cost:

Underwriter estimated building cost using Marshall and Swift's "Good" Base Cost. Underwriter also adjusted for 5-story build, Tight In-fill, and low number of units.

Building cost includes podium parking \$1,670,473 / 19,070 s.f. / \$88 per s.f.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$28,439,190	\$17,293,273	\$2,023,313

INTERIM SOURCES				
Funding Source	Description	Amount	Rate	LTC
Stellar Bank	Construction Loan	\$12,200,000	7.00%	41%
Rental Housing Development Assistance (Soft Loan)	Soft Loan	\$8,000,000	0.00%	27%
Hudson	HTC	\$6,959,304	\$0.87	24%
OSDA	Deferred Developer Fee	\$2,266,612	0.00%	8%
		\$29,425,916	Total Sources	

PERMANENT SOURCES									
Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Stellar Bank	\$2,000,000	7.00%	40	15.0	\$2,000,000	7.00%	40	15.0	7%
Rental Housing Development Assistance (Soft Loan)	\$8,000,000	2.00%	40	40.0	\$8,000,000	2.00%	40	40.0	28%
Total	\$10,000,000				\$10,000,000				

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Hudson	\$17,398,260	\$0.87		\$17,398,260	\$0.87	61%	
OSDA	\$1,040,930		37%	\$1,040,930		4%	37%
Total	\$18,439,190			\$18,439,190			
				\$28,439,190	Total Sources		

Credit Price Sensitivity based on current capital structure	
\$0.922	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.809	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Recommended Financing Structure:

Gap Analysis:	
Total Development Cost	\$28,439,190
Permanent Sources (debt + non-HTC equity)	\$10,000,000
Gap in Permanent Financing	\$18,439,190

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$17,601,062	\$2,023,313
Needed to Balance Sources & Uses	\$18,439,190	\$2,119,659
Requested by Applicant	\$17,398,260	\$2,000,000

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$17,398,260	\$2,000,000

Deferred Developer Fee	\$1,040,930	(37% deferred)
Repayable in	9 years	

Recommendation:

Underwriter recommends \$2,000,000 in annual tax credits as requested by the applicant.

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

UNIT MIX/RENT SCHEDULE	
Ovetta Rosedale, Austin, 9% HTC #24150	

LOCATION DATA	
CITY:	Austin
COUNTY:	Travis
Area Median Income	\$122,300
PROGRAM REGION:	7
PROGRAM RENT YEAR:	2023

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	7	10.0%	0	0	0	0
1	14	20.0%	0	0	0	0
2	33	47.1%	0	0	0	0
3	16	22.9%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	70	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	819 sf

