

24042 10112 Bissonnet Living - Application Summary

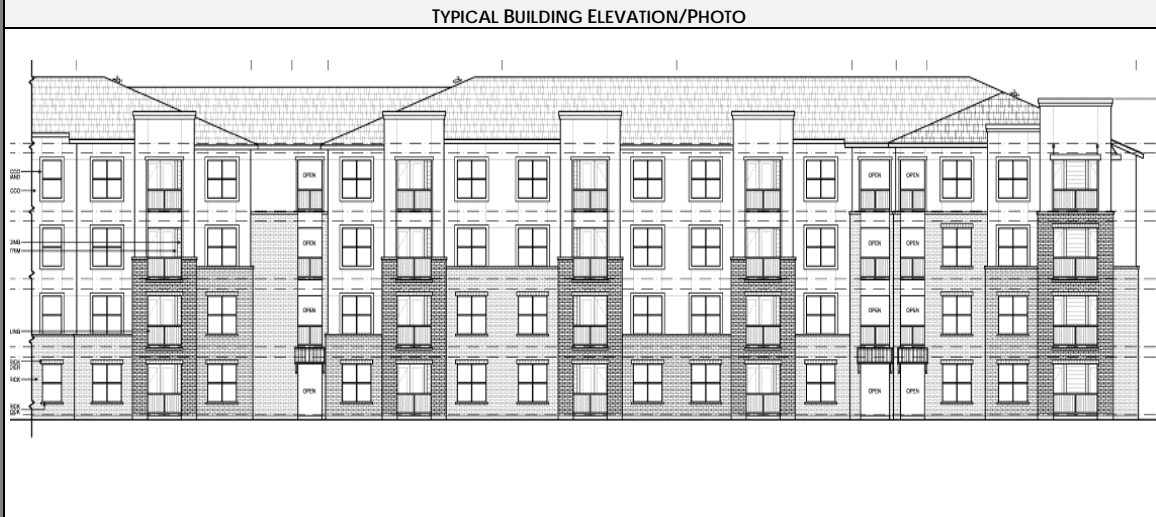
REAL ESTATE ANALYSIS DIVISION

June 24, 2024

PROPERTY IDENTIFICATION	
Application #	24042
Development	10112 Bissonnet Living
City / County	Houston / Harris
Region/Area	6 / Urban
Population	General
Set-Aside	General
Activity	New Construction

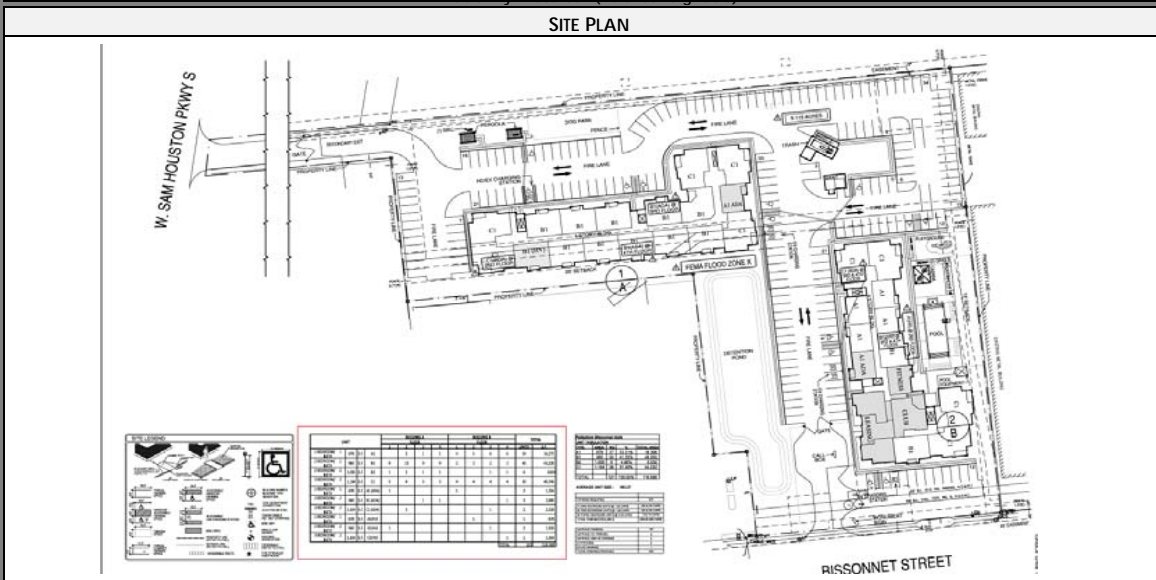
RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (9% Credit)	\$2,000,000	\$0	\$/Unit \$0.92

