

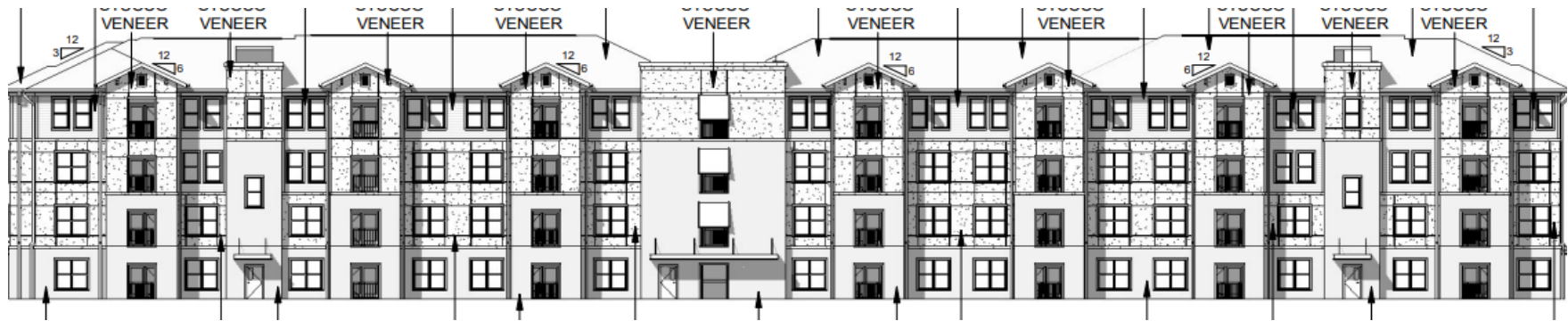
25603 The Legacy on Kiest - Application Summary

PROPERTY IDENTIFICATION	
Application #	25603
Development	The Legacy on Kiest
City / County	Dallas / Dallas
Region/Area	3 / Urban
Population	General
Set-Aside	General
Activity	New Construction

RECOMMENDATION						
TDHCA Program		Request	Recommended			
FHTC (4% Credit)		\$2,509,813	\$2,509,813	\$13,943/Unit	\$0.86	
		Amount	Rate	Amort	Term	Lien
Private Activity Bonds (TDHCA Issuer Only)		\$30,000,000				

KEY PRINCIPALS / SPONSOR		
Developer / Jason Trevino / LDG Development Developer / Justin Hartz / LDG Development		
Related Parties	Contractor - TBD	Seller - No

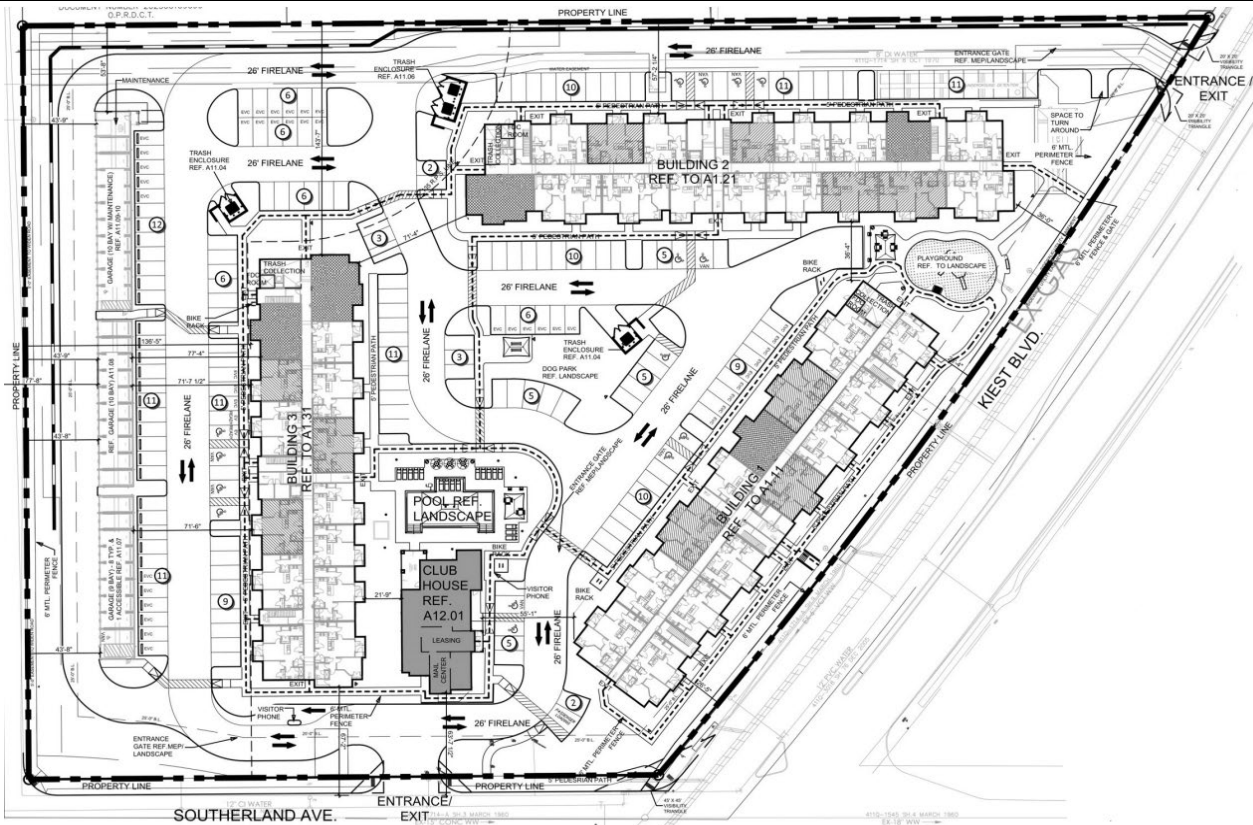
TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	40	22%	30%	-	0%
2	88	49%	40%	-	0%
3	52	29%	50%	-	0%
4	-	0%	60%	180	100%
			70%	-	0%
			80%	-	0%
			MR	-	0%
TOTAL	180	100%	TOTAL	180	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		TDHCA's Pro Forma	
Debt Coverage	1.19	Expense Ratio	34.5%
Breakeven Occ.	82.8%	Breakeven Rent	\$1,365
Average Rent	\$1,528	B/E Rent Margin	\$163
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$5,967/unit	Controllable	\$3,715/unit

