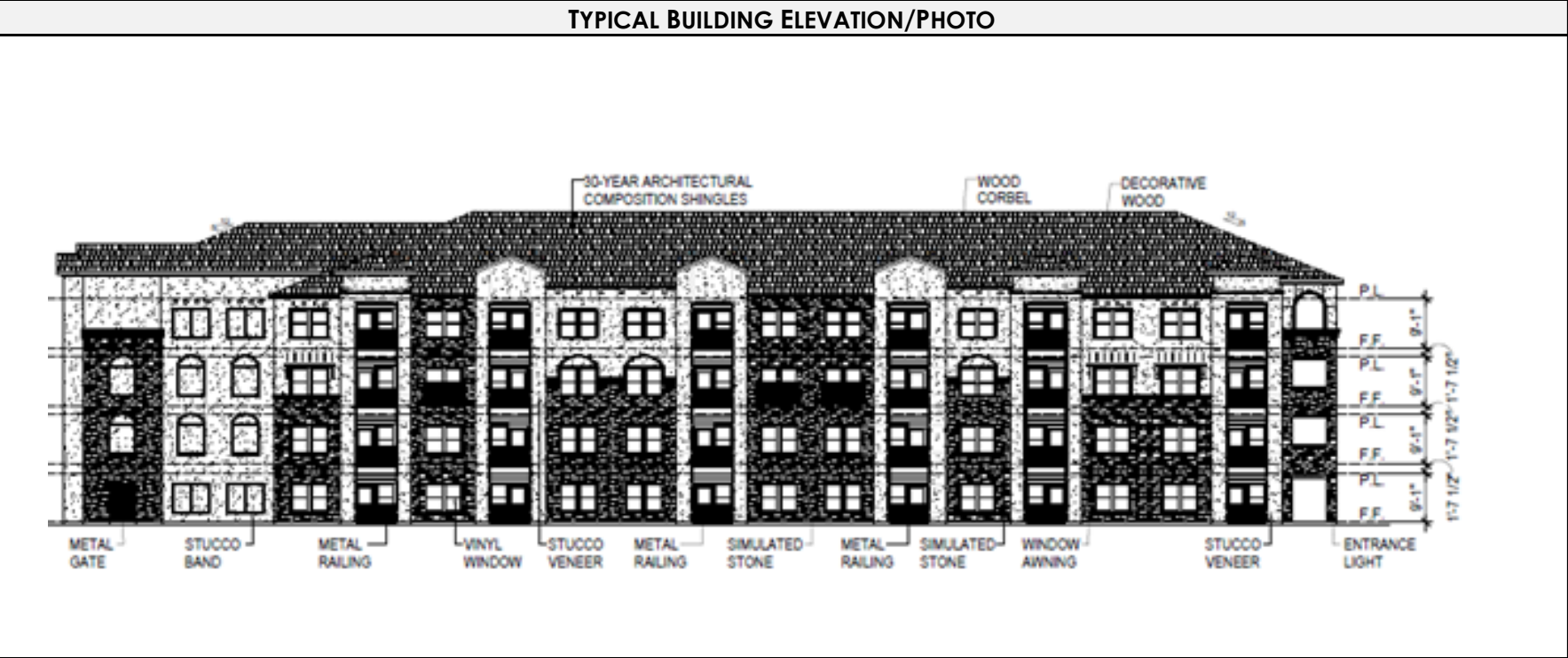


24038 3606 S Cockrell Hill Road Senior Living - Application Summa

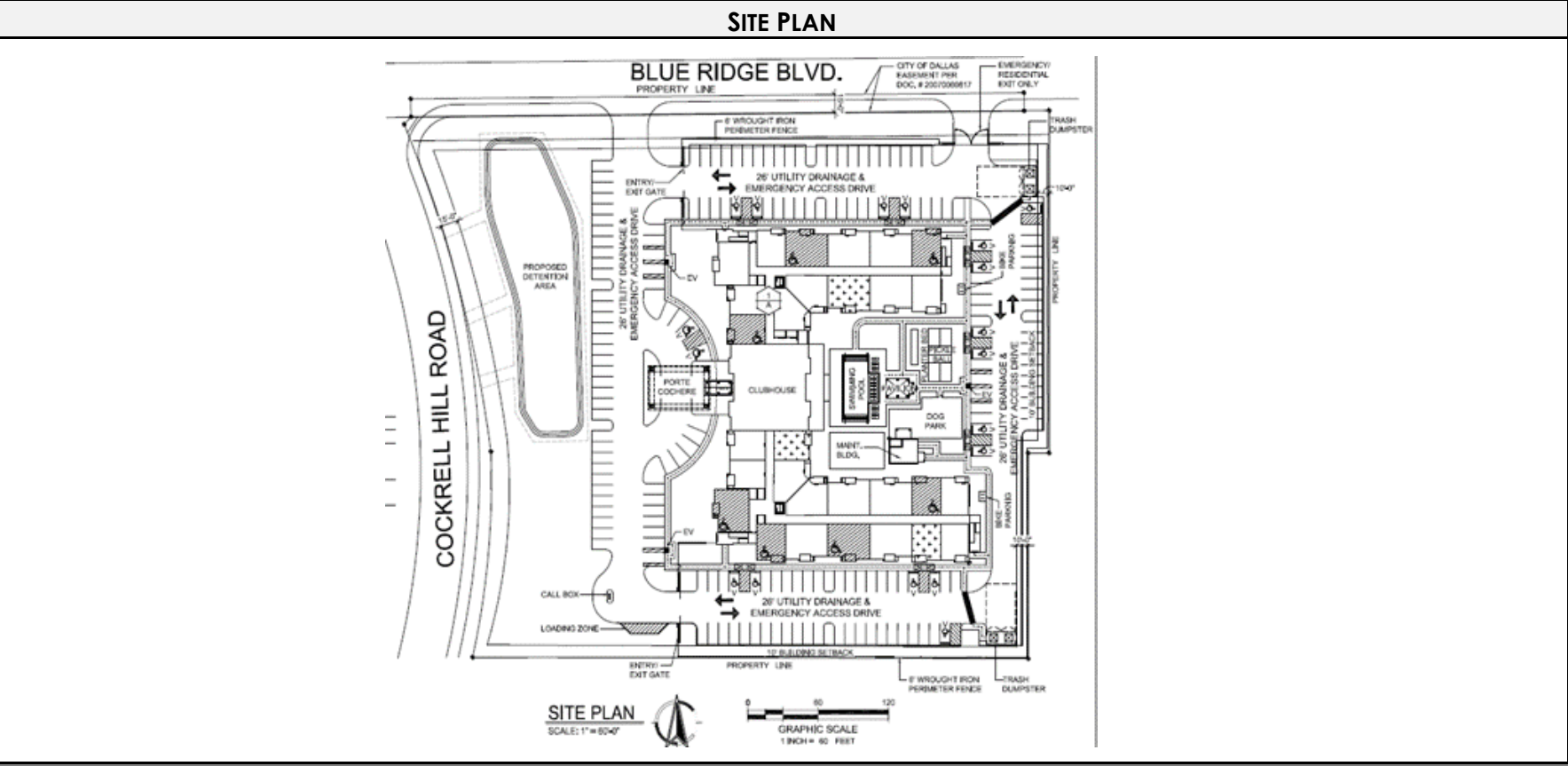
REAL ESTATE ANALYSIS DIVISION
June 11, 2024