KEY PRINCIPALS / SPONSOR		
10112 Bissonnet Development, LLC /Cody J. Hunt Owner/Developer/Guarantor		
Consultant/Thomas Huth		
Related Parties	Contractor - No	Seller - 0



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	27	22%	30%	10	8%
2	56	46%	40%	-	0%
3	38	31%	50%	40	33%
4	-	0%	60%	38	31%
			70%	9	7%
			80%	1	1%
			MR	23	19%
TOTAL	121	100%	TOTAL	121	100%

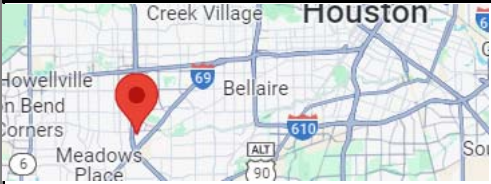
PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.15	Expense Ratio	44.9%
Breakeven Occ.	85.8%	Breakeven Rent	\$1,084
Average Rent	\$1,170	B/E Rent Margin	\$86
Property Taxes	\$1,200/unit	Exemption/PILOT	0%
Total Expense	\$5,955/unit	Controllable	\$3,242/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	3.3%		
Highest Unit Capture Rate	12%	3 BR/60%	12
Dominant Unit Cap. Rate	10%	2 BR/60%	25
Premiums (↑80% Rents)	Yes		
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	963 SF	Density	23.7/acre
Acquisition		\$33K/unit	\$3,950K
Building Cost	\$123.14/SF	\$119K/unit	\$14,354K
Hard Cost		\$144K/unit	\$17,364K
Total Cost		\$268K/unit	\$32,384K
Developer Fee	\$3,384K	(106% Deferred)	Paid Year: 18
Contractor Fee	\$2,333K	30% Boost	No

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	40/40	5.40%	\$12,488,700	1.11	City of Houston	0/0	0.00%	\$500	1.15	Regions Bank	\$16,696,279
Adjustment to Debt Per §11.302(c)	40/40	5.40%	(\$400,750)	1.15						0	\$0
					GP Equity	0/0	0.00%	\$100	1.15	RIVA/The Land Experts	\$3,599,637
TOTAL DEBT (Must Pay)			\$12,087,950		CASH FLOW DEBT / GRANTS			\$600		TOTAL EQUITY SOURCES	\$20,295,916
										TOTAL DEBT SOURCES	\$12,088,550
										TOTAL CAPITALIZATION	\$32,384,466

AREA MAP	
	

NOT RECOMMENDED DUE TO THE FOLLOWING

The Applicant applied assuming a 30% boost in eligible basis. However, they did not receive the necessary city resolution to qualify for the boost by the Full Application Delivery Date (§11.4(c)(1)).

Without the 30% boost, Total Qualified Basis has decreased by \$6.05M which results in a \$185k reduction in annual tax credits. This generates a \$1.7M cut in equity proceeds.

In order to balance sources and uses, the deferred developer fee must increase by the \$1.7M which would require deferring 106% of the total developer fee; this is infeasible.

Also, the increased deferred fee could not repay within 15 years as required by §11.302(i)(2); this would generate a negative \$664k 15-year cash flow.

Therefore, the application is infeasible and not recommended for a tax credit allocation.

It should be noted that the application was submitted with \$700/unit property insurance expense in Houston, Texas. Based on comps and current applications, we would expect the insurance cost to be over \$1000/unit, which would further decrease cash flow. Due to the loss of the 30% boost, the underwriter did not request an insurance letter since the application is already infeasible when assuming the applicant's lower expenses.

If the application did not lose the 30% boost, it could absorb \$1000/unit insurance expense and still remain feasible while reducing debt by \$925k and deferring more fee. The deferred fee could repay within 15 years; all else equal.



