

**SUPPLEMENTAL BOARD BOOK
OF
APRIL 8, 2021**



Leo Vasquez III, Chair
Leslie Bingham, Vice-Chair
Paul Braden, Member
Sharon Thomason, Member
Ajay Thomas, Member
Brandon Batch, Member

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
GOVERNING BOARD MEETING

A G E N D A
9:00 AM
April 8, 2021

Meeting Location: In light of the March 13, 2020, disaster declaration by the Office of the Governor, and the subsequent waivers of portions of Tex. Gov't Code, Ch. 551*, this meeting of the TDHCA Governing Board will be accessible to the public via the telephone and web link information, below. In order to engage in two-way communication during the meeting, persons must first register (at no cost) to attend the webinar via the link provided. Anyone who calls into the meeting without registering online will not be able to ask questions or provide comments, but the meeting will still be audible. A recording of the meeting will be made available to the public as soon as possible following the meeting.

Governing Board Webinar registration:

<https://attendee.gotowebinar.com/register/1109056901932240654>

Dial-in number: +1 (562) 247-8422, access code 492-043-120 (persons who use the dial-in number and access code without registering online will only be able to hear the Board meeting and will not be able to ask questions or provide comments). Note, this meeting will be proceeding as a videoconference under Tex. Gov't Code §551.127, as modified by waiver.

If the GoToWebinar terminates prior to adjournment of the meeting (i.e. if the webinar session "crashes") the meeting will be recessed. A new link to the meeting will be posted immediately on the TDHCA Board meetings web page (<https://www.tdhca.state.tx.us/board/meetings.htm>) along with the time the meeting will resume. The time indicated to resume the meeting will be within six hours of the interruption of the webinar. Please note that in this contingency, the original meeting link will no longer function, and only the new link (posted on the TDHCA Board meetings web page) will work to return to the meeting.

CALL TO ORDER

ROLL CALL

CERTIFICATION OF QUORUM

Leo Vasquez, Chair

Pledge of Allegiance - I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

Texas Allegiance - Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

Resolution Recognizing May as Community Action Month

* The list of Open Meeting laws subject to temporary suspension effective March 16, 2020, is available at: <https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2020/Press/Open%20Meeting%20Laws%20Subject%20to%20Temporary%20Suspension.pdf>

CONSENT AGENDA

Items on the Consent Agenda may be removed at the request of any Board member and considered at another appropriate time on this agenda. Placement on the Consent Agenda does not limit the possibility of any presentation, discussion or approval at this meeting. Under no circumstances does the Consent Agenda alter any requirements under Chapter 551 of the Tex. Gov't Code, Texas Open Meetings Act. Action may be taken on any item on this agenda, regardless of how designated.

ITEM 1: APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

EXECUTIVE

- a) Presentation, discussion, and possible action on Board meeting minutes summary for January 14, 2021, and February 11, 2021

Beau Eccles
General Counsel

ASSET MANAGEMENT

- b) Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Land Use Restriction Agreement

Rosalio Banuelos
Director of Asset
Management

01040 Scott Street Townhomes Houston

COMMUNITY AFFAIRS

- c) Presentation, discussion, and possible action on release of the draft Federal Fiscal Years 2022-2023 Community Services Block Grant State Plan for public comment and authorization to procure vendors for services and release Requests for Applications

Michael De Young
Director of
Community Affairs

RULES

- d) Presentation, discussion and possible action on an order adopting the amendment of 10 TAC §8.7 Program Regulations and Requirements

Spencer Duran
Director
of Section 811

HOUSING RESOURCE CENTER

- e) Presentation, Discussion, and Possible Action on the draft 2021 State of Texas Consolidated Plan: One-Year Action Plan

Elizabeth Yevich
Director of
Housing Resource Center

SINGLE FAMILY & HOMELESS PROGRAMS

- f) Presentation, discussion, and possible action on state fiscal year 2019 and 2020 Homeless Housing and Services Program reallocation

Abigail Versyp
Director of Single Family &
Homeless Programs

FINANCIAL ADMINISTRATION

- g) Presentation, discussion, and possible action to adopt a resolution regarding designating signature authority and superseding previous resolutions

Joe Guevara
Director of Financial
Administration

BOND FINANCE

- h) Presentation, discussion, and possible action on Resolution No. 21-022 regarding the annual approval of the Department's Interest Rate Swap Policy
i) Presentation, discussion, and possible action on Resolution No. 21-023 regarding the annual approval of the Department's Investment Policy

Monica Galuski
Director of Bond Finance

CONSENT AGENDA REPORT ITEMS

ITEM 2: THE BOARD ACCEPTS THE FOLLOWING REPORTS:

- a) Media Analysis and Outreach Report (February 2021)
b) Report on Fair Housing Month Activities

Michael Lyttle
Director of
External Affairs
Cate Tracz
Manager of Fair Housing,
Data Management &
Reporting

ACTION ITEMS

ITEM 3: EXECUTIVE

- a) Report on Activities Related to the Department's Response to COVID-19 Pandemic

Brooke Boston

b) Executive Director's Report

ITEM 4: ASSET MANAGEMENT

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and Land Use Restriction Agreement