54%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	7	-	28	32	-	3	-	70
Income	% Total	0.0%	10.0%	0.0%	40.0%	45.7%	0.0%	4.3%	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%	\$613	2	0	1	510	\$613	\$47	\$566	\$0	\$1.11	\$566	\$1,132	\$1,132	\$566	\$1.11	\$0	\$1,352	\$2.65	\$1,352
TC 30%	\$613	1	0	1	552	\$613	\$47	\$566	\$0	\$1.03	\$566	\$566	\$566	\$566	\$1.03	\$0	\$1,421	\$2.57	\$1,421
TC 50%	\$1,022	1	0	1	510	\$1,022	\$47	\$975	\$0	\$1.91	\$975	\$975	\$975	\$975	\$1.91	\$0	\$1,421	\$2.79	\$1,421
TC 50%	\$1,022	2	0	1	552	\$1,022	\$47	\$975	\$0	\$1.77	\$975	\$1,950	\$1,950	\$975	\$1.77	\$0	\$1,407	\$2.55	\$1,407
TC 60%	\$1,227	1	0	1	510	\$1,227	\$47	\$1,180	\$0	\$2.31	\$1,180	\$1,180	\$1,180	\$1,180	\$2.31	\$0	\$1,352	\$2.65	\$1,352
TC 30%	\$657	2	1	1	600	\$657	\$53	\$604	\$0	\$1.01	\$604	\$1,208	\$1,208	\$604	\$1.01	\$0	\$1,500	\$2.50	\$1,568
TC 50%	\$1,095	5	1	1	600	\$1,095	\$53	\$1,042	\$0	\$1.74	\$1,042	\$5,210	\$5,210	\$1,042	\$1.74	\$0	\$1,500	\$2.50	\$1,568
TC 60%	\$1,314	5	1	1	600	\$1,314	\$53	\$1,261	\$0	\$2.10	\$1,261	\$6,305	\$6,305	\$1,261	\$2.10	\$0	\$1,500	\$2.50	\$1,568
TC 60%	\$1,314	1	1	1	652	\$1,314	\$53	\$1,261	\$0	\$1.93	\$1,261	\$1,261	\$1,261	\$1,261	\$1.93	\$0	\$1,500	\$2.30	\$1,654
TC 80%	\$1,753	1	1	1	652	\$1,753	\$53	\$1,700	(\$200)	\$2.30	\$1,500	\$1,500	\$1,500	\$1,500	\$2.30	(\$200)	\$1,500	\$2.30	\$1,654
TC 30%	\$789	1	2	2	850	\$789	\$73	\$716	\$0	\$0.84	\$716	\$716	\$716	\$716	\$0.84	\$0	\$1,700	\$2.00	\$2,175
TC 50%	\$1,315	12	2	2	850	\$1,315	\$73	\$1,242	\$0	\$1.46	\$1,242	\$14,904	\$14,904	\$1,242	\$1.46	\$0	\$1,700	\$2.00	\$2,175
TC 50%	\$1,315	1	2	2	896	\$1,315	\$73	\$1,242	\$0	\$1.39	\$1,242	\$1,242	\$1,242	\$1,242	\$1.39	\$0	\$1,700	\$1.90	\$2,245
TC 50%	\$1,315	1	2	2	904	\$1,315	\$73	\$1,242	\$0	\$1.37	\$1,242	\$1,242	\$1,242	\$1,242	\$1.37	\$0	\$1,700	\$1.88	\$2,220
TC 60%	\$1,578	15	2	2	850	\$1,578	\$73	\$1,505	\$0	\$1.77	\$1,505	\$22,575	\$22,575	\$1,505	\$1.77	\$0	\$1,700	\$2.00	\$2,175
TC 60%	\$1,578	1	2	2	896	\$1,578	\$73	\$1,505	\$0	\$1.68	\$1,505	\$1,505	\$1,505	\$1,505	\$1.68	\$0	\$1,700	\$1.90	\$2,245
TC 60%	\$1,578	1	2	2	904	\$1,578	\$73	\$1,505	\$0	\$1.66	\$1,505	\$1,505	\$1,505	\$1,505	\$1.66	\$0	\$1,700	\$1.88	\$2,220
TC 80%	\$2,104	1	2	2	904	\$2,104	\$73	\$2,031	(\$331)	\$1.88	\$1,700	\$1,700	\$1,700	\$1,700	\$1.88	(\$331)	\$1,700	\$1.88	\$2,220
TC 30%	\$911	1	3	2	1,050	\$911	\$87	\$824	\$0	\$0.78	\$824	\$824	\$824	\$824	\$0.78	\$0	\$1,900	\$1.81	\$2,399
TC 50%	\$1,518	6	3	2	1,050	\$1,518	\$87	\$1,431	\$0	\$1.36	\$1,431	\$8,586	\$8,586	\$1,431	\$1.36	\$0	\$1,900	\$1.81	\$2,399
TC 60%	\$1,822	8	3	2	1,050	\$1,822	\$87	\$1,735	\$0	\$1.65	\$1,735	\$13,880	\$13,880	\$1,735	\$1.65	\$0	\$1,900	\$1.81	\$2,399
TC 80%	\$2,430	1	3	2	1,050	\$2,430	\$87	\$2,343	(\$443)	\$1.81	\$1,900	\$1,900	\$1,900	\$1,900	\$1.81	(\$443)	\$1,900	\$1.81	\$2,399
TOTALS/AVERAGES:		70			57,304				(\$14)	\$1.60	\$1,312	\$91,866	\$91,866	\$1,312	\$1.60	(\$14)	\$1,674	\$2.05	\$2,032

ANNUAL POTENTIAL GROSS RENT:		\$1,102,392	\$1,102,392	
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STABILIZED PRO FORMA