Real Estate Analysis Division

Underwriting Report

June 24, 2024

DEVELOPMENT IDENTIFICATION

TDHCA Application #: 24042 Program(s): 9% HTC

10112 Bissonnet Living

Address/Location: NEQ of Bissonnet Street and W Sam Houston Parkway S

City: Houston County: Harris Zip: 77036

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

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

Analysis Purpose: New Application - Initial Underwriting

ALLOCATION

TDHCA Program	REQUEST				RECOMMENDATION						
	Amount	Int. Rate	Amort	Term	Amount	Int. Rate	Amort	Perm. Term	Perm Lien	Const. Term	Const Lien
LIHTC (9% Credit)	\$2,000,000				\$0						

NOT RECOMMENDED DUE TO THE FOLLOWING

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Underwriter:

Jeffrey Price

Manager of Real Estate Analysis:

Diamond Unique Thompson

Director of Real Estate Analysis:

Jeanna Adams

UNIT MIX/RENT SCHEDULE
<i>10112 Bissonnet Living, Houston, 9% HTC #24042</i>

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	27	22.3%	0	0	0	0
2	56	46.3%	0	0	0	0
3	38	31.4%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	121	100.0%	-	-	-	-

PRO FORMA ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	100%
Applicable Fraction	77.72%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	963 sf

54%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	10	-	40	38	9	1	23	121
Income	% Total	0.0%	8.3%	0.0%	33.1%	31.4%	7.4%	0.8%	19.0%	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	7	1	1	678	\$524	\$71	\$453	\$0	\$0.67	\$453	\$3,171	\$3,171	\$453	\$0.67	\$0	\$1,332	\$1.96	\$1,332
TC 50%	\$874	18	1	1	678	\$874	\$71	\$803	\$0	\$1.18	\$803	\$14,454	\$14,454	\$803	\$1.18	\$0	\$1,332	\$1.96	\$1,332
TC 60%	\$1,049	1	1	1	678	\$1,049	\$71	\$978	\$0	\$1.44	\$978	\$978	\$978	\$978	\$1.44	\$0	\$1,332	\$1.96	\$1,332
MR		1	1	1	678	\$0	\$71		NA	\$1.95	\$1,322	\$1,322	\$1,332	\$1,332	\$1.96	NA	\$1,332	\$1.96	\$1,332
TC 30%	\$629	2	2	2	960	\$629	\$94	\$535	\$0	\$0.56	\$535	\$1,070	\$1,070	\$535	\$0.56	\$0	\$1,635	\$1.70	\$1,635
TC 50%	\$1,048	22	2	2	960	\$1,048	\$94	\$954	\$0	\$0.99	\$954	\$20,988	\$20,988	\$954	\$0.99	\$0	\$1,635	\$1.70	\$1,635
TC 60%	\$1,258	25	2	2	960	\$1,258	\$94	\$1,164	\$0	\$1.21	\$1,164	\$29,100	\$29,100	\$1,164	\$1.21	\$0	\$1,635	\$1.70	\$1,635
TC 70%	\$1,468	1	2	2	960	\$1,468	\$94	\$1,374	(\$210)	\$1.21	\$1,164	\$1,164	\$1,374	\$1,374	\$1.43	\$0	\$1,635	\$1.70	\$1,635
TC 70%	\$1,468	3	2	2	1,005	\$1,468	\$94	\$1,374	\$0	\$1.37	\$1,374	\$4,122	\$4,122	\$1,374	\$1.37	\$0	\$1,692	\$1.68	\$1,692
TC 80%	\$1,678	1	2	2	1,005	\$1,678	\$94	\$1,584	\$0	\$1.58	\$1,584	\$1,584	\$1,584	\$1,584	\$1.58	\$0	\$1,692	\$1.68	\$1,692
MR		2	2	2	1,005	\$0	\$94		NA	\$1.60	\$1,608	\$3,216	\$3,384	\$1,692	\$1.68	NA	\$1,692	\$1.68	\$1,692
TC 30%	\$727	1	3	2	1,164	\$727	\$117	\$610	\$0	\$0.52	\$610	\$610	\$610	\$610	\$0.52	\$0	\$1,792	\$1.54	\$1,792
TC 60%	\$1,454	12	3	2	1,164	\$1,454	\$117	\$1,337	\$0	\$1.15	\$1,337	\$16,044	\$16,044	\$1,337	\$1.15	\$0	\$1,792	\$1.54	\$1,792
TC 70%	\$1,696	5	3	2	1,164	\$1,696	\$117	\$1,579	\$0	\$1.36	\$1,579	\$7,895	\$7,895	\$1,579	\$1.36	\$0	\$1,792	\$1.54	\$1,792
MR		20	3	2	1,164	\$0	\$117		NA	\$1.54	\$1,792	\$35,840	\$35,840	\$1,792	\$1.54	NA	\$1,792	\$1.54	\$1,792
TOTALS/AVERAGES:		121			116,568				(\$2)	\$1.21	\$1,170	\$141,558	\$141,946	\$1,173	\$1.22	\$0	\$1,620	\$1.68	\$1,620