Rosalio Banuelos
Director of Asset
Management

02469 Murdeaux Villas Dallas

ITEM 5: BOND FINANCE

- a) Presentation, discussion, and possible action regarding the Issuance of a Multifamily Housing Revenue Note (Murdeaux Villas) Series 2021, Resolution No. 21-024, and a Determination Notice of Housing Tax Credits
- b) Presentation, discussion, and possible action on Inducement Resolution No. 21-025 for Multifamily Housing Revenue Bonds Regarding Authorization for Filing Applications for Private Activity Bond Authority for Providence on the Park (#21618) in Dallas
- c) Presentation, discussion and possible action on Resolution No. 21-026 regarding a Modification Agreement relating to Multifamily Housing Revenue Bonds Series 2019 for McMullen Square Apartments
- d) Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Revenue Bonds (Corona Del Valle Apartments) Series 2021 Resolution No. 21-027, and a Determination Notice of Housing Tax Credits
- e) Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Revenue Bonds (Palladium Simpson Stuart Apartments) Series 2021 Resolution No. 21-028, and a Determination Notice of Housing Tax Credits

Teresa Morales
Director of
Multifamily Bonds

ITEM 6: MULTIFAMILY FINANCE

- a) Presentation, discussion, and possible action on a Determination Notice for 4% Housing Tax Credits and an Award of Direct Loan Funds for Trinity Oaks (#21443) in Sulphur Springs
- b) Presentation, discussion, and possible action on a Determination Notice for 4% Housing Tax Credits for Pine Terrace (#21444) in Mount Pleasant
- c) Presentation, discussion, and possible action regarding the issuance of Determination Notices for 4% Housing Tax Credit Applications

Teresa Morales
Director of
Multifamily Bonds

21402 Belmont
21411 Gateway Oak Cliff
21414 Waterview
21410 Life at DeSoto
21408 Residences at Arbor Oaks
21404 Agave
20481 Villas at Echo East
21412 Celebration Arlington
21400 The Oaks

- d) Presentation, discussion, and possible action on a waiver relating to 10 TAC §11.01(b)(2) of the Qualified Allocation Plan (QAP) concerning Development Size Limitations and a Determination Notice for Housing Tax Credits for Bluebonnet Ridge (#21403) in Ennis
- e) Presentation, discussion, and possible action regarding streamlining 4% Housing Tax Credit Applications and Associated Waivers

Teresa Morales
Director of
Multifamily Bonds

ITEM 7: COMMUNITY AFFAIRS

- a) Presentation, discussion, and possible action on release of the draft 2022 Low Income Home Energy Assistance Program State Plan for public comment
- b) Presentation, discussion and possible action on the programming of Low Income Home Energy Assistance Program funds available to Texas through the American Rescue Plan Act of 2021 and authorization to award such funds and update on administrative flexibilities

PUBLIC COMMENT ON MATTERS OTHER THAN ITEMS FOR WHICH THERE WERE POSTED AGENDA ITEMS

EXECUTIVE SESSION

The Board may go into Executive Session (close its meeting to the public):

Leo Vasquez
Chair

The Board may go into Executive Session Pursuant to Tex. Gov't Code §551.074 for the purposes of discussing personnel matters including to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee;

Pursuant to Tex. Gov't Code §551.071(1) to seek the advice of its attorney about pending or contemplated litigation or a settlement offer;

Pursuant to Tex. Gov't Code §551.071(2) for the purpose of seeking the advice of its attorney about a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Tex. Gov't Code Chapter 551; including seeking legal advice in connection with a posted agenda item;

Pursuant to Tex. Gov't Code §551.072 to deliberate the possible purchase, sale, exchange, or lease of real estate because it would have a material detrimental effect on the Department's ability to negotiate with a third person; and/or

Pursuant to Tex. Gov't Code §2306.039(c) the Department's internal auditor, fraud prevention coordinator or ethics advisor may meet in an executive session of the Board to discuss issues related to fraud, waste or abuse.

OPEN SESSION

If there is an Executive Session, the Board will reconvene in Open Session. Except as specifically authorized by applicable law, the Board may not take any actions in Executive Session.

ADJOURN

To access this agenda and details on each agenda item in the board book, please visit our website at www.tdhca.state.tx.us or contact Michael Lyttle, 512-475-4542, TDHCA, 221 East 11th Street, Austin, Texas 78701, and request the information. If you would like to follow actions taken by the Governing Board during this meeting, please follow TDHCA account (@tdhca) on Twitter.

Individuals who require auxiliary aids, services or sign language interpreters for this meeting should contact Nancy Dennis, at 512-475-3959 or Relay Texas at 1-800-735-2989, at least five days before the meeting so that appropriate arrangements can be made. Non-English speaking individuals who require

interpreters for this meeting should contact Elena Peinado, 512-475-3814, at least five days before the meeting so that appropriate arrangements can be made.

Personas que hablan español y requieren un intérprete, favor de llamar a Elena Peinado, al siguiente número 512-475-3814 por lo menos cinco días antes de la junta para hacer los preparativos apropiados.

