

26604 Torrington Wilmer - Application Summary

REAL ESTATE ANALYSIS DIVISION
March 30, 2026

| PROPERTY IDENTIFICATION | | RECOMMENDATION | |
|-------------------------|-------------------|--------------------------------|---------------|
| Application # | 26604 | Request | Recommended |
| Development | Torrington Wilmer | \$4,166,508 | \$13,888/Unit |
| City / County | DALLAS / DALLAS | Private Activity Bonds (TDHCA) | \$48,000,000 |
| Region/Area | 3 / Urban | | |
| Population | General | | |
| Set-Aside | General | | |
| Activity | New Construction | | |

| KEY PRINCIPALS / SPONSOR | |
|---|--|
| JPI Affordable Development, LLC (100% Member) Officers: Payton Mayes (CEO) and Mollie Fadule (CFO) | |

TYPICAL BUILDING ELEVATION/PHOTO



| UNIT DISTRIBUTION | | INCOME DISTRIBUTION | |
|-------------------|------------|---------------------|------------|
| # Beds | % Total | Income | % Total |
| Eff | 0% | 20% | 0% |
| 1 | 33% | 30% | 0% |
| 2 | 135% | 40% | 0% |
| 3 | 96% | 50% | 0% |
| 4 | 36% | 60% | 100% |
| | | 70% | 0% |
| | | 80% | 0% |
| | | MR | 0% |
| TOTAL | 300 | TOTAL | 300 |

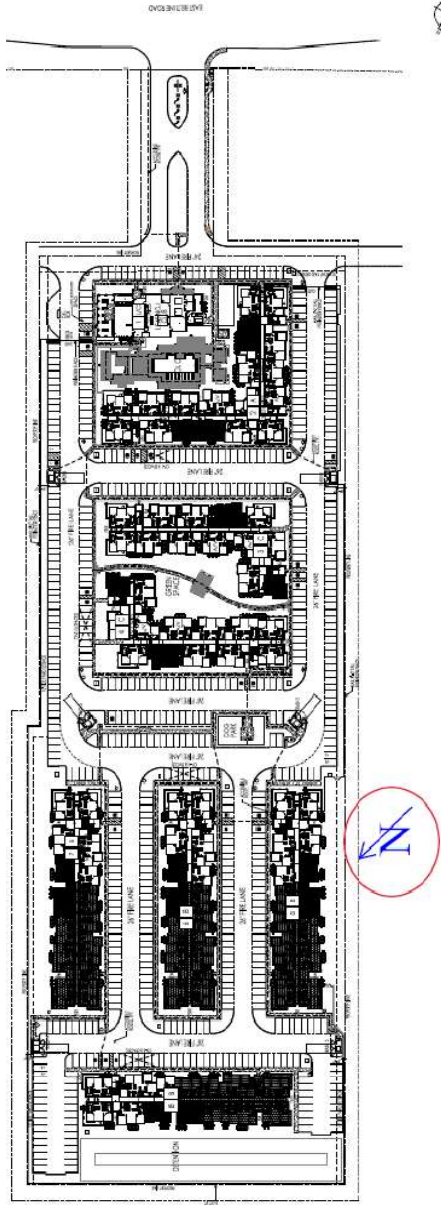
| PRO FORMA FEASIBILITY INDICATORS | |
|----------------------------------|---------------------------|
| Pro Forma Underwritten | TDHCA's Pro Forma |
| Debt Coverage | 1.16 Expense Ratio |
| Breakeven Occ. | 83.5% Breakeven Rent |
| Average Rent | \$1,585 B/E Rent Margin |
| Property Taxes | Exempt |
| Total Expense | \$5,497/unit Controllable |

MARKET FEASIBILITY INDICATORS

| | |
|----------------------------------|--------------|
| Gross Capture Rate (15% Maximum) | 10.8% |
| Highest Unit Capture Rate | 47% 3 BR/60% |
| Dominant Unit Cap. Rate | 31% 2 BR/60% |
| Premiums (180% Rents) | N/A |
| Rent Assisted Units | N/A |

| DEVELOPMENT COST SUMMARY | |
|--------------------------|-------------------------|
| Costs Underwritten | Applicant's Costs |
| Avg. Unit Size | 1,053 SF Density |
| Acquisition | \$10K/unit |
| Building Cost | \$118.22/SF |
| Hard Cost | \$125K/unit |
| Total Cost | \$163K/unit |
| Developer Fee | \$290K/unit |
| Contractor Fee | \$6,815K (35% Deferred) |
| | 30% Boost |

SITE PLAN





DEVELOPMENT IDENTIFICATION

TDHCA Application #: **26604** Program(s): **TDHCA Bonds/4% HTC**

Torrington Wilmer

Address/Location: 1501 E. Beltline

City: DALLAS County: DALLAS Zip: 75172

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

Activity: New Construction Building Type: Garden (Up to 4-story) 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) | \$48,000,000 | | | | \$48,000,000 | | | | | | |
| FHTC (4% Credit) | \$4,166,508 | | | | \$4,166,508 | | | | | | |

CONDITIONS

- No Initial Underwriting Conditions.

