

Aug 25th, 2025
Sussette Kenney
Asset Management
TDHCA
P.O. BOX 13941
Austin, TX 78711-3941

Re: HTC 24215 Athens Trails Material Amendment Request

Dear Ms. Kenney,

This letter concerns a material amendment request for HTC 24215 Athens Trails to reduce the total number of units from 57 units to 51 units (with associated architectural changes). This request is due to financing challenges that are out of the Applicant's control.

At the time of the 2024 application submittal, many of the disruptions caused by COVID-19 in the housing industry had begun to stabilize. However, since then, the developer has faced significant and compounding financial challenges, including new increases in construction costs, declining equity pricing, and rising interest rates, all of which have created a budget gap.

One of the primary drivers of increased construction costs has been the uncertainty concerning tariffs on key building materials. Cost increases due to tariffs have had widespread impact across the construction industry. In response, the developer sought competitive bids from multiple contractors to mitigate costs, but even the most favorable estimates were still significantly higher than those available at the time of the original application.

The equity market has changed significantly since the original application. The moment the development was awarded, the developers approached multiple syndicators to find the most competitive equity pricing. Most refused to even bid, citing the new market conditions. After much effort, the developer was able to secure a syndicator LOI with the most favorable equity pricing available, at \$0.73 per tax credit dollar. At the time of the application, the equity pricing was \$0.84. This new equity pricing is a 13.10% decrease from where the equity market was at the time of application.

In conjunction with the decrease in equity pricing, interest rates have risen. At the time of the application, interest rates were 7.22% for the construction loan and 6.75% for the permanent loan. In these new market conditions, the best interest rates the developer was able to find were 7.0% for the construction loan and 7.5% for the permanent loan.

Faced with these new economic conditions, the developer reviewed their options and determined that the only method of resolving the deficit was by decreasing the total number of units. At application 57 units, all low income, was proposed. This amendment requests a reduction of 6 units, for a total of 51 units. This is a 10.53% reduction. We understand that this decrease is more than the 10% that the TDHCA Board has approved in the past; however, the board has approved reductions over 10% in the past when they have been just above the 10% threshold. The developer tried to keep the reduction below 10% but found that a 51 unit building design was significantly more cost effective than a 52 unit building design.

In the original application, 57 units were proposed, a mix of 30 1-bed/1-bath units and 27 2-bed/1-bath units. The new proposed unit mix has 51 units and will be comprised of 24 1-bed/1-bath units and 27 2-bed/1-bath units. The unit sizes will remain the same and the reduction of units has decreased the NRA from 42,582 SF to 38,688 SF, a 9.14 % decrease. The architectural layout and design from the original application has largely stayed the same with the change in number of units impacting the overall size of the development. The common area has decreased from 10,100 SF to 9,540 SF, an 5.54% reduction.

The number of mobility units at application was 3, two 1-bed/1-bath units and one 2-bed/1-bath and the number of HV units was 2, one 1-bed/1-bath units and one 2-bed/1-bath. The number and distribution of HV units have remained the same, but due to the change in the unit mix composition, the proposed changes mean that there will now be one 1-bed/1-bath units and two 2-bed/1-bath mobility units.

At application the income unit mix was 9% for 30% AMI, 21% for 50% AMI and 70% for 60% AMI. The developer attempted to maintain this income unit mix, but to maximize the number of units, the developer had no choice but to increase the number of 60% units. As such the income mix is now 6% for 30% AMI, 16% for 50% AMI and 78% for 60% AMI.

The number of parking spaces has been reduced to correspond with the reduction in the number of units. Total parking is now 96 which meets local requirements. The number of ADA and van parking spots will remain the same.

