

**Real Estate Analysis Division**

October 28, 2025

Addendum to Underwriting ReportTDHCA Application #: **25271** Program(s): **9% HTC****Lofts at Birdwell**

Address/Location: ~130 ft. N. of NWC of Sunset Ave. & Birdwell Ln.

City: Big Spring County: Howard Zip: 79720

	APPLICATION HISTORY
Report Date	PURPOSE
10/28/25	State Credit Award Update and Material Amendment Request
07/22/25	Original LIHTC Award

ALLOCATION

	Previous Allocation				RECOMMENDATION						
TDHCA Program	Amount	Int. Rate	Amort	Term	Amount	Int. Rate	Amort	Perm. Term	Perm. Lien	Const. Term	Const. Lien
State Housing Tax Credits	\$0				\$80,000						
FHTC (9% Credit)	\$1,125,000				\$1,125,000						

CONDITIONS STATUS

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	4
60% of AMI	60% of AMI	35

ANALYSIS

In July 2025, the Development was awarded \$1,125,000 in annual 9% Housing Tax Credits. Now Applicant has applied for an additional \$80,000 in annual State Housing Tax Credits.

In conjunction with their application for State Housing Tax Credits, they are also requesting a Material Amendment to address the following:

- Updates to the site plan which combined two (2) residential buildings (from the original 3 building design down to 2) and a 2 space reduction to the total open surface parking (from 91 to 89).
- A reduction in the total NRA from 31,190 SF to 31,167 SF (a decrease of less than 1%).
- An increase in total common area from 6,043 SF to 6,643 SF (an increase of 9.93%).
- An Amendment to the land acquisition contract to reduce the tract being sold from approximately 4.758 acres to the 3.429 acre portion of the original tract that was always to be used for this development. The original application contemplated the purchase of 4.758 acres for \$625K, with 3.429 acres being used for this development and the remaining 1.329 acres being used for a Phase Two. The stated price for the 3.429 acre tract is now \$500K.
- Updates to the financial exhibits (Tabs 24 – 31, and 35) to account for the application of State Housing Tax Credits ("SHTC") and changes in costs, interest rates, program rent limits, and equity pricing.

The reason for the Material Amendment is the result of value engineering to offset rising material costs and to address topographic concerns by having 1 building instead of 2 on the west side of the site.

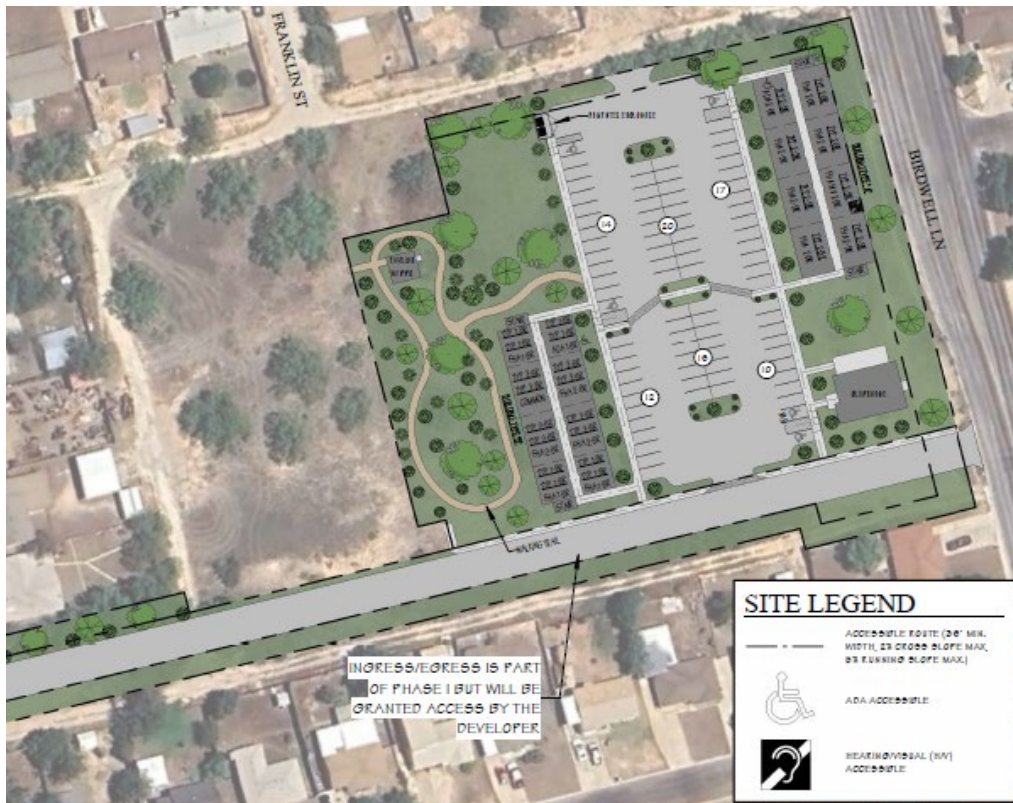
Site Plan

The site plan was updated to reflect the new building configuration. New Architectural Drawings were also provided to document the proposed changes.

Original Site Plan



New Site Plan



Operating Pro Forma

Applicant reassigned four (4) 60% AMI units to 30% AMI in order to get priority consideration for an SHTC award.

The Rent Schedule was updated with current 2025 Program Rents.

As underwritten, the long-term Pro Forma exhibits a 15-year residual cash flow of \$365K after repayment of deferred developer fee in year 5.

Development Cost

Originally, a pro-rata allocation of \$460,945 (out of the \$600K Purchase Price) was reflected as the acquisition cost of the 3.429 acres being used for this development. However, the amended contract now reflects a Purchase Price of \$500,000 for the 3.429 acres (a \$39K increase).

The cost of off-site and site work remained unchanged, while site amenities increased by \$37K (36.74%).

Building cost increased by \$205K (5.55%).

Pursuant to the QAP, Underwriter moved Soft Cost Contingency of \$264K to total Contingency. Total Eligible Contingency is now overstated by \$2.6K.

Contractor Fees are overstated by \$18K.

Developer Fee is slightly overstated by \$525.

Total Development Cost increased by \$810K (7.26%).

Sources of Funds

Proposed capitalization has increased by \$810K (7.62%) to cover additional development costs.

The permanent lender was changed from Key Bank to PNC. Permanent debt was increased by \$285K, but the interest rate decreased from 7.00% to 6.75%. The 15 year term and 35 year amortization remained unchanged.

Applicant also changed equity providers from Key Bank to PNC. The primary HTC equity contribution increased by \$562K (from \$8.8M to \$9.3M), while the equity price increased from \$0.78 to \$0.83.

Applicant added State Housing Credit equity of \$480K for an annual State Housing Tax Credit request of \$80k at a credit price of \$0.60.

Deferred Developer Fee was reduced by \$517K (from \$680,756 to \$163,799).

Recommendation

Underwriter recommends an annual allocation of \$80,000 in State Housing Tax Credits as requested by Applicant. Furthermore, the original annual allocation of \$1,125,000 in annual 9% Housing Tax Credits is still being recommended.

