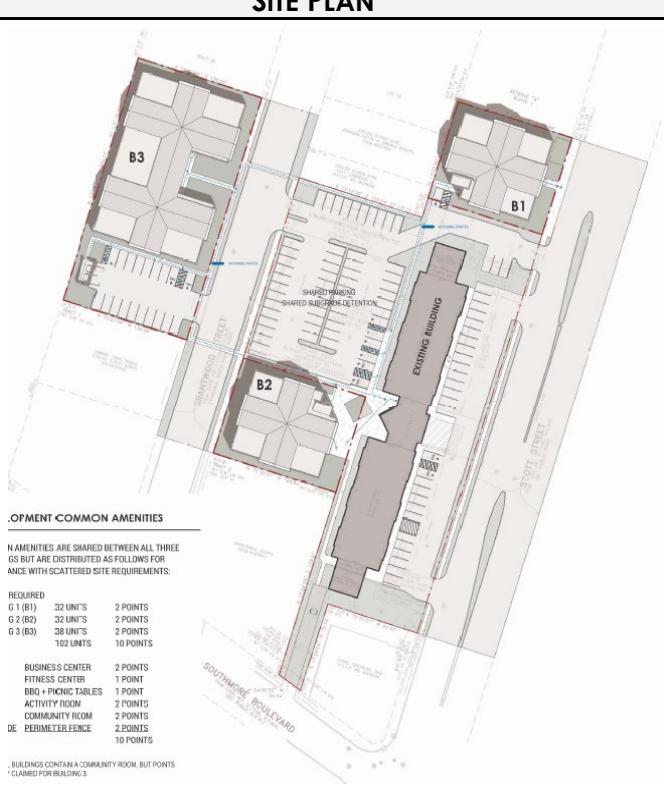


24172 WALIPP Senior Residence Expansion - Application Summary

REAL ESTATE ANALYSIS DIVISION

July 8, 2024

PROPERTY IDENTIFICATION		RECOMMENDATION				KEY PRINCIPALS / SPONSOR																											
Application #	24172	TDHCA Program	Request	Recommended			<ul style="list-style-type: none"> Volunteers of America National Services / Deborah Welchel William A Lawson Institute for Peace and Prosperity (WALIPP) / Cheryl Lawson 																										
Development	WALIPP Senior Residence Expansion	LIHTC (9% Credit)	\$2,000,000	\$2,000,000	\$19,608/Unit	\$0.92																											
City / County	Houston / Harris																																
Region/Area	6 / Urban																																
Population	Elderly Limitation																																
Set-Aside	Non-Profit																																
Activity	New Construction					Related Parties	Contractor - No	Seller - Yes																									
TYPICAL BUILDING ELEVATION/PHOTO																																	
																																	
SITE PLAN																																	
																																	
UNIT DISTRIBUTION																																	
# Beds	# Units	% Total	Income	# Units	% Total																												
Eff	-	0%	20%	-	0%																												
1	102	100%	30%	11	11%																												
2	-	0%	40%	-	0%																												
3	-	0%	50%	41	40%																												
4	-	0%	60%	50	49%																												
			70%	-	0%																												
			80%	-	0%																												
			MR	-	0%																												
TOTAL	102	100%	TOTAL	102	100%																												
INCOME DISTRIBUTION																																	
PRO FORMA FEASIBILITY INDICATORS																																	
Pro Forma Underwritten			TDHCA's Pro Forma																														
Debt Coverage	✓	1.29	Expense Ratio	✓	54.3%																												
Breakeven Occ.	✓	82.9%	Breakeven Rent		\$766																												
Average Rent		\$858	B/E Rent Margin	✓	\$92																												
Property Taxes		Exempt	Exemption/PILOT		100%																												
Total Expense		\$5,320/unit	Controllable		\$3,190/unit																												
MARKET FEASIBILITY INDICATORS																																	
<table border="1"> <tr> <td>Gross Capture Rate (10% Maximum)</td> <td>✓</td> <td>1.5%</td> </tr> <tr> <td>Highest Unit Capture Rate</td> <td>✓</td> <td>6%</td> <td>1 BR/70%</td> <td>50</td> </tr> <tr> <td>Dominant Unit Cap. Rate</td> <td>✓</td> <td>6%</td> <td>1 BR/70%</td> <td>50</td> </tr> <tr> <td>Premiums (↑80% Rents)</td> <td></td> <td>N/A</td> <td colspan="3"></td> </tr> <tr> <td>Rent Assisted Units</td> <td></td> <td>N/A</td> <td colspan="3" rowspan="2"></td> </tr> </table>									Gross Capture Rate (10% Maximum)	✓	1.5%	Highest Unit Capture Rate	✓	6%	1 BR/70%	50	Dominant Unit Cap. Rate	✓	6%	1 BR/70%	50	Premiums (↑80% Rents)		N/A				Rent Assisted Units		N/A			
Gross Capture Rate (10% Maximum)	✓	1.5%																															
Highest Unit Capture Rate	✓	6%	1 BR/70%	50																													
Dominant Unit Cap. Rate	✓	6%	1 BR/70%	50																													
Premiums (↑80% Rents)		N/A																															
Rent Assisted Units		N/A																															
DEVELOPMENT COST SUMMARY																																	
Costs Underwritten			Applicant's Costs																														
Avg. Unit Size		610 SF	Density		77.4/acre																												
Acquisition					\$623K																												
Building Cost		\$203.21/SF	Hard Cost		\$124K/unit																												
Total Cost					\$161K/unit																												
Developer Fee		\$3,255K	(22% Deferred)																														
Contractor Fee		\$2,300K	30% Boost		Yes																												

