Real Estate Analysis Division
October 21, 2025

Addendum to Underwriting Report

TDHCA Application #: **25163** Program(s): **9% HTC**

Landmark on Cypress

Address/Location: 301 Cypress St

City: Abilene County: Taylor Zip: 79601

	APPLICATION HISTORY
Report Date	**PURPOSE**
10/21/25	**Amendment**
07/09/25	Original Housing Tax Credit Award

ALLOCATION

	Previous Allocation				RECOMMENDATION							
TDHCA Program	**Amount**	**Int. Rate**	**Amort**	**Term**	**Amount**	**Int. Rate**	**Amort**	**Perm. Term**	**Perm. Lien**	**Const. Term**	**Const. Lien**
FHTC (9% Credit)	$1,109,841				**$1,109,841**						

CONDITIONS STATUS

- Receipt and acceptance by Cost Certification:
  - a: Certification of comprehensive testing for asbestos and lead-based paint; that any appropriate abatement procedures were implemented; and that any remaining asbestos-containing materials and lead-based paint are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.
  - b: Certification that lead in the drinking water has been tested for, and any appropriate abatement procedures were implemented.
  - c: Certification that subsurface environmental investigation was performed as specified in the ESA, and if necessary, that any recommended mitigation measures were fully implemented.

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

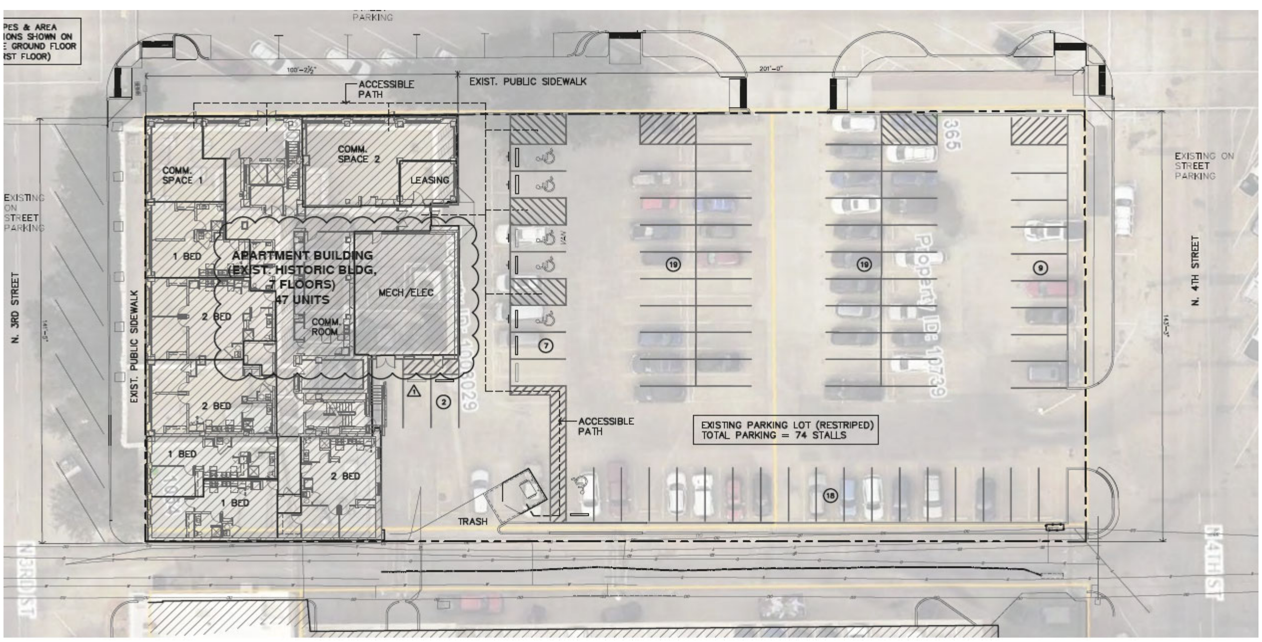
TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	4
50% of AMI	50% of AMI	8
60% of AMI	60% of AMI	28

ANALYSIS

In July 2025, 25163 Landmark on Cypress was awarded a tax credit allocation of $1,139,031. At the time of application, the developer was under the assumption that the existing mechanical equipment in the building could be moved. This room contains the domestic water and fire services and includes a water pump for the fire suppression systems. Upon further analysis, it was determined that the equipment not only needs to remain, but will need to increase in size due to the new building occupancy. Thus, because this equipment must remain accessible, the space cannot be utilized for dwelling units.

At application, 49 units were proposed, with 12 efficiencies, 22 one bedrooms and 15 two bedrooms, for a total NRA of 34,733 SF. The number of efficiencies and two bedrooms will remain the same and the number of two bedrooms will decrease by two. The new unit breakdown will be 12 efficiencies, 20 one bedrooms and 15 two bedrooms. Some of the 1 bedrooms have decreased in size by ~2-3 square feet and the new NRA will be 33,396 SF, a reduction of ~3.85%. The number of low income units will not change but the number of market rate units will decrease from 9 to 7 units.

New Site Plan



Operating Pro Forma

2025 rents are now being used.

Due to the increase in rents, even though there has been a decrease in units, total income has increased by $16,394.

Applicant's total expenses have increased by $2,578 and Net Operating Income has increased by $13,816.

Development Cost

Building costs have decreased by $271K, while contingency has increased by $172K. This offset has led to a decrease of total development costs by $129,716.

Sources of Funds

MHEG's equity contribution has decreased by $242K, State Historic Credits have decreased by $110K, while Federal Historic Credits have increased by $39K and deferred developer fee has increased by $183K. Total sources have decreased by $129K.

Underwriter recommends an annual tax credit allocation of $1,109,841 as previously awarded.

Underwriter:	*Jeffrey Price*
Manager of Real Estate Analysis:	*Diamond Unique Thompson*
Director of Real Estate Analysis:	*Jeanna Adams*

UNIT MIX/RENT SCHEDULE

Landmark on Cypress, Abilene, 9% HTC #25163

LOCATION DATA	
CITY:	Abilene
COUNTY:	Taylor
Area Median Income	$87,300
PROGRAM REGION:	2
PROGRAM RENT YEAR:	2024

UNIT DISTRIBUTION

# Beds	# Units	% Total	Assisted	MDL	SHTC	Match
Eff	12	25.5%	0	0	0	0
1	20	42.6%	0	0	0	0
2	15	31.9%	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	**47**	**100.0%**	-	-	-	-

PRO FORMA ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	83.31%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	711 sf