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 | 300 |

DEVELOPMENT SUMMARY

Torrington Wilmer is a proposed 300 unit, new construction development serving the general population. All units will be restricted to residents at 60% of AMI. The site plan includes seven (7) three-story garden-style buildings, a standalone clubhouse and common areas situated on 12.82 acres

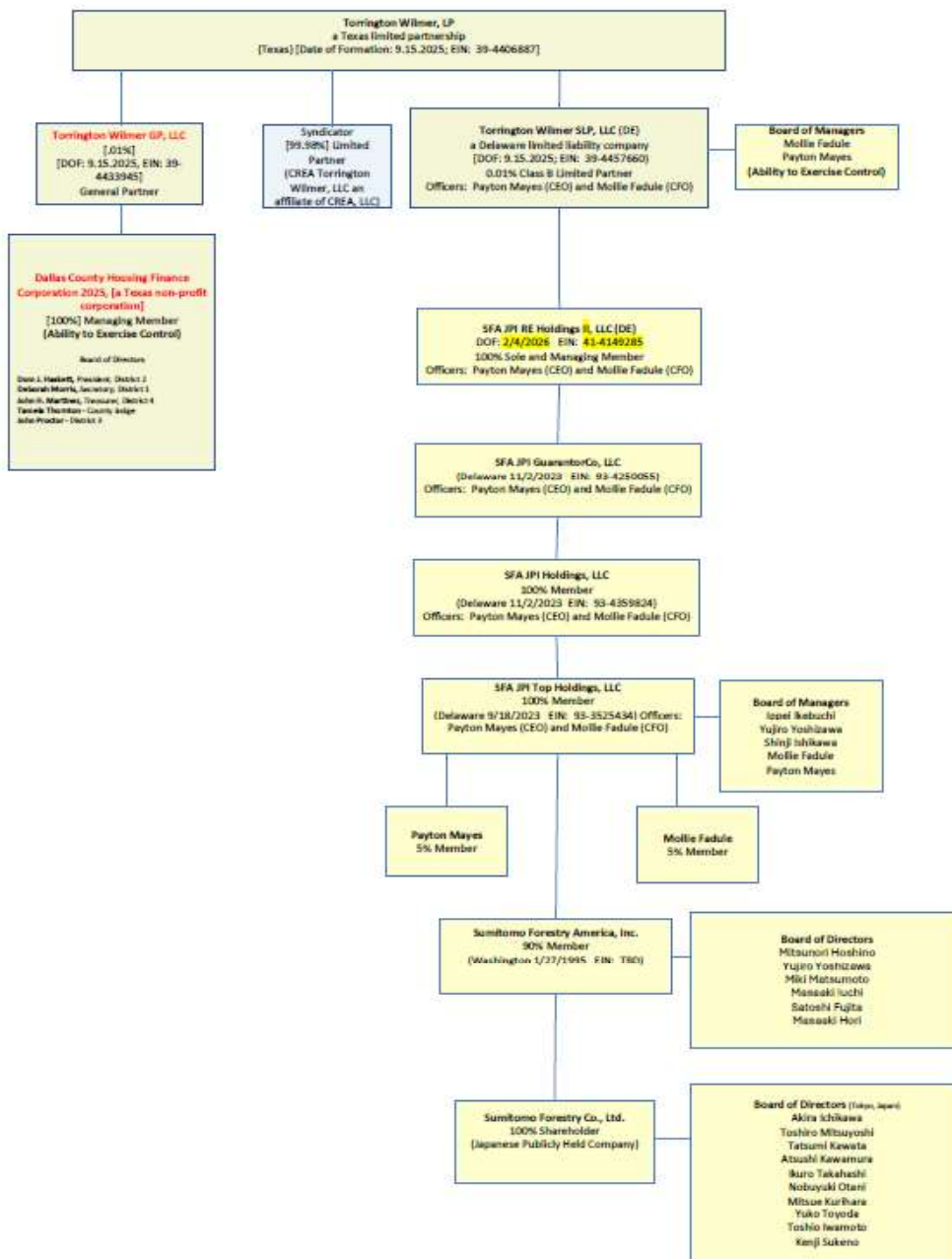
RISK PROFILE

| STRENGTHS/MITIGATING FACTORS | |
|------------------------------|---|
| ▫ | Low controllable expenses (full property tax exemption) |
| ▫ | Breakeven Occupancy at 83% |
| ▫ | Developer Experience |

| WEAKNESSES/RISKS | |
|------------------|---|
| ▫ | DCR infeasible without property tax exemption |
| ▫ | High 2 and 3BR unit capture rates |
| ▫ | Construction Cost Risk |