PROPERTY IDENTIFICATION		RECOMMENDATION					KEY PRINCIPALS / SPONSOR				
Application #	24038	TDHCA Program	Request	Recommended			<div>• Thomas E. Huth / Palladium USA, Inc. (90%)</div> <div>• Linda S. Brown, Sara Reidy / Casa Linda Development Corporation (10%)</div>				
Development	3606 S Cockrell Hill Road Senior Living	LIHTC (9% Credit)	\$2,000,000	\$2,000,000	\$16,667/Unit	\$0.91					
City / County	Dallas / Dallas										
Region/Area	3 / Urban										
Population	Elderly Preference										
Set-Aside	General										
Activity	New Construction										
							Related Parties	Contractor -	No	Seller -	No



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	68	57%	30%	18	15%
2	52	43%	40%	-	0%
3	-	0%	50%	36	30%
4	-	0%	60%	25	21%
			70%	3	3%
			80%	6	5%
			MR	32	27%
TOTAL	120	100%	TOTAL	120	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.15	Expense Ratio	46.6%
Breakeven Occ.	86.1%	Breakeven Rent	\$1,112
Average Rent	\$1,197	B/E Rent Margin	\$85
Property Taxes	\$1,250/unit	Exemption/PILOT	0%
Total Expense	\$6,323/unit	Controllable	\$3,415/unit



Market Feasibility Indicators				
Gross Capture Rate (10% Maximum)				<div><div></div></div> 1.4%
Highest Unit Capture Rate	<div><div></div></div>	5%	1 BR/50%	33
Dominant Unit Cap. Rate	<div><div></div></div>	5%	1 BR/50%	33
Premiums (↑80% Rents)		Yes	<div><div></div></div>	\$78/Avg.
Rent Assisted Units		N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	839 SF	Density	22.2/acre
Acquisition	\$24K/unit		\$2,934K
Building Cost	\$141.99/SF	\$119K/unit	\$14,294K
Hard Cost	\$144K/unit		\$17,290K
Total Cost	\$261K/unit		\$31,285K
Developer Fee	\$3,368K	(29% Deferred)	Paid Year: 7
Contractor Fee	\$2,322K	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									
Regions Bank - FHA 221(d)(4)	40/40	5.25%	\$12,108,500	1.15	City of Dallas - § 11.9(d)(2)LPS Co	0/0	0.00%	\$500	1.15	Regions Bank	\$18,198,180									
										Palladium/CLDC	\$977,907									
										TOTAL EQUITY SOURCES										\$19,176,087
										TOTAL DEBT SOURCES										\$12,109,000
										TOTAL CAPITALIZATION										\$31,285,087
TOTAL DEBT (Must Pay)			\$12,108,500		CASH FLOW DEBT / GRANTS			\$500												

**Real Estate Analysis Division****Underwriting Report****June 11, 2024****DEVELOPMENT IDENTIFICATION**

TDHCA Application #:	24038	Program(s):	9% HTC		
3606 S Cockrell Hill Road Senior Living					
Address/Location:		3606 and 3626 S Cockrell Hill Road			
City:	Dallas	County:	Dallas	Zip:	75236
Population:	Elderly Preference	Program Set-Aside:	General	Area:	Urban
Activity:	New Construction	Building Type:	Elevator Served	Region:	3
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 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: 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	18
50% of AMI	50% of AMI	36
60% of AMI	60% of AMI	25
70% of AMI	70% of AMI	3
80% of AMI	80% of AMI	6

DEVELOPMENT SUMMARY

3606 S Cockrell Hill Road Senior Living is a proposed development targeting the Elderly Population with 1 and 2-bedroom units and will include a clubhouse. The development will serve incomes at 30% AMI to 80% AMI and will include market rate units. The project will contain 120 units. 88 of the units will have rents at 30% - 80% AMI using income averaging and the remaining 32 units will be at market rate. Rent charged on the HTC units will be set at TDHCA's published maximums for their respective AMI levels, less utility allowances approved by TDHCA.