Ovetta Rosedale, Austin, 9% HTC #24150

STABILIZED FIRST YEAR PRO FORMA													
COMPARABLES				APPLICANT				TDHCA				VARIANCE	
Database	Travis County			% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$1.60	\$1,312	\$1,102,392	\$1,102,392	\$1,312	\$1.60		0.0%	\$0
late fees, app fees, retained deposits						\$20.00	\$16,800						
Total Secondary Income						\$20.00		\$16,800	\$20.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$1,119,192	\$1,119,192				0.0%	\$0
Vacancy & Collection Loss						7.5% PGI	(83,939)	(83,939)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME							\$1,035,253	\$1,035,253				0.0%	\$0

General & Administrative	\$42,086	\$601/Unit	\$47,374	\$677	4.06%	\$0.73	\$600	\$42,000	\$42,086	\$601	\$0.73	4.07%	-0.2%	(86)
Management	\$44,135	4.7% EGI	\$41,625	\$595	5.00%	\$0.90	\$739	\$51,763	\$51,763	\$739	\$0.90	5.00%	0.0%	-
Payroll & Payroll Tax	\$83,517	\$1,193/Unit	\$114,819	\$1,640	13.32%	\$2.41	\$1,970	\$137,900	\$114,819	\$1,640	\$2.00	11.09%	20.1%	23,081
Repairs & Maintenance	\$69,991	\$1,000/Unit	\$68,338	\$976	4.72%	\$0.85	\$699	\$48,900	\$45,500	\$650	\$0.79	4.40%	7.5%	3,400
Electric/Gas	\$24,502	\$350/Unit	\$9,391	\$134	1.18%	\$0.21	\$175	\$12,250	\$9,391	\$134	\$0.16	0.91%	30.4%	2,859
Water, Sewer, & Trash	\$62,626	\$895/Unit	\$49,802	\$711	4.79%	\$0.87	\$709	\$49,600	\$49,802	\$711	\$0.87	4.81%	-0.4%	(202)
Property Insurance	\$39,742	\$0.69 /sf	\$26,623	\$380	7.73%	\$1.40	\$1,143	\$80,000	\$80,000	\$1,143	\$1.40	7.73%	0.0%	-
Property Tax (@ 100%) 1.8092	\$47,545	\$679/Unit	\$70,798	\$1,011	8.60%	\$1.55	\$1,271	\$89,000	\$70,798	\$1,011	\$1.24	6.84%	25.7%	18,202
Reserve for Replacements					2.03%	\$0.37	\$300	\$21,000	\$21,000	\$300	\$0.37	2.03%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.27%	\$0.05	\$40	\$2,800	\$2,800	\$40	\$0.05	0.27%	0.0%	-
Alarm Consultant					0.15%	\$0.03	\$23	\$1,580	\$1,580	\$23	\$0.03	0.15%	0.0%	-
TOTAL EXPENSES					51.85%	\$9.37	\$7,668	\$536,793	\$489,538	\$6,993	\$8.54	47.29%	9.7%	\$ 47,255
NET OPERATING INCOME ("NOI")					48.15%	\$8.70	\$7,121	\$498,460	\$545,715	\$7,796	\$9.52	52.71%	-8.7%	\$ (47,255)

CONTROLLABLE EXPENSES		\$4,152/Unit		\$3,737/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS														
Ovetta Rosedale, Austin, 9% HTC #24150														