6c

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
APRIL 8, 2021

Presentation, discussion, and possible action regarding the issuance of Determination Notices for 4% Housing Tax Credit Applications

RECOMMENDED ACTION

WHEREAS, the Department received applications for consideration of a Determination Notice of 4% Housing Tax Credits;

WHEREAS, the Executive Award and Review Advisory Committee (EARAC) considered the program requirements, underwriting requirements and compliance history associated with each application listed in the 4% Housing Tax Credit Recommended Applications attached hereto as Exhibit A;

WHEREAS, one of the applications, Life at DeSoto (#21410) would be subject to 10 TAC §11.304(a)(2) of the QAP related to the Third-Party Appraisal Review Policy;

WHEREAS, staff recommends that an external “reviewing appraiser” not be utilized for this transaction, and to the extent required a waiver be granted as this is a new process that has not fully been implemented at the staff level and staff reviewed the application appraisal to ensure compliance with the QAP;

WHEREAS, granting the waiver better serves the purposes articulated in Tex. Gov’t Code §§2306.001 and 2306.002 as the appraisal is still reviewed by staff demonstrating compliance with the QAP despite the review process of third-party appraisal reviewers; and

WHEREAS, EARAC recommends each of the applications be issued a Determination Notice of 4% Housing Tax Credits, in the specific amounts noted in the attached Exhibit A, and subject to any underwriting conditions as noted in the Real Estate Analysis Report and any compliance conditions as reflected in Exhibit A, as applicable;

NOW, therefore, it is hereby

RESOLVED, the waiver of 10 TAC §11.304(a)(2) of the Underwriting and Loan Policy Rules associated with Life at DeSoto (#21410) is hereby granted;

FURTHER RESOLVED, that the issuance of Determination Notices in the respective amounts for each of the applications listed, subject to underwriting conditions as found

in the Real Estate Analysis report posted to the Department's website, and subject to any EARAC conditions as reflected in Exhibit A, is hereby approved in the form presented at this meeting.

BACKGROUND

The 4% Housing Tax Credit (HTC) program is considered a non-competitive program in that there is not a specific ceiling amount of HTCs that can be issued each year. Rather, the ceiling amount of HTCs that can possibly be issued is limited by the amount of Private Activity Bond volume cap available. The Texas Bond Review Board (BRB) administers the Private Activity Bond program for the State of Texas, and for the 2021 calendar year, the state received approximately \$3.2 billion in Private Activity Bond authority, of which approximately \$847 million is reserved for multifamily housing until August 15th of each year. After such date, there may be more Private Activity Bond volume cap that goes towards multifamily housing.

Individual projects receive a Certification of Reservation (Reservation) from the BRB that allows for a statutory 180-day closing timeline. For those projects seeking 4% HTCs (as the majority of them do), they must complete the Department's review process, the bond issuer's process, and the Attorney General's process in order to close within the prescribed timeframe. The Department accepts applications on a monthly basis throughout the year. The year from which the Reservation is issued is what determines the Qualified Allocation Plan (QAP) to which the application must adhere.

Included in this Board presentation as Exhibit B is a list of the 4% HTC applications staff processed for 2020. The list reflects all applications received and includes a column that denotes the applications' status, specifically, those that have already closed, those that have been approved by the Board, as well as those that were received but ultimately withdrawn.

Moreover, Exhibit C is a list of 4% HTC applications that have been submitted thus far for 2021. Also included on this list are pre-applications that will utilize the Department as the bond issuer and an HTC application will be forthcoming.

Waiver Request for Life at DeSoto (#21410): The 2021 Underwriting and Loan Policy Rules were revised to allow for developer fee on the acquisition value of the building. As part of this rule change, under 10 TAC §11.304(a)(2) the appraisal submitted with the application may be reviewed by a third party appraiser on an approved list by the Department. The process for the third party appraisal review has not yet been established, and underwriting staff has continued to review application appraisals. Though use by TDHCA of a third party "reviewing appraiser" is not required by the rule, and will not be used during the 2021 9% Tax Credit round, Staff alternatively believes that granting the waiver better serves the purposes articulated in Tex. Gov't Code, §§2306.001 and 2306.002 through the preservation of the existing housing and review of the appraisal was performed by staff to ensure compliance with the QAP.

Additional Note for The Oaks (#21400): The applicant has proposed a definition of Elderly that is atypical for the Development's federal fund sources. Before execution of the LIHTC LURA, the Owner must

provide the Department a HUD approved definition of Elderly for the Public Housing and the PBV units (if different than the applicable regulatory definition).



EXHIBIT A

April 8, 2021 Board Meeting

4% Housing Tax Credit Recommended Applications

Application #	Development Information	Target Population	Units	Recommended HTC Amount	Bond Issuer & Priority Designation	PPR Category and Conditions
20481	Villas at Echo East West of intersection of Spriggsdale Avenue and Como Street City: San Antonio County: Bexar <i>New Construction</i>	General	192	\$1,920,586	San Antonio Housing Trust Finance Corporation Priority 3	Category 2
21400	The Oaks 630 S. Llewellyn City: Dallas County: Dallas <i>New Construction</i>	Elderly Preference	260	\$1,967,029	Housing Options, Inc. Priority 2	Category 2
21402	The Belmont 9100 Brown Lane City: Austin County: Travis <i>New Construction</i>	General	146	\$1,264,833	Austin Affordable PFC, Inc. Priority 2	Category 2
21404	Agave Binz Engleman Road and N. FM 1516 City: San Antonio ETJ County: Bexar <i>New Construction</i>	General	288	\$2,559,042	Bexar County Housing Finance Corporation Priority 3	Category 3 Conditioned upon delinquent payment being received prior to the Board Meeting
21408	The Residences at Arbor Oaks SWQ of Jones Road and Grant Road City: Houston County: Harris <i>New Construction</i>	General	192	\$1,931,603	Harris County Housing Authority PFC Priority 1C	Category 2
21410	The Life at De Soto 5500 De Soto Street City: Houston County: Harris <i>Acquisition/Rehabilitation</i>	General	556	\$3,308,893	Houston Housing Finance Corporation Priority 2	Category 2
21411	Gateway Oak Cliff 400 S. Beckley Avenue City: Dallas County: Dallas	General	230	\$1,643,367	City of Dallas Housing Finance Corporation Priority 2	Category 2