55% Average Income	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
	# Units	-	4	-	8	28	-	-	7	**47**
	% Total	0.0%	8.5%	0.0%	17.0%	59.6%	0.0%	0.0%	14.9%	**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%	$459	1	0	1	524	$459	$63	$396	$0	$0.76	$396	**$396**	**$396**	$396	$0.76	$0	$1,000	$1.91	$1,000
TC 50%	$765	3	0	1	524	$765	$63	$702	$0	$1.34	$702	**$2,106**	**$2,106**	$702	$1.34	$0	$1,000	$1.91	$1,000
TC 60%	$918	7	0	1	524	$918	$63	$855	$0	$1.63	$855	**$5,985**	**$5,985**	$855	$1.63	$0	$1,000	$1.91	$1,000
MR		1	0	1	524	$0	$63		NA	$2.02	$1,056	**$1,056**	**$1,056**	$1,056	$2.02	NA	$1,056	$2.02	$1,000
TC 30%	$491	1	1	1	616	$491	$73	$418	$0	$0.68	$418	**$418**	**$418**	$418	$0.68	$0	$1,175	$1.91	$1,175
TC 50%	$819	2	1	1	616	$819	$73	$746	$0	$1.21	$746	**$1,492**	**$1,492**	$746	$1.21	$0	$1,175	$1.91	$1,175
TC 60%	$983	12	1	1	616	$983	$73	$910	$0	$1.48	$910	**$10,920**	**$10,920**	$910	$1.48	$0	$1,175	$1.91	$1,175
MR		1	1	1	616	$0	$73		NA	$1.83	$1,130	**$1,130**	**$1,130**	$1,130	$1.83	NA	$1,130	$1.83	$1,175
TC 30%	$491	1	1	1	684	$491	$73	$418	$0	$0.61	$418	**$418**	**$418**	$418	$0.61	$0	$1,210	$1.77	$1,210
TC 50%	$819	1	1	1	684	$819	$73	$746	$0	$1.09	$746	**$746**	**$746**	$746	$1.09	$0	$1,210	$1.77	$1,210
TC 60%	$983	1	1	1	684	$983	$73	$910	$0	$1.33	$910	**$910**	**$910**	$910	$1.33	$0	$1,210	$1.77	$1,210
MR		1	1	1	810	$0	$73		NA	$1.40	$1,130	**$1,130**	**$1,130**	$1,130	$1.40	NA	$1,130	$1.40	$1,265
TC 30%	$589	1	2	1	876	$589	$98	$491	$0	$0.56	$491	**$491**	**$491**	$491	$0.56	$0	$1,250	$1.43	$1,250
TC 50%	$982	1	2	1	876	$982	$98	$884	$0	$1.01	$884	**$884**	**$884**	$884	$1.01	$0	$1,250	$1.43	$1,250
TC 60%	$1,179	3	2	1	876	$1,179	$98	$1,081	$0	$1.23	$1,081	**$3,243**	**$3,243**	$1,081	$1.23	$0	$1,250	$1.43	$1,250
MR		2	2	1	876	$0	$98		NA	$1.55	$1,356	**$2,712**	**$2,712**	$1,356	$1.55	NA	$1,356	$1.55	$1,250
TC 50%	$982	1	2	1	1,033	$982	$98	$884	$0	$0.86	$884	**$884**	**$884**	$884	$0.86	$0	$1,305	$1.26	$1,305
TC 60%	$1,179	5	2	1	1,033	$1,179	$98	$1,081	$0	$1.05	$1,081	**$5,405**	**$5,405**	$1,081	$1.05	$0	$1,305	$1.26	$1,305
MR		2	2	1	1,033	$0	$98		NA	$1.31	$1,356	**$2,712**	**$2,712**	$1,356	$1.31	NA	$1,356	$1.31	$1,305
TOTALS/AVERAGES:		**47**			**33,396**				**$0**	**$1.29**	**$916**	**$43,038**	**$43,038**	**$916**	**$1.29**	**$0**	**$1,172**	**$1.65**	**$1,168**
ANNUAL POTENTIAL GROSS RENT:												**$516,456**	**$516,456**						

MFDL units float among Unit Types

STABILIZED PRO FORMA

Landmark on Cypress, Abilene, 9% HTC #25163

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES				APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database		County Comps		% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	$
POTENTIAL GROSS RENT						$1.29	$916	$516,456	$498,013	$498,013	$516,456	$916	$1.29		0.0%	$0
late fees, app fees, retained deposits							$30.00	$16,920	17,640							
Total Secondary Income							$30.00			17,640	$16,920	$30.00			0.0%	$0
POTENTIAL GROSS INCOME								$533,376	$515,653	$515,653	$533,376				0.0%	$0
Vacancy & Collection Loss							7.5% PGI	(40,003)	(38,674)	(38,674)	(40,003)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME								$493,373	$476,979	$476,979	$493,373				0.0%	$0
General & Administrative	$24,456	$520/Unit	$22,477	$478	4.05%	$0.60	$425	$19,975	$20,825	$23,433	$22,477	$478	$0.67	4.56%	-11.1%	(2,502)
Management	$23,729	5.9% EGI	$27,686	$589	5.00%	$0.74	$525	$24,669	$23,849	$23,849	$24,669	$525	$0.74	5.00%	0.0%	0
Payroll & Payroll Tax	$64,485	$1,372/Unit	$70,454	$1,499	13.10%	$1.94	$1,375	$64,625	$67,375	$67,375	$64,625	$1,375	$1.94	13.10%	0.0%	-
Repairs & Maintenance	$36,640	$780/Unit	$47,460	$1,010	6.19%	$0.91	$650	$30,550	$31,850	$31,850	$30,550	$650	$0.91	6.19%	0.0%	-
Electric/Gas	$10,730	$228/Unit	$6,520	$139	2.28%	$0.34	$240	$11,270	$12,250	$11,174	$10,730	$228	$0.32	2.17%	5.0%	540
Water, Sewer, & Trash	$32,841	$699/Unit	$40,446	$861	5.72%	$0.84	$600	$28,200	$29,400	$34,239	$32,841	$699	$0.98	6.66%	-14.1%	(4,641)
Property Insurance	$34,398	$1.03 /sf	$31,041	$660	8.57%	$1.27	$900	$42,300	$44,100	$32,361	$31,041	$660	$0.93	6.29%	36.3%	11,259
Property Tax (@ 100%) 2.3017	$22,051	$469/Unit	$36,228	$771	7.61%	$1.12	$799	$37,551	$26,313	$37,770	$36,228	$771	$1.08	7.34%	3.7%	1,323
Reserve for Replacements					2.86%	$0.42	$300	$14,100	$14,700	$14,700	$14,100	$300	$0.42	2.86%	0.0%	-
TDHCA Compliance fees ($40/HTC unit)					0.32%	$0.05	$34	$1,600	$1,600	$1,600	$1,600	$34	$0.05	0.32%	0.0%	-
Learning center					2.28%	$0.34	$239	$11,250	$11,250	$11,250	$11,250	$239	$0.34	2.28%	0.0%	-
TOTAL EXPENSES					**57.99%**	**$8.57**	**$6,087**	**$286,090**	**$283,512**	**$289,602**	**$280,111**	**$5,960**	**$8.39**	**56.77%**	**2.1%**	**$ 5,979**
NET OPERATING INCOME ("NOI")					**42.01%**	**$6.21**	**$4,410**	**$207,283**	**$193,467**	**$187,378**	**$213,262**	**$4,537**	**$6.39**	**43.23%**	**-2.8%**	**$ (5,979)**
CONTROLLABLE EXPENSES							$3,290/Unit					$3,430/Unit				

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Landmark on Cypress, Abilene, 9% HTC #25163

DEBT / GRANT SOURCES

		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE									AS UNDERWRITTEN DEBT/GRANT STRUCTURE						
		Cumulative DCR							Prior Underwriting							Cumulative	
DEBT (Must Pay)	**Fee**	UW	App	Pmt	Rate	Amort	Term	Principal	Applicant	TDHCA	Principal	Term	Amort	Rate	Pmt	DCR	LTC
Legacy		1.30	1.27	163,701	7.40%	35	15.0	$2,044,890	$2,044,890	$2,044,890	$2,044,890	15.0	35.0	7.40%	$163,701	1.27	12.0%
CASH FLOW DEBT / GRANTS																	
City of Abilene		1.30	1.27		0.00%	0	0.0	$500	$500	$500	$500	0.0	0.0	0.00%		1.27	0.0%
				$163,701	**TOTAL DEBT / GRANT SOURCES**			**$2,045,390**	**$2,045,390**	**$2,045,390**	**$2,045,390**	**TOTAL DEBT SERVICE**			**$163,701**	**1.27**	12.0%
NET CASH FLOW		$49,561	$43,583								**APPLICANT**	**NET OPERATING INCOME**		**$207,283**	**$43,583**	**NET CASH FLOW**	

EQUITY SOURCES

	APPLICANT'S PROPOSED EQUITY STRUCTURE							AS UNDERWRITTEN EQUITY STRUCTURE					
						Prior Underwriting							
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Applicant	TDHCA	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
MHEG	LIHTC Equity	53.8%	$1,109,841	$0.83	$9,210,759	$9,453,012	$9,210,759	$9,210,759	$0.8299	$1,109,841	53.8%	$23,614	Applicant Request
MHEG	Federal Historic Credits	12.3%		$0.83	$2,099,056	$2,059,612	$2,059,612	$2,099,056	$0.8299		12.3%		
Commerce Bank	State Historic Credits	18.1%		$0.93	$3,094,676	$3,205,219	$3,205,219	$3,094,676	$0.9300		18.1%		
Overland Property Group	Deferred Developer Fees	2.3%	(16% Deferred)		$388,053	$204,415	$446,511	$659,357	(27% Deferred)		3.9%	**Total Developer Fee:**	**$2,427,243**
Additional (Excess) Funds Req'd		0.0%					$0	$0			0.0%		
TOTAL EQUITY SOURCES		86.5%			$14,792,544	$14,922,258	$14,922,101	$15,063,848			88.0%		

TOTAL CAPITALIZATION	**$16,837,934**	**$16,967,649**	**$16,967,492**	**$17,109,238**
15-Yr Cash Flow after Deferred Fee:	**$128,484**			