SITE PLAN



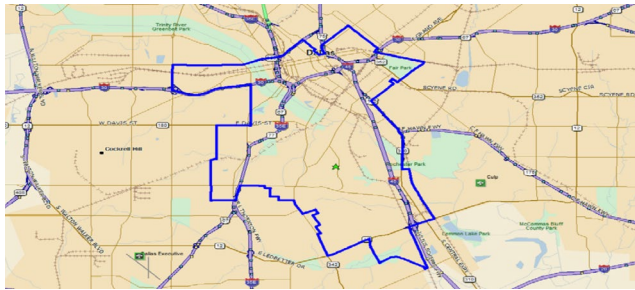
MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)			7.4%
Highest Unit Capture Rate	28%	2 BR/60%	88
Dominant Unit Cap. Rate	28%	2 BR/60%	88
Premiums (↑80% Rents)	N/A		
Rent Assisted Units	N/A		

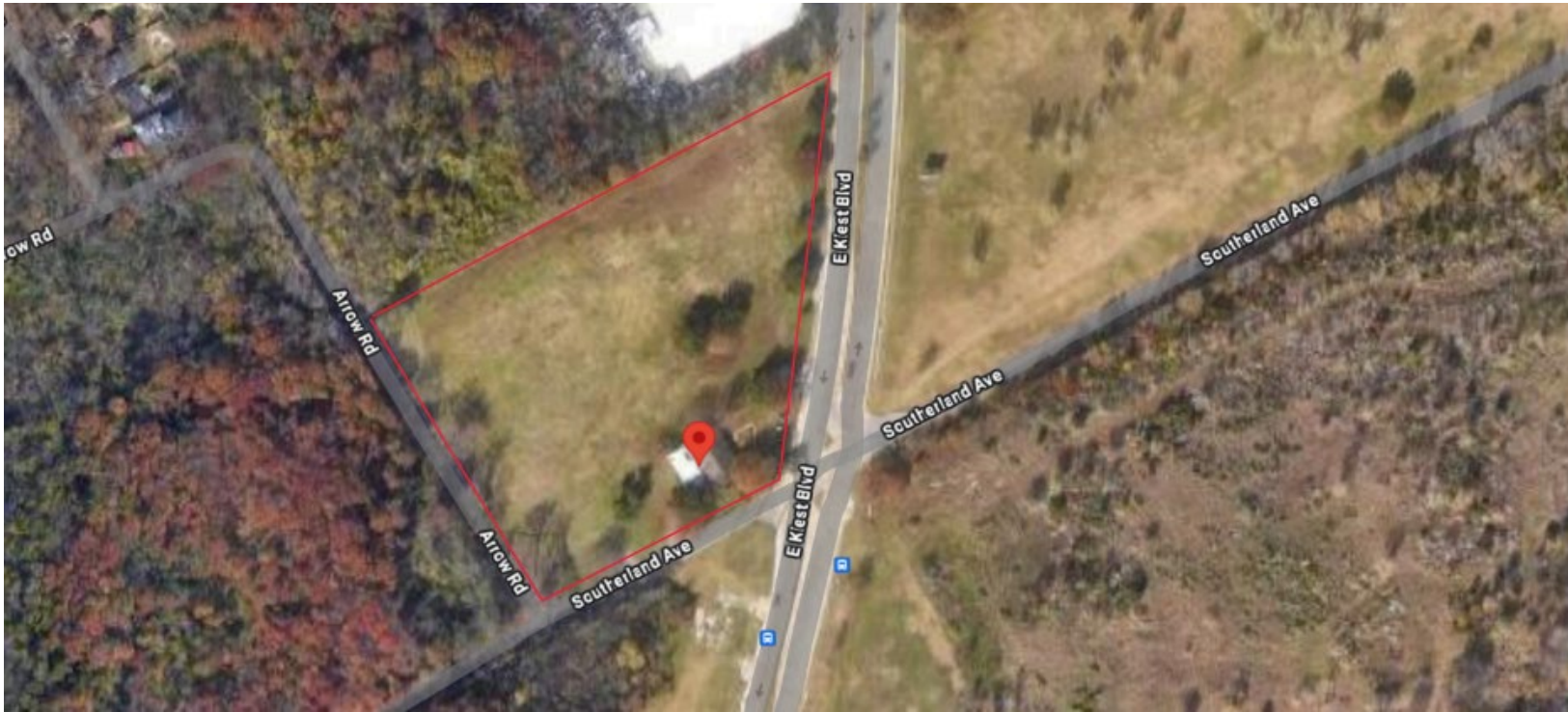
DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	869 SF	Density	30.0/acre
Acquisition		\$12K/unit	\$2,200K
Building Cost	\$157.76/SF	\$137K/unit	\$24,682K
Hard Cost		\$170K/unit	\$30,569K
Total Cost		\$304K/unit	\$54,794K
Developer Fee	\$6,296K	(81% Deferred)	Paid Year: 11
Contractor Fee	\$3,959K	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				
R4 Capital Funding	16/40	6.14%	\$25,131,000	1.19						R4	\$21,580,079				
											\$5,082,506				
					DHFC Soft Loan					30/0	5.00%	\$1,500,000	1.19		
					Developer Note (Rickhaus Loan)					30/0	6.00%	\$1,500,000	1.19		
												<b>TOTAL EQUITY SOURCES</b>	<b>\$26,662,585</b>		
												<b>TOTAL DEBT SOURCES</b>	<b>\$28,131,000</b>		
<b>TOTAL DEBT (Must Pay)</b>			<b>\$25,131,000</b>		<b>CASH FLOW DEBT / GRANTS</b>				<b>\$3,000,000</b>		<b>TOTAL CAPITALIZATION</b>		<b>\$54,793,585</b>		