		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														
Stellar Bank		3.66	3.34	149,144	7.00%	40	15.0	\$2,000,000	\$2,000,000	15.0	40.0	7.00%	\$149,144	3.66	7.0%
Rental Housing Development Assistance (Soft Loan)		1.24	1.13	\$290,713	2.00%	40	40.0	\$8,000,000	\$8,000,000	40.0	40.0	2.00%	\$290,713	1.24	28.1%
CASH FLOW DEBT / GRANTS															
				\$439,857	TOTAL DEBT / GRANT SOURCES			\$10,000,000	\$10,000,000	TOTAL DEBT SERVICE			\$439,856	1.24	35.2%
NET CASH FLOW		\$105,858	\$58,603	TDHCA NET OPERATING INCOME \$545,715 \$105,859 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											
Hudson	LIHTC Equity	61.2%	\$2,000,000	\$0.87	\$17,398,260	\$17,398,260	\$0.87	\$2,000,000	61.2%	\$28,571	Applicant Request
OSDA	Deferred Developer Fees	3.7%	(37% Deferred)		\$1,040,930	\$1,040,930	(37% Deferred)		3.7%	Total Developer Fee:	\$2,813,012
Additional (Excess) Funds Req'd		0.0%				\$0			0.0%		
TOTAL EQUITY SOURCES		64.8%			\$18,439,190	\$18,439,190			64.8%		
TOTAL CAPITALIZATION					\$28,439,190	\$28,439,190			15-Yr Cash Flow after Deferred Fee:		\$1,226,991

		DEVELOPMENT COST / ITEMIZED BASIS												
		APPLICANT COST / BASIS ITEMS					TDHCA COST / BASIS ITEMS				COST VARIANCE			
		Eligible Basis							Eligible Basis					
		Acquisition	New Const. Rehab						New Const. Rehab	Acquisition				
				Total Costs			Total Costs							
Land Acquisition				\$75,714 / Unit		\$5,300,000	\$5,300,000	\$75,714 / Unit			0.0%	\$0		
Building Acquisition		\$0		\$ / Unit		\$0	\$0	\$ / Unit		\$0	0.0%	\$0		
Relocation						\$20,000	\$20,000				0.0%	\$0		
Off-Sites			\$0	\$1,571 / Unit		\$110,000	\$110,000	\$1,571 / Unit		\$0		0.0%	\$0	
Site Work			\$976,000	\$15,657 / Unit		\$1,096,000	\$1,096,000	\$15,657 / Unit		\$976,000		0.0%	\$0	
Site Amenities			\$80,000	\$1,143 / Unit		\$80,000	\$80,000	\$1,143 / Unit		\$80,000		0.0%	\$0	
Building Cost			\$8,283,352	\$202.87 /sf	\$166,079/Unit	\$11,625,540	\$10,892,888	\$155,613/Unit	\$190.09 /sf	\$8,283,352		6.7%	\$732,652	
Contingency			\$653,208	6.99%	6.95%	\$896,808	\$852,522	7.00%	6.99%	\$653,208		5.2%	\$44,286	
Contractor Fees			\$1,397,865	13.99%	13.90%	\$1,919,169	\$1,824,397	14.00%	13.99%	\$1,397,865	5.2%	\$94,771		
Soft Costs		\$0	\$2,035,264	\$32,218 / Unit		\$2,255,279	\$2,255,279	\$32,218 / Unit		\$2,035,264	\$0	0.0%	\$0	
Financing		\$0	\$1,611,940	\$29,925 / Unit		\$2,094,737	\$2,094,737	\$29,925 / Unit		\$1,611,940	\$0	0.0%	\$0	
Developer Fee			\$0	\$2,255,644	15.00%	14.92%	\$2,813,012	\$2,711,472	15.00%	15.00%	\$2,255,644	\$0	3.7%	\$101,541
Reserves				3 Months		\$228,645	\$228,645	3 Months				0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$17,293,273	\$406,274 / Unit		\$28,439,190	\$27,465,940	\$392,371 / Unit		\$17,293,273	\$0	3.5%	\$973,250	
Acquisition Cost		\$0					\$0							
Contingency			\$0				\$0							
Contractor's Fee			\$0				\$0							
Financing Cost			\$0											
Developer Fee			\$0		\$0									
Reserves							\$0							
ADJUSTED BASIS / COST		\$0	\$17,293,273	\$406,274/unit		\$28,439,190	\$27,465,940	\$392,371/unit		\$17,293,273	\$0	3.5%	\$973,250	
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$28,439,190								

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS
Ovetta Rosedale, Austin, 9% HTC #24150

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$17,293,273	\$0	\$17,293,273
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$17,293,273	\$0	\$17,293,273
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$22,481,255	\$0	\$22,481,255
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$22,481,255	\$0	\$22,481,255
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$2,023,313	\$0	\$2,023,313
CREDITS ON QUALIFIED BASIS	\$2,023,313		\$2,023,313	