Application #	Development Information	Target Population	Units	Recommended HTC Amount	Bond Issuer & Priority Designation	PPR Category and Conditions
	<i>New Construction</i>					
21412	Celebration Arlington 8201 S. Collins Street City: Arlington County: Tarrant	Elderly	275	\$2,330,099	Arlington Housing Finance Corporation Priority 1C	Category 1
	<i>New Construction</i>					
21414	Waterview Apartments 1220 South Powell Parkway City: Anna County: Collin	General	300	\$3,318,016	Texas Home Collaborative Priority 3	Category 1
	<i>New Construction</i>					
Totals for Recommended Applications			2,439	\$	20,243,468	

21402 Belmont - Application Summary

PROPERTY IDENTIFICATION		RECOMMENDATION					KEY PRINCIPALS / SPONSOR		
Application #	21402	TDHCA Program	Request	Recommended			LDG Development, LLC Justin Hartz Jason Trevino Austin Affordable Housing Corporation		
Development	Belmont	LIHTC (4% Credit)	\$1,264,833	\$1,264,833	\$8,663/Unit	\$0.87			
City / County	Austin / Travis								
Region/Area	7 / Urban								
Population	General								
Set-Aside	General								
Activity	New Construction						Related Parties	Contractor - Yes	Seller - No
TYPICAL BUILDING ELEVATION/PHOTO									
UNIT DISTRIBUTION			INCOME DISTRIBUTION						
# Beds	# Units	% Total	Income	# Units	% Total				
Eff	-	0%	20%	-	0%				
1	48	33%	30%	-	0%				
2	53	36%	40%	-	0%				
3	37	25%	50%	47	32%				
4	8	5%	60%	52	36%				
			70%	47	32%				
			80%	-	0%				
			MR	-	0%				
TOTAL	146	100%	TOTAL	146	100%				
PRO FORMA FEASIBILITY INDICATORS									
Pro Forma Underwritten			Applicant's Pro Forma						
Debt Coverage	1.18	Expense Ratio	31.6%						
Breakeven Occ.	82.7%	Breakeven Rent	\$1,117						
Average Rent	\$1,251	B/E Rent Margin	\$134						
Property Taxes	Exempt	Exemption/PILOT	100%						
Total Expense	\$4,459/unit	Controllable	\$3,375/unit						
MARKET FEASIBILITY INDICATORS									
Gross Capture Rate (15% Maximum)			10.4%						
Highest Unit Capture Rate	54%	3 BR/60%	13						
Dominant Unit Cap. Rate	31%	2 BR/60%	19						
Premiums (↑60% Rents)	N/A	N/A							
Rent Assisted Units	N/A								
DEVELOPMENT COST SUMMARY									
Costs Underwritten			Applicant's Costs						
Avg. Unit Size	1,171 SF	Density	30.7/acre						
Acquisition	\$03K/unit	\$500K							
Building Cost	\$100.50/SF	\$118K/unit	\$17,188K						
Hard Cost	\$140K/unit		\$20,487K						
Total Cost	\$243K/unit		\$35,530K						
Developer Fee	\$4,124K	(6% Deferred)	Paid Year: 2						
Contractor Fee	\$2,657K	30% Boost	No						
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
R4CF	18/40	3.85%	\$24,286,000	1.18						R4	\$11,001,847
										LDG Multifamily, LLC	\$242,255
TOTAL DEBT (Must Pay)			\$24,286,000		CASH FLOW DEBT / GRANTS			\$0		TOTAL EQUITY SOURCES	\$11,244,102
										TOTAL DEBT SOURCES	\$24,286,000
										TOTAL CAPITALIZATION	\$35,530,102

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.

BOND RESERVATION / ISSUER

Issuer	Austin Affordable PFC, Inc
Expiration Date	7/8/2021
Bond Amount	\$30,000,000
BRB Priority	Priority 2
Bond Structure	Private Placement
% Financed with Tax-Exempt Bonds	87.6%

RISK PROFILE

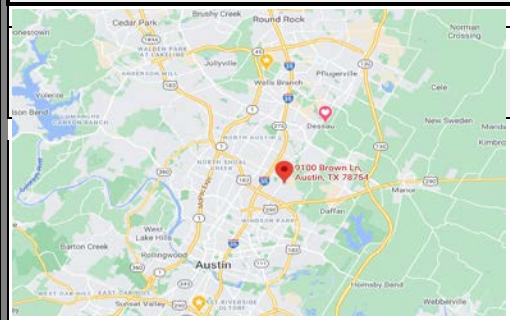
STRENGTHS/MITIGATING FACTORS

- Experienced Developer
- Overall Feasibility Indicators

WEAKNESSES/RISKS

- Feasibility dependent on 2.5% Management Fee
- Feasibility dependent on Property Tax Exemption
- Poor visibility and access

AREA MAP



AERIAL PHOTOGRAPH(S)



21411 Gateway Oak Cliff - Application Summary

REAL ESTATE ANALYSIS DIVISION
April 1, 2021

PROPERTY IDENTIFICATION	
Application #	21411
Development	Gateway Oak Cliff
City / County	Dallas / Dallas
Region/Area	3 / Urban
Population	General
Set-Aside	General
Activity	New Construction