CONDITIONS	
*	Receipt and acceptance by Cost Certification: a: Certification that testing for asbestos and lead-based paint was performed on the existing structures prior to demolition, and if necessary, a certification that any appropriate abatement b: Certification that testing for lead in drinking water was performed if exisiting plumbing systems will remain, or a certification that existing plumbing systems have been replaced.
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.	

BOND RESERVATION / ISSUER	
Issuer	TDHCA
Expiration Date	12/31/2027
Bond Amount	\$30,000,000
BRB Priority	Carryforward
% Financed with Tax-Exempt Bonds	58.9%
RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫	Providing after school learning center
▫	Low expense ratio
WEAKNESSES/RISKS	
▫	Gross capture rate is on the higher end
AREA MAP	
	

AERIAL PHOTOGRAPH(s)




### DEVELOPMENT IDENTIFICATION

TDHCA Application #: **25603** Program(s): **TDHCA Bonds/4% HTC**

**The Legacy on Kiest**

Address/Location: 2621 Southerland Ave

City: Dallas County: Dallas Zip: 75203

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

Activity: New Construction Building Type: Garden/Townhome Region: 3

Low-Income: 40% at 60%

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
Private Activity Bonds (TDHCA Issuer Only)	\$30,000,000				\$30,000,000						
FHTC (4% Credit)	\$2,509,813				\$2,509,813						

### CONDITIONS

- \* Receipt and acceptance by Cost Certification:
- a: Certification that testing for asbestos and lead-based paint was performed on the existing structures prior to demolition, and if necessary, a certification that any appropriate abatement procedures were implemented.
- b: Certification that testing for lead in drinking water was performed if existing plumbing systems will remain, or a certification that existing plumbing systems have been replaced.
- 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
60% of AMI	60% of AMI	180

## DEVELOPMENT SUMMARY

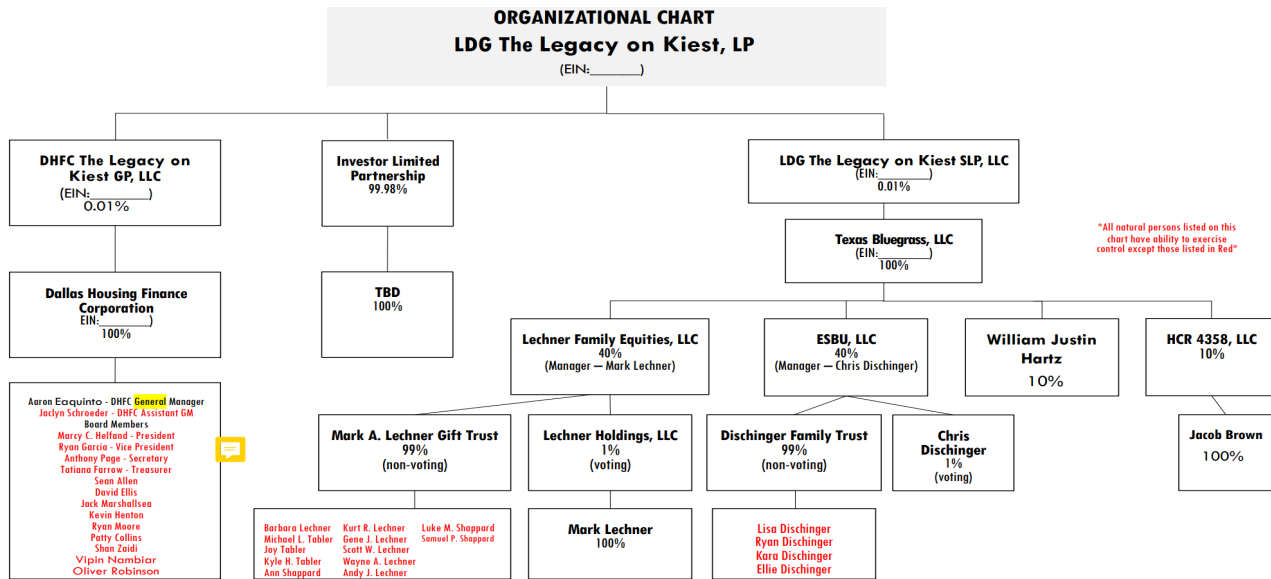
LDG The Legacy on Kiest, LP is making an application for the Housing Tax Credit Program with the Texas Department of Housing and Community Affairs for an apartment complex to be named The Legacy on Kiest located off of Southerland Ave/E. Kiest Blvd., Dallas, TX, Dallas County. This new construction development will be 180 family units on approximately 6 acres. Following the proposed construction, the Property will consist of 40 one-bedroom units, 88 two-bedroom units, and 52 three-bedroom units.