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
<i>Lofts at Birdwell, Big Spring, 9% HTC #25271</i>

LOCATION DATA	
CITY:	Big Spring
COUNTY:	Howard
Area Median Income	\$93,100
PROGRAM REGION:	12
PROGRAM RENT YEAR:	2025

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	SHTC	Match
Eff	-	0.0%	0	0	0	0
1	12	30.8%	0	0	0	0
2	27	69.2%	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	39	100.0%	-	-	-	-

PRO FORMA ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100.00%
APP % Acquisition	9.00%
APP % Construction	9.00%
Average Unit Size	799 sf

57%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	4	-	-	35	-	-	-	39
Income	% Total	0.0%	10.3%	0.0%	0.0%	89.7%	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		
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%	\$506	2	1	1	660	\$506	\$80	\$426	\$0	\$0.65	\$426	\$852	\$852	\$426	\$0.65	\$0	\$1,350	\$2.05	\$1,350
TC 60%	\$1,012	10	1	1	660	\$1,012	\$80	\$932	\$0	\$1.41	\$932	\$9,320	\$9,320	\$932	\$1.41	\$0	\$1,350	\$2.05	\$1,350
TC 30%	\$607	2	2	2	861	\$607	\$105	\$502	\$0	\$0.58	\$502	\$1,004	\$1,004	\$502	\$0.58	\$0	\$1,650	\$1.92	\$1,650
TC 60%	\$1,215	25	2	2	861	\$1,215	\$105	\$1,110	\$0	\$1.29	\$1,110	\$27,750	\$27,750	\$1,110	\$1.29	\$0	\$1,650	\$1.92	\$1,650
TOTALS/AVERAGES:		39			31,167				\$0	\$1.25	\$998	\$38,926	\$38,926	\$998	\$1.25	\$0	\$1,558	\$1.95	\$1,558

ANNUAL POTENTIAL GROSS RENT:	\$467,112	\$467,112	
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*MFDL units float among Unit Types

STABILIZED PRO FORMA
<i>Lofts at Birdwell, Big Spring, 9% HTC #25271</i>

STABILIZED FIRST YEAR PRO FORMA															
COMPARABLES				APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
Database	Local Comps			% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$1.25	\$998	\$467,112	\$448,560	\$448,560	\$467,112	\$998	\$1.25		0.0%	\$0
App Fees, NSF, Vending						\$15.00	\$7,020	7,020							
Total Secondary Income						\$15.00			7,020	\$7,020	\$15.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$474,132	\$455,580	\$455,580	\$474,132				0.0%	\$0
Vacancy & Collection Loss						7.5% PGI	(35,560)	(34,169)	(34,169)	(35,560)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME							\$438,572	\$421,412	\$421,412	\$438,572				0.0%	\$0

General & Administrative	\$21,026	\$539/Unit	\$20,185	\$518	5.47%	\$0.77	\$615	\$24,000	\$25,500	\$21,033	\$21,026	\$539	\$0.67	4.79%	14.1%	2,974
Management	\$21,031	5.9% EGI	\$22,419	\$575	4.00%	\$0.56	\$450	\$17,543	\$16,856	\$16,856	\$17,543	\$450	\$0.56	4.00%	0.0%	0
Payroll & Payroll Tax	\$50,040	\$1,283/Unit	\$68,974	\$1,769	15.96%	\$2.25	\$1,795	\$70,000	\$65,000	\$65,000	\$70,000	\$1,795	\$2.25	15.96%	0.0%	-
Repairs & Maintenance	\$31,182	\$800/Unit	\$23,663	\$607	5.93%	\$0.83	\$667	\$26,000	\$28,000	\$25,350	\$25,350	\$650	\$0.81	5.78%	2.6%	650
Electric/Gas	\$6,966	\$179/Unit	\$9,961	\$255	1.60%	\$0.22	\$179	\$7,000	\$7,000	\$6,968	\$6,966	\$179	\$0.22	1.59%	0.5%	34
Water, Sewer, & Trash	\$27,768	\$712/Unit	\$38,494	\$987	6.33%	\$0.89	\$712	\$27,768	\$25,000	\$27,768	\$27,768	\$712	\$0.89	6.33%	0.0%	(0)
Property Insurance	\$27,300	\$0.88 /sf	\$23,854	\$612	7.30%	\$1.03	\$821	\$32,000	\$32,000	\$32,000	\$32,000	\$821	\$1.03	7.30%	0.0%	-
Property Tax (@ 100%) 2.694440	\$21,556	\$553/Unit	\$14,321	\$367	10.41%	\$1.47	\$1,171	\$45,661	\$34,000	\$45,661	\$48,099	\$1,233	\$1.54	10.97%	-5.1%	(2,438)
Reserve for Replacements					2.22%	\$0.31	\$250	\$9,750	\$9,750	\$9,750	\$9,750	\$250	\$0.31	2.22%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.36%	\$0.05	\$40	\$1,560	\$1,560	\$1,560	\$1,560	\$40	\$0.05	0.36%	0.0%	-
TOTAL EXPENSES					59.58%	\$8.38	\$6,700	\$261,282	\$244,666	\$251,948	\$260,061	\$6,668	\$8.34	59.30%	0.5%	\$ 1,221
NET OPERATING INCOME ("NOI")					40.42%	\$5.69	\$4,546	\$177,290	\$176,745	\$169,464	\$178,511	\$4,577	\$5.73	40.70%	-0.7%	\$ (1,221)

CONTROLLABLE EXPENSES		\$3.968/Unit				\$3.875/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Lofts at Birdwell, Big Spring, 9% HTC #25271

		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	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative				
		UW	App						Applicant	TDHCA						DCR	LTC			
PNC		1.20	1.19	149,140	6.75%	35	15	\$2,000,000	\$1,715,000	\$1,715,000	\$2,000,000	15	35	6.75%	\$149,140	1.19	16.7%			
CASH FLOW DEBT / GRANTS																				
				\$149,140	TOTAL DEBT / GRANT SOURCES			\$2,000,000	\$1,715,000	\$1,715,000	\$2,000,000	TOTAL DEBT SERVICE			\$149,140	1.19	16.7%			
NET CASH FLOW		\$29,371	\$28,150	APPLICANT NET OPERATING INCOME														\$177,290	\$28,150	NET CASH FLOW

EQUITY / DEFERRED FEES	EQUITY SOURCES													
	APPLICANT'S PROPOSED EQUITY STRUCTURE							AS UNDERWRITTEN EQUITY STRUCTURE						
								Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
	Prior Underwriting													
	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Applicant	TDHCA	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
PNC	LIHTC Equity	78.1%	\$1,125,000	\$0.83	\$9,336,566	\$8,774,123	\$8,774,123	\$9,336,566	\$0.83	\$1,125,000	78.1%	\$28,846	Applicant Request	
PNC	SHTC Equity	4.0%	\$80,000	\$0.60	\$479,952	\$0	\$0	\$479,952	\$0.60	\$80,000	4.0%			
Lofts at Birdwell Development, LLC	Deferred Developer Fees	1.4%	(9% Deferred)		\$163,799	\$680,756	\$680,756	\$145,617	(8% Deferred)		1.2%	Total Developer Fee: \$1,761,256		
Additional (Excess) Funds Req'd		0.0%					\$0	\$0			0.0%			
TOTAL EQUITY SOURCES		83.4%			\$9,980,317	\$9,454,879	\$9,454,879	\$9,962,135			83.3%			
TOTAL CAPITALIZATION					\$11,980,317	\$11,169,879	\$11,169,879	\$11,962,135			15-Yr Cash Flow after Deferred Fee: \$365,035			