ANNUAL POTENTIAL GROSS RENT:	\$1,698,696	\$1,703,352	
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*MFDL units float among Unit Types

STABILIZED PRO FORMA
10112 Bissonnet Living, Houston, 9% HTC #24042

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					\$1.21	\$1,170	\$1,698,696	\$1,703,352	\$1,173	\$1.22		-0.3%	(\$4,656)
Application, Pet, Late and NSF Fees						\$15.80	\$22,944						
Laundry, Vending, Cable						\$9.10	\$13,212						
Total Secondary Income						\$24.90		\$36,156	\$24.90			0.0%	\$0
POTENTIAL GROSS INCOME							\$1,734,852	\$1,739,508				-0.3%	(\$4,656)
Vacancy & Collection Loss						7.5% PGI	(130,114)	(130,463)	7.5% PGI			-0.3%	349
EFFECTIVE GROSS INCOME							\$1,604,738	\$1,609,045				-0.3%	(\$4,307)

General & Administrative	\$67,987	\$562/Unit	\$81,459	\$673	3.31%	\$0.46	\$438	\$53,049	\$53,049	\$438	\$0.46	3.30%	0.0%	-
Management	\$63,010	3.5% EGI	\$59,537	\$492	4.00%	\$0.55	\$530	\$64,190	\$64,362	\$532	\$0.55	4.00%	-0.3%	(172)
Payroll & Payroll Tax	\$179,119	\$1,480/Unit	\$195,985	\$1,620	10.11%	\$1.39	\$1,340	\$162,182	\$162,182	\$1,340	\$1.39	10.08%	0.0%	-
Repairs & Maintenance	\$95,656	\$791/Unit	\$46,606	\$385	5.21%	\$0.72	\$691	\$83,628	\$78,650	\$650	\$0.67	4.89%	6.3%	4,978
Electric/Gas	\$39,189	\$324/Unit	\$25,093	\$207	1.44%	\$0.20	\$191	\$23,154	\$23,154	\$191	\$0.20	1.44%	0.0%	-
Water, Sewer, & Trash	\$93,096	\$769/Unit	\$70,649	\$584	4.38%	\$0.60	\$581	\$70,320	\$70,320	\$581	\$0.60	4.37%	0.0%	-
Property Insurance	\$98,710	\$0.85 /sf	\$132,784	\$1,097	5.28%	\$0.73	\$700	\$84,700	\$84,700	\$700	\$0.73	5.26%	0.0%	-
Property Tax (@ 100%) 2.2132	\$121,104	\$1,001/Unit		#VALUE!	9.05%	\$1.25	\$1,200	\$145,200	\$145,200	\$1,200	\$1.25	9.02%	0.0%	-
Reserve for Replacements					1.89%	\$0.26	\$250	\$30,250	\$30,250	\$250	\$0.26	1.88%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.24%	\$0.03	\$32	\$3,920	\$3,920	\$32	\$0.03	0.24%	0.0%	-
TOTAL EXPENSES					44.90%	\$6.18	\$5,955	\$720,593	\$715,787	\$5,916	\$6.14	44.49%	0.7%	\$ 4,806
NET OPERATING INCOME ("NOI")					55.10%	\$7.58	\$7,307	\$884,146	\$893,258	\$7,382	\$7.66	55.51%	-1.0%	\$ (9,113)

CONTROLLABLE EXPENSES		\$3,242/Unit		\$3,201/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS
10112 Bissonnet Living, Houston, 9% HTC #24042