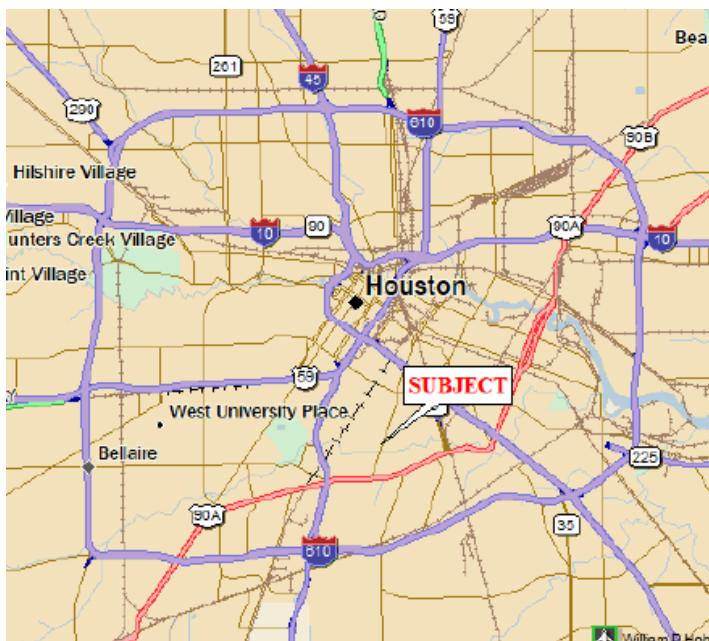
DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Amegy Bank	18/40	6.50%	\$5,027,855	1.29	City of Houston	0/0	0.00%	\$500	1.29	National Equity Fund	\$18,398,160
					FHLB Dallas AHP	0/0	0.00%	\$2,000,000	1.29	VOANS/WALIPP	\$724,435
					Sponsor Loan (VOANS) - CMF	40/0	5.00%	\$750,000	1.29		
					Sponsor Loan (WALIPP) - charitab	40/0	1.00%	\$750,000	1.29		
TOTAL DEBT (Must Pay)			\$5,027,855		CASH FLOW DEBT / GRANTS			\$3,500,500		TOTAL EQUITY SOURCES	\$19,122,595
										TOTAL DEBT SOURCES	\$8,528,355
										TOTAL CAPITALIZATION	\$27,650,950

CONDITIONS

1 Receipt and acceptance by Cost Certification:

- a: Certification that subsurface environmental investigation was performed as specified in the ESA, and if necessary, that any recommended mitigation measures were fully implemented.
- b: 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											
▫ Overall Feasibility Indicators											
▫ Developer Fee repaid in year 7											
▫ Low Gross Capture Rate											
WEAKNESSES/RISKS											
AREA MAP											
											

**Real Estate Analysis Division****Underwriting Report**

July 8, 2024

DEVELOPMENT IDENTIFICATIONTDHCA Application #: **24172** Program(s): **9% HTC****WALIPP Senior Residence Expansion**Address/Location: **5120 Scott St., 5134 Grantwood St., 5141 Grantwood St.**City: **Houston** County: **Harris** Zip: **77004**Population: **Elderly Limitation** Program Set-Aside: **Non-Profit** Area: **Urban**Activity: **New Construction** Building Type: **Elevator Served** Region: **6**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

1 Receipt and acceptance by Cost Certification:

- Certification that subsurface environmental investigation was performed as specified in the ESA, and if necessary, that any recommended mitigation measures were fully 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	11
50% of AMI	50% of AMI	41
60% of AMI	60% of AMI	50

DEVELOPMENT SUMMARY

The William A. Lawson Institute for Peace and Prosperity (WALIPP) Senior Residence Expansion will increase the inventory for affordable housing for persons age 55 and better. The existing WALIPP Senior Residence is located at 5220 Scott Street and it provides 50 units. The expansion will be located on 3 non-contiguous sites. One site is located adjacent to the existing development at 5220 Scott Street and 2 sites will be located at 5134 Grantwood St. The three buildings will add 102 units and will be designed to complement the existing housing community.

Amenities will be distributed amongst the three buildings based on the unit count of each building. Amenities include community room, business center, fitness center, and activity room. The building located at 5134 Grantwood St. will be two-story, elevator served and the two buildings located at 5120 Scott St. and 5141 Grantwood St. will be four-story, elevator served.