DEVELOPMENT COST / ITEMIZED BASIS

	APPLICANT COST / BASIS ITEMS							TDHCA COST / BASIS ITEMS					COST VARIANCE	
	Eligible Basis					Prior Underwriting					Eligible Basis			
	Acquisition	New Const. Rehab			**Total Costs**	Applicant	TDHCA	**Total Costs**			New Const. Rehab	Acquisition	%	$
Land Acquisition				$ / Unit	$0	$0	$0	$0	$ / Unit				0.0%	$0
Building Acquisition	$0			$29,787 / Unit	$1,400,000	$1,400,000	$1,400,000	$1,400,000	$29,787 / Unit			$0	0.0%	$0
Off-Sites				$ / Unit	$0	$0	$0	$0	$ / Unit				0.0%	$0
Site Work		$172,140		$3,663 / Unit	$172,140	$172,140	$172,140	$172,140	$3,663 / Unit		$172,140		0.0%	$0
Site Amenities		$75,000		$1,596 / Unit	$75,000	$75,000	$75,000	$75,000	$1,596 / Unit		$75,000		0.0%	$0
Building Cost		$5,369,409	$218.77 /sf	$155,447/Unit	$7,306,004	$7,577,309	$7,577,309	$7,577,309	$161,219/Unit	$226.89 /sf	$5,369,409		-3.6%	($271,305)
Contingency		$561,655	10.00%	10.00%	$755,314	$583,156	$583,156	$755,314	9.65%	10.00%	$561,655		0.0%	$0
Contractor Fees		$864,948	14.00%	14.00%	$1,163,185	$1,177,065	$1,177,065	$1,163,185	13.56%	14.00%	$864,948		0.0%	$0
Soft Costs	$0	$1,108,022		$24,107 / Unit	$1,133,022	$1,126,903	$1,126,903	$1,133,022	$24,107 / Unit		$1,108,022	$0	0.0%	$0
Financing	$0	$1,854,787		$41,622 / Unit	$1,956,235	$1,956,235	$1,956,235	$1,956,235	$41,622 / Unit		$1,854,787	$0	0.0%	$0
Developer Fee	$0	$2,001,192	20.00%	20.00%	$2,427,243	$2,452,471	$2,452,471	$2,427,243	19.56%	20.00%	$2,001,192	$0	0.0%	$0
Reserves				12 Months	$449,790	$447,370	$447,213	$449,790	12 Months				0.0%	$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)	**$0**	**$12,007,153**		$358,254 / Unit	**$16,837,933**	**$16,967,649**	**$16,967,492**	**$17,109,238**	$364,026 / Unit		**$12,007,152**	**$0**	**-1.6%**	**($271,305)**
Acquisition Cost	$0				$0	$0								
Contingency		($0)			$0	$0								
Contractor's Fee		$0			($1)	$0								
Financing Cost		$0												
Developer Fee 0.00%	$0	$0		20.00%	($0)	$0								
Reserves					$0	($157)								
ADJUSTED BASIS / COST	**$0**	**$12,007,152**		$358,254/unit	**$16,837,932**	**$16,967,492**	**$16,967,492**	**$17,109,238**	$364,026/unit		**$12,007,152**	**$0**	**-1.6%**	**($271,306)**

TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY SCR/CNA	**$17,109,238**

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Landmark on Cypress, Abilene, 9% HTC #25163

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	$0	$12,007,152	$0	$12,007,152
Deduction of Historic Credits	$0	($592,641)	$0	($592,641)
TOTAL ELIGIBLE BASIS	$0	$11,414,511	$0	$11,414,511
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	$0	$14,838,865	$0	$14,838,865
Applicable Fraction	83.31%	83.31%	83%	83%
TOTAL QUALIFIED BASIS	$0	$12,362,555	$0	$12,362,555
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	$0	$1,112,630	$0	$1,112,630
CREDITS ON QUALIFIED BASIS	$1,112,630		$1,112,630	

	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price $0.8299	Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	$1,112,630	$9,233,905	----	----	----
Needed to Fill Gap	$1,562,179	$12,964,792	----	----	----
Applicant Request	$1,109,841	$9,210,759	**$1,109,841**	**$0**	**$0**

Long-Term Pro Forma

Landmark on Cypress, Abilene, 9% HTC #25163

	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%	$493,373	$503,240	$513,305	$523,571	$534,043	$589,626	$650,995	$718,751	$793,559	$876,153	$967,344
TOTAL EXPENSES	3.00%	$286,090	$294,425	$303,007	$311,840	$320,934	$370,576	$427,972	$494,341	$571,093	$659,863	$762,544
NET OPERATING INCOME ("NOI")		**$207,283**	**$208,815**	**$210,298**	**$211,731**	**$213,109**	**$219,050**	**$223,023**	**$224,411**	**$222,467**	**$216,291**	**$204,800**
EXPENSE/INCOME RATIO		58.0%	58.5%	59.0%	59.6%	60.1%	62.8%	65.7%	68.8%	72.0%	75.3%	78.8%
MUST -PAY DEBT SERVICE												
Legacy		$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701
TOTAL DEBT SERVICE		$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701
DEBT COVERAGE RATIO		1.27	1.28	1.28	1.29	1.30	1.34	1.36	1.37	1.36	1.32	1.25
ANNUAL CASH FLOW		**$43,583**	**$45,114**	**$46,598**	**$48,030**	**$49,408**	**$55,349**	**$59,322**	**$60,710**	**$58,766**	**$52,590**	**$41,099**
Deferred Developer Fee Balance		$615,774	$570,660	$524,063	$476,032	$426,624	$161,082	$0	$0	$0	$0	$0
CUMULATIVE NET CASH FLOW		$0	$0	$0	$0	$0	$0	$128,484	$430,430	$729,648	$1,006,844	$1,237,690

25163 Landmark on Cypress - Application Summary

REAL ESTATE ANALYSIS DIVISION
July 9, 2025

PROPERTY IDENTIFICATION

Application #	**25163**
Development	**Landmark on Cypress**
City / County	**Abilene / Taylor**
Region/Area	**2 / Urban**
Population	**General**
Set-Aside	**General**
Activity	**Adaptive Re-Use**

RECOMMENDATION

TDHCA Program	Request	Recommended		
FHTC (9% Credit)	$1,139,031	$1,109,841	$22,650/Unit	$0.83

KEY PRINCIPALS / SPONSOR

Overland Property Group/April Engstrom
Owner/Developer/Guarantor

MCP Build, Inc/Pat Tolin
General Contractor

Consultant/Alyssa Carpenter

Related Parties	Contractor -	No	Seller -	No

TYPICAL BUILDING ELEVATION/PHOTO

UNIT DISTRIBUTION

# Beds	# Units	% Total
Eff	12	24%
1	22	45%
2	15	31%
3	-	0%
4	-	0%
TOTAL	49	100%

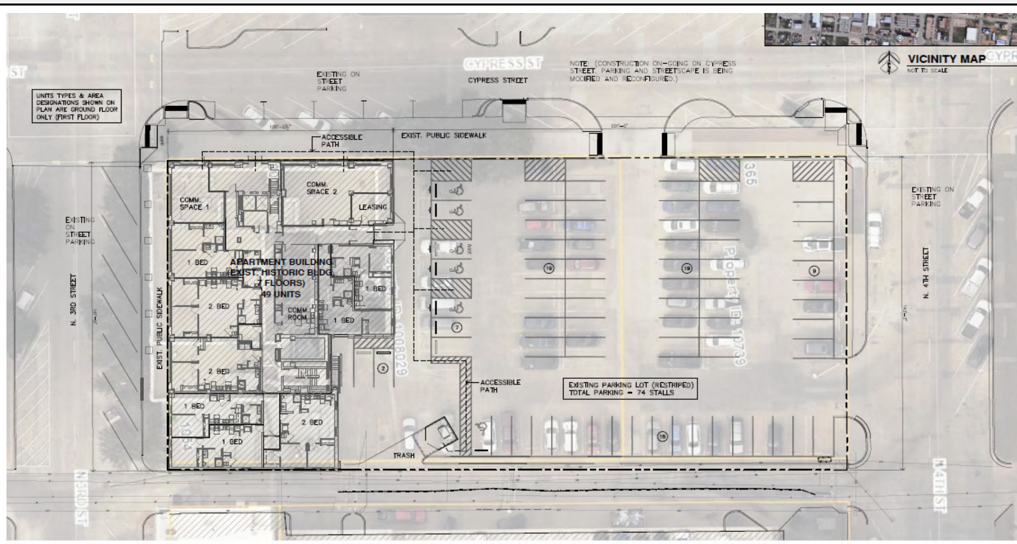
INCOME DISTRIBUTION

Income	# Units	% Total
20%	-	0%
30%	4	8%
40%	-	0%
50%	8	16%
60%	28	57%
70%	-	0%
80%	-	0%
MR	9	18%
TOTAL	49	100%