## RISK PROFILE

STRENGTHS/MITIGATING FACTORS		WEAKNESSES/RISKS	
▫	Providing after school learning center	▫	Gross capture rate is on the higher end
	Low expense ratio		

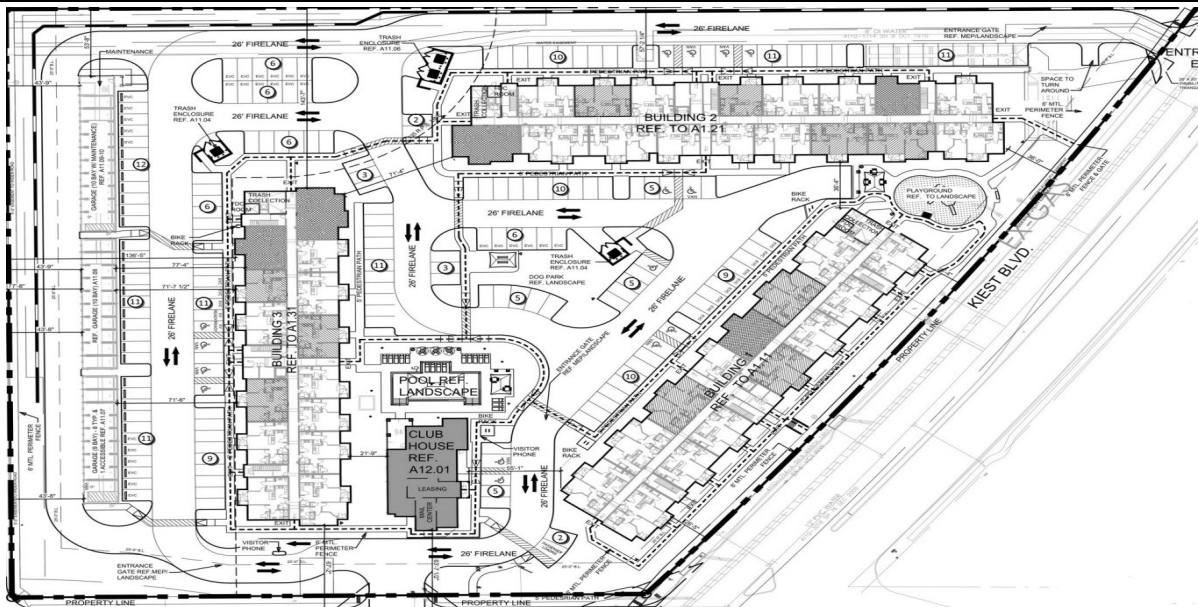
## DEVELOPMENT TEAM

### OWNERSHIP STRUCTURE



## DEVELOPMENT SUMMARY

### SITE PLAN







SITE CONTROL INFO			
<b>Site Acreage:</b>	Development Site: <u>6.01</u> acres	Density: <u>30.0</u> units/acre	
	<b>Site Control:</b> 6.008	<b>Site Plan:</b> 6.008	<b>Appraisal:</b> TBD
		<b>ESA:</b> 6.008	
	<b>Feasibility Report Survey:</b> 6.008	<b>Feasibility Report Engineer's Plan:</b> 6.008	<b>Existing LURA:</b> 0
Control Type:	<u>Purchase Contract</u>		
Development Site:	<u>6.01</u> acres	Cost: <u>\$2,200,000</u>	<u>\$12,222</u> per unit
Seller:	<u>GH Partners II LLC</u>		
Buyer:	<u>MBL Derbycity Development, LLC</u>		
Related-Party Seller/Identity of Interest:	<u>No</u>		
Date of Most Recent Arms Length Settlement Statement:	<u>NA</u>		
Sales Price in Most Recent Arms Length Settlement Statement:	<u>NA</u>		
SITE INFORMATION			
Flood Zone:	<u>Zone X</u>	Scattered Site?	<u>No</u>
Zoning:	<u>MF-2</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:			
<b>Mostly vacant land with unoccupied structure to be demolished</b>			
HIGHLIGHTS of ENVIRONMENTAL REPORTS			
Provider:	<u>Phase Engineering, LLC</u>		Date: <u>2/14/2025</u>
Recognized Environmental Conditions (RECs) and Other Concerns:			
<ul style="list-style-type: none"> <li>▫ Asbestos inspection is recommended prior to the demolition of existing onsite structures</li> <li>▫ Testing for lead in drinking water if existing plumbing systems will remain</li> <li>▫ Lead based paint testing required if any existing buildings remain. Lead-safe practices recommended during demolition activities</li> </ul>			

## MARKET ANALYSIS

Provider: Apartment MarketData, LLC

Date: 11/20/2024

Primary Market Area (PMA): 27 sq. miles 3 mile equivalent radius

### AFFORDABLE HOUSING INVENTORY

#### Competitive Supply (Proposed, Under Construction, and Unstabilized)

File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
21608	Fiji Lofts	Yes	New Construction	General	201	174
21004	Skyline at Cedar Crest	Yes	New Construction	General	42	107
22434	Highpoint at Wynnewood	Yes	Reconstruction	General	185	220
24165	West End Lofts	Yes	Adapt. Reuse	General	15	154

#### Stabilized Affordable Developments in PMA

Total Units	3,250
Total Developments	22
Average Occupancy	96%

### OVERALL DEMAND ANALYSIS

		Market Analyst			
		HTC	Assisted		
Total Households in the Primary Market Area		40,227			
Potential Demand from the Primary Market Area		7,675			
10% External Demand		768			
Potential Demand from Other Sources		0			
<b>GROSS DEMAND</b>		8,443			
Subject Affordable Units		180			
Unstabilized Competitive Units		443			
<b>RELEVANT SUPPLY</b>		623			
<b>Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE</b>		<b>7.4%</b>			

Population: **General**

Market Area: **Urban**

Maximum Gross Capture Rate: **10%**

### UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND

		Market Analyst							
AMGI Band	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate				
60% AMGI	7,675	768	180	443	7%				

### UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE

		Market Analyst							
Unit Type	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate				
1 BR/60%	1,112	111	40	186	18%				
2 BR/60%	1,046	105	88	229	28%				
3 BR/60%	447	45	52	28	16%				

## OPERATING PRO FORMA

### SUMMARY- AS UNDERWRITTEN (TDHCA Pro Forma)

NOI:	\$2,039,561	Avg. Rent:	\$1,528	Expense Ratio:	34.5%
Debt Service:	\$1,713,947	B/E Rent:	\$1,365	Controllable Expenses:	\$3,715
Net Cash Flow:	\$325,615	UW Occupancy:	92.5%	Property Taxes/Unit:	\$0
Aggregate DCR:	1.19	B/E Occupancy:	82.8%	Program Rent Year:	2025

Underwriter using 2025 HTC rents, resulting in a 6.1% (\$190K) difference in EGI. Applicant assuming 2.5% management fee, while Underwriter assumes the standard 5%. Additionally, Underwriter's higher water, sewer, trash estimate is based on comparable properties in the area. As a result, the Underwriter's total expenses are 13.4% (\$145K) higher than the Applicants, and therefore, the TDHCA pro forma will be used.

The 100% property tax exemption is achieved through a ground lease structure between Dallas HFC and the Partnership. First year DCR drops to a 0.97 if the property tax exemption is not received.

## DEVELOPMENT COST EVALUATION

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

Acquisition	\$366,178/ac	\$12,222/unit	<b>\$2,200,000</b>	Contractor Fee	<b>\$3,959,457</b>
Off-site + Site Work		\$22,917/unit	<b>\$4,125,000</b>	Soft Cost + Financing	<b>\$11,569,712</b>
Building Cost	\$157.76/sf	\$137,121/unit	<b>\$24,681,833</b>	Developer Fee	<b>\$6,295,519</b>
Contingency	6.12%	\$9,789/unit	<b>\$1,762,064</b>	Reserves	<b>\$200,000</b>
<b>Total Development Cost</b>	<b>\$304,409/unit</b>	<b>\$54,793,585</b>	<b>Rehabilitation Cost</b>	<b>N/A</b>	

**Qualified for 30% Basis Boost?**

Located in QCT with < 20% HTC units/HH

Contingency:

**Re-allocated \$150,000 in soft cost contingency to contingency.**

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
<b>\$54,793,585</b>	<b>\$48,265,643</b>	<b>\$2,509,813</b>



## UNDERWRITTEN CAPITALIZATION

### BOND RESERVATION

Issuer	Amount	Reservation Date	Priority
TDHCA	\$30,000,000	1/6/2025	Carryforward
Closing Deadline			
12/31/2027			

**Percent of Cost Financed by Tax-Exempt Bonds**

**58.9%**

### INTERIM SOURCES

Funding Source	Description	Amount	Rate	LTC
R4 Capital Funding	Perm	\$30,000,000	6.14%	68%
R4 Capital Funding	Series B - Taxable Const Loan	\$8,500,000	6.85%	19%
R4	FHTC	\$5,395,020	\$0.86	12%
		<b>\$43,895,020</b>	<b>Total Sources</b>	

### PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
R4 Capital Funding	\$25,131,000	6.14%	40	16.0	\$25,131,000	6.14%	40	16.0	46%
DHFC Soft Loan	\$1,500,000	5.00%	0	30.0	\$1,500,000	5.00%	0	30.0	3%
Developer Note (Rickhaus Loan)	\$1,500,000	6.00%	0	30.0	\$1,500,000	6.00%	0	30.0	3%
<b>Total</b>	<b>\$28,131,000</b>				<b>\$28,131,000</b>				

	PROPOSED			UNDERWRITTEN			
Equity & Deferred Fees	Amount	Rate	% Def	Amount	Rate	% TC	% Def
R4	\$21,580,079	\$0.86		\$21,580,079	\$0.86	39%	
LDG Multifamily, LLC	\$5,082,506		81%	\$5,082,506		9%	81%
	<b>Total</b>	<b>\$26,662,585</b>		<b>\$26,662,585</b>			
				<b>\$54,793,585</b>	<b>Total Sources</b>		

### Credit Price Sensitivity based on current capital structure

<b>\$1.062</b>	Maximum Credit Price before the Development is oversourced and allocation is limited
<b>\$0.811</b>	Minimum Credit Price below which the Development would be characterized as infeasible

## CONCLUSIONS

### Gap Analysis:

Total Development Cost	\$54,793,585
Permanent Sources (debt + non-HTC equity)	\$28,131,000
<b>Gap in Permanent Financing</b>	<b>\$26,662,585</b>

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$21,580,083	\$2,509,813
Needed to Balance Sources & Uses	\$26,662,585	\$3,100,920
Requested by Applicant	\$21,580,079	\$2,509,813

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
<b>Tax Credit Allocation</b>	<b>\$21,580,079</b>	<b>\$2,509,813</b>

Bonds	Amount
<b>\$30,000,000</b>	<b>TDHCA</b>

Deferred Developer Fee	\$5,082,506	( 81% deferred)
Repayable in	11 years	

Recommendation:

**Underwriter recommends \$2,509,813 in annual 4% Federal Housing Tax Credits based on the Applicant's request and an allocation of \$30,000,000 in TDHCA bonds.**

Underwriter: Jake Schmid

Manager of Real Estate Analysis: Diamond Unique Thompson

Director of Real Estate Analysis: Jeanna Adams

UNIT MIX/RENT SCHEDULE

The Legacy on Kiest, Dallas, TDHCA Bonds/4% HTC #25603

LOCATION DATA

CITY:	Dallas
COUNTY:	Dallas
Area Median Income	\$117,300
PROGRAM REGION:	3
PROGRAM RENT YEAR:	2025