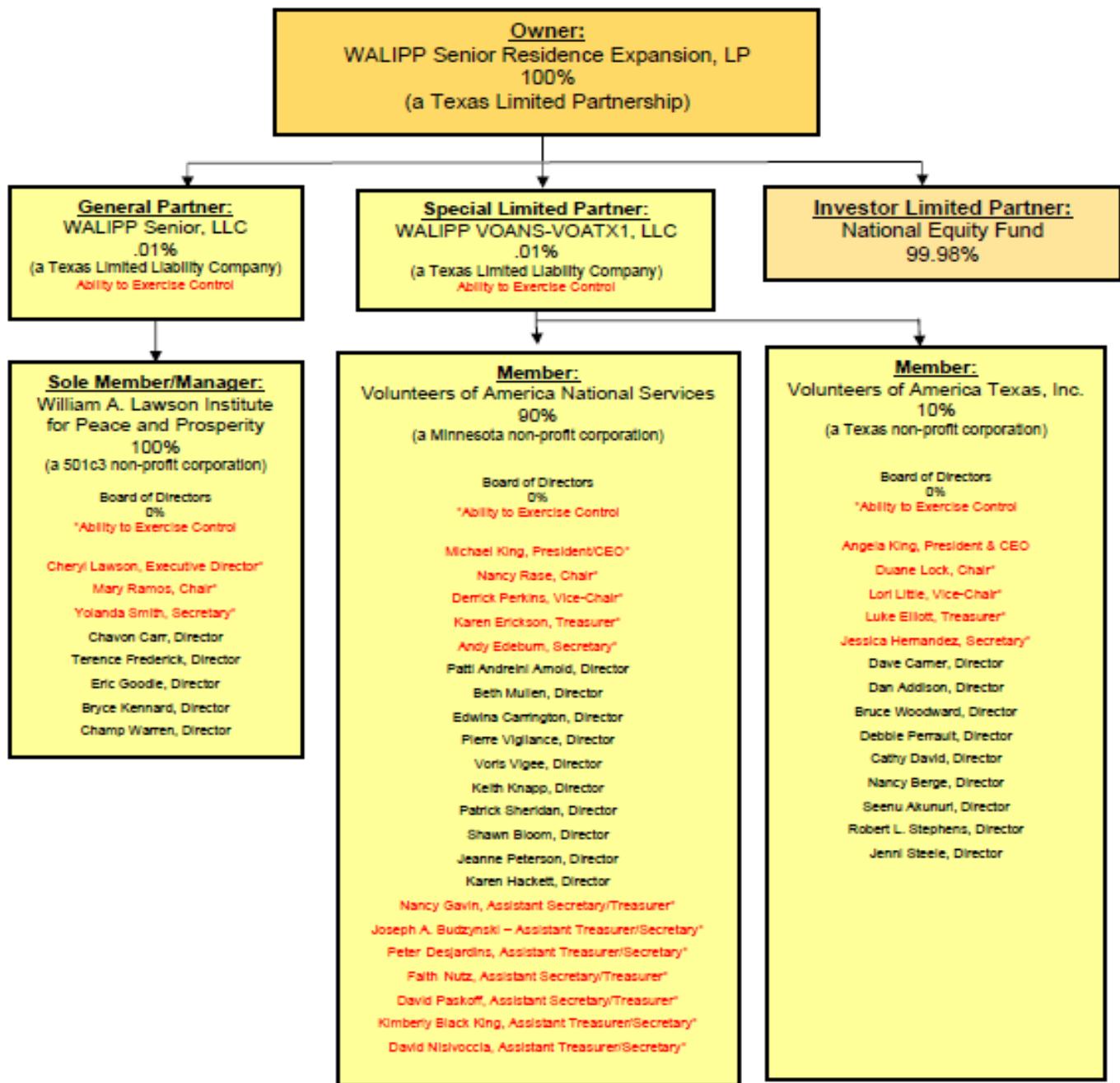
The properties are located in the Tax Increment Reinvestment Zone #7 Old Spanish Trail/Almeda.

RISK PROFILE

STRENGTHS/MITIGATING FACTORS		WEAKNESSES/RISKS	
<input type="checkbox"/>	Overall Feasibility Indicators	<input type="checkbox"/>	
<input type="checkbox"/>	Developer Fee repaid in year 7	<input type="checkbox"/>	
<input type="checkbox"/>	Low Gross Capture Rate	<input type="checkbox"/>	