RISK PROFILE

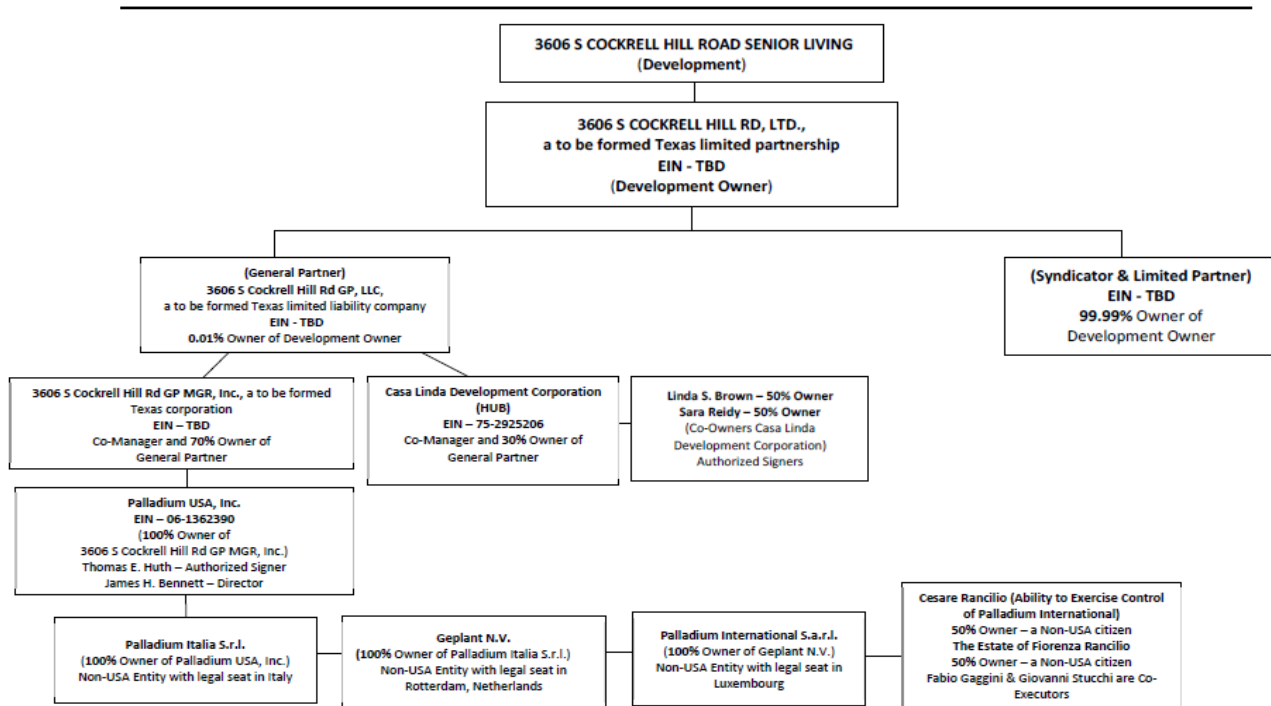
STRENGTHS/MITIGATING FACTORS		WEAKNESSES/RISKS	
▫	98% average occupancy for HTC properties in PMA	▫	Interest Rate Risk
▫	Low Gross Capture rate of 1.4%	▫	
▫	Developer's construction and management experience with LIHTC properties in Texas	▫	