DEVELOPMENT COST / ITEMIZED BASIS														
APPLICANT COST / BASIS ITEMS						Prior Underwriting		TDHCA COST / BASIS ITEMS					COST VARIANCE	
Eligible Basis		Total Costs				Prior Underwriting		Total Costs			Eligible Basis		%	\$
Acquisition	New Const. Rehab					Applicant	TDHCA				New Const. Rehab	Acquisition		
Land Acquisition		\$12,821 / Unit	\$500,000	\$460,945	\$460,945	\$500,000	\$12,821 / Unit						0.0%	\$0
Building Acquisition	\$0	\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit					\$0	0.0%	\$0
Off-Sites	\$0	\$6,410 / Unit	\$250,000	\$250,000	\$250,000	\$250,000	\$6,410 / Unit			\$0			0.0%	\$0
Site Work	\$1,447,500	\$38,077 / Unit	\$1,485,000	\$1,485,000	\$1,485,000	\$1,485,000	\$38,077 / Unit	\$1,447,500					0.0%	\$0
Site Amenities	\$136,738	\$3,506 / Unit	\$136,738	\$100,000	\$100,000	\$136,738	\$3,506 / Unit	\$136,738					0.0%	\$0
Building Cost	\$3,895,029	\$124.97 /sf	\$99,873/Unit	\$3,895,029	\$3,690,211	\$3,744,733	\$3,822,482	\$98,012/Unit	\$122.65 /sf	\$3,822,482			1.9%	\$72,547
Contingency	\$386,174	7.05%	6.70%	\$386,174	\$366,640	\$366,640	\$386,174	6.78%	7.00%	\$378,470			0.0%	\$0
Contractor Fees	\$784,194	13.37%	14.30%	\$879,594	\$824,859	\$824,859	\$851,255	14.00%	13.56%	\$784,194			3.3%	\$28,339
Soft Costs	\$0	\$1,108,434	\$28,639 / Unit	\$1,116,934	\$924,500	\$924,500	\$1,116,934	\$28,639 / Unit		\$1,108,434	\$0		0.0%	\$0
Financing	\$0	\$1,048,211	\$34,984 / Unit	\$1,364,381	\$1,157,770	\$1,157,770	\$1,364,381	\$34,984 / Unit		\$1,048,211	\$0		0.0%	\$0
Developer Fee	\$0	\$1,761,256	20.00%	19.37%	\$1,761,256	\$1,721,882	\$1,721,882	\$1,761,256	19.52%	20.00%	\$1,745,206	\$0	0.0%	\$0
Reserves			6 Months	\$205,211	\$188,072	\$188,072	\$205,211	6 Months					0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$10,567,536	\$307,188 / Unit	\$11,980,317	\$11,169,879	\$11,224,401	\$11,879,431	\$304,601 / Unit	\$10,471,235	\$0	0.8%	\$100,886	
Acquisition Cost	\$0			\$0	\$0									
Contingency		(\$2,625)		\$0	\$0									
Contractor's Fee		\$0		(\$18,182)	\$0									
Financing Cost		\$0												
Developer Fee	\$0	(\$525)	20.00%	\$0	\$0									
Reserves				\$0	\$0									
ADJUSTED BASIS / COST		\$0	\$10,564,386	\$306,721/unit	\$11,962,135	\$11,169,879	\$11,224,401	\$11,879,431	\$304,601/unit	\$10,471,235	\$0	0.7%	\$82,704	
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$11,962,135								

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS
<i>Lofts at Birdwell, Big Spring, 9% HTC #25271</i>

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$10,564,386	\$0	\$10,471,235
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$10,564,386	\$0	\$10,471,235
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$13,733,701	\$0	\$13,612,606
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$13,733,701	\$0	\$13,612,606
Applicable Percentage	9.00%	9.00%	9.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,236,033	\$0	\$1,225,135
CREDITS ON QUALIFIED BASIS	\$1,236,033		\$1,225,135	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price \$0.8299	Variance to Request	
	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,236,033	\$10,258,049	----	----	----
Needed to Fill Gap	\$1,142,546	\$9,482,183	----	----	----
Applicant Reques	\$1,125,000	\$9,336,566	\$1,125,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	31,167 SF	\$98.15	3,059,155
Adjustments				
Exterior Wall Finish	2.95%		2.90	\$90,321
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.37%		3.31	103,065
Roof Adjustment(s)			0.00	0
Subfloor			(0.68)	(21,241)
Floor Cover			3.75	116,876
Breezeways	\$53.65	4,228	7.28	226,825
Balconies	\$47.40	568	0.86	26,923
Plumbing Fixtures	\$1,460	81	3.79	118,260
Rough-ins	\$715	78	1.79	55,770
Built-In Appliances	\$2,200	39	2.75	85,800
Exterior Stairs	\$4,250	4	0.55	17,000
Heating/Cooling			4.11	128,096
Storage Space	\$53.65	224	0.39	12,017
Carports	\$21.40	0	0.00	0
Garages	\$41.00	0	0.00	0
Common/Support Area	\$142.88	1,847	8.47	263,895
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$4.60	37,466	5.53	172,344
SUBTOTAL			142.94	4,455,107
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			142.94	\$4,455,107
Plans, specs, survey, bldg permits	3.10%		(4.43)	(\$138,108)
Contractor's OH & Profit	11.10%		(15.87)	(494,517)
NET BUILDING COSTS		\$98,012/unit	\$122.65/sf	\$3,822,482

Long-Term Pro Forma

Lofts at Birdwell, Big Spring, 9% HTC #25271

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$438,572	\$447,344	\$456,290	\$465,416	\$474,725	\$524,134	\$578,687	\$638,917	\$705,416	\$778,836	\$859,898
TOTAL EXPENSES	3.00%	\$261,282	\$268,945	\$276,834	\$284,957	\$293,319	\$338,990	\$391,825	\$452,955	\$523,688	\$605,541	\$700,268
NET OPERATING INCOME ("NOI")		\$177,290	\$178,399	\$179,456	\$180,459	\$181,405	\$185,145	\$186,862	\$185,962	\$181,728	\$173,295	\$159,630
EXPENSE/INCOME RATIO		59.6%	60.1%	60.7%	61.2%	61.8%	64.7%	67.7%	70.9%	74.2%	77.7%	81.4%
MUST -PAY DEBT SERVICE												
PNC		\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140
TOTAL DEBT SERVICE		\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140	\$149,140
DEBT COVERAGE RATIO		1.19	1.20	1.20	1.21	1.22	1.24	1.25	1.25	1.22	1.16	1.07
ANNUAL CASH FLOW												
Deferred Developer Fee Balance		\$117,467	\$88,208	\$57,892	\$26,573	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$5,692	\$178,940	\$365,035	\$552,126	\$725,028	\$864,542	\$946,647

25271 Lofts at Birdwell - Application Summary

REAL ESTATE ANALYSIS DIVISION

July 22, 2025

PROPERTY IDENTIFICATION		RECOMMENDATION					KEY PRINCIPALS / SPONSOR	
Application #	25271	TDHCA Program	Request	Recommended			<ul style="list-style-type: none"> • G2 Equity Inc. (90%) Kanwarjit Ronnie Gyani • BETCO Consulting, LLC (10%) Lora Myrick, Bruce J. Spitzengel 	
Development	Lofts at Birdwell	FHTC (9% Credit)	\$1,125,000	\$1,125,000	\$28,846/Unit	\$0.78		
City / County	Big Spring / Howard							
Region/Area	12 / Rural							
Population	General							
Set-Aside	General						Related Parties Contractor - No Seller - No	
Activity	New Construction							