RECOMMENDATION					
TDHCA Program	Request	Recommended			
LIHTC (4% Credit)	\$1,643,367	\$1,643,367	\$7,145/Unit	\$0.90	

KEY PRINCIPALS / SPONSOR		
Dallas County HFC Jonathan Bazan St. Margaret LLC Carleton Development		
Related Parties	Contractor - Yes	Seller - Yes

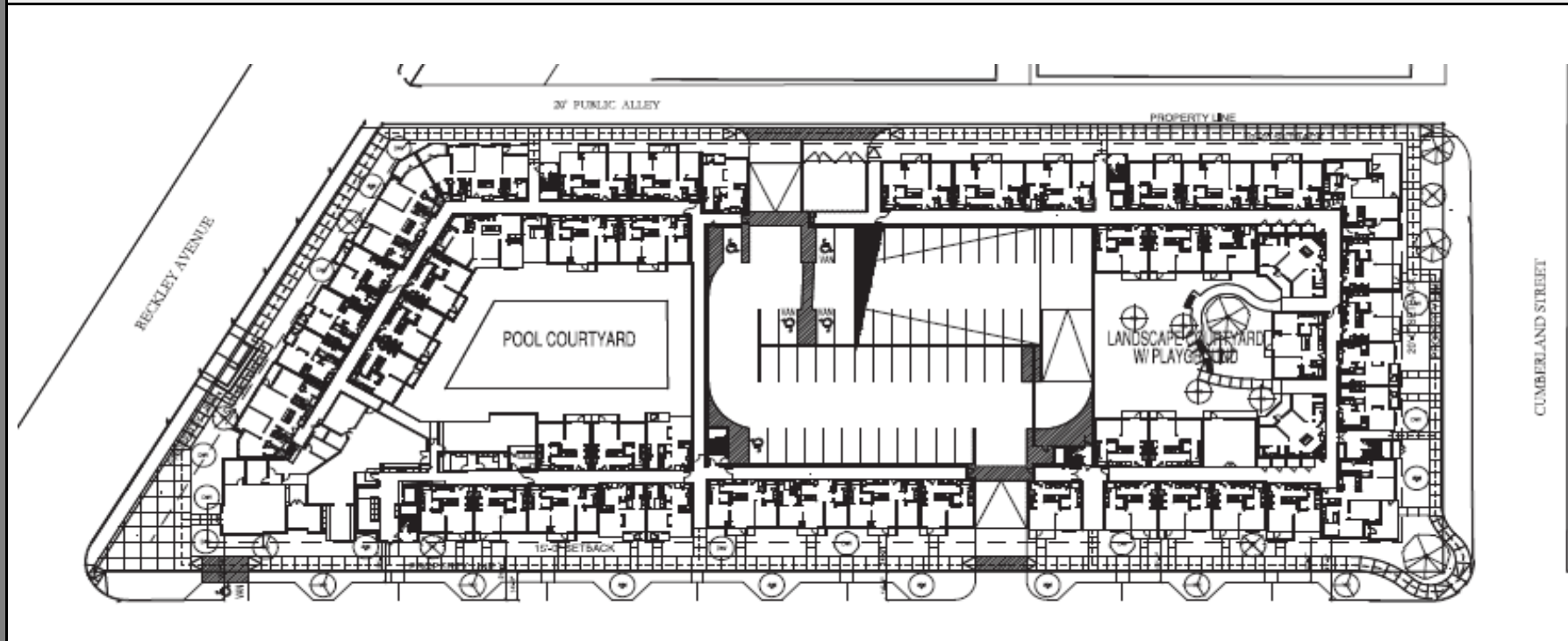
TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	32	14%	20%	-	0%
1	101	44%	30%	-	0%
2	71	31%	40%	-	0%
3	26	11%	50%	-	0%
4	-	0%	60%	184	80%
			70%	-	0%
			80%	-	0%
			MR	46	20%
TOTAL	230	100%	TOTAL	230	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	✓ 1.21	Expense Ratio	✓ 39.5%
Breakeven Occ.	✓ 82.6%	Breakeven Rent	\$944
Average Rent	\$1,058	B/E Rent Margin	✓ \$114
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$4,680/unit	Controllable	\$3,110/unit

SITE PLAN



In a preliminary review of the site plan, detention can be placed between the building and the

MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	✓	3.3%	
Highest Unit Capture Rate	① 25%	0 BR/60%	26
Dominant Unit Cap. Rate	① 13%	1 BR/60%	81
Premiums (↑60% Rents)	N/A	✗	\$390/Avg.
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	768 SF	Density	75.6/acre
Acquisition		\$01K/unit	\$200K
Building Cost	\$119.06/SF	\$91K/unit	\$21,022K
Hard Cost		\$118K/unit	\$27,049K
Total Cost		\$193K/unit	\$44,328K
Developer Fee	\$5,272K	(27% Deferred)	Paid Year: 5
Contractor Fee	\$3,567K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Citibank (Tranche A and Perm)	18/35	3.56%	\$26,650,000	1.21	City of Dallas - TIF	40/0	0.00%	\$1,440,385	1.21	NEF	\$14,788,828
TOTAL DEBT (Must Pay)			\$26,650,000		CASH FLOW DEBT / GRANTS			\$1,440,385		St. Margaret, Inc.	\$1,448,300
TOTAL EQUITY SOURCES											\$16,237,128
TOTAL DEBT SOURCES											\$28,090,385
TOTAL CAPITALIZATION											\$44,327,513

CONDITIONS

- Receipt and acceptance by Cost Certification:
- Certification that testing for asbestos and lead-based paint was performed on the existing structure(s) prior to demolition, and if necessary, a certification that any appropriate abatement procedures were implemented.