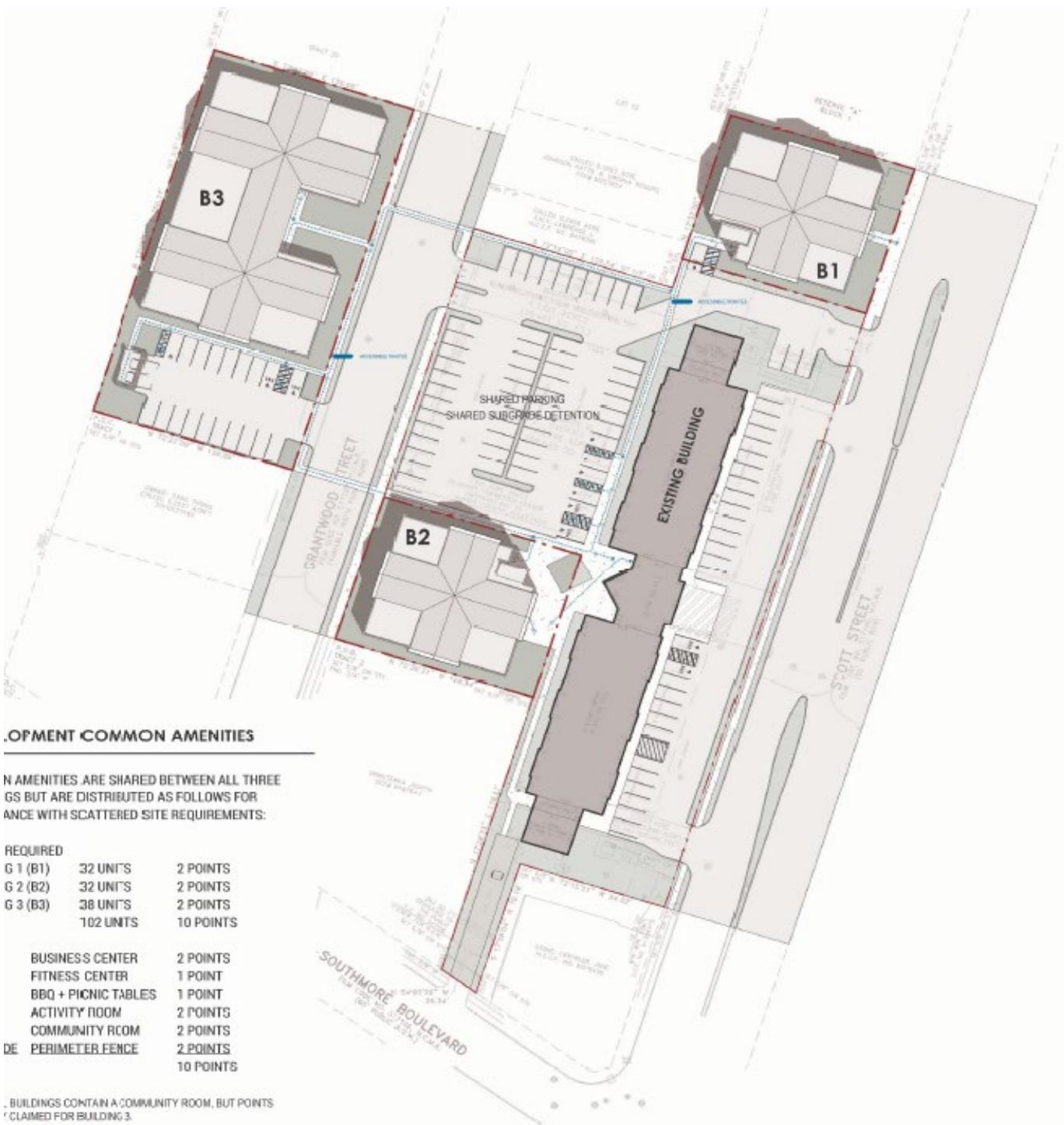
DEVELOPMENT TEAM

OWNERSHIP STRUCTURE



DEVELOPMENT SUMMARY

SITE PLAN



AERIAL



Comments:

The existing building with 50 units plus the proposed three new buildings with 102 units will have a total of 152 units. The City of Houston parking Code requires 0.75 spaces per unit, but also allows for reductions in parking spaces if bicycle parking is provided. The combined existing parking spaces plus the parking spaces for the proposed development will be 108 spaces (0.7/unit) which is in compliance with City Code. All parking will be provided at no charge to the residents.

BUILDING ELEVATION



BUILDING CONFIGURATION

Building Type	B1	B2	B3										Total Buildings
Floors/Stories	4	4	2										
Number of Bldgs	1	1	1										3
Units per Bldg	32	32	38										
Total Units	32	32	38										102
Avg. Unit Size (SF)	610 sf			Total NRA (SF)	62,220			Common Area (SF)*	21,309				

*Common Area Square Footage as specified on Architect Certification

SITE CONTROL INFO

Site Acreage: Development Site: 1.32 acres Density: 77.4 units/acre

Site Control: 1.32 **Site Plan:** 1.32 **Appraisal:** 1.32 **ESA:** 1.32

Feasibility Report Survey: 1.32 **Feasibility Report Engineer's Plan:** 1.32 **Existing LURA:** n/a

Control Type: Option Agreement

Tract 1: 0.7483 acres Cost: \$0 Grantor: Midtown Redevelopment Authority

Tract 2: 0.2938 acres Cost: \$0 Grantor: Midtown Redevelopment Authority

Grantor: Midtown Redevelopment Authority

Grantee: William A. Lawrence Institute for Peace and Prosperity ("WALIPP")

Control Type: Purchase and Sale Agreement

Tract 3: 0.2749 acres Cost: \$595,000 Seller: WALIPP

Seller: William A. Lawrence Institute for Peace and Prosperity ("WALIPP")

Buyer: WALIPP Senior Residence Expansion, LP

Total Development Site: 1.32 acres Cost: \$595,000 \$5,833 per unit

Related-Party Seller/Identity of Interest: Yes

Comments:

Site acquisition is the combination of 7 lots that assembled into three distinct non-contiguous sites. Tracts 1 and 2 are grants / donations from Midtown Redevelopment Authority to WALIPP.

Applicant closed on the acquisition of Tract 3 on 10/04/2021 at a purchase price of \$595K, which is \$40K below current appraised value. The current appraisal was performed to address the identity of interest.

APPRAISED VALUE

Appraiser:	Araiza Appraisal & Consulting	Date:	2/28/2024
Land as Vacant:	0.275 acres	\$635,000	Per Unit: \$6,225
Total Development: (as-is)		\$635,000	Per Unit: \$6,225

SITE INFORMATION

Flood Zone:	Zone X	Scattered Site?	Yes
Zoning:	No Zoning	Within 100-yr floodplain?	No
Re-Zoning Required?	No	Utilities at Site?	Yes
Year Constructed:	N/A	Title Issues?	No

Other Observations:

Storm water will be handled through subgrade detention on an adjacent parcel with shared surface parking.