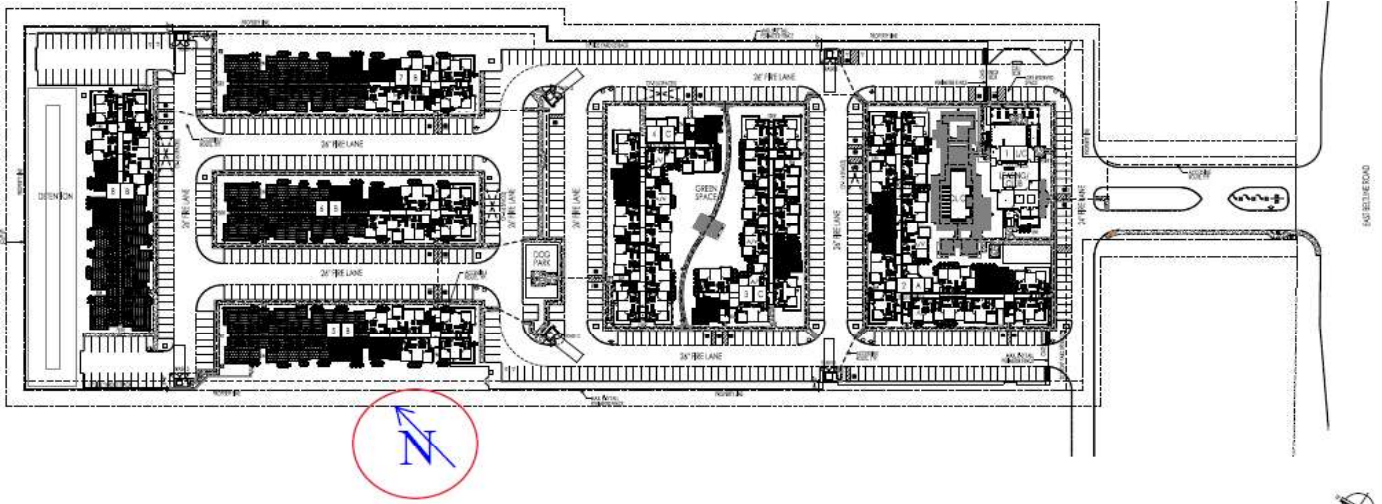
DEVELOPMENT TEAM

OWNERSHIP STRUCTURE



DEVELOPMENT SUMMARY

SITE PLAN



AERIAL



| Parking | No Fee | | Tenant-Paid | | Total | |
|----------------------|------------|-----------------|-------------|-----------------|------------|-----------------|
| | Count | Cost/unit | Count | Cost/unit | Count | Cost/unit |
| Open Surface | 582 | 1.9/unit | 0 | -- | 582 | 1.9/unit |
| Carpport | 2 | 0.0/unit | 20 | 0.1/unit | 22 | 0.1/unit |
| Garage | 0 | -- | 0 | -- | 0 | -- |
| Total Parking | 584 | 1.9/unit | 20 | 0.1/unit | 604 | 2.0/unit |

Comments:

There are a total of 584 parking spaces that will be provided at no charge to the residents (582 open surface spaces & 2 carport spaces), which meets the number of spaces required by local Code. An additional 20 carport spaces are planned that will be available for a fee, which brings the parking up to a total of 604 spaces.

BUILDING ELEVATION



1 500 LITERATION - MATERIAL BOARD
1/4" = 1'-0"



| | | | | | | | | |
|---|--|---|---|---|---|---------------------------------------|---|-------------------------------------|
| B1 MARBLE GRAY KING SIZE ACME | B2 ALLEN TOWN KING SIZE ACME | P1 SHERWIN WILLIAMS SW 7048 SEDATE GRAY | P2 SHERWIN WILLIAMS SW 7048 ANONYMOUS | P3 SHERWIN WILLIAMS SW 7048 ANONYMOUS | P4 SHERWIN WILLIAMS SW 6856 DARK KULTUM | WD1 ALMOND VINYL WINDOWS | R1 GAF TABERLINE HD WEATHERED WOOD | R2 BERNICE DARK BRONZE |
| MORTAR GREY | MORTAR IRON BLACK | FIBER CEMENT BOARDS & BATTEN BALCONY SIDING | FIBER CEMENT BOARDS & BATTEN FIBER CEMENT SIDING | FIBER CEMENT BOARDS & BATTEN ACCENT RAILING FIBER CEMENT SIDING | FIBER CEMENT BOARDS & BATTEN ACCENT RAILING FIBER CEMENT SIDING | | | |



SITE INFORMATION

| | | | |
|---------------------|--|---------------------------|--------------------------------|
| Flood Zone: | <u> X </u> | Scattered Site? | <u> No </u> |
| Zoning: | <u> PD- Mixed Use </u> | Within 100-yr floodplain? | <u> No </u> |
| Re-Zoning Required? | <u> No </u> | Utilities at Site? | <u> Yes </u> |
| Year Constructed: | <u> N/A </u> | Title Issues? | <u> No </u> |

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering Date: 9/4/2024

Recognized Environmental Conditions (RECs) and Other Concerns:
 ▫ None.

MARKET ANALYSIS

Provider: Apartment MarketData, LLC Date: 10/2/2025

Primary Market Area (PMA): 99.19 sq. miles 6 mile equivalent radius

AFFORDABLE HOUSING INVENTORY

Competitive Supply (Proposed, Under Construction, and Unstabilized)

| File # | Development | In PMA? | Type | Target Population | Comp Units | Total Units |
|--------|-------------------------------|---------|------------------|-------------------|------------|-------------|
| 23609 | The Terrace at Highland Hills | Yes | New Construction | General | 300 | 300 |

Other Affordable Developments in PMA since 2020

| | | | | | |
|-------|---------------------------------|------------|---------|-----|-----|
| 21421 | The Ridge at Lancaster | New Const. | General | N/A | 270 |
| 21614 | Murdeaux Villas Apartments | Rehab | General | N/A | 301 |
| 21605 | Palladium Simpson Stuart | New Const. | General | N/A | 257 |
| 22410 | Marketplace at Liberty Crossing | New Const. | General | N/A | 318 |
| 22408 | Estelle Village Apartments | Rehab | General | N/A | 300 |