PRO FORMA FEASIBILITY INDICATORS

Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.18	Expense Ratio	59.4%
Breakeven Occ.	86.7%	Breakeven Rent	$792
Average Rent	$847	B/E Rent Margin	$55
Property Taxes	$537/unit	Exemption/PILOT	0%
Total Expense	$5,786/unit	Controllable	$3,300/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS

Gross Capture Rate (10% Maximum)		0.4%	
Highest Unit Capture Rate	1%	2 BR/50%	13
Dominant Unit Cap. Rate	1%	2 BR/50%	13
Premiums (↑80% Rents)	No		
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY

Costs Underwritten		TDHCA's Costs - Based on SCR	
Avg. Unit Size	709 SF	Density	50.5/acre
Acquisition		$29K/unit	$1,400K
Building Cost	$218.16/SF	$155K/unit	$7,577K
Hard Cost		$172K/unit	$8,408K
Total Cost		$346K/unit	$16,967K
Developer Fee	$2,452K	(18% Deferred)	Paid Year: 13
Contractor Fee	$1,177K	30% Boost	Yes

REHABILITATION COSTS / UNIT

Site Work	$4K	2%	Finishes/Fixtures	$49K	29%
Building Shell	$86K	50%	Amenities	$2K	1%
HVAC	$17K	10%	Total Exterior	$91K	57%
Appliances	$2K	1%	Total Interior	$68K	43%

DEBT (Must Pay)				
Source	Term	Rate	Amount	DCR
Legacy	15/35	7.40%	$2,044,890	1.18
TOTAL DEBT (Must Pay)			$2,044,890	

CASH FLOW DEBT / GRANT FUNDS				
Source	Term	Rate	Amount	DCR
City of Abilene	0/0	0.00%	$500	1.18
CASH FLOW DEBT / GRANTS			$500	

EQUITY / DEFERRED FEES	
Source	Amount
MHEG	$9,210,759
0	$0
MHEG	$2,059,612
Overland Property Group	$446,511
TOTAL EQUITY SOURCES	**$11,716,882**
TOTAL DEBT SOURCES	**$2,045,390**
TOTAL CAPITALIZATION	**$13,762,272**

CONDITIONS

- Receipt and acceptance by Cost Certification:
  - a: Certification of comprehensive testing for asbestos and lead-based paint; that any appropriate abatement procedures were implemented; and that any remaining asbestos-containing materials and lead-based paint are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.
  - b: Certification that lead in the drinking water has been tested for, and any appropriate abatement procedures were implemented.
  - c: Certification that subsurface environmental investigation was performed as specified in the ESA, and if necessary, that any recommended mitigation measures were fully implemented.

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

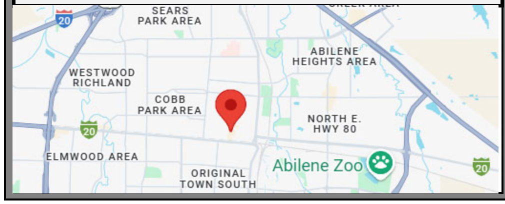
STRENGTHS/MITIGATING FACTORS

- Commercial Space
- Low gross capture rate

WEAKNESSES/RISKS

- Abatement costs excluded

AREA MAP



AERIAL PHOTOGRAPH(s)

Real Estate Analysis Division
Underwriting Report
July 9, 2025

DEVELOPMENT IDENTIFICATION

TDHCA Application #: **25163** Program(s): **9% HTC**

Landmark on Cypress

Address/Location: 301 Cypress St

City: Abilene County: Taylor Zip: 79601

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

Activity: Adaptive Re-Use Building Type: Elevator Served Region: 2

Low-Income: 40% at 60%

Analysis Purpose: New Application - Initial Underwriting

ALLOCATION

	REQUEST				RECOMMENDATION						
TDHCA Program	**Amount**	**Int. Rate**	**Amort**	**Term**	**Amount**	**Int. Rate**	**Amort**	**Perm. Term**	**Perm Lien**	**Const. Term**	**Const Lien**
FHTC (9% Credit)	$1,139,031				**$1,109,841**						

CONDITIONS

- Receipt and acceptance by Cost Certification:
  - a: Certification of comprehensive testing for asbestos and lead-based paint; that any appropriate abatement procedures were implemented; and that any remaining asbestos-containing materials and lead-based paint are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.
  - b: Certification that lead in the drinking water has been tested for, and any appropriate abatement procedures were implemented.
  - c: Certification that subsurface environmental investigation was performed as specified in the ESA, and if necessary, that any recommended mitigation measures were fully implemented.

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
50% of AMI	50% of AMI	8
60% of AMI	60% of AMI	28

DEVELOPMENT SUMMARY

This application is for the development of 49 units of housing serving the general population. The development involves the adaptive reuse of a seven-story, elevator-served historic building. All units and common area are contained in the building and the development will also include commercial space. The development will also have an after-school learning center.