DEVELOPMENT TEAM

OWNERSHIP STRUCTURE

Thomas E. Huth has Ability to Exercise Control

3606 S COCKRELL HILL ROAD SENIOR LIVING OWNERSHIP STRUCTURE (2024 9% Housing Tax Credit Application)

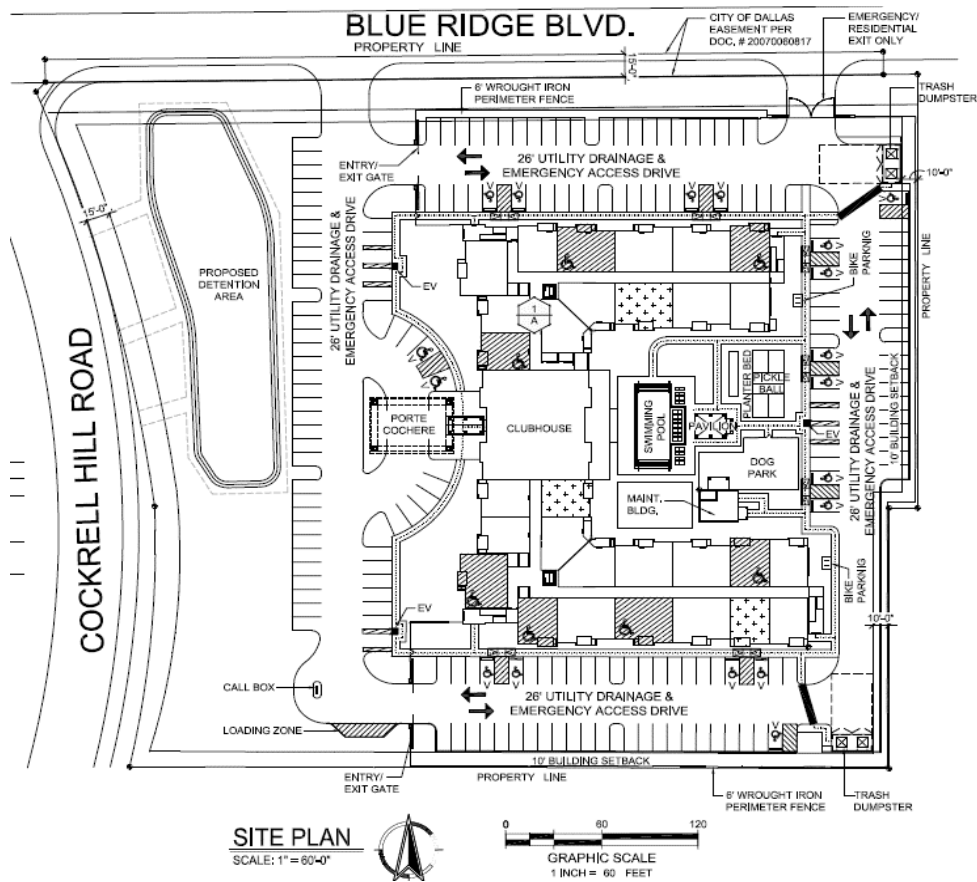


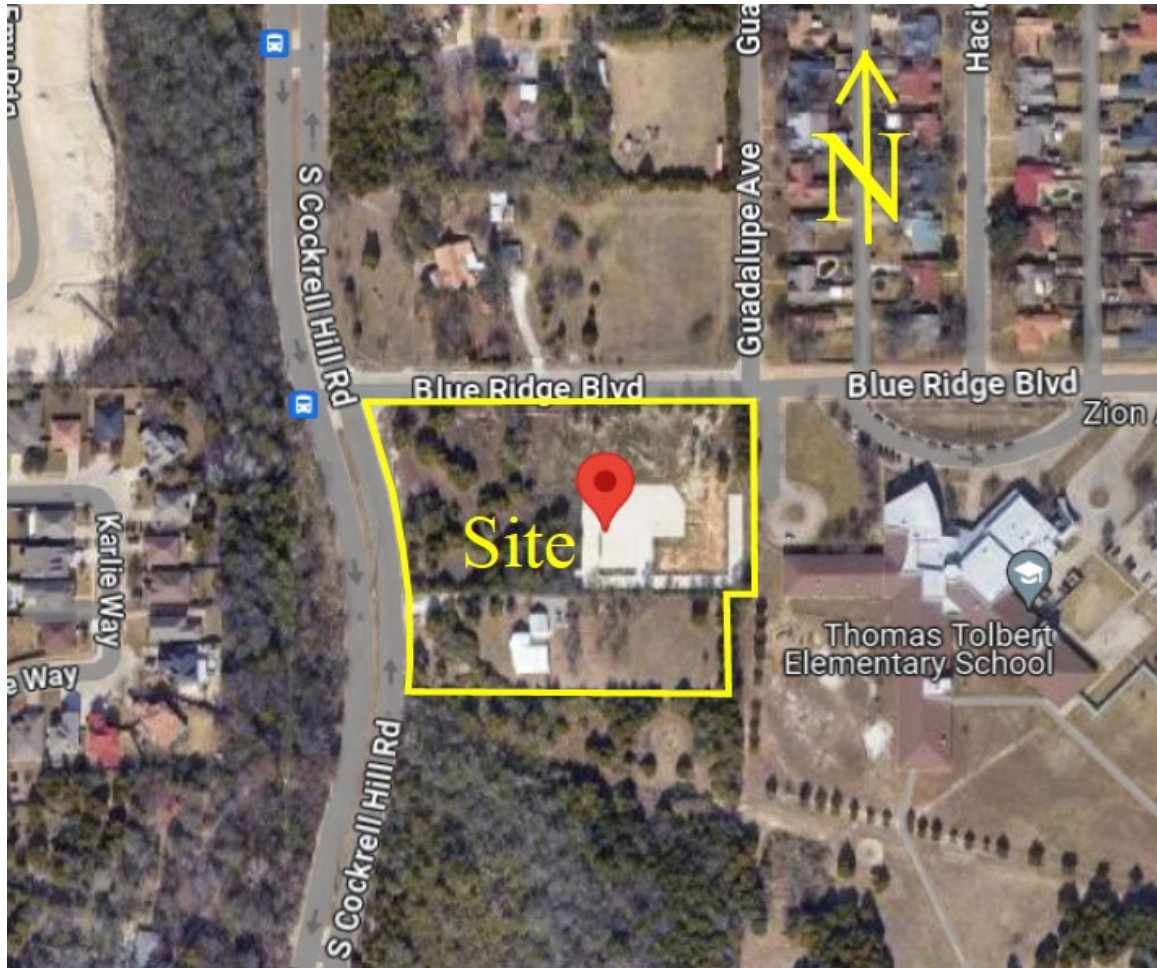
3606 S Cockrell Hill Road Senior Living
Proposed Organizational Chart

Revised: 5/14/2024
Page 1

DEVELOPMENT SUMMARY

SITE PLAN





Comments:

Site plan reflects 180 open surface parking spaces (1.5/unit), which meets the City Code requirement of 1 space per bedroom. All parking will be provided free to the residents.

SITE INFORMATION

Flood Zone: <u>Zone X</u>	Scattered Site? <u>No</u>
Zoning: <u>NO(A) and R-10(A)</u>	Within 100-yr floodplain? <u>No</u>
Re-Zoning Required? <u>Yes</u>	Utilities at Site? <u>Yes</u>
Year Constructed: <u>N/A</u>	Title Issues? <u>No</u>

Other Observations:

Per the City of Dallas Zoning Map, the subject property is currently zoned Neighborhood Office District (NO(A)) and Airport Height (Executive) Overlay District. The applicant will need to request a zone change to Planned Development (PD) with a base zoning of multi-family. The applicant will also need to file an Obstruction Evaluation (OE) Form as required by the Federal Aviation Administration (FAA).