BOND RESERVATION / ISSUER

Issuer	City of Dallas HFC
Expiration Date	7/21/2021
Bond Amount	\$33,000,000
BRB Priority	Priority 2
Bond Structure	Private Placement
% Financed with Tax-Exempt Bonds	84.4%

RISK PROFILE

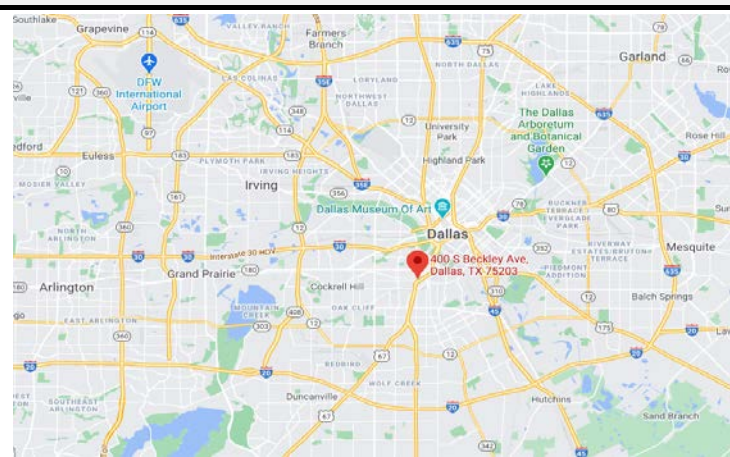
STRENGTHS/MITIGATING FACTORS

- Overall Feasibility Indicators
- Low gross capture rate
- Overall building design should compete well in the market.

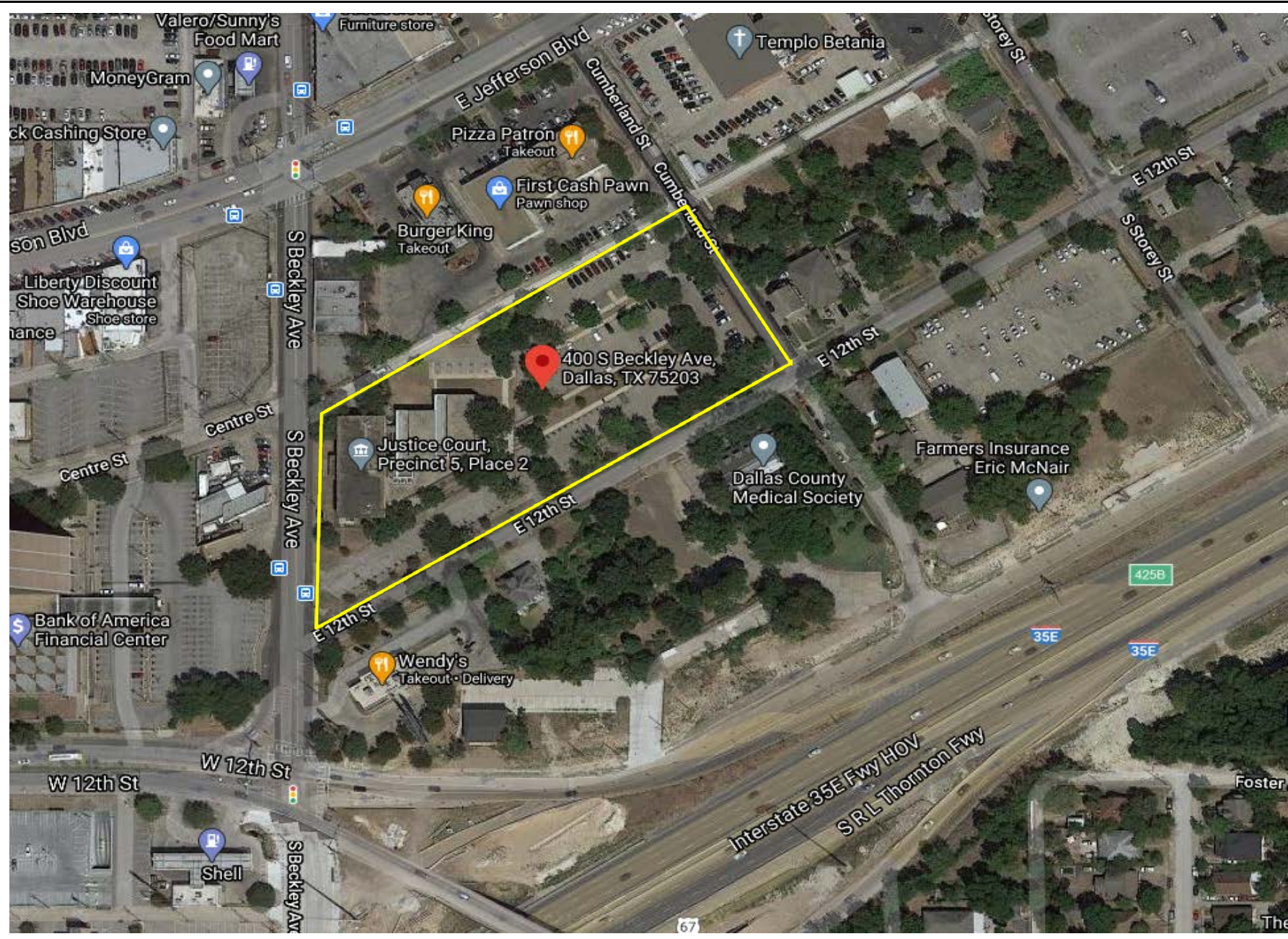
WEAKNESSES/RISKS

- 25% Capture Rate for Efficiency Units

AREA MAP



AERIAL PHOTOGRAPH(S)