	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price \$0.8699	Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$2,023,313	\$17,601,062	----	----	----
Needed to Fill Gap	\$2,119,659	\$18,439,190	----	----	----
Applicant Request	\$2,000,000	\$17,398,260	\$2,000,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	57,304 SF	\$119.23	6,832,157
Adjustments				
Exterior Wall Finish	5.20%		6.20	\$355,272
Elderly	0.00%		0.00	0
9-Ft. Ceilings	0.00%		0.00	0
Roof Adjustment(s)			7.21	413,000
Subfloor			0.60	34,382
Floor Cover			3.68	210,879
Breezeways	\$40.69	9,270	6.58	377,233
Balconies	\$36.23	2,285	1.44	82,786
Plumbing Fixtures	\$1,420	147	3.64	208,740
Rough-ins	\$700	140	1.71	98,000
Built-In Appliances	\$2,280	70	2.79	159,600
Exterior Stairs	\$3,550	11	0.68	39,050
Heating/Cooling			3.12	178,788
Storage Space	\$40.69	140	0.10	5,697
Carports	\$16.05	0	0.00	0
Podium Parking	\$87.60	19,070	29.15	1,670,473
Common/Support Area	\$130.49	3,885	8.85	506,935
Elevators	\$168,600	1	2.94	168,600
Other: Cantilevers, Support Columns, Windows, Metal Package			20.69	1,185,800
Fire Sprinklers	\$3.65	70,599	4.50	257,686
SUBTOTAL			223.11	12,785,079
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			223.11	\$12,785,079
Plans, specs, survey, bldg permits	3.30%		(7.36)	(\$421,908)
Contractor's OH & Profit	11.50%		(25.66)	(1,470,284)
NET BUILDING COSTS		\$155,613/unit	\$190.09/sf	\$10,892,888

Long-Term Pro Forma

Ovetta Rosedale, Austin, 9% HTC #24150

	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%	\$1,035,253	\$1,055,958	\$1,077,077	\$1,098,618	\$1,120,591	\$1,237,223	\$1,365,994	\$1,508,168	\$1,665,139	\$1,838,448	\$2,029,795	\$2,241,058
TOTAL EXPENSES	3.00%	\$489,538	\$503,706	\$518,289	\$533,299	\$548,749	\$633,058	\$730,474	\$843,049	\$973,163	\$1,123,568	\$1,297,450	\$1,498,498
NET OPERATING INCOME ("NOI")		\$545,715	\$552,252	\$558,787	\$565,319	\$571,842	\$604,165	\$635,520	\$665,118	\$691,976	\$714,880	\$732,345	\$742,560
EXPENSE/INCOME RATIO		47.3%	47.7%	48.1%	48.5%	49.0%	51.2%	53.5%	55.9%	58.4%	61.1%	63.9%	66.9%
MUST -PAY DEBT SERVICE													
Stellar Bank		\$149,144	\$149,144	\$149,144	\$149,144	\$149,144	\$149,144	\$149,144	\$149,144	\$149,144	\$149,144	\$149,144	\$149,144
Rental Housing Development Assistance (\$		\$290,713	\$290,713	\$290,713	\$290,713	\$290,713	\$290,713	\$290,713	\$290,713	\$290,713	\$290,713	\$290,713	\$290,713
TOTAL DEBT SERVICE		\$439,856	\$439,856	\$439,856	\$439,856	\$439,856	\$439,856	\$439,856	\$439,856	\$439,856	\$439,856	\$439,856	\$439,856
DEBT COVERAGE RATIO		1.24	1.26	1.27	1.29	1.30	1.37	1.44	1.51	1.57	1.63	1.66	1.69
ANNUAL CASH FLOW		\$105,859	\$112,395	\$118,931	\$125,463	\$131,985	\$164,308	\$195,664	\$225,262	\$252,119	\$275,024	\$292,489	\$302,704
Deferred Developer Fee Balance		\$935,071	\$822,676	\$703,744	\$578,282	\$446,296	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$310,850	\$1,226,991	\$2,294,990	\$3,503,192	\$4,834,359	\$6,264,387	\$7,760,786