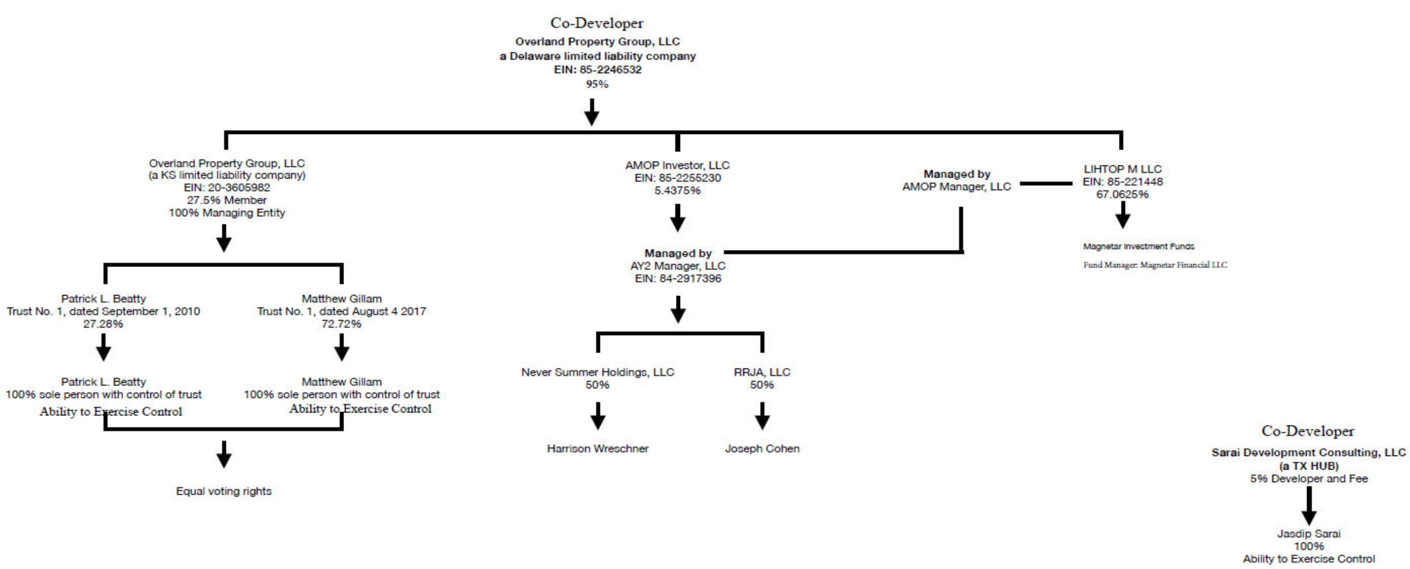
RISK PROFILE

	STRENGTHS/MITIGATING FACTORS
▫	Commercial Space
▫	Low gross capture rate

	WEAKNESSES/RISKS
▫	Abatement costs excluded
▫	

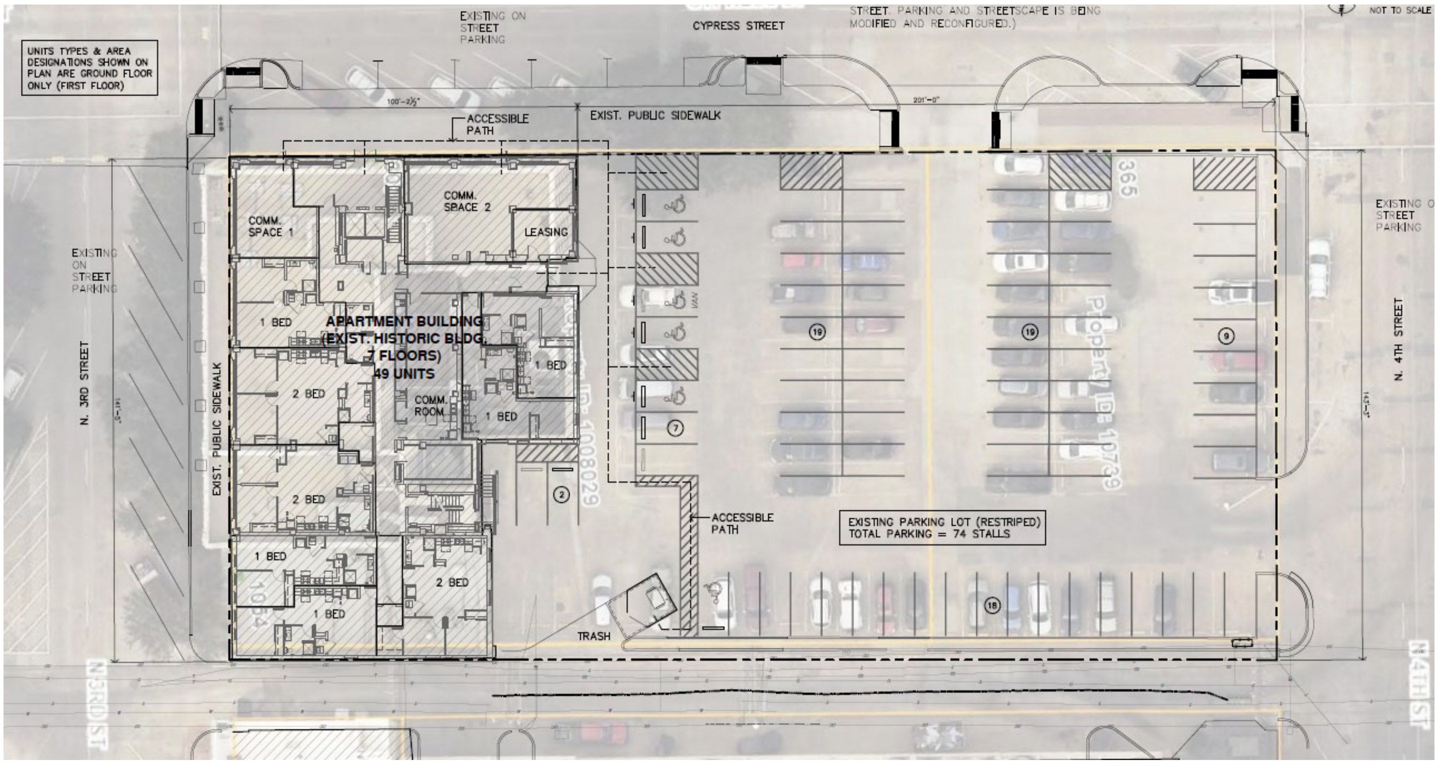
DEVELOPMENT TEAM

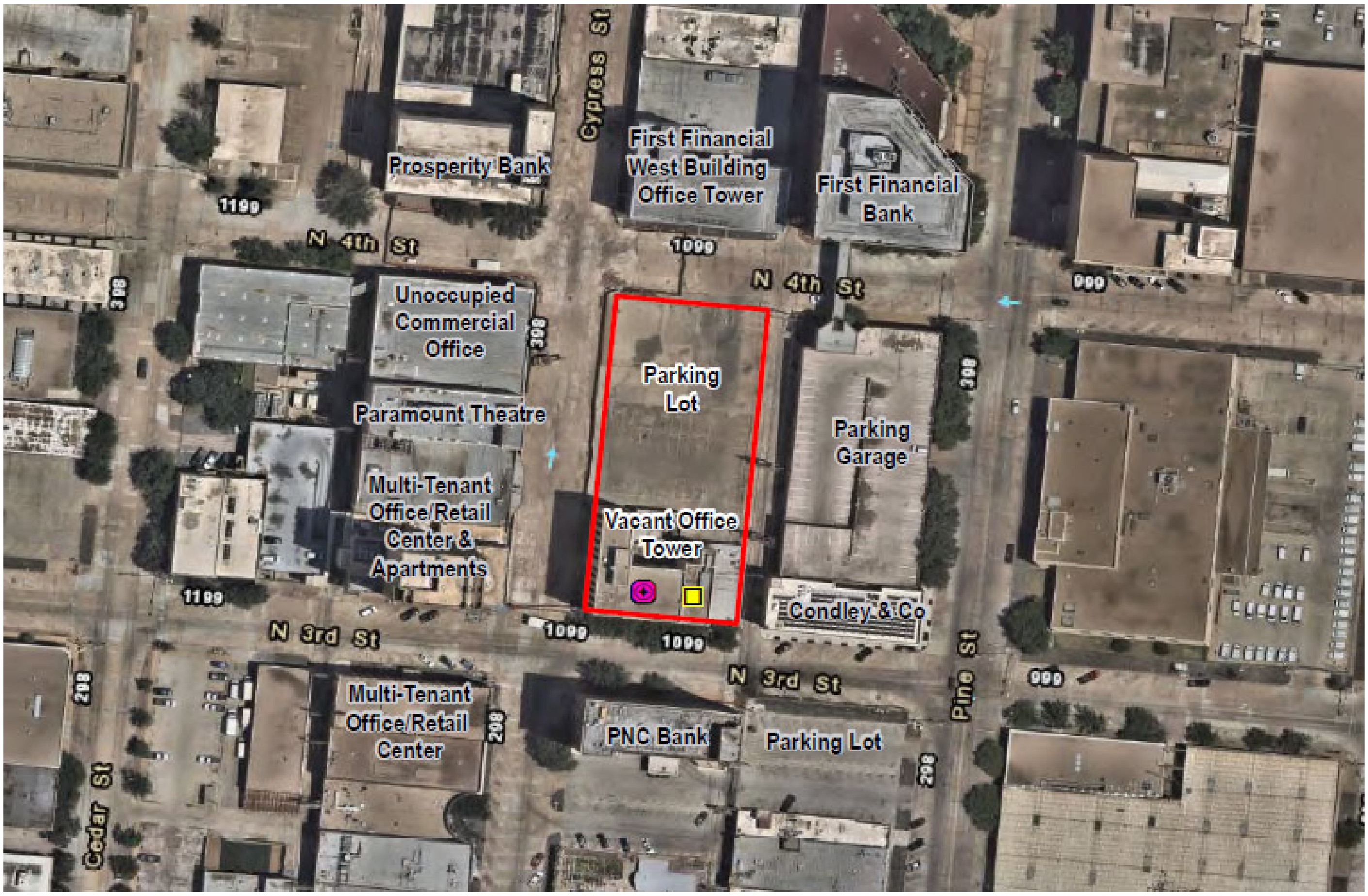
OWNERSHIP STRUCTURE



DEVELOPMENT SUMMARY

SITE PLAN





Comments:

Provided parking of 74 spaces is compliant with local requirements.