Stabilized Affordable Developments in PMA

| | |
|--------------------|-------|
| Total Units | 4,480 |
| Total Developments | 20 |
| Average Occupancy | 96.3% |

| OVERALL DEMAND ANALYSIS | | | | |
|--|----------------|----------|--|--|
| | Market Analyst | | | |
| | HTC | Assisted | | |
| Total Households in the Primary Market Area | 33,487 | | | |
| Potential Demand from the Primary Market Area | 5,039 | | | |
| 10% External Demand | 504 | | | |
| Potential Demand from Other Sources | 0 | | | |
| GROSS DEMAND | 5,543 | | | |
| Subject Affordable Units | 300 | | | |
| Unstabilized Competitive Units | 300 | | | |
| RELEVANT SUPPLY | 600 | | | |
| Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE | 10.8% | | | |

| | | | | | |
|--------------------|----------------|---------------------|--------------|------------------------------------|------------|
| Population: | General | Market Area: | Urban | Maximum Gross Capture Rate: | 15% |
|--------------------|----------------|---------------------|--------------|------------------------------------|------------|

| 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 | 5,039 | 504 | 300 | 300 | 10.8% | |

| 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% | 648 | 65 | 33 | 36 | 9.7% | |
| 2 BR/60% | 754 | 75 | 135 | 120 | 30.7% | |
| 3 BR/60% | 439 | 44 | 96 | 132 | 47.2% | |
| 4 BR/60% | 413 | 41 | 36 | 12 | 10.6% | |

Market Analyst Comments:

Project is situated in a Big MSA with a maximum Gross Capture Rate of 15%. Absorption is estimated at 20 to 25 units per month with the project reaching 93% occupancy within 18 months.

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (TDHCA Pro Forma)

| | | | | | |
|----------------|-------------|----------------|---------|------------------------|---------|
| NOI: | \$3,698,888 | Avg. Rent: | \$1,585 | Expense Ratio: | 30.8% |
| Debt Service: | \$3,177,170 | B/E Rent: | \$1,428 | Controllable Expenses: | \$3,350 |
| Net Cash Flow: | \$521,718 | UW Occupancy: | 92.5% | Property Taxes/Unit: | \$0 |
| Aggregate DCR: | 1.16 | B/E Occupancy: | 83.5% | Program Rent Year: | 2025 |

2025 rents are being used. All units are restricted at 60% AMI and max program rents are projected.

Applicant's total annual operating expenses are \$347/unit lower than Underwriter's estimate. The variance of 6.3% exceeds the 5% threshold, thereby switching the underwriting analysis to TDHCA's Pro Forma.

Applicant's G&A, Repairs & Maintenance and Water Sewer & Trash are the expenses that are projected notably lower than Underwriter's estimates.

Proposed ownership structure facilitates a 100% property tax exemption. Without the exemption, the DCR would drop to approximately 0.79, making the deal infeasible. The property tax calculation would use Dallas Central Appraisal District's stated low income housing cap rate for 2026 of 6.25%.

As underwritten, 15-year residual cash flow is \$10.8M after deferred developer fee is repaid in year 6.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)

| | | | | | |
|----------------------|--------------|----------------|---------------------|-----------------------|---------------------|
| Acquisition | \$238,659/ac | \$10,367/unit | \$3,110,090 | Contractor Fee | \$6,815,000 |
| Off-site + Site Work | | \$29,004/unit | \$8,701,285 | Soft Cost + Financing | \$15,691,157 |
| Building Cost | \$118.22/sf | \$124,510/unit | \$37,353,000 | Developer Fee | \$10,455,000 |
| Contingency | 5.97% | \$9,167/unit | \$2,750,000 | Reserves | \$2,040,000 |

| | | | | |
|-------------------------------|----------------|---------------------|----------------------------|------------|
| Total Development Cost | \$289,718/unit | \$86,915,532 | Rehabilitation Cost | N/A |
|-------------------------------|----------------|---------------------|----------------------------|------------|

| | |
|---------------------------------------|--|
| Qualified for 30% Basis Boost? | Located in QCT with < 20% HTC units/HH |
|---------------------------------------|--|

Off-site:

Applicant provided a 10/14/2025 letter from Kimley Horn (engineer) stating that the \$116K in off-site costs is for the construction of a roadway required by the City of Wilmer Fire Department to serve as a second point of emergency access to the project. Furthermore, on 3/11/2026, the Applicant provided an independent accountants' report from Novogradac and Company LLP that supports including the certified \$116K in off-site costs in eligible basis.

Building Cost:

Underwriter estimated building cost using Marshall and Swift's "Average Quality" Base Cost. This resulted in an estimate of \$122K/unit (\$116/sf) as compared to Applicant's budget of \$125K/unit (\$118/sf). The difference only equates to a 1.8% variance.

The applicant plans on paying a fee to the Dallas County Housing Finance Corporation in order to qualify for a Sales Tax Exemption estimated to be between \$100k-\$150k.

The respective estimates of Total Housing Development Cost only vary by 1%, so Applicant's budgeted costs are used in the analysis.

Ineligible Costs:

Estimated cost for the 20 carport spaces for rent to the residents was deducted from Eligible Basis by both Applicant and Underwriter. However, that adjustment had no effect on the credit recommendation.