TYPICAL BUILDING ELEVATION/PHOTO					

UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	12	31%	30%	-	0%
2	27	69%	40%	-	0%
3	-	0%	50%	-	0%
4	-	0%	60%	39	100%
			70%	-	0%
			80%	-	0%
			MR	-	0%
TOTAL	39	100%	TOTAL	39	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	✓ 1.34	Expense Ratio	✓ 58.1%
Breakeven Occ.	✓ 82.6%	Breakeven Rent	\$854
Average Rent	\$958	B/E Rent Margin	✓ \$105
Property Taxes	\$872/unit	Exemption/PILOT	0%
Total Expense	\$6,273/unit	Controllable	\$3,859/unit

MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)			✓ 7.0%
Highest Unit Capture Rate	✓ 19%	2 BR/60%	27
Dominant Unit Cap. Rate	✓ 19%	2 BR/60%	27
Premiums (↑80% Rents)	N/A		
Rent Assisted Units	N/A		

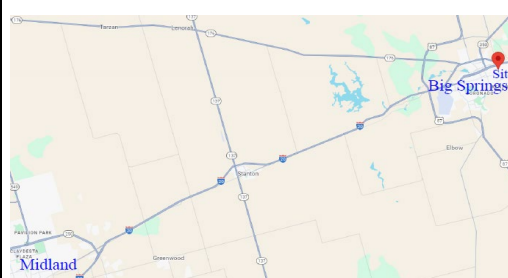
DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	800 SF	Density	11.4/acre
Acquisition		\$12K/unit	\$461K
Building Cost	\$118.31/SF	\$95K/unit	\$3,690K
Hard Cost		\$151K/unit	\$5,892K
Total Cost		\$286K/unit	\$11,170K
Developer Fee	\$1,722K	(40% Deferred)	Paid Year: 14
Contractor Fee	\$825K	30% Boost	Yes

SITE PLAN	

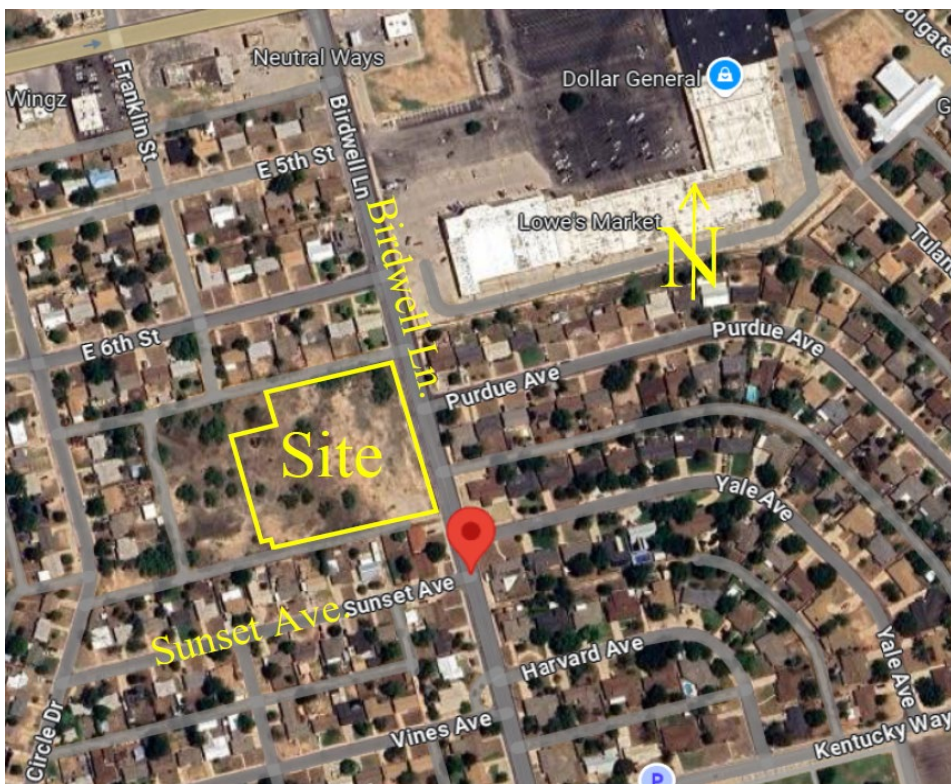
DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
KeyBank	15/35	7.00%	\$1,715,000	1.34						Raymond James	\$8,774,123	
				Lofts at Birdwell Development, LLC						\$680,756		
				TOTAL EQUITY SOURCES						\$9,454,879		
				TOTAL DEBT SOURCES	\$1,715,000						TOTAL CAPITALIZATION	\$11,169,879
TOTAL DEBT (Must Pay)				\$1,715,000	CASH FLOW DEBT / GRANTS					\$0		

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.

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫	1.34 DCR
▫	7% Gross Capture Rate
▫	Developer Experience
WEAKNESSES/RISKS	
▫	Low Projected 15-yr cash flow
▫	Construction Cost Risk
AREA MAP	
	

AERIAL PHOTOGRAPH(s)





DEVELOPMENT IDENTIFICATION

TDHCA Application #: **25271** Program(s): **9% HTC**

Lofts at Birdwell

Address/Location: ~130 ft. N. of NWC of Sunset Ave. & Birdwell Ln.

City: Big Spring County: Howard Zip: 79720

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

Activity: New Construction Building Type: Garden (Up to 4-story) Region: 12

Low-Income: Average Income

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
FHTC (9% Credit)	\$1,125,000				\$1,125,000						

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	39

DEVELOPMENT SUMMARY

Development will be a garden style family community comprised of 12 one-bedroom units and 27 two bedroom units, targeting residents at 60% AMI. The complex will have 2 one-story buildings and 1 one-story building along with a stand-alone clubhouse situated on 3.429 acres of land located along Birdwell Lane in Big Spring, Texas. This is Phase One with Phase Two being 25194 Big Spring Lofts, a 39 unit elderly limitation development located adjacent to the west of this development.

RISK PROFILE

STRENGTHS/MITIGATING FACTORS	
▫	1.34 DCR
▫	7% Gross Capture Rate
▫	Developer Experience