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider:	ECS Southwest	Date:	2/28/2024
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Recognized Environmental Conditions (RECs) and Other Concerns:

- Lee Auto Service operated from 1985 - 1988 is located at 5106 Scott St, 90 feet north-northwest from the subject. It is topographically up-gradient relative to the subject, and is therefore considered a REC for the subject. Additional environmental assessment is warranted.
- "Evidence of a REC" - The historical use of the subject use as a dry-cleaning facility 1971 does represent a REC for the subject at 5120 Scott Street. Additional environmental assessment is warranted.

Comments:

ESA provided performed a preliminary noise study. Indications show the noise level along Scott St to be 70dB, which is "normally unacceptable" per HUD guild lines.

ESA provider conducted a Vapor Encroachment Study (VES). The results indicated that chemical sources of concern or vapor encroachment concerns would not be expected to impact the property.

Three (3) pole-mounted transformers are located on the east property boundary along Scott Street. No staining was observed on the transformers or surfaces in the vicinity of the transformers.

Various surrounding properties had uses that had potential for environmental impact, however, they were either distant enough away from the subject and/or were down-gradient from the subject, ECS considered them not to represent a REC for the subject.

MARKET ANALYSIS

Provider: Araiza Appraisal & Consulting

Date: 3/20/2024

Primary Market Area (PMA): 21 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
	None		#N/A	#N/A		#N/A
Stabilized Affordable Developments in PMA				Total Units	2,389	
				Total Developments	14	
				Average Occupancy	95%	

OVERALL DEMAND ANALYSIS

		Market Analyst	
		HTC	Assisted
Total Households in the Primary Market Area	34,936		
Senior Households in the Primary Market Area	15,427		
Potential Demand from the Primary Market Area	6,059		
10% External Demand	606		
Potential Demand from Other Sources	0		
GROSS DEMAND	6,665		
Subject Affordable Units	102		
Unstabilized Competitive Units	0		
RELEVANT SUPPLY	102		
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	1.5%		

Population: **Elderly Limitation** Market Area: **Urban** Maximum Gross Capture Rate: **10%**

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	2,174	217	11	0	0.5%	
50% AMGI	1,713	171	41	0	2.2%	
60% AMGI	2,171	217	50	0	2.1%	

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%	1,291	129	11	0	0.8%	
1 BR/60%	861	86	41	0	4.3%	
1 BR/70%	772	77	50	0	5.9%	

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (TDHCA Pro Forma)					
NOI:	\$457,155	Avg. Rent:	\$858	Expense Ratio:	54.3%
Debt Service:	\$353,231	B/E Rent:	\$766	Controllable Expenses:	\$3,190
Net Cash Flow:	\$103,924	UW Occupancy:	92.5%	Property Taxes/Unit:	\$0
Aggregate DCR:	1.29	B/E Occupancy:	82.9%	Program Rent Year:	2023

Units are restricted to 30%, 50% and 60% of AMI.

Underwriter utilized Applicant's cost for insurance as it is reflective of current insurance rates in the Houston area.

Underwriter utilized tax exempt status for the property taxes since the Applicant will be applying for tax exempt status for the expansion. The TDHCA NOI is the basis for the Pro Forma. If the Applicant's operating expenses are utilized, the resulting DCR is 1.16 and meets TDHCA criteria.

As underwritten, the long-term Pro Forma exhibits a 15 year residual cash flow of \$1.2M after repayment of deferred developer fee in year 7.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)					
Acquisition	\$451,784/ac	\$6,112/unit	\$623,418	Contractor Fee	\$2,299,652
Off-site + Site Work		\$26,547/unit	\$2,707,810	Soft Cost + Financing	\$4,559,457
Building Cost	\$203.21/sf	\$123,958/unit	\$12,643,670	Developer Fee	\$3,255,000
Contingency	7.00%	\$10,535/unit	\$1,074,604	Reserves	\$487,340
Total Development Cost		\$271,088/unit	\$27,650,950	Rehabilitation Cost	N/A
Qualified for 30% Basis Boost?		Non-Qualified Elderly not in QCT covered by Revitalization Plan [9% only]			

Acquisition:

As determined by the Araiza Appraisal & Consulting appraisal report, Applicant's land acquisition cost of \$595,000 is \$40,000 less than appraised value of \$635,000.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$27,650,950	\$20,122,520	\$2,354,335

UNDERWRITTEN CAPITALIZATION

INTERIM SOURCES					
Funding Source	Description		Amount	Rate	LTC
Amegy Bank	Conventional Loan		\$17,500,000	7.50%	63%
National Equity Fund	HTC		\$5,519,448	\$0.92	20%
City of Houston	§11.9(d)(2)LPS Contribution		\$500	0.00%	0%
FHLB Dallas AHP	Grant		\$2,000,000	0.00%	7%
VOANS/WALIPP	Deferred Dev Fee		\$1,131,002	0.00%	4%
Sponsor Loan (VOANS) - CMF	Private Loan		\$750,000	0.00%	3%
Sponsor Loan (WALIPP) - charitable	Private Loan		\$750,000	0.00%	3%
\$27,650,950				Total Sources	

PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Amegy Bank	\$5,027,855	6.50%	40	18.0	\$5,027,855	6.50%	40	18.0	18%
City of Houston	\$500	0.00%	0	0.0	\$500	0.00%	0	0.0	0%
FHLB Dallas AHP	\$2,000,000	0.00%	0	0.0	\$2,000,000	0.00%	0	0.0	7%
Sponsor Loan (VOANS) - CMF	\$750,000	5.00%	0	40.0	\$750,000	5.00%	0	40.0	3%
Sponsor Loan (WALIPP) - charitable	\$750,000	1.00%	0	40.0	\$750,000	1.00%	0	40.0	3%
Total	\$8,528,355				\$8,528,355				

Comments:

Federal Home Loan Bank of Dallas Affordable Housing Program funding in the amount of \$2M will be awarded as a grant to Williams A. Lawson Institute for Peace and Prosperity (WALIPP). WALIPP will have a sponsor pass-through loan to the Development Owner for \$2M that will be in the form of a cash flow loan.

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
National Equity Fund	\$18,398,160	\$0.92		\$18,398,160	\$0.92	67%	
VOANS/WALIPP	\$724,435		22%	\$724,435		3%	22%
Total	\$19,122,595			\$19,122,595			
\$27,650,950				Total Sources			

Credit Price Sensitivity based on current capital structure

\$0.956	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.858	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Recommended Financing Structure:

Gap Analysis:	
Total Development Cost	\$27,650,950
Permanent Sources (debt + non-HTC equity)	\$8,528,355
Gap in Permanent Financing	\$19,122,595

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$21,657,715	\$2,354,335
Needed to Balance Sources & Uses	\$19,122,595	\$2,078,751
Requested by Applicant	\$18,398,160	\$2,000,000

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$18,398,160	\$2,000,000

Deferred Developer Fee	\$724,435	(22% deferred)
Repayable in	7 years	

Recommendation:

Underwriter recommends \$2,000,000 in annual 9% HTC as requested by Applicant.

Underwriter:

Laura Rogers

Manager of Real Estate Analysis:

Gregg Kazak

Director of Real Estate Analysis:

Jeanna Adams

UNIT MIX/RENT SCHEDULE

WALIPP Senior Residence Expansion, Houston, 9% HTC #24172

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	ARP	Match
Eff	-	0.0%	0	0	0	0
1	102	100.0%	0	0	0	0
2	-	0.0%	0	0	0	0
3	-	0.0%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL						
	102	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	610 sf	

53%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average Income	# Units	-	11	-	41	50	-	-	-	102
	% Total	0.0%	10.8%	0.0%	40.2%	49.0%	0.0%	0.0%	0.0%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE

HTC		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 30%	\$524	11	1	1	610	\$524	\$64	\$460	\$0	\$0.75	\$460	\$5,060	\$5,060	\$460	\$0.75	\$0	\$1,290	\$2.11	\$1,290
TC 50%	\$874	41	1	1	610	\$874	\$64	\$810	\$0	\$1.33	\$810	\$33,210	\$33,210	\$810	\$1.33	\$0	\$1,290	\$2.11	\$1,290
TC 60%	\$1,049	50	1	1	610	\$1,049	\$64	\$985	\$0	\$1.61	\$985	\$49,250	\$49,250	\$985	\$1.61	\$0	\$1,290	\$2.11	\$1,290
TOTALS/AVERAGES:	102				62,220				\$0	\$1.41	\$858	\$87,520	\$87,520	\$858	\$1.41	\$0	\$1,290	\$2.11	\$1,290

ANNUAL POTENTIAL GROSS RENT:

*MFDL units float among Unit Types

STABILIZED PRO FORMA

WALIPP Senior Residence Expansion, Houston, 9% HTC #24172

STABILIZED FIRST YEAR PRO FORMA												
COMPARABLES			APPLICANT				TDHCA				VARIANCE	
	Database	Houston Comps	% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.41	\$858	\$1,050,240	\$1,050,240	\$858	\$1.41		0.0%	\$0
late fees, apps fees, retained deposits					\$25.00	\$30,600						
Total Secondary Income					\$25.00		\$30,600	\$25.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$1,080,840	\$1,080,840				0.0%	\$0
Vacancy & Collection Loss				7.5% PGI	(81,063)	(81,063)		7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$999,777	\$999,777				0.0%	\$0