BUILDING ELEVATION

BUILDING CONFIGURATION

Building Type	1												**Total Buildings**
Floors/Stories	7												
Number of Bldgs	1												**1**
Units per Bldg	49												
Total Units	49												**49**

Avg. Unit Size (SF)	**709 sf**	**Total NRA (SF)**	**34,733**	**Common Area (SF)***	**11,018**

*Common Area Square Footage as specified on Architect Certification

SITE CONTROL INFO

Site Acreage: Development Site: 0.97 acres Density: 50.5 units/acre

Site Control: ~0.95 **Site Plan:** 0.97 **Appraisal:** NA **ESA:** 0.97

Feasibility Report Survey: 0.97 **Feasibility Report Engineer's Plan:** 0.97 **Existing LURA:** NA

Control Type: Assignment and Assumption of Contract

Development Site: 0.97 acres Cost: $1,400,000 $28,571 per unit

Seller:	Hendrick Medical Center
Assignor:	Overland Land Group, LLC
Assignee:	OPG Cypress Partners, LLC

Related-Party Seller/Identity of Interest: No

SITE INFORMATION

Flood Zone:	x	Scattered Site?	No
Zoning:	CB (Central Business)	Within 100-yr floodplain?	No
Re-Zoning Required?	No	Utilities at Site?	Yes
Year Constructed:	NA	Title Issues?	No

Current Uses of Subject Site:

Unoccupied multi-story offices and unoccupied retail storefront

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering, Inc. Date: 2/5/2025

Recognized Environmental Conditions (RECs) and Other Concerns:

- The subject property has likely been impacted as a result of automotive service and fueling operations conducted onsite based on the duration of operations and lack of information regarding any UST decommissioning investigation activities or the final status and condition of historical USTs, which prevents the environmental professional from verifying that investigation of the former UST systems was adequate to discover any releases.
- A Municipal Setting Designation (MSD) was established for an area including the subject property and adjoining properties. This site applied for an MSD certification in January 2012 in order to facilitate redevelopment of commercial areas in downtown Abilene which may have been affected by releases resulting from historical commercial activities. The MSD prohibits the use of groundwater from beneath the designated property as potable water and restricts other uses of and contact with that groundwater without express written permission.
- A significant data gap was identified which is indicative of potential impact to the subject property as a result of a past undocumented hazardous substance or petroleum product release from gasoline filling and service station operations historically conducted at the subject property.
- A Phase II Environmental Site Assessment is recommended to investigate the potential environmental impact due to the identified recognized environmental condition.

Comments:

The owner(s)/operator(s) of the subject property should continue to comply with the institutional control imposed by the MSD site established at the subject property and adjoining properties.

MARKET ANALYSIS

Provider: Novogradac | Date: 3/27/2025

Primary Market Area (PMA): 70 sq. miles 5 mile equivalent radius

AFFORDABLE HOUSING INVENTORY						
Competitive Supply (Proposed, Under Construction, and Unstabilized)						
File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
Stabilized Affordable Developments in PMA					Total Units	1,223
					Total Developments	13
					Average Occupancy	96%

OVERALL DEMAND ANALYSIS				
	Market Analyst			
	HTC	Assisted		
Total Households in the Primary Market Area	36,955			
Potential Demand from the Primary Market Area	8,193			
10% External Demand	819			
Potential Demand from Other Sources	0			
GROSS DEMAND	9,012			
Subject Affordable Units	40			
Unstabilized Competitive Units	0			
RELEVANT SUPPLY	40			
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	**0.4%**			

Population:	**General**	**Market Area:**	**Urban**	**Maximum Gross Capture Rate:**	**10%**

UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND					
	Market Analyst				
AMGI Band	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate
30% AMGI	2,235	224	4	0	0%
50% AMGI	2,293	229	8	0	0%
60% AMGI	3,665	367	28	0	1%

UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE										
	Market Analyst									
Unit Type	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate					
0 BR/30%	379	38	1	0	0%					
0 BR/50%	551	55	2	0	0%					
0 BR/60%	518	52	1	0	0%					
1 BR/30%	243	24	3	0	1%					
1 BR/50%	416	42	3	0	1%					
1 BR/60%	433	43	2	0	0%					
2 BR/30%	488	49	7	0	1%					
2 BR/50%	871	87	13	0	1%					
2 BR/60%	721	72	8	0	1%					

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)					
NOI:	$193,467	Avg. Rent:	$847	Expense Ratio:	59.4%
Debt Service:	$163,701	B/E Rent:	$792	Controllable Expenses:	$3,300
Net Cash Flow:	$29,766	UW Occupancy:	92.5%	Property Taxes/Unit:	$537
Aggregate DCR:	1.18	B/E Occupancy:	86.7%	Program Rent Year:	2024

The applicant submitted their application with average unit square footages due to the number of different unit types. This resulted in an understated applicable fraction of 79.64%. Underwriter updated to use actual applicable fraction of 80.29% based on actual unit sizes.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (TDHCA's Costs- Based on SCR)					
Acquisition	$/ac	$28,571/unit	**$1,400,000**	Contractor Fee	**$1,177,065**
Off-site + Site Work		$5,044/unit	**$247,140**	Soft Cost + Financing	**$3,083,138**
Building Cost	$218.16/sf	$154,639/unit	**$7,577,309**	Developer Fee	**$2,452,471**
Contingency	7.45%	$11,901/unit	**$583,156**	Reserves	**$447,213**
Total Development Cost	$346,275/unit	**$16,967,492**		**Rehabilitation Cost**	**$159,683/unit**

Qualified for 30% Basis Boost?	High Opportunity Index [9% only]

Building Cost:

Applicant has not included any costs for asbestos or lead-based paint abatement. The Applicant has indicated that they assume these line items will total $150K. Including the $150K of abatement costs does not make the deal infeasible, but reduces the 15-year cash flow from $346K to $196K. The Applicant can add approximately $345K of abatement costs before the deal becomes infeasible due to negative cash flow.

REHABILITATION COSTS / UNIT / % HARD COST							
Site Work	$172,140	$3,513/unit	2%	Finishes/Fixtures	$2,397,407	$48,927/unit	29%
Building Shell	$4,236,113	$86,451/unit	50%	HVAC	$833,389	$17,008/unit	10%
Amenities	$75,000	$1,531/unit	1%	Appliances	$110,400	$2,253/unit	1%
Total Exterior	**$4,483,253**	**$91,495/unit**	**57%**	**Total Interior**	**$3,341,196**	**$68,188/unit**	**43%**

SCOPE & COST REVIEW

Provider: Phase Engineering

Date: 2/25/2025

Scope of Work:

-Roof repairs & replacement
-Sidewalk/concrete repairs
-Water heater repairs & replacement
-Asphalt seal and stripe
-HVAC repairs & replacements
-Plumbing repairs
-Replace furnishings and fixtures
-Elevator improvements
-Mail area improvements
-Unit flooring
-Appliance repairs and replacements
-Exterior walls masonry
-Trash enclosure improvements
-Sanitary sewer and water distribution repairs
-Unit cabinet and countertops

Historic Preservation items including brick reuse/replacement, mortar replacement/repair, exterior lights, and any other visible repairs need to be done in a way that they are compatible with the character of the original building. Some other historic items include removal of non-historic features and finishes such as dropped ceilings, furred walls, non-historic tile, and non-historic demising walls, demolition of non-historic 1980s buildings/additions, and utilizing the same types of materials, such as the type of brick, mortar, and cement, that the original building was constructed with. The Applicant has budgeted $75,000 for a historic consultant.

Reserves:

Applicant overstated reserves by $157.

Comments:

The Applicant assumed a reduction in development costs of $87K due to Historic Credits. Underwriter utilized a different methodology and is reducing eligible costs by $508K due to Historic Credits. This difference in methodology is leading to the cut in credits.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
$16,967,492	**$12,323,359**	**$1,109,841**

UNDERWRITTEN CAPITALIZATION

INTERIM SOURCES

Funding Source	Description	Amount	Rate	LTC
Legacy	Construction Loan	$16,000,000	8.00%	94%
MHEG	FHTC	$472,651	$0.83	3%
MHEG	Fed Historic Credit	$102,981	$0.00	1%
Overland Property Group	Deferred Developer Fee	$392,017	0.00%	2%
		$16,967,648	**Total Sources**	

PERMANENT SOURCES

	PROPOSED				UNDERWRITTEN				
Debt Source	**Amount**	**Interest Rate**	**Amort**	**Term**	**Amount**	**Interest Rate**	**Amort**	**Term**	**LTC**
Legacy	$2,044,890	7.40%	35	15.0	$2,044,890	7.40%	35	15.0	12%
City of Abilene	$500				$500				0%
Total	**$2,045,390**				**$2,045,390**				

	PROPOSED			UNDERWRITTEN			
Equity & Deferred Fees	**Amount**	**Rate**	**% Def**	**Amount**	**Rate**	**% TC**	**% Def**
MHEG	$9,453,012	$0.83		$9,210,759	$0.83	54%	
MHEG	$2,059,612			$2,059,612		12%	
Overland Property Group	$204,415		8%	$446,511		3%	18%
Total	**$11,717,039**			**$11,716,882**			
				$13,762,272	**Total Sources**		

Credit Price Sensitivity based on current capital structure	
$1.129	Maximum Credit Price before the Development is oversourced and allocation is limited
$1.081	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Gap Analysis:	
Total Development Cost	$16,967,492
Permanent Sources (debt + non-HTC equity)	$4,105,002
Gap in Permanent Financing	$12,862,490

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	$9,210,759	$1,109,841
Needed to Balance Sources & Uses	$12,862,490	$1,549,853
Requested by Applicant	$9,453,012	$1,139,031

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	**$9,210,759**	**$1,109,841**

Deferred Developer Fee	**$446,511**	**(18% deferred)**
Repayable in	**13 years**	

Recommendation:

Underwriter recommends an annual tax credit allocation of $1,109,841 per the eligible basis.