Please note that although this amendment does result in a decrease in points, the next deal was 18 points below this development. As such if this development had originally applied with this number of points, it would have still been awarded

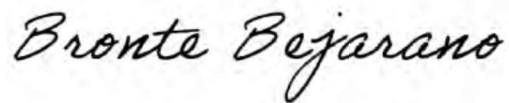
Please see the attached architectural plans and application forms regarding the unit reduction. Financial letters are provided by Legacy Bank who has reviewed this project and upon approval of this amendment and a force majeure request will allow the developer to close almost immediately after the September board meeting. Please also see the attached from Raymond

Jones that elaborates on the need for this amendment and confirms that this development is infeasible without the reduction in units.

Thank you for your attention and consideration of this amendment request. If this amendment is approved, the developer is prepared to close in October 2025 and begin construction shortly thereafter. The good cause for this amendment is to enable this project to move forward and provide much needed affordable units in Athens. This application is also requesting a Credit Return Resulting from Force Majeure Events that has been submitted under separate cover.

Please contact me at 512-689-9409 with any questions.

Sincerely,

A handwritten signature in black ink that reads "Bronte Bejarano". The script is cursive and fluid, with the first name "Bronte" and last name "Bejarano" clearly distinguishable.

Bronte Bejarano

S Anderson Consulting



July 21, 2025

Ryan Hamilton
Trinity Housing Development Texas, LLC
3556 S. Culpepper, Suite 7
Springfield, MO

**RE: Athens Trails – Request for Unit Count Adjustment and Placed-in-Service Extension
TDHCA #24215**

Dear Mr. Hamilton,

Legacy Bank appreciates the opportunity to work alongside your team on the Athens Trails development. After careful evaluation of the current project assumptions, we want to provide our perspective as the prospective lender regarding two key issues that have emerged: development feasibility and timing constraints related to the placed-in-service (PIS) deadline.

Given today's financial environment, particularly rising construction costs and increasing insurance premiums, the originally proposed unit count and capital structure present challenges to long-term viability. Based on updated projections, we support your consideration of a reduced unit count in order to bring the project within feasible operating and financial parameters.

We also understand that the current closing timeline projects a mid-to-late October 2025 funding date. With a 16-month construction schedule, this would push project completion past the threshold normally required by our underwriting standards, which call for a minimum three-month buffer ahead of the PIS deadline. As it stands, the December 31, 2026 PIS requirement presents a risk of noncompliance.

Accordingly, Legacy Bank supports a formal request to extend the placed-in-service deadline to **December 31, 2027**, under a force majeure or other applicable waiver. We believe this extension is not only reasonable but necessary to allow sufficient time for construction and stabilization without compromising the project's success.

We remain committed to working collaboratively toward a successful closing and look forward to helping bring this important housing development to life.

Sincerely,

A handwritten signature in cursive script that reads "Julie Snodderly".

Julie Snodderly

SVP, Director of Originations Affordable Housing

RAYMOND JAMES®

July 20, 2025

Ryan Hamilton
Trinity Housing Development Texas, LLC
3556 S. Culpepper, Suite 7
Springfield, MO

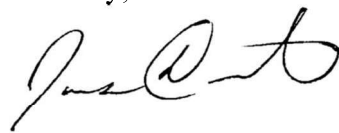
RE: Gatesville Crossing & Athens Trails Unit Count Reduction & Placed In Service Request
TDHCA #24224 & 24215

Dear Mr. Hamilton,

As the proposed syndicator for the abovementioned developments, I need to raise the concerns regarding viability of the underwriting and the Placed In Service date of 12/31/26. After multiple reviews of the underwriting, it has become apparent that the current market conditions do not appear to make these developments viable without an adjustment to the tax credit price. At the time the General Partner submitted these applications, the equity market was noticeably different then where we are today. Based on current market conditions, RJAHI has proposed tax credit pricing of \$0.73 to satisfy current investor return requirements. This adjustment in pricing coupled with the headwinds of the higher construction costs in the development budget and insurance costs in the operating budget make the developments only feasible by reducing the unit count.