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering Date: 10/17/2023

Recognized Environmental Conditions (RECs) and Other Concerns:

No REC's were reported.

- The onsite buildings were constructed in the 1950s and 1970s. Potential ACBMs in the form of wall material, ceiling material and miscellaneous building materials are located within a residence at the subject property. No asbestos sampling was performed as part of this ESA and no previous asbestos inspection reports or abatement reports were provided to Phase Engineering, LLC.
- Since the subject property consists of a residential building and a detached garage building 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.
- The calculated noise values fall within the range of 65-75 dB, and are considered "Normally Unacceptable" based on the HUD guidelines. The results of the assessment found the greatest contributor of noise to the subject property is South Cockrell Hill Road, located just to the west. 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: 3/20/2024

Primary Market Area (PMA): 43 sq. miles 4 mile equivalent radius

AFFORDABLE HOUSING INVENTORY

Competitive Supply (Proposed, Under Construction, and Unstabilized)

File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
N/A	N/A	N/A	N/A	N/A	0	N/A

Other Affordable Developments in PMA since 2019

19419	Palladium Redbird		General	N/A	300
20491	Fairway Village		General	N/A	250
21417	Westmoreland Station		General	N/A	248

Stabilized Affordable Developments in PMA

Total Units	4,546
Total Developments	21
Average Occupancy	98%

OVERALL DEMAND ANALYSIS

		Market Analyst		
		HTC	Assisted	
Total Households in the Primary Market Area		34,617		
Potential Demand from the Primary Market Area		5,678		
10% External Demand		568		
Potential Demand from Other Sources				
GROSS DEMAND		6,246		
Subject Affordable Units		88		
Unstabilized Competitive Units		0		
RELEVANT SUPPLY		88		
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE		1.4%		

Population: **Elderly Preference**

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	1,901	190	18	0	0.9%					
50% AMGI	1,555	156	36	0	2.1%					
60% AMGI	1,107	111	25	0	2.1%					
70% AMGI	367	37	3	0	0.7%					
80% AMGI	748	75	6	0	0.7%					

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%	713	71	12	0	1.5%					
1 BR/50%	602	60	33	0	5.0%					
1 BR/60%	512	51	7	0	1.2%					
1 BR/70%	214	21	2	0	0.8%					
1 BR/80%	223	22	2	0	0.8%					
2 BR/30%	555	56	6	0	1.0%					
2 BR/50%	531	53	3	0	0.5%					
2 BR/60%	553	55	18	0	3.0%					
2 BR/70%	273	27	1	0	0.3%					
2 BR/80%	208	21	4	0	1.7%					

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)

NOI:	\$868,416	Avg. Rent:	\$1,197	Expense Ratio:	46.6%
Debt Service:	\$755,140	B/E Rent:	\$1,112	Controllable Expenses:	\$3,415
Net Cash Flow:	\$113,276	UW Occupancy:	92.5%	Property Taxes/Unit:	\$1,250
Aggregate DCR:	1.15	B/E Occupancy:	86.1%	Program Rent Year:	2023

Applicant has elected the income averaging option. The average of the imputed income limitation being designated is 51 percent of AMI (within the 60% threshold). It is anticipated that full program rents will be achieved.

For the 32 Market Rate units, Applicant assumed Gross Program Rents at 80% AMI.

As underwritten, the residual 15 year cash flow is \$1.9M after repayment of deferred developer fee in year 7.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)

Acquisition	\$518,999/ac	\$24,450/unit	\$2,934,000	Contractor Fee	\$2,322,096
Off-site + Site Work		\$19,103/unit	\$2,292,380	Soft Cost + Financing	\$4,120,146
Building Cost	\$141.99/sf	\$119,117/unit	\$14,294,020	Developer Fee	\$3,367,915
Contingency	4.24%	\$5,860/unit	\$703,254	Reserves	\$1,251,276
Total Development Cost		\$260,709/unit	\$31,285,087	Rehabilitation Cost	N/A

Qualified for 30% Basis Boost?

Add'l 10% of units restricted at or below 30% AMI

Building Cost:

Underwriter utilized Marshall & Swift's "Good Quality" base cost values, which compared favorably with Applicants budgeted costs..

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$31,285,087	\$25,820,683	\$2,135,528

UNDERWRITTEN CAPITALIZATION

INTERIM SOURCES

Funding Source	Description	Amount	Rate	LTC
Regions Bank - FHA 221(d)(4)	FHA 221(d)(4)	\$12,108,500	5.25%	39%
Regions Bank	Equity Bridge Loan	\$14,261,782	5.00%	46%
Regions Bank	HTC	\$2,741,344	\$0.91	9%
City of Dallas - §11.9(d)(2)LPS Contribution	§11.9(d)(2)LPS Contribution	\$500	0.00%	0%
Palladium/CLDC	Deferred Developer Fees	\$2,172,861	0.00%	7%
GP Equity	GP Equity	\$100	0.00%	0%
		\$31,285,087	Total Sources	

PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Regions Bank - FHA 221(d)(4)	\$12,108,500	5.25%	40	40.0	\$12,108,500	5.25%	40	40.0	39%
City of Dallas - §11.9(d)(2)LPS Contribution	\$500	0.00%	0	0.0	\$500	0.00%	0	0.0	0%
Total	\$12,109,000				\$12,109,000				

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Regions Bank	\$18,198,180	\$0.91		\$18,198,180	\$0.91	58%	
Palladium/CLDC	\$977,807		29%	\$977,907		3%	29%
Total	\$19,176,087			\$19,176,087			
				\$31,285,087	Total Sources		

Credit Price Sensitivity based on current capital structure

\$0.959	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.817	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Gap Analysis:	
Total Development Cost	\$31,285,087
Permanent Sources (debt + non-HTC equity)	\$12,109,000
Gap in Permanent Financing	\$19,176,087

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$19,431,360	\$2,135,528
Needed to Balance Sources & Uses	\$19,176,087	\$2,107,473
Requested by Applicant	\$18,198,180	\$2,000,000

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$18,198,180	\$2,000,000

Deferred Developer Fee	\$977,907	(29% deferred)
Repayable in	7 years	

Recommendation:

Underwriter recommends Applicant's request of \$2,000,000 in annual 9% HTC.