UNIT DISTRIBUTION

# Beds	# Units	% Total	Assisted	MDL	SHTC	Match
Eff	-	0.0%	0	0	0	0
1	40	22.2%	0	0	0	0
2	88	48.9%	0	0	0	0
3	52	28.9%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	180	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	4.00%
Average Unit Size	869 sf

60%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	-	-	-	180	-	-	-	180
Income	% Total	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE

FEDERAL 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 60%	\$1,320	40	1	1	649	\$1,320	\$56	\$1,264	(\$78)	\$1.83	\$1,186	\$47,440	\$50,560	\$1,264	\$1.95	\$0	\$1,332	\$2.05	\$1,332
TC 60%	\$1,584	88	2	2	850	\$1,584	\$67	\$1,517	(\$95)	\$1.67	\$1,422	\$125,136	\$133,496	\$1,517	\$1.78	\$0	\$1,570	\$1.85	\$1,570
TC 60%	\$1,830	52	3	2	1,071	\$1,830	\$79	\$1,751	(\$109)	\$1.53	\$1,642	\$85,384	\$91,052	\$1,751	\$1.63	\$0	\$1,893	\$1.77	\$1,893
TOTALS/AVERAGES:		180			156,452				(\$95)	\$1.65	\$1,433	\$257,960	\$275,108	\$1,528	\$1.76	\$0	\$1,610	\$1.85	\$1,610

ANNUAL POTENTIAL GROSS RENT:

\$3,095,520 \$3,301,296

\*MFDL units float among Unit Types

STABILIZED PRO FORMA

The Legacy on Kiest, Dallas, TDHCA Bonds/4% HTC #25603

STABILIZED FIRST YEAR PRO FORMA													
COMPARABLES				APPLICANT				TDHCA				VARIANCE	
Database	Historicals			% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$1.65	\$1,433	\$3,095,520	\$3,301,296	\$1,528	\$1.76		-6.2%	(\$205,776)
Late, Pet, and Application Fees						\$30.00	\$64,800						
Total Secondary Income						\$30.00		\$64,800	\$30.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$3,160,320	\$3,366,096				-6.1%	(\$205,776)
Vacancy & Collection Loss						7.5% PGI	(237,024)	(252,457)	7.5% PGI			-6.1%	15,433
EFFECTIVE GROSS INCOME							\$2,923,296	\$3,113,639				-6.1%	(\$190,343)

General & Administrative	\$104,269	\$579/Unit	\$86,803	\$482	2.92%	\$0.55	\$475	\$85,500	\$86,803	\$482	\$0.55	2.79%	-1.5%	(1,303)
Management	\$84,702	3.1% EGI	\$77,159	\$429	2.50%	\$0.47	\$406	\$73,082	\$155,682	\$865	\$1.00	5.00%	-53.1%	(82,600)
Payroll & Payroll Tax	\$260,115	\$1,445/Unit	\$311,355	\$1,730	8.31%	\$1.55	\$1,350	\$243,000	\$260,115	\$1,445	\$1.66	8.35%	-6.6%	(17,115)
Repairs & Maintenance	\$145,041	\$806/Unit	\$91,485	\$508	4.62%	\$0.86	\$750	\$135,000	\$117,000	\$650	\$0.75	3.76%	15.4%	18,000
Electric/Gas	\$49,163	\$273/Unit	\$50,336	\$280	2.05%	\$0.38	\$333	\$60,000	\$50,336	\$280	\$0.32	1.62%	19.2%	9,664
Water, Sewer, & Trash	\$154,440	\$858/Unit	\$202,166	\$1,123	2.87%	\$0.54	\$467	\$84,000	\$154,440	\$858	\$0.99	4.96%	-45.6%	(70,440)
Property Insurance	\$121,941	\$0.78 /sf	\$60,392	\$336	4.31%	\$0.81	\$700	\$126,000	\$126,000	\$700	\$0.81	4.05%	0.0%	-
Property Tax (@ 0%) 2.2948	\$203,319	\$1,130/Unit	\$195,349	\$1,085	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements					1.54%	\$0.29	\$250	\$45,000	\$45,000	\$250	\$0.29	1.45%	0.0%	-
Security					0.77%	\$0.14	\$125	\$22,500	\$22,500	\$125	\$0.14	0.72%	0.0%	-
Supportive Services					1.37%	\$0.26	\$222	\$40,000	\$40,000	\$222	\$0.26	1.28%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.25%	\$0.05	\$40	\$7,200	\$7,200	\$40	\$0.05	0.23%	0.0%	-
TDHCA Bond Compliance Fee					0.15%	\$0.03	\$25	\$4,500	\$4,500	\$25	\$0.03	0.14%	0.0%	-
Bond Trustee Fees					0.15%	\$0.03	\$25	\$4,500	\$4,500	\$25	\$0.03	0.14%	0.0%	-
TOTAL EXPENSES					31.82%	\$5.95	\$5,168	\$930,282	\$1,074,077	\$5,967	\$6.87	34.50%	-13.4%	\$ (143,795)
NET OPERATING INCOME ("NOI")					68.18%	\$12.74	\$11,072	\$1,993,014	\$2,039,561	\$11,331	\$13.04	65.50%	-2.3%	\$ (46,547)

CONTROLLABLE EXPENSES		\$3,375/Unit		\$3,715/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