Additionally, we plan to diligently work toward a closing with the overall development team, but based on current timing, it seems that a closing date of mid to late October is realistic. It is our typical underwriting guideline to have a 90 day buffer to the construction schedule when compared to the completion date. Given the current construction schedule of 16 months and a closing in mid/late October, we would exceed our underwriting guideline as well as the Placed In Service deadline of 12/31/26. Therefore, please consider this request to grant a force majeure change with a Placed In Service deadline of 12/31/27.

Sincerely,



James Dunton
Managing Director of Acquisitions
Raymond James Affordable Housing Investments, Inc.

Raymond James Affordable Housing Investments
A Subsidiary of Raymond James Financial

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Visit our Web Site at www.raymondjames/ahi.com

ATHENS TRAILS

ATHENS, HENDERSON COUNTY, TEXAS

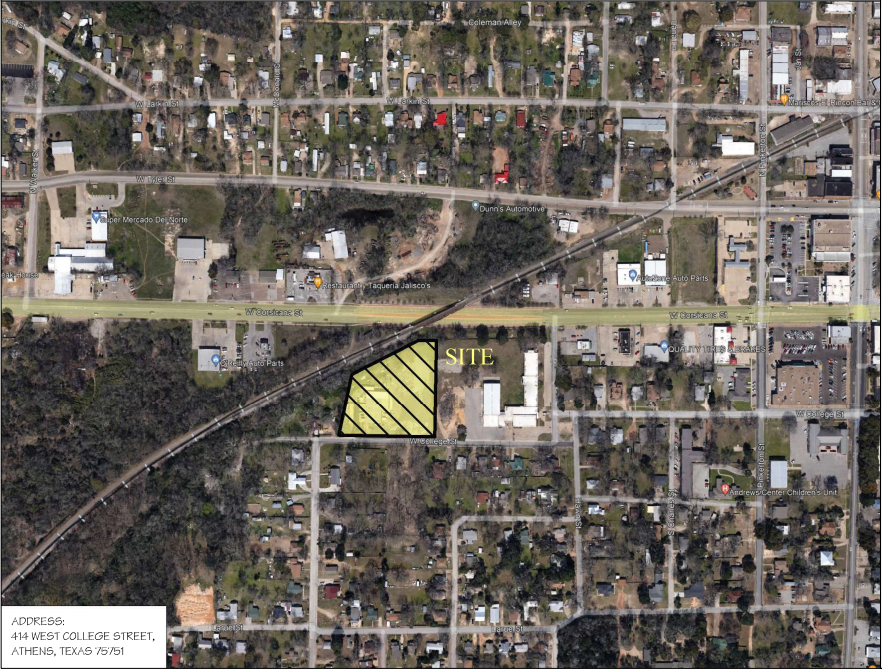
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- AP3 SECOND FLOOR RESIDENTIAL BUILDING FLOOR PLAN
- AP4 THIRD FLOOR RESIDENTIAL BUILDING FLOOR PLAN
- AP5 RESIDENTIAL FHA 1-BR & ADA 1-BR UNIT FLOOR PLANS
- AP6 RESIDENTIAL FHA 2-BR & ADA 2-BR UNIT FLOOR PLANS
- AP7 FIRST FLOOR COMMON AREA FLOOR PLANS
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- AP10 RESIDENTIAL BUILDING EXTERIOR ELEVATIONS
- AP11 RESIDENTIAL BUILDING EXTERIOR ELEVATIONS
- AP12 SAMPLE RENDERINGS

SAMPLE EXTERIOR RENDERING



PROJECT LOCATION



ADDRESS:
414 WEST COLLEGE STREET,
ATHENS, TEXAS 75751

SEPTEMBER 2025

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ATHENS TRAILS, LP

ATHENS TRAILS
ATHENS, HENDERSON COUNTY, TEXAS
4833

AP0

TABLE 1: UNITS PER FLOOR

UNIT LABEL	NRA PER UNIT TYPE	FLOOR IDENTIFICATION			UNIT TOTALS PER UNIT TYPE
		FIRST FLOOR	SECOND FLOOR	THIRD FLOOR	
		NUMBER OF UNITS PER FLOOR			
FHA 1-BR	649 SF	7	7	8	22
FHA HEARING/VISUAL 1-BR	649 SF	1	-	-	1
ADA 1-BR	649 SF	-	1	-	1
FHA 2-BR	856 SF	8	8	8	24
FHA HEARING/VISUAL 2-BR	856 SF	-	1	-	1
ADA 2-BR	856 SF	1	-	1	2
TOTAL NUMBER OF UNITS PER FLOOR:		17	17	17	51