Soft Costs:

The applicant will be paying a fee to the Dallas County Housing Finance Corporation for facilitating the property tax exemption. There will be a developer fee split (both cash & deferred), ground lease payment paid after deferred developer fee, and cashflow split, but there will be no upfront fee.

Credit Allocation Supported by Costs:

| Total Development Cost | Adjusted Eligible Cost | Credit Allocation Supported by Eligible Basis |
|------------------------|------------------------|---|
| \$86,915,532 | \$80,241,442 | \$4,172,555 |

UNDERWRITTEN CAPITALIZATION

| BOND RESERVATION | | | |
|-------------------------|--------------|------------------|------------|
| Issuer | Amount | Reservation Date | Priority |
| TDHCA | \$48,000,000 | 2/12/2026 | Priority 3 |
| Closing Deadline | | | |
| 8/11/2026 | | | |

| | |
|---|--------------|
| Percent of Cost Financed by Tax-Exempt Bonds | 57.6% |
|---|--------------|

| INTERIM SOURCES | | | | |
|-----------------------|-------------------------|---------------------|----------------------|-----|
| Funding Source | Description | Amount | Rate | LTC |
| Cedar Rapids | Construction/ Perm Loan | \$48,000,000 | 5.90% | 58% |
| Cedar Rapids | Bridge Loan | \$21,566,502 | 5.90% | 26% |
| CREA | FHTC | \$12,364,348 | \$0.83 | 15% |
| Torrington Wilmer, LP | NOI During Lease-Up | \$650,000 | 0.00% | 1% |
| | | \$82,580,850 | Total Sources | |

PERMANENT SOURCES

| Debt Source | PROPOSED | | | | UNDERWRITTEN | | | | |
|-----------------------|---------------------|---------------|-------|------|---------------------|---------------|-------|------|-----|
| | Amount | Interest Rate | Amort | Term | Amount | Interest Rate | Amort | Term | LTC |
| Cedar Rapids | \$48,000,000 | 5.90% | 40 | 15.0 | \$48,000,000 | 5.90% | 40 | 15.0 | 55% |
| Torrington Wilmer, LP | \$650,000 | 0.00% | 0 | 0.0 | \$650,000 | 0.00% | 0 | 0.0 | 1% |
| Total | \$48,650,000 | | | | \$48,650,000 | | | | |

| Equity & Deferred Fees | PROPOSED | | | UNDERWRITTEN | | | |
|------------------------|---------------------|--------|-------|---------------------|----------------------|------|-------|
| | Amount | Rate | % Def | Amount | Rate | % TC | % Def |
| CREA | \$34,575,103 | \$0.83 | | \$34,575,103 | \$0.83 | 40% | |
| Deferred Developer Fee | \$3,690,429 | | 35% | \$3,690,429 | | 4% | 35% |
| Total | \$38,265,532 | | | \$38,265,532 | | | |
| | | | | \$86,915,532 | Total Sources | | |

| Credit Price Sensitivity based on current capital structure | |
|---|---|
| \$0.918 | Maximum Credit Price before the Development is oversourced and allocation is limited |
| \$0.667 | Minimum Credit Price below which the Development would be characterized as infeasible |

CONCLUSIONS

Recommended Financing Structure:

| Gap Analysis: | |
|---|---------------------|
| Total Development Cost | \$86,915,532 |
| Permanent Sources (debt + non-HTC equity) | \$48,650,000 |
| Gap in Permanent Financing | \$38,265,532 |

| Possible Tax Credit Allocations: | Equity Proceeds | Annual Credits |
|----------------------------------|-----------------|----------------|
| Determined by Eligible Basis | \$34,625,283 | \$4,172,555 |
| Needed to Balance Sources & Uses | \$38,265,532 | \$4,611,227 |
| Requested by Applicant | \$34,575,103 | \$4,166,508 |

| | RECOMMENDATION | |
|------------------------------|---------------------|--------------------|
| | Equity Proceeds | Annual Credits |
| Tax Credit Allocation | \$34,575,103 | \$4,166,508 |

| | | |
|-------------------------------|--------------------|-----------------|
| Deferred Developer Fee | \$3,690,429 | (35% deferred) |
| Repayable in | 6 years | |

Recommendation:

Underwriter recommends Applicant's request for an annual allocation of \$4,166,508 in 4% Housing Tax Credits and \$48,000,000 in TDHCA issued Bonds.

| | |
|-----------------------------------|------------------------|
| Underwriter: | <u>Deborah Willson</u> |
| Manager of Real Estate Analysis: | <u>Gregg Kazak</u> |
| Director of Real Estate Analysis: | <u>Jeanna Adams</u> |