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	0.25%	1.16	1.15	768,814	5.40%	40	40.0	\$12,488,700	\$12,488,700	40.0	40.0	5.40%	\$794,007	1.11	38.6%
Adjustment to Debt Per §11.302(c)(2)	0.25%								(\$400,750)	40.0	40.0	5.40%	(\$25,479)	1.15	-1.2%
CASH FLOW DEBT / GRANTS															
City of Houston		1.16	1.15		0.00%	0	0.0	\$500	\$500	0.0	0.0	0.00%		1.15	0.0%
GP Equity		1.16	1.15		0.00%	0	0.0	\$100	\$100	0.0	0.0	0.00%		1.15	0.0%
				\$768,814				\$12,489,300	\$12,088,550				\$768,528	1.15	37.3%
TOTAL DEBT / GRANT SOURCES															
NET CASH FLOW		\$124,444	\$115,332	APPLICANT NET OPERATING INCOME \$884,146 \$115,617 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											
Regions Bank	LIHTC Equity	56.8%	\$2,000,000	\$0.92	\$18,398,160	\$16,696,279	\$0.9199	\$1,814,994	51.6%	\$15,000	Eligible Basis
RIVA/The Land Experts	Deferred Developer Fees	4.6%	(44% Deferred)		\$1,497,007	\$3,599,637	(106% Deferred)		11.1%	Total Developer Fee: \$3,384,366	
Additional (Excess) Funds Req'd		0.0%				\$0			0.0%		
TOTAL EQUITY SOURCES		61.4%			\$19,895,167	\$20,295,916			62.7%		
TOTAL CAPITALIZATION					\$32,384,467	\$32,384,466			15-Yr Cash Flow after Deferred Fee: (\$664,027)		

		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				\$32,645 / Unit	\$3,950,000	\$3,950,000	\$32,645 / Unit					0.0%	\$0	
Building Acquisition		\$0		\$ / Unit	\$0	\$0	\$ / Unit			\$0		0.0%	\$0	
Off-Sites				\$ / Unit	\$0	\$0	\$ / Unit		\$0			0.0%	\$0	
Site Work			\$1,423,473	\$11,764 / Unit	\$1,423,473	\$1,423,473	\$11,764 / Unit		\$1,423,473			0.0%	\$0	
Site Amenities			\$885,758	\$7,320 / Unit	\$885,758	\$885,758	\$7,320 / Unit		\$885,758			0.0%	\$0	
Building Cost			\$14,354,362	\$123.14 /sf	\$118,631/Unit	\$14,354,361	\$13,377,715	\$110,560/Unit	\$114.76 /sf	\$13,377,715		7.3%	\$976,646	
Contingency			\$700,049	4.20%	4.20%	\$700,049	\$700,049	4.46%	4.46%	\$700,049		0.0%	\$0	
Contractor Fees			\$2,332,904	13.44%	13.44%	\$2,332,904	\$2,294,179	14.00%	14.00%	\$2,294,179		1.7%	\$38,725	
Soft Costs		\$0	\$1,724,756	\$14,461 / Unit		\$1,749,756	\$1,749,756	\$14,461 / Unit		\$1,724,756	\$0	0.0%	\$0	
Financing		\$0	\$1,141,140	\$19,500 / Unit		\$2,359,547	\$2,359,547	\$19,500 / Unit		\$1,141,140	\$0	0.0%	\$0	
Developer Fee		\$0	\$3,384,366	15.00%	15.00%	\$3,384,366	\$3,232,061	15.00%	15.00%	\$3,232,061	\$0	4.7%	\$152,305	
Reserves				10 Months		\$1,244,252	\$1,244,252	10 Months				0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$25,946,808	\$267,640 / Unit		\$32,384,466	\$31,216,790	\$257,990 / Unit		\$24,779,131	\$0	3.7%	\$1,167,676	
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	\$25,946,808	\$267,640/unit		\$32,384,466	\$31,216,790	\$257,990/unit		\$24,779,131	\$0	3.7%	\$1,167,676	
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$32,384,466								

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

10112 Bissonnet Living, Houston, 9% HTC #24042

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$25,946,808	\$0	\$24,779,131
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$25,946,808	\$0	\$24,779,131
High Cost Area Adjustment		100%		100%
TOTAL ADJUSTED BASIS	\$0	\$25,946,808	\$0	\$24,779,131
Applicable Fraction	77.72%	77.72%	78%	78%
TOTAL QUALIFIED BASIS	\$0	\$20,166,605	\$0	\$19,259,053
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,814,994	\$0	\$1,733,315
CREDITS ON QUALIFIED BASIS	\$1,814,994		\$1,733,315	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.9199	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,814,994	\$16,696,279	\$1,814,994	(\$185,006)	(\$1,701,881)
Needed to Fill Gap	\$2,206,298	\$20,295,916	----	----	----
Applicant Request	\$2,000,000	\$18,398,160	----	----	----