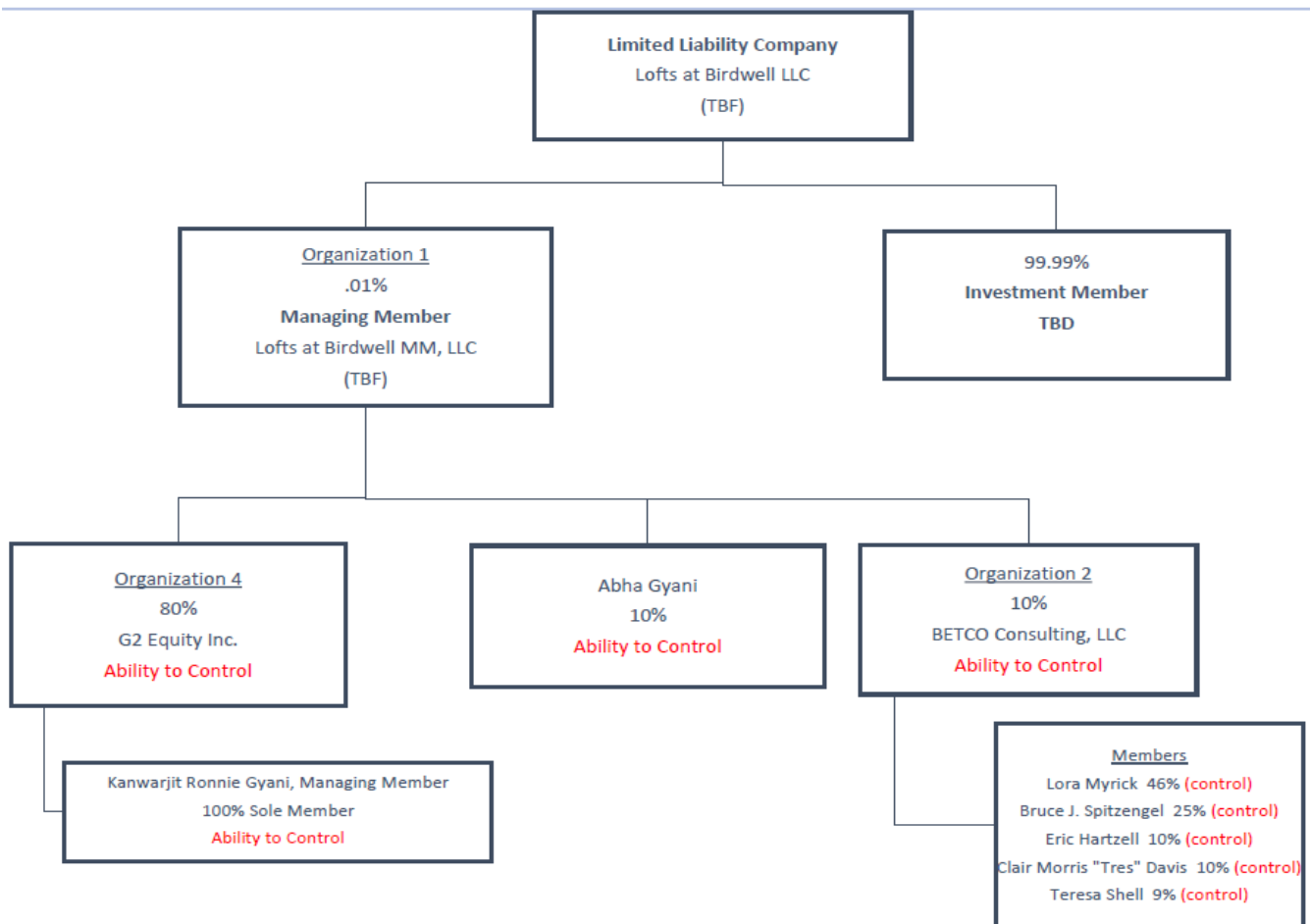
WEAKNESSES/RISKS	
▫	Low Projected 15-yr cash flow
▫	Construction Cost Risk
▫	

DEVELOPMENT TEAM

OWNERSHIP STRUCTURE

Organizational Chart Lofts at Birdwell

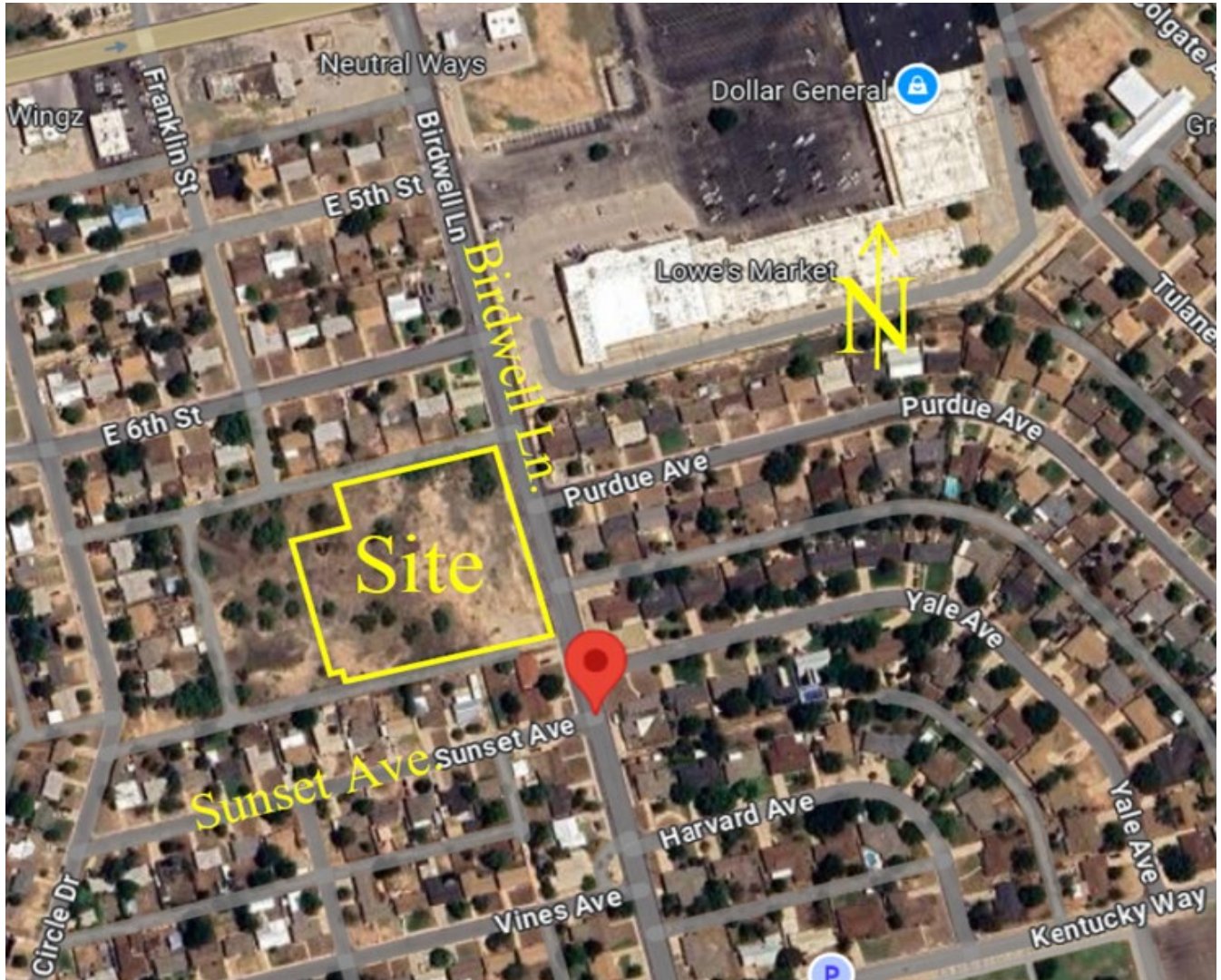
Owner Chart



DEVELOPMENT SUMMARY

SITE PLAN





Comments:

The project will have a total of 91 open surface spaces, which meets zoning requirements. All parking will be provided at no charge to the residents.