The Legacy on Kiest, Dallas, TDHCA Bonds/4% HTC #25603

		DEBT / GRANT SOURCES													
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE							AS UNDERWRITTEN DEBT/GRANT STRUCTURE						
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Term	Amort	Rate	Pmt	Cumulative	
		UW	App											DCR	LTC
R4 Capital Funding	0.10%	1.19	1.16	1,718,805	6.14%	40	16.0	\$25,131,000	\$25,131,000	16.0	40.0	6.14%	\$1,713,947	1.19	45.9%
Adjustment to Debt Per §11.302(c)(2)	0.10%									16.0	40.0	6.14%		1.19	0.0%
R4 Capital Funding		1.19	1.16		0.00%	0	0.0	\$0	\$0	0.0	0.0	0.00%		1.19	0.0%
CASH FLOW DEBT / GRANTS															
DHFC Soft Loan		1.19	1.16		5.00%	0	30.0	\$1,500,000	\$1,500,000	30.0	0.0	5.00%		1.19	2.7%
Developer Note (Rickhaus Loan)		1.19	1.16		6.00%	0	30.0	\$1,500,000	\$1,500,000	30.0	0.0	6.00%		1.19	2.7%
				\$1,718,805	TOTAL DEBT / GRANT SOURCES			\$28,131,000	\$28,131,000	TOTAL DEBT SERVICE			\$1,713,947	1.19	51.3%

NET CASH FLOW	\$320,756	\$274,209	TDHCA			NET OPERATING INCOME	\$2,039,561	\$325,615	NET CASH FLOW
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		EQUITY SOURCES									
		APPLICANT'S PROPOSED EQUITY STRUCTURE					AS UNDERWRITTEN EQUITY STRUCTURE				
		DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit
EQUITY / DEFERRED FEES											
R4	LIHTC Equity	39.4%	\$2,509,813	\$0.86	\$21,580,079	\$21,580,079	\$0.86	\$2,509,813	39.4%	13943.40556	Applicant Request
LDG Multifamily, LLC	Deferred Developer Fees	9.3%	(81% Deferred)		\$5,082,506	\$5,082,506	(81% Deferred)		9.3%	Total Developer Fee:	\$6,295,519
Additional (Excess) Funds Req'd		0.0%				\$0			0.0%		
TOTAL EQUITY SOURCES		48.7%			\$26,662,585	\$26,662,585			48.7%		

TOTAL CAPITALIZATION	\$54,793,585	\$54,793,585		15-Yr Cash Flow after Deferred Fee:	\$3,301,315
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		DEVELOPMENT COST / ITEMIZED BASIS											
		APPLICANT COST / BASIS ITEMS					TDHCA COST / BASIS ITEMS				COST VARIANCE		
		Eligible Basis		Total Costs			Total Costs			Eligible Basis		%	\$
		Acquisition	New Const. Rehab							New Const. Rehab	Acquisition		
Land Acquisition				\$12,222 / Unit	\$2,200,000	\$2,200,000	\$12,222 / Unit			0.0%	\$0		
Building Acquisition		\$0		\$ / Unit	\$0	\$0	\$ / Unit		\$0	0.0%	\$0		
					\$0	\$0				0.0%	\$0		
Off-Sites				\$ / Unit	\$0	\$0	\$ / Unit			0.0%	\$0		
Site Work			\$3,540,000	\$20,000 / Unit	\$3,600,000	\$3,600,000	\$20,000 / Unit	\$3,540,000		0.0%	\$0		
Site Amenities			\$525,000	\$2,917 / Unit	\$525,000	\$525,000	\$2,917 / Unit	\$525,000		0.0%	\$0		
other construction cost				0		\$0	0			0.0%	\$0		
Structured Parking				0		\$0	\$ / Unit			0.0%	\$0		
Building Cost			\$24,300,000	\$157.76 /sf	\$137,121/Unit	\$24,681,833	\$24,814,604	\$137,859/Unit	\$158.61 /sf	\$24,300,000	-0.5%	(\$132,771)	
Contingency			\$1,762,064	6.21%	6.12%	\$1,762,064	\$1,762,064	6.09%	6.21%	\$1,762,064	0.0%	\$0	
Contractor Fees			\$3,959,457	13.14%	12.95%	\$3,959,457	\$3,959,457	12.90%	13.14%	\$3,959,457	0.0%	\$0	
Voluntary Eligible "Hard Costs" (After 11.9(e)(2))						\$0	0.00%				0.0%	\$0	
Soft Costs		\$0	\$3,933,603	\$24,181 / Unit	\$4,352,603	\$4,352,603	\$24,181 / Unit	\$3,933,603	\$0	0.0%	\$0		
Financing		\$0	\$3,950,000	\$40,095 / Unit	\$7,217,109	\$7,217,109	\$40,095 / Unit	\$3,950,000	\$0	0.0%	\$0		
Developer Fee			\$0	\$6,295,519	15.00%	14.84%	\$6,295,519	\$6,295,519	14.80%	15.00%	\$6,295,519	0.0%	\$0
Reserves				1 Months	\$200,000	\$200,000	1 Months			0.0%	\$0		
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$48,265,643	\$304,409 / Unit	\$54,793,585	\$54,926,356	\$305,146 / Unit	\$48,265,643	\$0	-0.2%	(\$132,771)		
Acquisition Cost		\$0			\$0								
Contingency			\$0		\$0								
Contractor's Fee			\$0		\$0								
Financing Cost			\$0										
Developer Fee		\$0	(\$0)	15.00%	\$0								
Reserves					\$0								
ADJUSTED BASIS / COST		\$0	\$48,265,643	\$304,409/unit	\$54,793,585	\$54,926,356	\$305,146/unit	\$48,265,643	\$0	-0.2%	(\$132,771)		
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$54,793,585							

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

The Legacy on Kiest, Dallas, TDHCA Bonds/4% HTC #25603

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$48,265,643	\$0	\$48,265,643
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$48,265,643	\$0	\$48,265,643
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$62,745,335	\$0	\$62,745,335
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$62,745,335	\$0	\$62,745,335
Applicable Percentage	4.00%	4.00%	4.00%	4.00%
ANNUAL CREDIT ON BASIS	\$0	\$2,509,813	\$0	\$2,509,813
CREDITS ON QUALIFIED BASIS	\$2,509,813		\$2,509,813	