UNIT MIX/RENT SCHEDULE

Torrington Wilmer, DALLAS, TDHCA Bonds/4% HTC #26604

| 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 | 33 | 11.0% | 0 | 0 | 0 | 0 |
| 2 | 135 | 45.0% | 0 | 0 | 0 | 0 |
| 3 | 96 | 32.0% | 0 | 0 | 0 | 0 |
| 4 | 36 | 12.0% | 0 | 0 | 0 | 0 |
| 5 | - | 0.0% | 0 | 0 | 0 | 0 |
| TOTAL | 300 | 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 | 1,053 sf |

| 60% | Income | 20% | 30% | 40% | 50% | 60% | 70% | 80% | EO / MR | TOTAL |
|----------------|--------|------|------|------|------|--------|------|------|---------|--------|
| Average Income | - | - | - | - | - | 300 | - | - | - | 300 |
| % Total | 0.0% | 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 | | |
|-------------------------|------------|--------|---------|----------------|-------------------------|---------------|----------------------|-----------------------------|---------------|-------------------|-----------------------|----------------|---------------|--------------|----------------|----------------|
| | # Units | # Beds | # Baths | NRA | Gross Rent | Utility Allow | Max Net Program Rent | Delta to Max | Rent psf | Net Rent per Unit | Total Monthly Rent | Rent per Unit | Rent psf | Delta to Max | Underwritten | Mrkt Analyst |
| TC 60% | 33 | 1 | 1 | 702 | \$1,320 | \$78 | \$1,242 | \$0 | \$1.77 | \$1,242 | \$40,986 | \$1,242 | \$1.77 | \$0 | \$1,414 | \$1,414 |
| TC 60% | 126 | 2 | 2 | 943 | \$1,584 | \$95 | \$1,489 | \$0 | \$1.58 | \$1,489 | \$187,614 | \$1,489 | \$1.58 | \$0 | \$1,699 | \$1,699 |
| TC 60% | 9 | 2 | 2 | 952 | \$1,584 | \$95 | \$1,489 | \$0 | \$1.56 | \$1,489 | \$13,401 | \$1,489 | \$1.56 | \$0 | \$1,705 | \$1,705 |
| TC 60% | 96 | 3 | 2 | 1,212 | \$1,830 | \$112 | \$1,718 | \$0 | \$1.42 | \$1,718 | \$164,928 | \$1,718 | \$1.42 | \$0 | \$1,964 | \$1,964 |
| TC 60% | 36 | 4 | 2 | 1,363 | \$2,041 | \$139 | \$1,902 | \$0 | \$1.40 | \$1,902 | \$68,472 | \$1,902 | \$1.40 | \$0 | \$2,239 | \$2,239 |
| TOTALS/AVERAGES: | 300 | | | 315,972 | | | | \$0 | \$1.50 | \$1,585 | \$475,401 | \$1,585 | \$1.50 | \$0 | \$1,817 | \$1,817 |

ANNUAL POTENTIAL GROSS RENT:

\$5,704,812

*MFDL units float among Unit Types

STABILIZED PRO FORMA

Torrington Wilmer, DALLAS, TDHCA Bonds/4% HTC #26604

| STABILIZED FIRST YEAR PRO FORMA | | | | | | | | | | | | |
|---------------------------------|-------------|-------------|--|-----------|---------|-------------|-------------|----------|--------|----------|------|-----|
| | COMPARABLES | | | APPLICANT | | | TDHCA | | | VARIANCE | | |
| | Database | Local Comps | | % EGI | Per SF | Per Unit | Amount | Per Unit | Per SF | % EGI | % | \$ |
| POTENTIAL GROSS RENT | | | | | \$1.50 | \$1,585 | \$5,704,812 | \$1,585 | \$1.50 | | 0.0% | \$0 |
| Late Fees & Pet Deposits | | | | | \$20.00 | \$72,000 | | | | | | |
| Carpport Rent | | | | | \$1.33 | \$4,800 | | | | | | |
| Total Secondary Income | | | | | \$21.33 | \$76,800 | | \$21.33 | | | 0.0% | \$0 |
| POTENTIAL GROSS INCOME | | | | | | \$5,781,612 | | | | | 0.0% | \$0 |
| Vacancy & Collection Loss | | | | 7.5% PGI | | (433,621) | | 7.5% PGI | | | 0.0% | - |
| EFFECTIVE GROSS INCOME | | | | | | \$5,347,991 | | | | | 0.0% | \$0 |