General & Administrative	\$45,839	\$449/Unit	\$48,769	\$478	3.31%	\$0.53	\$325	\$33,110	\$45,839	\$449	\$0.74	4.58%	-27.8%	(12,729)
Management	\$42,389	3.5% EGI	\$46,967	\$460	5.00%	\$0.80	\$490	\$49,989	\$49,989	\$490	\$0.80	5.00%	0.0%	0
Payroll & Payroll Tax	\$150,993	\$1,480/Unit	\$137,719	\$1,350	14.64%	\$2.35	\$1,435	\$146,400	\$137,719	\$1,350	\$2.21	13.77%	6.3%	8,681
Repairs & Maintenance	\$80,635	\$791/Unit	\$66,719	\$654	6.53%	\$1.05	\$640	\$65,250	\$66,300	\$650	\$1.07	6.63%	-1.6%	(1,050)
Electric/Gas	\$26,001	\$255/Unit	\$33,989	\$333	2.00%	\$0.32	\$196	\$20,000	\$20,000	\$196	\$0.32	2.00%	0.0%	-
Water, Sewer, & Trash	\$78,477	\$769/Unit	\$55,495	\$544	6.50%	\$1.04	\$637	\$65,000	\$55,495	\$544	\$0.89	5.55%	17.1%	9,505
Property Insurance	\$83,210	\$1.34 /sf	\$79,930	\$784	13.77%	\$2.21	\$1,350	\$137,700	\$137,700	\$1,350	\$2.21	13.77%	0.0%	-
Property Tax (@ 0%)	2.129811	\$82,015	\$804/Unit	\$87,952	4.30%	\$0.69	\$422	\$43,000	\$0	\$0	\$0.00	0.00%	0.0%	43,000
Reserve for Replacements					2.55%	\$0.41	\$250	\$25,500	\$25,500	\$250	\$0.41	2.55%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.41%	\$0.07	\$40	\$4,080	\$4,080	\$40	\$0.07	0.41%	0.0%	-
TOTAL EXPENSES					59.02%	\$9.48	\$5,785	\$590,029	\$542,622	\$5,320	\$8.72	54.27%	8.7%	\$ 47,407
NET OPERATING INCOME ("NOI")					40.98%	\$6.59	\$4,017	\$409,748	\$457,155	\$4,482	\$7.35	45.73%	-10.4%	\$ (47,407)

CONTROLLABLE EXPENSES		\$3,233/Unit		\$3,190/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

WALIPP Senior Residence Expansion, Houston, 9% HTC #24172

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	
Amegy Bank		1.29	1.16	353,231	6.50%	40	18.0	\$5,027,855	\$5,027,855	18.0	40.0	6.50%	\$353,231	1.29	18.2%	
CASH FLOW DEBT / GRANTS																
City of Houston		1.29	1.16		0.00%	0	0.0	\$500	\$500	0.0	0.0	0.00%		1.29	0.0%	
FHLB Dallas AHP		1.29	1.16		0.00%	0	0.0	\$2,000,000	\$2,000,000	0.0	0.0	0.00%		1.29	7.2%	
Sponsor Loan (VOANS) - CMF		1.29	1.16		5.00%	0	40.0	\$750,000	\$750,000	40.0	0.0	5.00%		1.29	2.7%	
Sponsor Loan (WALIPP) - charitable		1.29	1.16		1.00%	0	40.0	\$750,000	\$750,000	40.0	0.0	1.00%		1.29	2.7%	
		\$353,231		TOTAL DEBT / GRANT SOURCES			\$8,528,355	\$8,528,355	TOTAL DEBT SERVICE			\$353,231	1.29	30.8%		
NET CASH FLOW		\$103,924	\$56,517						TDHCA	NET OPERATING INCOME		\$457,155	\$103,924	NET CASH FLOW		
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 Credits per Unit	Allocation Method				
	LIHTC Equity		66.5%	\$2,000,000	\$0.92	\$18,398,160	\$18,398,160	\$0.92	\$2,000,000	66.5%	\$19,608	Applicant Request				
VOANS/WALIPP	Deferred Developer Fees		2.6%	(22% Deferred)		\$724,435	\$724,435	(22% Deferred)		2.6%	Total Developer Fee: \$3,255,000					
Additional (Excess) Funds Req'd			0.0%			\$0	\$0			0.0%						
TOTAL EQUITY SOURCES			69.2%			\$19,122,595	\$19,122,595			69.2%						
TOTAL CAPITALIZATION						\$27,650,950	\$27,650,950				15-Yr Cash Flow after Deferred Fee:		\$1,239,732			
DEVELOPMENT COST / ITEMIZED BASIS																
		APPLICANT COST / BASIS ITEMS						TDHCA COST / BASIS ITEMS						COST VARIANCE		
		Eligible Basis										Eligible Basis		%	\$	
		Acquisition	New Const. Rehab	Total Costs				Total Costs				New Const. Rehab	Acquisition			
Land Acquisition						\$5,833 / Unit	\$595,000	\$595,000	\$5,833 / Unit						0.0%	\$0
Closing costs & acq. legal fees							\$28,418	\$28,418							0.0%	\$0
Off-Sites				\$425,000		\$4,167 / Unit	\$425,000	\$425,000	\$4,167 / Unit						0.0%	\$0
Site Work				\$1,712,810		\$18,998 / Unit	\$1,937,810	\$1,937,810	\$18,998 / Unit						0.0%	\$0
Site Amenities				\$345,000		\$3,382 / Unit	\$345,000	\$345,000	\$3,382 / Unit						0.0%	\$0
Building Cost				\$9,003,856	\$203.21 /sf	\$123,958/Unit	\$12,643,670	\$11,940,785	\$117,067/Unit	\$191.91 /sf					5.9%	\$702,885
Contingency				\$774,317	6.74%	7.00%	\$1,074,604	\$1,025,402	7.00%	6.74%					4.8%	\$49,202
Contractor Fees				\$1,657,038	13.51%	14.00%	\$2,299,652	\$2,194,360	14.00%	13.51%					4.8%	\$105,292
Soft Costs		\$0	\$1,941,500			\$19,525 / Unit	\$1,991,500	\$1,991,500	\$19,525 / Unit						0.0%	\$0
Financing		\$0	\$1,695,000			\$25,176 / Unit	\$2,567,957	\$2,567,957	\$25,176 / Unit						0.0%	\$0
Developer Fee		\$0	\$2,568,000	14.63%		14.99%	\$3,255,000	\$3,145,130	15.00%	14.63%					3.5%	\$109,870
Reserves						6 Months	\$487,340	\$487,340	7 Months						0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$20,122,520			\$271,088 / Unit	\$27,650,950	\$26,683,701	\$261,605 / Unit						3.6%	\$967,249
Acquisition Cost		\$0					\$0									
Contingency			\$0					\$0								
Contractor's Fee			\$0					\$0								
Financing Cost				\$0												
Developer Fee			\$0	\$0				\$0								
Reserves								\$0								
ADJUSTED BASIS / COST		\$0	\$20,122,520			\$271,088/unit	\$27,650,950	\$26,683,701	\$261,605/unit						3.6%	\$967,249
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):																