21414 Waterview Apartments - Application Summary

PROPERTY IDENTIFICATION	
Application #	21414
Development	Waterview Apartments
City / County	Anna / Collin
Region/Area	3 / Urban
Population	General
Set-Aside	General
Activity	New Construction

RECOMMENDATION					
TDHCA Program	Request	Recommended			
LIHTC (4% Credit)	\$3,318,016	\$3,318,016	\$11,060/Unit	\$0.90	

KEY PRINCIPALS / SPONSOR		
Village Communities Development Corporation (Housing Authority of Texarkana TX)		
Provident Realty Advisors Matt Harris Leon Backes		
Related Parties	Contractor - Yes	Seller - No

TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	34	11%	30%	-	0%
2	106	35%	40%	-	0%
3	123	41%	50%	75	25%
4	37	12%	60%	150	50%
			70%	75	25%
			80%	-	0%
			MR	-	✓
TOTAL	300	100%	TOTAL	300	100%

PRO FORMA FEASIBILITY INDICATORS

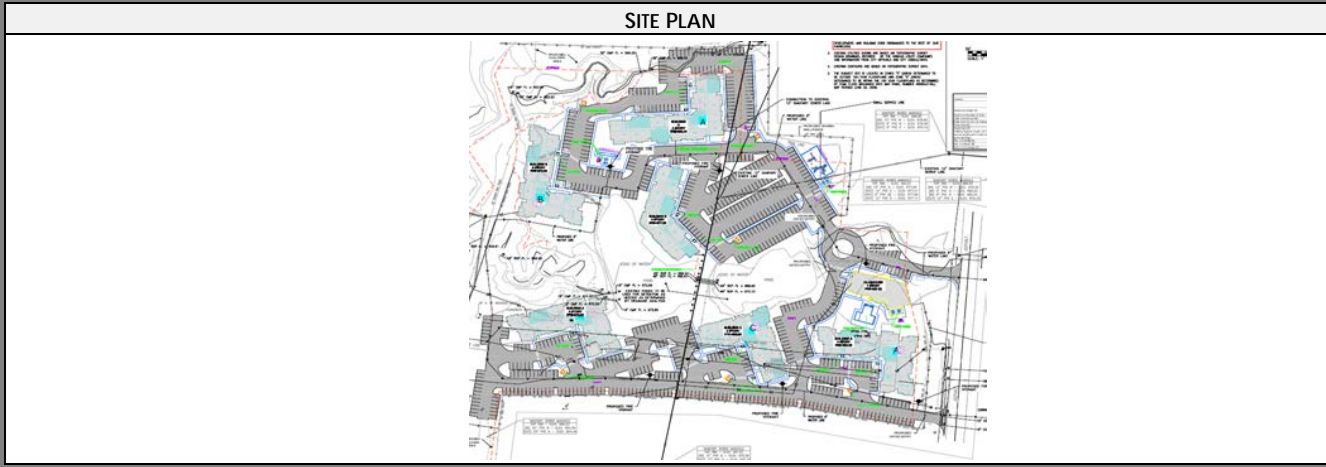
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	✓ 1.24	Expense Ratio	✓ 34.4%
Breakeven Occ.	✓ 80.9%	Breakeven Rent	\$1,023
Average Rent	\$1,171	B/E Rent Margin	✓ \$149
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$4,548/unit	Controllable	\$3,239/unit

MARKET FEASIBILITY INDICATORS

Gross Capture Rate (10% Maximum)	⚠ 8.0%
Highest Unit Capture Rate	⚠ 61% 3 BR/60% 62
Dominant Unit Cap. Rate	⚠ 61% 3 BR/60% 62
Premiums (↑60% Rents)	
Rent Assisted Units	N/A

DEVELOPMENT COST SUMMARY

Costs Underwritten		Applicant's Costs	
Avg. Unit Size	1,074 SF	Density	14.4/acre
Acquisition		\$10K/unit	\$3,000K
Building Cost	\$103.02/SF	\$111K/unit	\$33,183K
Hard Cost		\$139K/unit	\$41,620K
Total Cost		\$243K/unit	\$72,837K
Developer Fee	\$8,323K	(24% Deferred)	Paid Year: 4
Contractor Fee	\$5,809K	30% Boost	Yes



DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Citi Bank	18/35	3.75%	\$40,982,000	1.24						Enterprise	\$29,856,182	
										Provident Realty Advisors, Inc.	\$1,999,184	
TOTAL DEBT (Must Pay)			\$40,982,000		CASH FLOW DEBT / GRANTS				\$0		TOTAL EQUITY SOURCES	\$31,855,366
											TOTAL DEBT SOURCES	\$40,982,000
											TOTAL CAPITALIZATION	\$72,837,366

CONDITIONS


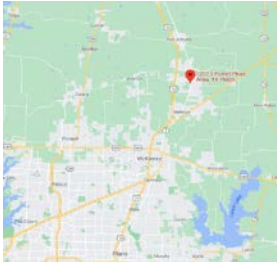
1 Receipt and acceptance before Determination Notice:

- Certification that if the site is in the 100-year floodplain when it places in service, the finished ground floor elevation of the buildings will be at least one foot above the floodplain and that parking and drive areas will be no more than 6 inches below the floodplain; and that the Owner will provide flood insurance coverage for the buildings and for the residents' personal property as long as the site remains in a designated floodplain.