| | | | | | | | | | | | | | | |
|---|-----------|--------------|-----------|---------|---------------|----------------|--------------------|--------------------|--------------------|----------------|---------------|---------------|-------------------|------------------|
| General & Administrative | \$164,863 | \$550/Unit | \$147,528 | \$492 | 2.26% | \$0.38 | \$403 | \$121,000 | \$147,528 | \$492 | \$0.47 | 2.76% | -18.0% | (26,528) |
| Management | \$160,905 | 3.3% EGI | \$109,420 | \$365 | 4.06% | \$0.69 | \$723 | \$217,000 | \$217,000 | \$723 | \$0.69 | 4.06% | 0.0% | - |
| Payroll & Payroll Tax | \$441,368 | \$1,471/Unit | \$346,115 | \$1,154 | 5.70% | \$0.97 | \$1,017 | \$305,000 | \$305,000 | \$1,017 | \$0.97 | 5.70% | 0.0% | - |
| Repairs & Maintenance | \$229,960 | \$767/Unit | \$148,370 | \$495 | 2.90% | \$0.49 | \$517 | \$155,000 | \$210,000 | \$700 | \$0.66 | 3.93% | -26.2% | (55,000) |
| Electric/Gas | \$100,520 | \$335/Unit | \$113,849 | \$379 | 2.62% | \$0.44 | \$467 | \$140,000 | \$113,849 | \$379 | \$0.36 | 2.13% | 23.0% | 26,151 |
| Water, Sewer, & Trash | \$228,626 | \$762/Unit | \$315,204 | \$1,051 | 3.37% | \$0.57 | \$600 | \$180,000 | \$228,626 | \$762 | \$0.72 | 4.27% | -21.3% | (48,626) |
| Property Insurance | \$207,921 | \$0.66 /sf | \$253,014 | \$843 | 5.61% | \$0.95 | \$1,000 | \$300,000 | \$300,000 | \$1,000 | \$0.95 | 5.61% | 0.0% | - |
| Property Tax (@ 0%) | \$285,011 | \$950/Unit | \$510,689 | \$1,702 | 0.00% | \$0.00 | \$0 | \$0 | \$0 | \$0 | \$0.00 | 0.00% | 0.0% | - |
| Reserve for Replacements | | | | | 1.40% | \$0.24 | \$250 | \$75,000 | \$75,000 | \$250 | \$0.24 | 1.40% | 0.0% | - |
| Cable TV | | | | | 0.00% | \$0.00 | \$0 | \$0 | \$0 | \$0 | \$0.00 | 0.00% | 0.0% | - |
| Security | | | | | 0.37% | \$0.06 | \$67 | \$20,000 | \$20,000 | \$67 | \$0.06 | 0.37% | 0.0% | - |
| Supportive Services | | | | | 0.15% | \$0.03 | \$27 | \$8,100 | \$8,100 | \$27 | \$0.03 | 0.15% | 0.0% | - |
| TDHCA Compliance fees (\$40/HTC unit) | | | | | 0.22% | \$0.04 | \$40 | \$12,000 | \$12,000 | \$40 | \$0.04 | 0.22% | 0.0% | - |
| TDHCA Direct Loan Compliance Fees (\$34/MDL unit) | | | | | 0.00% | \$0.00 | \$0 | \$0 | \$0 | \$0 | \$0.00 | 0.00% | 0.0% | - |
| TDHCA Bond Compliance Fee | | | | | 0.14% | \$0.02 | \$25 | \$7,500 | \$7,500 | \$25 | \$0.02 | 0.14% | 0.0% | - |
| Bond Trustee Fees | | | | | 0.08% | \$0.01 | \$15 | \$4,500 | \$4,500 | \$15 | \$0.01 | 0.08% | 0.0% | - |
| Issuer Ongoing Compliance Fees | | | | | 0.00% | \$0.00 | \$0 | \$0 | \$0 | \$0 | \$0.00 | 0.00% | 0.0% | - |
| TOTAL EXPENSES | | | | | 28.89% | \$4.89 | \$5,150 | \$1,545,100 | \$1,649,103 | \$5,497 | \$5.22 | 30.84% | -6.3% | (104,003) |
| NET OPERATING INCOME ("NOI") | | | | | 71.11% | \$12.04 | \$3,802,891 | \$3,698,888 | \$12,330 | \$11.71 | 69.16% | 2.8% | \$ 104,003 | |

| | | | | | | | | | | | | | | |
|------------------------------|--|--|--|--|--|--|--------------|--|--|--|--------------|--|--|--|
| CONTROLLABLE EXPENSES | | | | | | | | | | | | | | |
| | | | | | | | \$3,003/Unit | | | | \$3,350/Unit | | | |

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Torrington Wilmer, DALLAS, TDHCA Bonds/4% HTC #26604

| CREDIT CALCULATION ON QUALIFIED BASIS | | | |
|---------------------------------------|-------------|-----------------------------|--------------------------|
| | Applicant | | TDHCA |
| | Acquisition | Construction Rehabilitation | Acquisition Construction |
| ADJUSTED BASIS | | | |
| Deduction of Federal Grants | \$0 | \$80,241,442 | \$0 |
| | \$0 | \$0 | \$0 |
| TOTAL ELIGIBLE BASIS | \$0 | \$80,241,442 | \$0 |
| High Cost Area Adjustment | | 130% | 130% |
| TOTAL ADJUSTED BASIS | \$0 | \$104,313,875 | \$103,180,171 |
| Applicable Fraction | 100.00% | 100.00% | 100% |
| TOTAL QUALIFIED BASIS | \$0 | \$104,313,875 | \$103,180,171 |
| Applicable Percentage | 4.00% | 4.00% | 4.00% |
| ANNUAL CREDIT ON BASIS | \$0 | \$4,172,555 | \$0 |
| CREDITS ON QUALIFIED BASIS | \$4,172,555 | | \$4,127,207 |

| Method | ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS | | FINAL ANNUAL LIHTC ALLOCATION | |
|---------------------------|--|--------------|-------------------------------|---------------------|
| | Annual Credits | Proceeds | Credit Price \$0.8298 | Variance to Request |
| Eligible Basis | \$4,172,555 | \$34,625,283 | Credit Allocation | Proceeds |
| Needed to Fill Gap | \$4,611,227 | \$38,265,532 | ----- | ----- |
| Applicant Request | \$4,166,508 | \$34,575,103 | ----- | ----- |
| | | | \$4,166,508 | \$0 |

| 25% Test for Bond Financing for 4% Tax Credits | | | |
|--|---------------|---------------------|---------------------|
| Tax-Exempt Bond Amount | \$ | Applicant | TDHCA |
| Land Cost | \$ | \$3,060,090 | \$3,060,090 |
| Depreciable Bldg Cost** | \$ | \$80,291,442 | \$79,454,631 |
| Aggregate Basis for 25% Test | \$ | \$83,351,532 | \$82,514,721 |
| Percent Financed by Tax-Exempt Bonds | 57.59% | 57.59% | 58.17% |