TABLE 2: REQUIRED ACCESSIBLE UNITS

UNIT TYPE	IN COMPLIANCE WITH	BUILDING LEVEL			TOTAL
		FIRST FLOOR	SECOND FLOOR	THIRD FLOOR	
ADA 1-BR	ADA / MOBILITY	-	1	-	1
FHA / HV 1-BR	HEARING/VISUAL	1	-	-	1
FHA / HV 2-BR	HEARING/VISUAL	-	1	-	1
ADA 2-BR	ADA / MOBILITY	1	-	1	2

MOBILITY UNITS REQUIRED (51 X 5% =2.55)

MOBILITY UNITS PROVIDED = 3

HEARING/VISUAL UNITS REQUIRED (51 X 2% =1.02)

HEARING/VISUAL UNITS PROVIDED = 2

TABLE 3: SQUARE FOOT CALCULATIONS FLOOR

NOTE: SQUARE FOOT CALCULATIONS ARE MEASURED FROM OUT TO OUTSIDE FACE OF STUD TO CENTERLINE OF UNIT PARTITION

AREA TYPE	BUILDING LEVEL IDENTIFICATION			DEV. TOTAL
	FIRST FLOOR	SECOND FLOOR	THIRD FLOOR	
TOTAL NRA	12,896 SF	12,896 SF	12,896 SF	38,688 SF
COMMON AREA - ACCESSIBLE TO TENANTS	3,149 SF	3,199 SF	3,192 SF	9,540 SF
UNIT PORCHES/PATIOS/BALCONIES	1,105 SF	1,105 SF	1,105 SF	3,315 SF
UTILITY CLOSETS - RESTRICTED TO EMPLOYEES	186 SF	45 SF	45 SF	276 SF
EXTERIOR STORAGE	289 SF	289 SF	289 SF	867 SF
TOTAL BUILDING AREA PER FLOOR:	17,625 SF	17,534 SF	17,527 SF	52,686 SF

TABLE 4: PARKING PROVIDED

NOTE: ALL PARKING PROVIDED IS UNCOVERED	
TYPE	QUANTITY
STANDARD	89
STANDARD ACCESSIBLE	5
VAN ACCESSIBLE	2
TOTAL PROVIDED:	96
LOCAL PARKING REQUIREMENTS: (1/75) SPACES PER 1-BR UNIT & (2) SPACES PER 2-BR UNIT	
PARKING PROVIDED MEETS ZONING REQUIREMENT	

SITE INFORMATION

LAND AREA:	+/- 2.474 ACRES
EXISTING USE:	VACANT MECHANIC SHOP
CURRENT ZONING:	C
PROPOSED ZONING:	PD (BASE MF-5)
PROPOSED USE:	SENIOR APARTMENTS
DETENTION/RETENTION POND:	SEE SITE PLAN FOR LOCATION
FLOOD PLAIN:	FLOOD ZONE X, NO MITIGATION REQUIRED

UNIT TYPE LEGEND

FHA	=	FAIR HOUSING ACT
ADA	=	AMERICANS WITH DISABILITIES ACT
HV	=	HEARING/VISUAL

SITE LEGEND

	ACCESSIBLE ROUTE (36" MIN. WIDTH, 2% CROSS SLOPE MAX, 5% RUNNING SLOPE MAX.)
	ADA ACCESSIBLE
	HEARING/VISUAL (HV) ACCESSIBLE

WEST COLLEGE STREET

WEST COLLEGE STREET

50 25 0 50
FEET



SEPTEMBER 2025

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