Underwriter:	<i>Georgia Simmons</i>
Manager of Real Estate Analysis:	<i>Gregg Kazak</i>
Director of Real Estate Analysis:	<i>Jeanna Adams</i>

UNIT MIX/RENT SCHEDULE

3606 S Cockrell Hill Road Senior Living, Dallas, 9% HTC #24038

LOCATION DATA	
CITY:	Dallas
COUNTY:	Dallas
Area Median Income	\$105,600
PROGRAM REGION:	3
PROGRAM RENT YEAR:	2023

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	-	0.0%	0	0	0	0
1	68	56.7%	0	0	0	0
2	52	43.3%	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	120	100.0%	-	-	-	-

PRO FORMA ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	70.69%
APP % Acquisition	9.00%
APP % Construction	9.00%
Average Unit Size	839 sf

51%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average Income	# Units	-	18	-	36	25	3	6	32	120
	% Total	0.0%	15.0%	0.0%	30.0%	20.8%	2.5%	5.0%	26.7%	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%	\$580	12	1	1	700	\$580	\$67	\$513	\$0	\$0.73	\$513	\$6,156	\$6,156	\$513	\$0.73	\$0	\$1,527	\$2.18	\$1,527	
TC 50%	\$966	33	1	1	700	\$966	\$67	\$899	\$0	\$1.28	\$899	\$29,667	\$29,667	\$899	\$1.28	\$0	\$1,527	\$2.18	\$1,527	
TC 60%	\$1,160	7	1	1	700	\$1,160	\$67	\$1,093	\$0	\$1.56	\$1,093	\$7,651	\$7,651	\$1,093	\$1.56	\$0	\$1,527	\$2.18	\$1,527	
TC 70%	\$1,353	2	1	1	819	\$1,353	\$67	\$1,286	\$0	\$1.57	\$1,286	\$2,572	\$2,572	\$1,286	\$1.57	\$0	\$1,547	\$1.89	\$1,557	
TC 80%	\$1,547	2	1	1	819	\$1,547	\$67	\$1,480	\$0	\$1.81	\$1,480	\$2,960	\$2,960	\$1,480	\$1.81	\$0	\$1,547	\$1.89	\$1,557	
MR		12	1	1	819	\$0	\$67		NA	\$1.89	\$1,547	\$18,564	\$18,564	\$1,547	\$1.89	NA	\$1,547	\$1.89	\$1,557	
TC 30%	\$696	6	2	2	984	\$696	\$89	\$607	\$0	\$0.62	\$607	\$3,642	\$3,642	\$607	\$0.62	\$0	\$1,856	\$1.89	\$2,057	
TC 50%	\$1,160	3	2	2	984	\$1,160	\$89	\$1,071	\$0	\$1.09	\$1,071	\$3,213	\$3,213	\$1,071	\$1.09	\$0	\$1,856	\$1.89	\$2,057	
TC 60%	\$1,392	18	2	2	984	\$1,392	\$89	\$1,303	\$0	\$1.32	\$1,303	\$23,454	\$23,454	\$1,303	\$1.32	\$0	\$1,856	\$1.89	\$2,057	
TC 70%	\$1,624	1	2	2	984	\$1,624	\$89	\$1,535	\$0	\$1.56	\$1,535	\$1,535	\$1,535	\$1,535	\$1.56	\$0	\$1,856	\$1.89	\$2,057	
TC 80%	\$1,856	4	2	2	984	\$1,856	\$89	\$1,767	\$0	\$1.80	\$1,767	\$7,068	\$7,068	\$1,767	\$1.80	\$0	\$1,856	\$1.89	\$2,057	
MR		20	2	2	984	\$0	\$89		NA	\$1.89	\$1,856	\$37,120	\$37,120	\$1,856	\$1.89	NA	\$1,856	\$1.89	\$2,057	
TOTALS/AVERAGES:		120				100,672				\$0	\$1.43	\$1,197	\$143,602	\$143,602	\$1,197	\$1.43	\$0	\$1,672	\$1.99	\$1,761

ANNUAL POTENTIAL GROSS RENT:	\$1,723,224	\$1,723,224	
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*MFDL units float among Unit Types

STABILIZED PRO FORMA
3606 S Cockrell Hill Road Senior Living, Dallas, 9% HTC #24038

STABILIZED FIRST YEAR PRO FORMA													
COMPARABLES				APPLICANT				TDHCA				VARIANCE	
Database	Other			% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$1.43	\$1,197	\$1,723,224	\$1,723,224	\$1,197	\$1.43		0.0%	\$0
Application, Pet, Late and NSF Fees						\$15.80	\$22,752						
Laundry, Vending, Cable						\$9.10	\$13,104						
0						\$0.00	\$0						
Total Secondary Income						\$24.90		\$35,856	\$24.90			0.0%	\$0
POTENTIAL GROSS INCOME							\$1,759,080	\$1,759,080				0.0%	\$0
Vacancy & Collection Loss						7.5% PGI	(131,931)	(131,931)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME							\$1,627,149	\$1,627,149				0.0%	\$0