**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 | PER SF | |
| Base Cost: | Garden (Up to 4-story) | 315,972 SF | \$92.09 | | 29,097,045 |
| Adjustments | | | | | |
| Exterior Wall Finish | 1.76% | | 1.82 | | \$512,108 |
| Elderly | 0.00% | | 0.00 | | 0 |
| 9-Ft. Ceilings | 3.22% | | 2.97 | | 936,925 |
| Roof Adjustment(s) | | | 1.42 | | 450,000 |
| Subfloor | | | (0.23) | | (72,674) |
| Floor Cover | | | 3.75 | | 1,184,895 |
| Enclosed Corridors | \$80.74 | 38,866 | 9.93 | | 3,137,940 |
| Balconies | \$53.77 | 19,116 | 3.25 | | 1,027,940 |
| Plumbing Fixtures | \$1,460 | 1,068 | 4.93 | | 1,559,280 |
| Rough-ins | \$715 | 600 | 1.36 | | 429,000 |
| Built-in Appliances | \$2,200 | 300 | 2.09 | | 660,000 |
| Exterior Stairs | \$4,250 | 14 | 0.19 | | 59,500 |
| Heating/Cooling | | | 4.11 | | 1,298,645 |
| Storage Space | \$80.74 | 1,322 | 0.34 | | 106,735 |
| Carports | \$21.40 | 3,960 | 0.27 | | 84,744 |
| Garages | \$41.00 | 0 | 0.00 | | 0 |
| Common/Support Area | \$126.68 | 4,918 | 1.97 | | 623,029 |
| Elevators | | 0 | 0.00 | | 0 |
| Other: | | | 0.00 | | 0 |
| Fire Sprinklers | \$4.60 | 361,078 | 5.26 | | 1,660,959 |
| SUBTOTAL | | | 135.32 | | 42,756,072 |
| Current Cost Multiplier | 1.00 | | 0.00 | | 0 |
| Local Multiplier | 1.00 | | 0.00 | | 0 |
| Reserved | | | | | 0 |
| TOTAL BUILDING COSTS | | | | | |
| Plans, specs, survey, bldg permits | 3.10% | | (4.19) | | (\$1,325,438) |
| Contractor's OH & Profit | 11.10% | | (15.02) | | (4,745,924) |
| NET BUILDING COSTS | | \$122,282/unit | \$116.10/sf | | \$36,684,710 |

Long-Term Pro Forma

Torrington Wilmer, DALLAS, TDHCA Bonds/4% HTC #26604

| 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 | \$5,347,991 | \$5,454,951 | \$5,564,050 | \$5,675,331 | \$5,788,838 | \$6,391,344 | \$7,056,561 | \$7,791,013 | \$8,601,908 | \$9,497,202 | \$10,485,678 | \$11,577,036 |
| TOTAL EXPENSES | \$1,649,103 | \$1,696,406 | \$1,745,085 | \$1,795,179 | \$1,846,732 | \$2,127,904 | \$2,452,511 | \$2,827,329 | \$3,260,201 | \$3,760,202 | \$4,337,836 | \$5,005,257 |
| NET OPERATING INCOME ("NOI") | \$3,698,888 | \$3,758,545 | \$3,818,965 | \$3,880,152 | \$3,942,106 | \$4,263,440 | \$4,604,050 | \$4,963,684 | \$5,341,707 | \$5,737,000 | \$6,147,842 | \$6,571,778 |
| EXPENSE/INCOME RATIO | 30.8% | 31.1% | 31.4% | 31.6% | 31.9% | 33.3% | 34.8% | 36.3% | 37.9% | 39.6% | 41.4% | 43.2% |
| MUST -PAY DEBT SERVICE | | | | | | | | | | | | |
| Cedar Rapids | \$3,177,170 | \$3,176,865 | \$3,176,541 | \$3,176,198 | \$3,175,833 | \$3,173,653 | \$3,170,726 | \$3,166,797 | \$3,161,525 | \$3,154,448 | \$3,144,950 | \$3,132,202 |
| TOTAL DEBT SERVICE | \$3,177,170 | \$3,176,865 | \$3,176,541 | \$3,176,198 | \$3,175,833 | \$3,173,653 | \$3,170,726 | \$3,166,797 | \$3,161,525 | \$3,154,448 | \$3,144,950 | \$3,132,202 |
| DEBT COVERAGE RATIO | 1.16 | 1.18 | 1.20 | 1.22 | 1.24 | 1.34 | 1.45 | 1.57 | 1.69 | 1.82 | 1.95 | 2.10 |
| ANNUAL CASH FLOW | \$521,718 | \$581,680 | \$642,424 | \$703,954 | \$766,272 | \$1,089,788 | \$1,433,324 | \$1,796,887 | \$2,180,183 | \$2,582,552 | \$3,002,893 | \$3,439,576 |
| Deferred Developer Fee Balance | \$3,168,711 | \$2,587,031 | \$1,944,607 | \$1,240,653 | \$474,381 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CUMULATIVE NET CASH FLOW | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,319,550 | \$10,791,069 | \$19,040,404 | \$29,166,936 | \$41,267,512 | \$55,434,388 | \$71,752,767 |