	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price	Variance to Request	
	Annual Credits	Proceeds		Credits	Proceeds
Eligible Basis	\$2,509,813	\$21,580,083	----	----	----
Needed to Fill Gap	\$3,100,920	\$26,662,585	----	----	----
Applicant Request	\$2,509,813	\$21,580,079	\$2,509,813	\$0	\$0

50% Test for Bond Financing for 4% Tax Credits			
Tax-Exempt Bond Amount	\$	30,000,000	
		Applicant	TDHCA
Land Cost	\$	2,200,000	\$2,200,000
Depreciable Bldg Cost **	\$	48,707,476	\$48,840,247
Aggregate Basis for 50% Test	\$	50,907,476	\$51,040,247
Percent Financed by Tax-	58.93%	58.93%	58.78%

\*\*Depreciable building cost includes: Total construction contract, total building acquisition, total developer fee, plus eligible financing and soft costs.

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden/Townhome	156,452 SF	\$126.73	19,827,854
Adjustments				
Exterior Wall Finish	3.68%		4.66	\$729,665
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.46%		4.39	686,044
Roof Adjustment(s)			1.15	180,000
Subfloor			0.28	44,198
Floor Cover			5.96	931,672
Breezeways	\$55.01	32,177	11.31	1,770,039
Balconies	\$54.37	4,356	1.51	236,840
Plumbing Fixtures	\$2,130	420	5.72	894,600
Rough-ins	\$790	360	1.82	284,400
Built-In Appliances	\$3,675	180	4.23	661,500
Exterior Stairs	\$4,250	0	0.00	0
Heating/Cooling			4.11	643,018
Storage Space	\$55.01	0	0.00	0
Carports	\$21.40	0	0.00	0
Garages	\$41.00	6,864	1.80	281,424
Common/Support Area	\$139.00	3,062	2.7204398	425,618
Elevators	\$147,600	3	2.83	442,800
Other:			0.00	0
Fire Sprinklers	\$4.60	191,691	5.64	881,779
SUBTOTAL			184.86	28,921,450
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			184.86	\$28,921,450
Plans, specs, survey, bldg permits	3.10%		(5.73)	(\$896,565)
Contractor's OH & Profit	11.10%		(20.52)	(3,210,281)
NET BUILDING COSTS		\$137,859/unit	\$158.61/sf	\$24,814,604

## Long-Term Pro Forma

*The Legacy on Kiest, Dallas, TDHCA Bonds/4% HTC #25603*

	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%	\$3,113,639	\$3,175,912	\$3,239,430	\$3,304,218	\$3,370,303	\$3,721,087	\$4,108,380	\$4,535,984	\$5,008,093	\$5,529,339	\$6,104,837	\$6,740,233
TOTAL EXPENSES	3.00%	\$1,074,077	\$1,104,743	\$1,136,297	\$1,168,766	\$1,202,177	\$1,384,352	\$1,594,575	\$1,837,211	\$2,117,313	\$2,440,726	\$2,814,211	\$3,245,595
<b>NET OPERATING INCOME ("NOI")</b>		<b>\$2,039,561</b>	<b>\$2,071,169</b>	<b>\$2,103,133</b>	<b>\$2,135,452</b>	<b>\$2,168,125</b>	<b>\$2,336,735</b>	<b>\$2,513,806</b>	<b>\$2,698,773</b>	<b>\$2,890,779</b>	<b>\$3,088,613</b>	<b>\$3,290,626</b>	<b>\$3,494,638</b>
EXPENSE/INCOME RATIO		34.5%	34.8%	35.1%	35.4%	35.7%	37.2%	38.8%	40.5%	42.3%	44.1%	46.1%	48.2%
<b>MUST -PAY DEBT SERVICE</b>													
R4 Capital Funding		\$1,713,947	\$1,713,797	\$1,713,637	\$1,713,468	\$1,713,287	\$1,712,201	\$1,710,725	\$1,708,720	\$1,705,997	\$1,702,298	\$1,697,274	\$1,690,449
Adjustment to Debt Per §11.302(c)(2)													
R4 Capital Funding													
<b>TOTAL DEBT SERVICE</b>		<b>\$1,713,947</b>	<b>\$1,713,797</b>	<b>\$1,713,637</b>	<b>\$1,713,468</b>	<b>\$1,713,287</b>	<b>\$1,712,201</b>	<b>\$1,710,725</b>	<b>\$1,708,720</b>	<b>\$1,705,997</b>	<b>\$1,702,298</b>	<b>\$1,697,274</b>	<b>\$1,690,449</b>
DEBT COVERAGE RATIO		1.19	1.21	1.23	1.25	1.27	1.36	1.47	1.58	1.69	1.81	1.94	2.07
<b>ANNUAL CASH FLOW</b>		<b>\$325,615</b>	<b>\$357,372</b>	<b>\$389,495</b>	<b>\$421,984</b>	<b>\$454,838</b>	<b>\$624,534</b>	<b>\$803,081</b>	<b>\$990,053</b>	<b>\$1,184,783</b>	<b>\$1,386,315</b>	<b>\$1,593,352</b>	<b>\$1,804,189</b>
Deferred Developer Fee Balance		\$4,756,891	\$4,399,519	\$4,010,024	\$3,588,039	\$3,133,201	\$353,524	\$0	\$0	\$0	\$0	\$0	\$0
<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>\$3,301,315</b>	<b>\$7,874,380</b>	<b>\$13,405,898</b>	<b>\$19,931,920</b>	<b>\$27,482,714</b>	<b>\$36,080,863</b>