General & Administrative	\$68,279	\$569/Unit	\$56,440	\$470	3.14%	\$0.51	\$426	\$51,146	\$51,146	\$426	\$0.51	3.14%	0.0%	-
Management	\$55,460	3.1% EGI	\$56,428	\$470	5.00%	\$0.81	\$678	\$81,357	\$81,357	\$678	\$0.81	5.00%	0.0%	-
Payroll & Payroll Tax	\$173,410	\$1,445/Unit	\$252,506	\$2,104	11.96%	\$1.93	\$1,621	\$194,561	\$194,561	\$1,621	\$1.93	11.96%	0.0%	-
Repairs & Maintenance	\$96,694	\$806/Unit	\$128,373	\$1,070	4.84%	\$0.78	\$657	\$78,820	\$78,000	\$650	\$0.77	4.79%	1.1%	820
Electric/Gas	\$32,176	\$268/Unit	\$22,089	\$184	1.41%	\$0.23	\$191	\$22,963	\$22,089	\$184	\$0.22	1.36%	4.0%	874
Water, Sewer, & Trash	\$102,960	\$858/Unit	\$91,990	\$767	3.83%	\$0.62	\$520	\$62,366	\$62,366	\$520	\$0.62	3.83%	0.0%	-
Property Insurance	\$81,294	\$0.81 /sf	\$83,551	\$696	5.16%	\$0.83	\$700	\$84,000	\$83,551	\$696	\$0.83	5.13%	0.5%	449
Property Tax (@ 100%) 2.294781	\$133,176	\$1,110/Unit	\$100,621	\$839	9.22%	\$1.49	\$1,250	\$150,000	\$150,000	\$1,250	\$1.49	9.22%	0.0%	-
Reserve for Replacements					1.84%	\$0.30	\$250	\$30,000	\$30,000	\$250	\$0.30	1.84%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.22%	\$0.03	\$29	\$3,520	\$3,520	\$29	\$0.03	0.22%	0.0%	-
TOTAL EXPENSES					46.63%	\$7.54	\$6,323	\$758,733	\$756,591	\$6,305	\$7.52	46.50%	0.3%	\$ 2,142
NET OPERATING INCOME ("NOI")					53.37%	\$8.63	\$7,237	\$868,416	\$870,558	\$7,255	\$8.65	53.50%	-0.2%	\$ (2,142)

CONTROLLABLE EXPENSES							\$3,415/Unit				\$3,401/Unit			
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

3606 S Cockrell Hill Road Senior Living, Dallas, 9% HTC #24038

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
Regions Bank - FHA 221(d)(4)	0.25%	1.15	1.15	755,140	5.25%	40	40.0	\$12,108,500	\$12,108,500	40.0	40.0	5.25%	\$755,140	1.15	38.7%
CASH FLOW DEBT / GRANTS															
City of Dallas - §11.9(d)(2)LPS Contribution		1.15	1.15		0.00%	0	0.0	\$500	\$500	0.0	0.0	0.00%		1.15	0.0%
				\$755,140	TOTAL DEBT / GRANT SOURCES			\$12,109,000	\$12,109,000	TOTAL DEBT SERVICE			\$755,140	1.15	38.7%

NET CASH FLOW	\$115,418	\$113,276	APPLICANT		NET OPERATING INCOME		\$868,416	\$113,276	NET CASH FLOW
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EQUITY / DEFERRED FEES	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
Regions Bank	LIHTC Equity	58.2%	\$2,000,000	\$0.91	\$18,198,180	\$18,198,180	\$0.91	\$2,000,000	58.2%	\$16,667	Applicant Request
GP Equity	GP Equity	0.0%			\$100	\$0			0.0%		
Palladium/CLDC	Deferred Developer Fees	3.1%	(29% Deferred)		\$977,807	\$977,907	(29% Deferred)		3.1%	Total Developer Fee: \$3,367,915	
Additional (Excess) Funds Req'd		0.0%				\$0			0.0%		
TOTAL EQUITY SOURCES		61.3%			\$19,176,087	\$19,176,087			61.3%		

TOTAL CAPITALIZATION					\$31,285,087	\$31,285,087		15-Yr Cash Flow after Deferred Fee:		\$1,859,142
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		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				\$23,333 / Unit		\$2,800,000	\$2,800,000	\$23,333 / Unit				0.0%	\$0
Building Acquisition		\$0		\$ / Unit		\$0	\$0	\$ / Unit			\$0	0.0%	\$0
Broker Fees						\$134,000	\$134,000					0.0%	\$0
Off-Sites			\$0	\$ / Unit		\$0	\$0	\$ / Unit		\$0		0.0%	\$0
Site Work			\$1,410,474	\$11,754 / Unit		\$1,410,474	\$1,410,474	\$11,754 / Unit		\$1,410,474		0.0%	\$0
Site Amenities			\$881,906	\$7,349 / Unit		\$881,906	\$881,906	\$7,349 / Unit		\$881,906		0.0%	\$0
Building Cost			\$14,294,020	\$141.99 /sf	\$119,117/Unit	\$14,294,020	\$13,722,311	\$114,353/Unit	\$136.31 /sf	\$13,722,311		4.2%	\$571,709
Contingency			\$703,254	4.24%	4.24%	\$703,254	\$703,254	4.39%	4.39%	\$703,254		0.0%	\$0
Contractor Fees			\$2,322,096	13.43%	13.43%	\$2,322,096	\$2,322,096	13.89%	13.89%	\$2,322,096		0.0%	\$0
Soft Costs		\$0	\$1,663,012	\$14,744 / Unit		\$1,769,262	\$1,769,262	\$14,744 / Unit		\$1,663,012	\$0	0.0%	\$0
Financing		\$0	\$1,178,006	\$19,591 / Unit		\$2,350,884	\$2,350,884	\$19,591 / Unit		\$1,178,006	\$0	0.0%	\$0
Developer Fee		\$0	\$3,367,915	15.00%	15.00%	\$3,367,915	\$3,282,159	15.00%	15.00%	\$3,282,159	\$0	2.6%	\$85,756
Reserves				10 Months		\$1,251,276	\$1,513,873	12 Months				-17.3%	(\$262,597)
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$25,820,683	\$260,709 / Unit		\$31,285,087	\$30,890,219	\$257,418 / Unit		\$25,163,218	\$0	1.3%	\$394,868
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	\$25,820,683	\$260,709/unit		\$31,285,087	\$30,890,219	\$257,418/unit		\$25,163,218	\$0	1.3%	\$394,868
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$31,285,087							