BUILDING ELEVATION



BUILDING CONFIGURATION

Building Type	A	B	C										Total Buildings	
Floors/Stories	2	2	1											
Number of Bldgs	1	1	1											3
Units per Bldg	16	16	7											
Total Units	16	16	7										39	
Avg. Unit Size (SF)		800 sf		Total NRA (SF)				31,190		Common Area (SF)*			6,043	

*Common Area Square Footage as specified on Architect Certification

SITE CONTROL INFO

Site Acreage: Development Site: 3.429 acres Density: 11.4 units/acre
Site Control: ~4.758 acres **Site Plan:** ~3.42 acres **Appraisal:** n/a **ESA:** 4.758 acres
Feasibility Report Survey: 3.429 acres **Feasibility Report Engineer's Plan:** 3.429 **Existing LURA:** n/a

Control Type: Commercial Contract - Unimproved Property

Tract 1: 4.761 acres Cost: \$625,000 Seller: Big Spring Multi Family #1, LP

Total Acquisition: 4.761 acres Cost: \$625,000

Development Site: 3.429 acres Cost: \$460,945 \$11,819 per unit

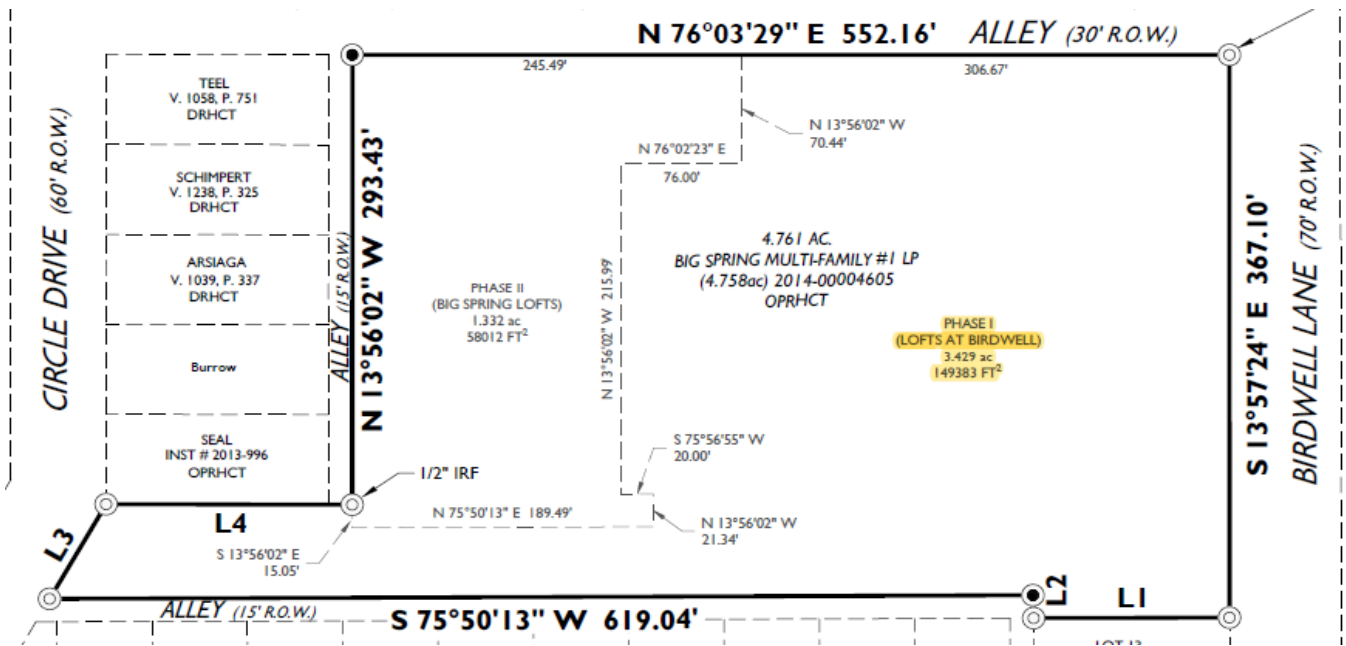
Seller: Big Spring Multi Family #1, LP

Buyer: G2 Equity, Inc, or Assigns

Related-Party Seller/Identity of Interest: No

Comments:

The \$625K cost is for the full 4.761 acres being purchased under one contract that is to be used for 2 contiguous development sites. The 3.429 acre portion is for this development site, which is Phase One. The cost has been prorated. Phase Two is covered under Application 25194 Big Springs Lofts.



SITE INFORMATION

Flood Zone:	<u>Zone X</u>	Scattered Site?	<u>No</u>
Zoning:	<u>MF - Multifamily Dwelling Dist.</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>Yes</u>

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Aspen EnvironmentalDate: 2/9/2025

Recognized Environmental Conditions (RECs) and Other Concerns:

- None

Comments:

An underground natural gas supply line was noted in the alleyway on the south side of the property.

MARKET ANALYSIS

Provider: NovogradacDate: 2/17/2025

Primary Market Area (PMA): 905 sq. miles 17 mile equivalent radius

AFFORDABLE HOUSING INVENTORY

Competitive Supply (Proposed, Under Construction, and Unstabilized)

File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
23171	The Trails at Big Spring	Yes	New	General	18	48
Stabilized Affordable Developments in PMA						Total Units 577
						Total Developments 6
						Average Occupancy 95.9%

Comments:

Market analyst stated that they were unaware of any proposed or unstabilized competitive units that were located in close proximity to the Subject's PMA that share eligible demand or have overlapping census tracts. As such, the market study has not included any competitive units located outside the PMA in the relevant supply.

OVERALL DEMAND ANALYSIS

	Market Analyst			
	HTC	Assisted		
Total Households in the Primary Market Area	11,361			
Potential Demand from the Primary Market Area	737			
10% External Demand	74			
Potential Demand from Other Sources	0			
GROSS DEMAND	811			
Subject Affordable Units	39			
Unstabilized Competitive Units	18			
RELEVANT SUPPLY	57			
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	7.0%			

Population:

General

Market Area:

Rural

Maximum Gross Capture Rate:

30%

UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND									
AMGI Band	Market Analyst								
	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate				
60% AMGI	737	74	39	18	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/60%	171	17	12	1	6.9%				
2 BR/60%	209	21	27	17	19.1%				

Market Analyst Comments:

The comparable properties reported vacancy rates ranging from 1.5 to 7.7 percent, with an overall weighted average of 4.6 percent. The average vacancy rate reported by the affordable comparables was 2.7 percent, well below the 5.7 percent weighted average reported by the market rate properties.

All of the market rate properties reported vacancy rates of 7.7 percent or less. Big Spring Ranch has been excluded from total vacancy calculations due the property combining two existing adjacent affordable developments (Knollwood Heights and The Heights Apartments) under new ownership as one affordable development (Big Spring Ranch); as such, vacant units are being held vacant to undergo renovations.

Based on the performance of the comparables, we expect the Subject will operate with a vacancy rate of approximately five percent over a typical investment period. (p.93/143)

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)

NOI:	\$176,745	Avg. Rent:	\$958	Expense Ratio:	58.1%
Debt Service:	\$131,477	B/E Rent:	\$854	Controllable Expenses:	\$3,859
Net Cash Flow:	\$45,268	UW Occupancy:	92.5%	Property Taxes/Unit:	\$872
Aggregate DCR:	1.34	B/E Occupancy:	82.6%	Program Rent Year:	2024

Underwriter primarily relied on the TDHCA Database to project expenses. Total expenses vary less than 3% from Applicant's budget. Furthermore, Underwriter's estimated NOI varies less than 5% from Applicant's budget. Therefore, Applicant's expenses and NOI are used in the analysis.

Applicant provided a staffing plan to support the payroll expense of \$65K.

Applicant provided an insurance quote to support the property insurance expense of \$32K (\$821/unit).