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	116,568 SF	\$91.07	10,615,359
Adjustments				
Exterior Wall Finish	4.08%		3.72	\$433,107
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.51%		3.20	372,599
Roof Adjustment(s)			(0.25)	(29,142)
Subfloor			0.30	34,388
Floor Cover			3.68	428,970
Breezeways	\$40.50	20,233	7.03	819,342
Balconies	\$40.39	8,227	2.85	332,275
Plumbing Fixtures	\$1,420	282	3.44	400,440
Rough-ins	\$700	242	1.45	169,400
Built-In Appliances	\$2,280	121	2.37	275,880
Exterior Stairs	\$3,550	16	0.49	56,800
Heating/Cooling			3.12	363,692
Storage Space	\$40.50	0	0.00	0
Carports	\$16.05	0	0.00	0
Garages	\$30.00	0	0.00	0
Common/Support Area	\$126.95	4,811	5.24	610,750
Elevators	\$150,400	2	2.58	300,800
Other:			0.00	0
Fire Sprinklers	\$3.65	141,612	4.43	516,884
SUBTOTAL			134.70	\$15,701,544
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			134.70	\$15,701,544
Plans, specs, survey, bldg permits	3.30%		(4.45)	(\$518,151)
Contractor's OH & Profit	11.50%		(15.49)	(1,805,678)
NET BUILDING COSTS		\$110,560/unit	\$114.76/sf	\$13,377,715

Long-Term Pro Forma

10112 Bissonnet Living, Houston, 9% HTC #24042

	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%	\$1,604,738	\$1,636,833	\$1,669,570	\$1,702,961	\$1,737,020	\$1,917,811	\$2,117,418	\$2,337,800	\$2,581,121	\$2,849,766	\$3,146,372	\$3,473,848
TOTAL EXPENSES	3.00%	\$720,593	\$741,568	\$763,161	\$785,388	\$808,268	\$933,169	\$1,077,565	\$1,244,519	\$1,437,577	\$1,660,847	\$1,919,086	\$2,217,800
NET OPERATING INCOME ("NOI")		\$884,146	\$895,264	\$906,409	\$917,573	\$928,752	\$984,641	\$1,039,853	\$1,093,282	\$1,143,544	\$1,188,918	\$1,227,286	\$1,256,048
EXPENSE/INCOME RATIO		44.9%	45.3%	45.7%	46.1%	46.5%	48.7%	50.9%	53.2%	55.7%	58.3%	61.0%	63.8%
MUST -PAY DEBT SERVICE													
Regions Bank		\$794,007	\$793,781	\$793,542	\$793,289	\$793,023	\$791,453	\$789,399	\$786,708	\$783,187	\$778,576	\$772,540	\$764,638
Adjustment to Debt Per §11.302(c)(2)		(\$25,479)	(\$25,479)	(\$25,479)	(\$25,479)	(\$25,479)	(\$25,479)	(\$25,479)	(\$25,479)	(\$25,479)	(\$25,479)	(\$25,479)	(\$25,479)
TOTAL DEBT SERVICE		\$768,528	\$768,302	\$768,063	\$767,810	\$767,544	\$765,974	\$763,920	\$761,230	\$757,708	\$753,097	\$747,061	\$739,159
DEBT COVERAGE RATIO		1.15	1.17	1.18	1.20	1.21	1.29	1.36	1.44	1.51	1.58	1.64	1.70
ANNUAL CASH FLOW		\$115,617	\$126,963	\$138,346	\$149,763	\$161,208	\$218,667	\$275,933	\$332,052	\$385,836	\$435,821	\$480,225	\$516,890
Deferred Developer Fee Balance		\$3,484,020	\$3,357,057	\$3,218,711	\$3,068,948	\$2,907,740	\$1,929,412	\$664,027	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$884,673	\$2,707,489	\$4,788,475	\$7,103,426	\$9,618,123