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

3606 S Cockrell Hill Road Senior Living, Dallas, 9% HTC #24038

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$25,820,683	\$0	\$25,163,218
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$25,820,683	\$0	\$25,163,218
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$33,566,888	\$0	\$32,712,183
Applicable Fraction	70.69%	70.69%	71%	71%
TOTAL QUALIFIED BASIS	\$0	\$23,728,087	\$0	\$23,123,906
Applicable Percentage	9.00%	9.00%	9.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$2,135,528	\$0	\$2,081,151
CREDITS ON QUALIFIED BASIS	\$2,135,528		\$2,081,151	

	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price	\$0.9099	Variance to Request
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$2,135,528	\$19,431,360	----	----	----
Needed to Fill Gap	\$2,107,473	\$19,176,087	----	----	----
Applicant Request	\$2,000,000	\$18,198,180	\$2,000,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	100,672 SF	\$91.48	9,209,885
Adjustments				
Exterior Wall Finish	7.68%		7.03	\$707,319
Elderly	9.00%		8.23	828,890
9-Ft. Ceilings	3.96%		3.62	364,711
Roof Adjustment(s)			0.00	0
Subfloor			0.30	29,698
Floor Cover			3.68	370,473
Breezeways	\$40.29	21,109	8.45	850,460
Balconies	\$39.90	7,718	3.06	307,985
Plumbing Fixtures	\$2,130	328	6.94	698,640
Rough-ins	\$790	240	1.88	189,600
Built-In Appliances	\$3,675	120	4.38	441,000
Exterior Stairs	\$3,550	12	0.42	42,600
Heating/Cooling			3.12	314,097
Storage Space	\$40.29	0	0.00	0
Carports	\$16.05	0	0.00	0
Garages	\$30.00	0	0.00	0
Common/Support Area	\$125.72	7,771	9.70	976,976
Elevators	\$150,400	2	2.99	300,800
Other:			0.00	0
Fire Sprinklers	\$3.65	129,552	4.70	472,865
SUBTOTAL			159.98	16,105,999
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			159.98	\$16,105,999
Plans, specs, survey, bldg permits	3.30%		(5.28)	(\$531,498)
Contractor's OH & Profit	11.50%		(18.40)	(1,852,190)
NET BUILDING COSTS		\$114,353/unit	\$136.31/sf	\$13,722,311

Long-Term Pro Forma

3606 S Cockrell Hill Road Senior Living, Dallas, 9% HTC #24038

	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%	\$1,627,149	\$1,659,692	\$1,692,886	\$1,726,744	\$1,761,278	\$1,944,594	\$2,146,989	\$2,370,449	\$2,617,167	\$2,889,564	\$3,190,312	\$3,522,362
TOTAL EXPENSES	3.00%	\$758,733	\$780,682	\$803,272	\$826,524	\$850,457	\$981,052	\$1,131,941	\$1,306,305	\$1,507,824	\$1,740,759	\$2,010,043	\$2,321,386
NET OPERATING INCOME ("NOI")		\$868,416	\$879,010	\$889,613	\$900,219	\$910,822	\$963,542	\$1,015,047	\$1,064,143	\$1,109,343	\$1,148,805	\$1,180,269	\$1,200,976
EXPENSE/INCOME RATIO		46.6%	47.0%	47.4%	47.9%	48.3%	50.5%	52.7%	55.1%	57.6%	60.2%	63.0%	65.9%
MUST -PAY DEBT SERVICE													
Regions Bank - FHA 221(d)(4)		\$755,140	\$754,911	\$754,671	\$754,417	\$754,150	\$752,582	\$750,545	\$747,897	\$744,457	\$739,987	\$734,178	\$726,630
TOTAL DEBT SERVICE		\$755,140	\$754,911	\$754,671	\$754,417	\$754,150	\$752,582	\$750,545	\$747,897	\$744,457	\$739,987	\$734,178	\$726,630
DEBT COVERAGE RATIO		1.15	1.16	1.18	1.19	1.21	1.28	1.35	1.42	1.49	1.55	1.61	1.65
ANNUAL CASH FLOW		\$113,276	\$124,099	\$134,943	\$145,802	\$156,672	\$210,960	\$264,502	\$316,246	\$364,886	\$408,818	\$446,091	\$474,346
Deferred Developer Fee Balance		\$864,631	\$740,533	\$605,590	\$459,788	\$303,116	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$643,223	\$1,859,142	\$3,337,846	\$5,066,533	\$7,025,003	\$9,184,015	\$11,503,371