Residual 15-year cash flow is \$106K after deferred developer fee is paid off in Year 14.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)

Acquisition	\$134,426/ac	\$11,819/unit	\$460,945	Contractor Fee	\$824,859
Off-site + Site Work		\$47,051/unit	\$1,835,000	Soft Cost + Financing	\$2,082,270
Building Cost	\$118.31/sf	\$94,621/unit	\$3,690,211	Developer Fee	\$1,721,882
Contingency	6.64%	\$9,401/unit	\$366,640	Reserves	\$188,072

Total Development Cost	\$286,407/unit	\$11,169,879	Rehabilitation Cost	N/A
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Qualified for 30% Basis Boost?	Rural [9% only]
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Building Cost:

Underwriter estimated building cost using Marshall and Swift's "Average Quality" Base Cost. This resulted in an estimate of \$96K/unit (\$120/sf) as compared to Applicant's budget of \$94K/unit (\$118/sf). The difference only equates to a 1.5% variance.

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

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$11,169,879	\$9,989,292	\$1,168,747

UNDERWRITTEN CAPITALIZATION

INTERIM SOURCES

Funding Source	Description	Amount	Rate	LTC
KeyBank	Construction / Perm Loan	\$8,400,000	8.00%	75%
Raymond James	FHTC	\$1,754,825	\$0.78	16%
Lofts at Birdwell Development, LLC	DDF	\$1,015,054	0.00%	9%
		\$11,169,879	Total Sources	

PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
KeyBank	\$1,715,000	7.00%	35	15.0	\$1,715,000	7.00%	35	15.0	15%
Total	\$1,715,000				\$1,715,000				

	PROPOSED			UNDERWRITTEN			
Equity & Deferred Fees	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Raymond James	\$8,774,123	\$0.78		\$8,774,123	\$0.78	79%	
Lofts at Birdwell Development, LLC	\$680,756		40%	\$680,756		6%	40%
	Total	\$9,454,879		\$9,454,879			
				\$11,169,879	Total Sources		

Credit Price Sensitivity based on current capital structure

\$0.840	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.770	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Gap Analysis:

Total Development Cost	\$11,169,879
Permanent Sources (debt + non-HTC equity)	\$1,715,000
Gap in Permanent Financing	\$9,454,879

Possible Tax Credit Allocations:

	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$9,115,317	\$1,168,747
Needed to Balance Sources & Uses	\$9,454,879	\$1,212,285
Requested by Applicant	\$8,774,123	\$1,125,000

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$8,774,123	\$1,125,000

Deferred Developer Fee	\$680,756	(40% deferred)
Repayable in	14 years	

Recommendation:

Underwriter recommends \$1,125,000 in annual 9% Housing Tax Credits as requested by the Applicant.

Underwriter:

Deborah Willson

Manager of Real Estate Analysis:

Gregg Kazak

Director of Real Estate Analysis:

Jeanna Adams

UNIT MIX/RENT SCHEDULE
<i>Lofts at Birdwell, Big Spring, 9% HTC #25271</i>

LOCATION DATA	
CITY:	Big Spring
COUNTY:	Howard
Area Median Income	\$85,100
PROGRAM REGION:	12
PROGRAM RENT YEAR:	2024

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	SHTC	Match
Eff	-	0.0%	0	0	0	0
1	12	30.8%	0	0	0	0
2	27	69.2%	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	39	100.0%	-	-	-	-

PRO FORMA ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100.00%
APP % Acquisition	9.00%
APP % Construction	9.00%
Average Unit Size	800 sf

60%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	-	-	-	39	-	-	-	39
Income	% Total	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	
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 60%	\$927	12	1	1	660	\$927	\$80	\$847	\$0	\$1.28	\$847	\$10,164	\$10,164	\$847	\$1.28	\$0	\$1,350	\$1,350
TC 60%	\$1,113	26	2	2	861	\$1,113	\$105	\$1,008	\$0	\$1.17	\$1,008	\$26,208	\$26,208	\$1,008	\$1.17	\$0	\$1,650	\$1,650
TC 60%	\$1,113	1	2	2	884	\$1,113	\$105	\$1,008	\$0	\$1.14	\$1,008	\$1,008	\$1,008	\$1,008	\$1.14	\$0	\$1,660	\$1,660
TOTALS/AVERAGES:		39			31,190				\$0	\$1.20	\$958	\$37,380	\$37,380	\$958	\$1.20	\$0	\$1,558	\$1,558

ANNUAL POTENTIAL GROSS RENT:	\$448,560	\$448,560	
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*MFDL units float among Unit Types

STABILIZED PRO FORMA
<i>Lofts at Birdwell, Big Spring, 9% HTC #25271</i>

STABILIZED FIRST YEAR PRO FORMA													
COMPARABLES				APPLICANT				TDHCA				VARIANCE	
Database	Local Comps			% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$1.20	\$958	\$448,560	\$448,560	\$958	\$1.20		0.0%	\$0
App Fees, NSF, vending						\$15.00	\$7,020						
Total Secondary Income						\$15.00		\$7,020	\$15.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$455,580	\$455,580				0.0%	\$0
Vacancy & Collection Loss						7.5% PGI	(34,169)	(34,169)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME							\$421,412	\$421,412				0.0%	\$0

General & Administrative	\$21,033	\$539/Unit	\$20,185	\$518	6.05%	\$0.82	\$654	\$25,500	\$21,033	\$539	\$0.67	4.99%	21.2%	4,467
Management	\$21,039	5.9% EGI	\$22,419	\$575	4.00%	\$0.54	\$432	\$16,856	\$16,856	\$432	\$0.54	4.00%	0.0%	-
Payroll & Payroll Tax	\$50,040	\$1,283/Unit	\$68,974	\$1,769	15.42%	\$2.08	\$1,667	\$65,000	\$65,000	\$1,667	\$2.08	15.42%	0.0%	-
Repairs & Maintenance	\$31,182	\$800/Unit	\$23,663	\$607	6.64%	\$0.90	\$718	\$28,000	\$25,350	\$650	\$0.81	6.02%	10.5%	2,650
Electric/Gas	\$6,968	\$179/Unit	\$9,961	\$255	1.66%	\$0.22	\$179	\$7,000	\$6,968	\$179	\$0.22	1.65%	0.5%	32
Water, Sewer, & Trash	\$27,768	\$712/Unit	\$38,494	\$987	5.93%	\$0.80	\$641	\$25,000	\$27,768	\$712	\$0.89	6.59%	-10.0%	(2,768)
Property Insurance	\$27,300	\$0.88 /sf	\$23,854	\$612	7.59%	\$1.03	\$821	\$32,000	\$32,000	\$821	\$1.03	7.59%	0.0%	-
Property Tax (@ 100%) 2.694440	\$21,564	\$553/Unit	\$14,321	\$367	8.07%	\$1.09	\$872	\$34,000	\$45,661	\$1,171	\$1.46	10.84%	-25.5%	(11,661)
Reserve for Replacements					2.31%	\$0.31	\$250	\$9,750	\$9,750	\$250	\$0.31	2.31%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.37%	\$0.05	\$40	\$1,560	\$1,560	\$40	\$0.05	0.37%	0.0%	-
TOTAL EXPENSES					58.06%	\$7.84	\$6,273	\$244,666	\$251,948	\$6,460	\$8.08	59.79%	-2.9%	\$ (7,281)
NET OPERATING INCOME ("NOI")					41.94%	\$5.67	\$4,532	\$176,745	\$169,464	\$4,345	\$5.43	40.21%	4.3%	\$ 7,281