Underwriter:	*Jeffrey Price*
Manager of Real Estate Analysis:	*Diamond Unique Thompson*
Director of Real Estate Analysis:	*Jeanna Adams*

UNIT MIX/RENT SCHEDULE

Landmark on Cypress, Abilene, 9% HTC #25163

LOCATION DATA

CITY:	Abilene
COUNTY:	Taylor
Area Median Income	$85,600
PROGRAM REGION:	2
PROGRAM RENT YEAR:	2024

UNIT DISTRIBUTION

# Beds	# Units	% Total	Assisted	MDL	SHTC	Match
Eff	12	24.5%	0	0	0	0
1	22	44.9%	0	0	0	0
2	15	30.6%	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	**49**	**100.0%**	-	-	-	-

PRO FORMA ASSUMPTIONS

Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	80.29%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	709 sf

55% Average Income	**Income**	20%	30%	40%	50%	60%	70%	80%	EO / MR	**TOTAL**
	# Units	-	4	-	8	28	-	-	9	**49**
	% Total	0.0%	8.2%	0.0%	16.3%	57.1%	0.0%	0.0%	18.4%	**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%	$423	1	0	1	524	$423	$63	$360	$0	$0.69	$360	**$360**	**$360**	$360	$0.69	$0	$1,000	$1.91	$1,000
TC 50%	$705	3	0	1	524	$705	$63	$642	$0	$1.23	$642	**$1,926**	**$1,926**	$642	$1.23	$0	$1,000	$1.91	$1,000
TC 60%	$846	7	0	1	524	$846	$63	$783	$0	$1.50	$783	**$5,481**	**$5,481**	$783	$1.50	$0	$1,000	$1.91	$1,000
MR		1	0	1	524	$0	$63		NA	$1.86	$973	**$973**	**$973**	$973	$1.86	NA	$973	$1.86	$1,000
TC 30%	$453	1	1	1	618	$453	$73	$380	$0	$0.61	$380	**$380**	**$380**	$380	$0.61	$0	$1,175	$1.90	$1,175
TC 50%	$755	2	1	1	618	$755	$73	$682	$0	$1.10	$682	**$1,364**	**$1,364**	$682	$1.10	$0	$1,175	$1.90	$1,175
TC 60%	$906	12	1	1	618	$906	$73	$833	$0	$1.35	$833	**$9,996**	**$9,996**	$833	$1.35	$0	$1,175	$1.90	$1,175
MR		2	1	1	618	$0	$73		NA	$1.69	$1,042	**$2,084**	**$2,084**	$1,042	$1.69	NA	$1,042	$1.69	$1,175
TC 30%	$453	1	1	1	687	$453	$73	$380	$0	$0.55	$380	**$380**	**$380**	$380	$0.55	$0	$1,210	$1.76	$1,210
TC 50%	$755	1	1	1	687	$755	$73	$682	$0	$0.99	$682	**$682**	**$682**	$682	$0.99	$0	$1,210	$1.76	$1,210
TC 60%	$906	1	1	1	687	$906	$73	$833	$0	$1.21	$833	**$833**	**$833**	$833	$1.21	$0	$1,210	$1.76	$1,210
MR		1	1	1	687	$0	$73		NA	$1.52	$1,042	**$1,042**	**$1,042**	$1,042	$1.52	NA	$1,042	$1.52	$1,210
MR		1	1	1	810	$0	$73		NA	$1.29	$1,042	**$1,042**	**$1,042**	$1,042	$1.29	NA	$1,042	$1.29	$1,265
TC 30%	$543	1	2	1	876	$543	$98	$445	$0	$0.51	$445	**$445**	**$445**	$445	$0.51	$0	$1,250	$1.43	$1,250
TC 50%	$905	1	2	1	876	$905	$98	$807	$0	$0.92	$807	**$807**	**$807**	$807	$0.92	$0	$1,250	$1.43	$1,250
TC 60%	$1,086	3	2	1	876	$1,086	$98	$988	$0	$1.13	$988	**$2,964**	**$2,964**	$988	$1.13	$0	$1,250	$1.43	$1,250
MR		2	2	1	876	$0	$98		NA	$1.43	$1,249	**$2,498**	**$2,498**	$1,249	$1.43	NA	$1,249	$1.43	$1,250
TC 50%	$905	1	2	1	1,033	$905	$98	$807	$0	$0.78	$807	**$807**	**$807**	$807	$0.78	$0	$1,305	$1.26	$1,305
TC 60%	$1,086	5	2	1	1,033	$1,086	$98	$988	$0	$0.96	$988	**$4,940**	**$4,940**	$988	$0.96	$0	$1,305	$1.26	$1,305
MR		2	2	1	1,033	$0	$98		NA	$1.21	$1,249	**$2,498**	**$2,498**	$1,249	$1.21	NA	$1,249	$1.21	$1,305
TOTALS/AVERAGES:		**49**			**34,733**				**$0**	**$1.19**	**$847**	**$41,501**	**$41,501**	**$847**	**$1.19**	**$0**	**$1,152**	**$1.63**	**$1,169**
ANNUAL POTENTIAL GROSS RENT:												**$498,013**	**$498,013**						

*MFDL units float among Unit Types

STABILIZED PRO FORMA

Landmark on Cypress, Abilene, 9% HTC #25163

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES				APPLICANT				TDHCA				VARIANCE	
	Database		County Comps		% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	$
POTENTIAL GROSS RENT						$1.19	$847	$498,013	$498,013	$847	$1.19		0.0%	$0
late fees, app fees, retained deposits							$30.00	$17,640						
Total Secondary Income							$30.00		$17,640	$30.00			0.0%	$0
POTENTIAL GROSS INCOME								$515,653	$515,653				0.0%	$0
Vacancy & Collection Loss							7.5% PGI	(38,674)	(38,674)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME								$476,979	$476,979				0.0%	$0
General & Administrative	$25,468	$520/Unit	$23,433	$478	4.37%	$0.60	$425	$20,825	$23,433	$478	$0.67	4.91%	-11.1%	(2,608)
Management	$24,711	5.9% EGI	$28,864	$589	5.00%	$0.69	$487	$23,849	$23,849	$487	$0.69	5.00%	0.0%	-
Payroll & Payroll Tax	$67,229	$1,372/Unit	$73,452	$1,499	14.13%	$1.94	$1,375	$67,375	$67,375	$1,375	$1.94	14.13%	0.0%	-
Repairs & Maintenance	$38,200	$780/Unit	$49,480	$1,010	6.68%	$0.92	$650	$31,850	$31,850	$650	$0.92	6.68%	0.0%	-
Electric/Gas	$11,174	$228/Unit	$6,798	$139	2.57%	$0.35	$250	$12,250	$11,174	$228	$0.32	2.34%	9.6%	1,076
Water, Sewer, & Trash	$34,239	$699/Unit	$42,167	$861	6.16%	$0.85	$600	$29,400	$34,239	$699	$0.99	7.18%	-14.1%	(4,839)
Property Insurance	$35,862	$1.03 /sf	$32,361	$660	9.25%	$1.27	$900	$44,100	$32,361	$660	$0.93	6.78%	36.3%	11,739
Property Tax (@ 100%) 2.3017	$22,964	$469/Unit	$37,770	$771	5.52%	$0.76	$537	$26,313	$37,770	$771	$1.09	7.92%	-30.3%	(11,457)
Reserve for Replacements					3.08%	$0.42	$300	$14,700	$14,700	$300	$0.42	3.08%	0.0%	-
TDHCA Compliance fees ($40/HTC unit)					0.34%	$0.05	$33	$1,600	$1,600	$33	$0.05	0.34%	0.0%	-
Learning center					2.36%	$0.32	$230	$11,250	$11,250	$230	$0.32	2.36%	0.0%	-
TOTAL EXPENSES					**59.44%**	**$8.16**	**$5,786**	**$283,512**	**$289,602**	**$5,910**	**$8.34**	**60.72%**	**-2.1%**	**$ (6,090)**
NET OPERATING INCOME ("NOI")					**40.56%**	**$5.57**	**$3,948**	**$193,467**	**$187,378**	**$3,824**	**$5.39**	**39.28%**	**3.2%**	**$ 6,090**
CONTROLLABLE EXPENSES							$3,300/Unit			$3,430/Unit				