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

WALIPP Senior Residence Expansion, Houston, 9% HTC #24172

CREDIT CALCULATION ON QUALIFIED BASIS				
Applicant		TDHCA		
Acquisition	Construction Rehabilitation	Acquisition	Construction	
ADJUSTED BASIS	\$0	\$20,122,520	\$0	\$20,122,520
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$20,122,520	\$0	\$20,122,520
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$26,159,276	\$0	\$26,159,276
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$26,159,276	\$0	\$26,159,276
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$2,354,335	\$0	\$2,354,335
CREDITS ON QUALIFIED BASIS	\$2,354,335		\$2,354,335	

ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS			FINAL ANNUAL LIHTC ALLOCATION		
	Credit Price	\$0.9199		Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$2,354,335	\$21,657,715	----	----	----
Needed to Fill Gap	\$2,078,751	\$19,122,595	----	----	----
Applicant Request	\$2,000,000	\$18,398,160	\$2,000,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost: Elevator Served		62,220 SF	\$135.67	8,441,550
Adjustments				
Exterior Wall Finish	3.53%		4.79	\$297,937
Elderly	9.00%		12.21	759,740
9-Ft. Ceilings	3.44%		4.67	290,489
Roof Adjustment(s)			0.00	0
Subfloor			(0.26)	(16,270)
Floor Cover			3.68	228,970
Enclosed Corridors	\$124.32	13,269	26.51	1,649,637
Balconies	\$36.23	495	0.29	17,934
Plumbing Fixtures	\$2,130	0	0.00	0
Rough-ins	\$790	204	2.59	161,160
Built-In Appliances	\$3,675	102	6.02	374,850
Exterior Stairs	\$3,550	14	0.80	49,700
Heating/Cooling			3.12	194,126
Storage Space	\$124.32	619	1.24	76,956
Carports	\$16.05	0	0.00	0
Garages	\$30.00	0	0.00	0
Common/Support Area	\$130.98	5,234	11.02	685,530
Elevators	\$168,600	3	8.13	469,400
Other:			0.00	0
Fire Sprinklers	\$3.65	81,342	4.77	296,898
SUBTOTAL			225.25	14,015,006
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			225.25	\$14,015,006
Plans, specs, survey, bldg permits	3.30%		(7.43)	(\$462,495)
Contractor's OH & Profit	11.50%		(25.90)	(1,611,726)
NET BUILDING COSTS		\$117,067/unit	\$191.91/sf	\$11,940,785

Long-Term Pro Forma

WALIPP Senior Residence Expansion, Houston, 9% HTC #24172

	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%	\$999,777	\$1,019,773	\$1,040,168	\$1,060,971	\$1,082,191	\$1,194,826	\$1,319,185	\$1,456,486	\$1,608,079	\$1,775,449	\$1,960,239	\$2,164,262
TOTAL EXPENSES	3.00%	\$542,622	\$558,401	\$574,643	\$591,363	\$608,573	\$702,516	\$811,112	\$936,660	\$1,081,827	\$1,249,696	\$1,443,840	\$1,668,397
NET OPERATING INCOME ("NOI")		\$457,155	\$461,371	\$465,525	\$469,609	\$473,618	\$492,310	\$508,073	\$519,826	\$526,252	\$525,753	\$516,399	\$495,865
EXPENSE/INCOME RATIO		54.3%	54.8%	55.2%	55.7%	56.2%	58.8%	61.5%	64.3%	67.3%	70.4%	73.7%	77.1%
MUST -PAY DEBT SERVICE													
Amegy Bank		\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231
TOTAL DEBT SERVICE		\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231	\$353,231
DEBT COVERAGE RATIO		1.29	1.31	1.32	1.33	1.34	1.39	1.44	1.47	1.49	1.49	1.46	1.40
ANNUAL CASH FLOW		\$103,924	\$108,140	\$112,294	\$116,378	\$120,387	\$139,079	\$154,842	\$166,595	\$173,021	\$172,522	\$163,168	\$142,634
Deferred Developer Fee Balance		\$620,512	\$512,371	\$400,078	\$283,700	\$163,313	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$495,678	\$1,239,732	\$2,051,049	\$2,905,730	\$3,772,467	\$4,610,989	\$5,370,218