CONTROLLABLE EXPENSES							\$3,859/Unit				\$3,747/Unit			
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Lofts at Birdwell, Big Spring, 9% HTC #25271

		DEBT / GRANT SOURCES													
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE							AS UNDERWRITTEN DEBT/GRANT STRUCTURE						
		Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Term	Amort	Rate	Pmt	Cumulative	
UW	App	DCR	LTC												
DEBT (Must Pay)	Fee	1.29	1.34	131,477	7.00%	35	15	\$1,715,000	\$1,715,000	15	35	7.00%	\$131,477	1.34	15.4%
				\$131,477	TOTAL DEBT / GRANT SOURCES			\$1,715,000	\$1,715,000	TOTAL DEBT SERVICE			\$131,477	1.34	15.4%
NET CASH FLOW		\$37,987	\$45,268	APPLICANT NET OPERATING INCOME \$176,745 \$45,268 NET CASH FLOW											

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
Raymond James	LIHTC Equity	78.6%	\$1,125,000	\$0.78	\$8,774,123	\$8,774,123	\$0.78	\$1,125,000	78.6%	\$28,846	Applicant Request
Lofts at Birdwell Development, LLC	Deferred Developer Fees	6.1%	(40% Deferred)		\$680,756	\$680,756	(40% Deferred)		6.1%	Total Developer Fee:	\$1,721,882
Additional (Excess) Funds Req'd		0.0%				\$0			0.0%		
TOTAL EQUITY SOURCES		84.6%			\$9,454,879	\$9,454,879			84.6%		
TOTAL CAPITALIZATION					\$11,169,879	\$11,169,879	15-Yr Cash Flow after Deferred Fee:			\$106,215	

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		\$11,819 / Unit	\$460,945	\$460,945	\$11,819 / Unit					0.0%	\$0
Building Acquisition	\$0	\$ / Unit	\$0	\$0	\$ / Unit				\$0	0.0%	\$0
Off-Sites	\$0	\$6,410 / Unit	\$250,000	\$250,000	\$6,410 / Unit			\$0		0.0%	\$0
Site Work	\$1,447,500	\$38,077 / Unit	\$1,485,000	\$1,485,000	\$38,077 / Unit			\$1,447,500		0.0%	\$0
Site Amenities	\$100,000	\$2,564 / Unit	\$100,000	\$100,000	\$2,564 / Unit			\$100,000		0.0%	\$0
Building Cost	\$3,690,211	\$118.31 /sf	\$94,621/Unit	\$3,690,211	\$3,744,733	\$96,019/Unit	\$120.06 /sf	\$3,690,211		-1.5%	(\$54,522)
Contingency	\$366,640	7.00%	6.64%	\$366,640	\$366,640	6.57%	7.00%	\$366,640		0.0%	\$0
Contractor Fees	\$784,609	14.00%	14.00%	\$824,859	\$824,859	13.87%	14.00%	\$784,609		0.0%	\$0
Soft Costs	\$0	\$916,000	\$23,705 / Unit	\$924,500	\$924,500	\$23,705 / Unit		\$916,000	\$0	0.0%	\$0
Financing	\$0	\$1,019,450	\$29,686 / Unit	\$1,157,770	\$1,157,770	\$29,686 / Unit		\$1,019,450	\$0	0.0%	\$0
Developer Fee	\$0	\$1,664,882	20.00%	19.99%	\$1,721,882	\$1,721,882	19.87%	20.00%	\$1,664,882	\$0	\$0
Reserves			6 Months	\$188,072	\$188,072	6 Months				0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$9,989,292	\$286,407 / Unit	\$11,169,879	\$11,224,401	\$287,805 / Unit	\$9,989,292	\$0	-0.5%	(\$54,522)
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	\$9,989,292	\$286,407/unit	\$11,169,879	\$11,224,401	\$287,805/unit	\$9,989,292	\$0	-0.5%	(\$54,522)
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$11,169,879					

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Lofts at Birdwell, Big Spring, 9% HTC #25271

CREDIT CALCULATION ON QUALIFIED BASIS				
Applicant		TDHCA		
Acquisition	Construction Rehabilitation	Acquisition	Construction	
ADJUSTED BASIS	\$0	\$9,989,292	\$0	\$9,989,292
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$9,989,292	\$0	\$9,989,292
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$12,986,079	\$0	\$12,986,079
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$12,986,079	\$0	\$12,986,079
Applicable Percentage	9.00%	9.00%	9.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,168,747	\$0	\$1,168,747
CREDITS ON QUALIFIED BASIS	\$1,168,747		\$1,168,747	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.7799	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,168,747	\$9,115,317	----	----	----
Needed to Fill Gap	\$1,212,285	\$9,454,879	----	----	----
Applicant Request	\$1,125,000	\$8,774,123	\$1,125,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	31,190 SF	\$98.59	3,074,931
Adjustments				
Exterior Wall Finish	2.64%		2.60	\$81,178
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.33%		3.28	102,395
Roof Adjustment(s)			0.91	28,328
Subfloor			(1.77)	(55,104)
Floor Cover			3.75	116,963
Breezeways	\$51.85	4,041	6.72	209,519
Balconies	\$47.40	634	0.96	30,052
Plumbing Fixtures	\$1,460	81	3.79	118,260
Rough-ins	\$715	78	1.79	55,770
Built-In Appliances	\$2,200	39	2.75	85,800
Exterior Stairs	\$4,250	4	0.55	17,000
Heating/Cooling			4.11	128,191
Storage Space	\$51.85	0	0.00	0
Carports	\$21.40	0	0.00	0
Garages	\$41.00	0	0.00	0
Common/Support Area	\$148.28	1,368	6.50	202,853
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$4.60	36,599	5.40	168,355
SUBTOTAL			139.93	4,364,491
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			139.93	\$4,364,491
Plans, specs, survey, bldg permits	3.10%		(4.34)	(\$135,299)
Contractor's OH & Profit	11.10%		(15.53)	(484,458)
NET BUILDING COSTS		\$96,019/unit	\$120.06/sf	\$3,744,733

Long-Term Pro Forma

Lofts at Birdwell, Big Spring, 9% HTC #25271

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$421,412	\$429,840	\$438,437	\$447,205	\$456,149	\$503,626	\$556,044	\$613,917	\$677,814	\$748,361	\$826,251
TOTAL EXPENSES	3.00%	\$244,666	\$251,838	\$259,221	\$266,822	\$274,648	\$317,385	\$366,825	\$424,023	\$490,203	\$566,784	\$655,405
NET OPERATING INCOME ("NOI")		\$176,745	\$178,002	\$179,215	\$180,383	\$181,501	\$186,240	\$189,219	\$189,894	\$187,611	\$181,578	\$170,846
EXPENSE/INCOME RATIO		58.1%	58.6%	59.1%	59.7%	60.2%	63.0%	66.0%	69.1%	72.3%	75.7%	79.3%
MUST -PAY DEBT SERVICE												
KeyBank		\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477
TOTAL DEBT SERVICE		\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477	\$131,477
DEBT COVERAGE RATIO		1.34	1.35	1.36	1.37	1.38	1.42	1.44	1.44	1.43	1.38	1.30
ANNUAL CASH FLOW												
Deferred Developer Fee Balance		\$635,487	\$588,962	\$541,223	\$492,317	\$442,292	\$177,344	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$106,215	\$397,995	\$684,563	\$948,811	\$1,169,213