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Landmark on Cypress, Abilene, 9% HTC #25163

DEBT / GRANT SOURCES

		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE							AS UNDERWRITTEN DEBT/GRANT STRUCTURE						
		Cumulative DCR												Cumulative	
DEBT (Must Pay)	**Fee**	**UW**	**App**	**Pmt**	**Rate**	**Amort**	**Term**	**Principal**	**Principal**	**Term**	**Amort**	**Rate**	**Pmt**	**DCR**	**LTC**
Legacy		1.14	1.18	163,701	7.40%	35	15.0	$2,044,890	$2,044,890	15.0	35.0	7.40%	$163,701	1.18	12.1%
CASH FLOW DEBT / GRANTS															
City of Abilene		1.14	1.18		0.00%	0	0.0	$500	$500	0.0	0.0	0.00%		1.18	0.0%
				$163,701	**TOTAL DEBT / GRANT SOURCES**			**$2,045,390**	**$2,045,390**			**TOTAL DEBT SERVICE**	**$163,701**	**1.18**	12.1%
NET CASH FLOW		$23,677	$29,766						**APPLICANT**	**NET OPERATING INCOME**		**$193,467**	**$29,766**	**NET CASH FLOW**	

EQUITY SOURCES

	APPLICANT'S PROPOSED EQUITY STRUCTURE					AS UNDERWRITTEN EQUITY STRUCTURE					
EQUITY / DEFERRED FEES	**DESCRIPTION**	**% Cost**	**Annual Credit**	**Credit Price**	**Amount**	**Amount**	**Credit Price**	**Annual Credit**	**% Cost**	**Annual Credits per Unit**	**Allocation Method**
MHEG	LIHTC Equity	55.7%	$1,139,031	$0.83	$9,453,012	$9,210,759	$0.8299	$1,109,841	54.3%	$22,650	Eligible Basis
MHEG	Federal Historic Credits	12.1%		$0.83	$2,059,612	$2,059,612	$0.8300		12.1%		
Commerce Bank	State Historic Credits	18.9%		$0.93	$3,205,219	$3,205,219	$0.9300		18.9%		
Overland Property Group	Deferred Developer Fees	1.2%	(8% Deferred)		$204,415	$446,511	(18% Deferred)		2.6%	**Total Developer Fee:**	**$2,452,471**
Additional (Excess) Funds Req'd		0.0%				$0			0.0%		
TOTAL EQUITY SOURCES		87.9%			$14,922,258	$14,922,101			87.9%		
TOTAL CAPITALIZATION					**$16,967,649**	**$16,967,492**				**15-Yr Cash Flow after Deferred Fee:**	**$104,698**

DEVELOPMENT COST / ITEMIZED BASIS

		APPLICANT COST / BASIS ITEMS					TDHCA COST / BASIS ITEMS					COST VARIANCE	
		Eligible Basis								Eligible Basis			
		Acquisition	**New Const. Rehab**		**Total Costs**		**Total Costs**			**New Const. Rehab**	**Acquisition**	**%**	**$**
Land Acquisition					$ / Unit	$0	$0	$ / Unit				0.0%	$0
Building Acquisition		$0			$28,571 / Unit	$1,400,000	$1,400,000	$28,571 / Unit			$0	0.0%	$0
Off-Sites					$ / Unit	$0	$0	$ / Unit				0.0%	$0
Site Work			$172,140		$3,513 / Unit	$172,140	$172,140	$3,513 / Unit		$172,140		0.0%	$0
Site Amenities			$75,000		$1,531 / Unit	$75,000	$75,000	$1,531 / Unit		$75,000		0.0%	$0
Building Cost			$5,584,420	$218.16 /sf	$154,639/Unit	$7,577,309	$7,577,309	$154,639/Unit	$218.16 /sf	$5,584,420		0.0%	$0
Contingency			$583,156	10.00%	7.45%	$583,156	$583,156	7.45%	10.00%	$583,156		0.0%	$0
Contractor Fees			$898,060	14.00%	14.00%	$1,177,065	$1,177,065	14.00%	14.00%	$898,060		0.0%	$0
Soft Costs		$0	$1,101,903		$22,998 / Unit	$1,126,903	$1,126,903	$22,998 / Unit		$1,101,903	$0	0.0%	$0
Financing		$0	$1,854,787		$39,923 / Unit	$1,956,235	$1,956,235	$39,923 / Unit		$1,854,787	$0	0.0%	$0
Developer Fee		$0	$2,053,893	20.00%	20.00%	$2,452,471	$2,452,471	20.00%	20.00%	$2,053,893	$0	0.0%	$0
Reserves					12 Months	$447,370	$447,213	12 Months				0.0%	$157
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		**$0**	**$12,323,359**		$346,279 / Unit	**$16,967,649**	**$16,967,492**	$346,275 / Unit		**$12,323,359**	**$0**	**0.0%**	**$157**
Acquisition Cost		$0				$0							
Contingency			$0			$0							
Contractor's Fee			$0			$0							
Financing Cost			$0										
Developer Fee	0.00%	$0	$0			$0							
Reserves						($157)							
ADJUSTED BASIS / COST		**$0**	**$12,323,359**		$346,275/unit	**$16,967,492**	**$16,967,492**	$346,275/unit		**$12,323,359**	**$0**	**0.0%**	**$0**

TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY SCR/CNA	**$16,967,492**

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Landmark on Cypress, Abilene, 9% HTC #25163

CREDIT CALCULATION ON QUALIFIED BASIS	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	$0	$12,323,359	$0	$12,323,359
Deduction of Historic Credits	$0	($508,911)	$0	($508,911)
TOTAL ELIGIBLE BASIS	$0	$11,814,448	$0	$11,814,448
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	$0	$15,358,782	$0	$15,358,782
Applicable Fraction	80.29%	80.29%	80%	80%
TOTAL QUALIFIED BASIS	$0	$12,331,566	$0	$12,331,566
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	$0	$1,109,841	$0	$1,109,841
CREDITS ON QUALIFIED BASIS	$1,109,841		$1,109,841	

	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price $0.8299	Variance to Request	
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	$1,109,841	$9,210,759	**$1,109,841**	**($29,190)**	**($242,253)**
Needed to Fill Gap	$1,549,853	$12,862,490	----	----	----
Applicant Request	$1,139,031	$9,453,012	----	----	----

Long-Term Pro Forma

Landmark on Cypress, Abilene, 9% HTC #25163

	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%	$476,979	$486,519	$496,249	$506,174	$516,298	$570,034	$629,364	$694,869	$767,191	$847,041	$935,202
TOTAL EXPENSES	3.00%	$283,512	$291,779	$300,289	$309,049	$318,068	$367,303	$424,232	$490,064	$566,201	$654,265	$756,135
NET OPERATING INCOME ("NOI")		**$193,467**	**$194,740**	**$195,960**	**$197,125**	**$198,230**	**$202,731**	**$205,132**	**$204,805**	**$200,990**	**$192,776**	**$179,067**
EXPENSE/INCOME RATIO		59.4%	60.0%	60.5%	61.1%	61.6%	64.4%	67.4%	70.5%	73.8%	77.2%	80.9%
MUST -PAY DEBT SERVICE												
Legacy		$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701
TOTAL DEBT SERVICE		$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701	$163,701
DEBT COVERAGE RATIO		1.18	1.19	1.20	1.20	1.21	1.24	1.25	1.25	1.23	1.18	1.09
ANNUAL CASH FLOW		**$29,766**	**$31,039**	**$32,259**	**$33,424**	**$34,529**	**$39,030**	**$41,431**	**$41,104**	**$37,289**	**$29,075**	**$15,366**
Deferred Developer Fee Balance		$416,745	$385,705	$353,446	$320,022	$285,493	$98,614	$0	$0	$0	$0	$0
CUMULATIVE NET CASH FLOW		$0	$0	$0	$0	$0	$0	$104,698	$312,105	$507,745	$671,514	$778,206