2 Receipt and acceptance by Cost Certification:

- a: Architect or engineer certification that the finished ground floor elevation for each building is at least one foot above the floodplain and that all drives and parking areas are not more than 6 inches below the floodplain; or certification (including a Letter of Map Amendment or Revision ("LOMA / LOMR-F") if applicable, documenting that the development is not within the 100 year
- b: For any buildings remaining in the floodplain, documentation that flood insurance is in place at the property owner's expense covering both the buildings and the residents' personal property; and certification from the owner that flood insurance for the buildings and for the residents' personal property will remain in force as long as the site remains a designated floodplain.
- c: Certification that testing for asbestos and lead-based paint was performed on the existing structures prior to demolition, and if necessary, a certification that any appropriate abatement procedures were 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.

BOND RESERVATION / ISSUER		AERIAL PHOTOGRAPH(S)	
Issuer	Texas Home Collaborative		
Expiration Date	7/20/2021		
Bond Amount	\$38,000,000		
BRB Priority	3		
Bond Structure	Private Placement		
% Financed with Tax-Exempt Bonds	64.1%		
RISK PROFILE			
STRENGTHS/MITIGATING FACTORS			
<ul style="list-style-type: none"> ▫ Overall Feasibility Indicators ▫ HATT involvement 			
WEAKNESSES/RISKS			
<ul style="list-style-type: none"> ▫ Feasibility dependent on 100% tax exemption ▫ Parking requirement still in negotiation 			
AREA MAP			
			

21410 The Life at De Soto - Application Summary

PROPERTY IDENTIFICATION	
Application #	21410
Development	The Life at De Soto
City / County	Houston / Harris
Region/Area	6 / Urban
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1982)

RECOMMENDATION					
TDHCA Program	Request	Recommended			
LIHTC (4% Credit)	\$3,308,893	\$3,308,893	\$5,951/Unit	\$0.83	

KEY PRINCIPALS / SPONSOR			
<ul style="list-style-type: none"> • Michael Rosenfeld / Northway Capital Partners LLC (33.3%) • Yuriy Gelfman / Simba B Holdings LLC (33.3%) • Ian Bel / Olive Bel Holdings LLC (33.3%) 			
Related Parties	Contractor - TBD	Seller -	No

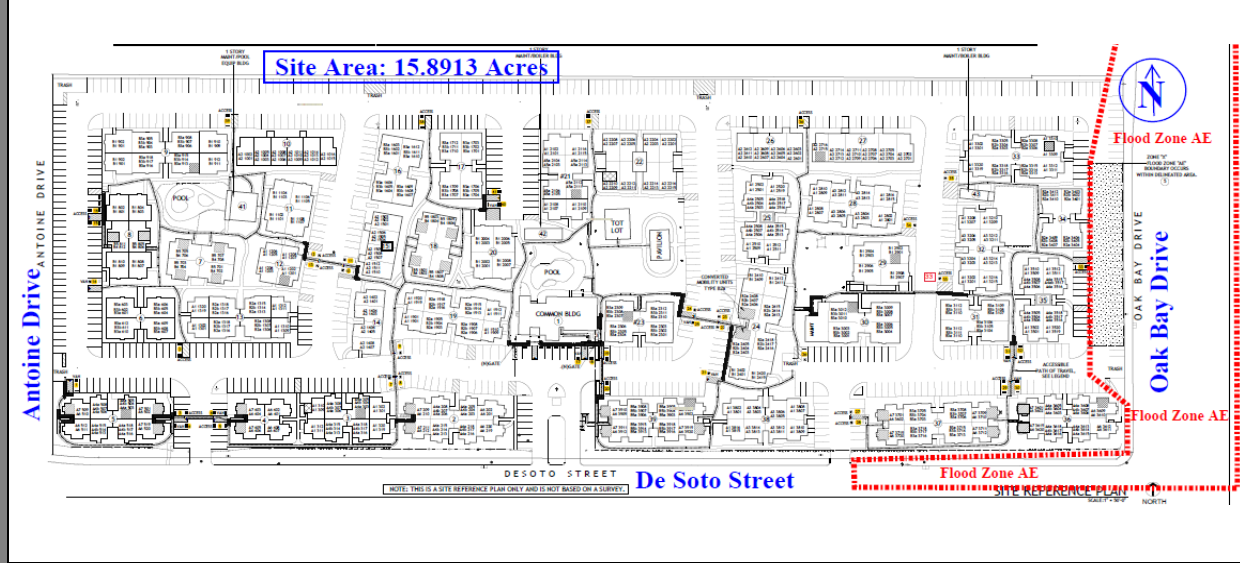
TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	332	60%	30%	-	0%
2	224	40%	40%	-	0%
3	-	0%	50%	-	0%
4	-	0%	60%	556	100%
			70%	-	0%
			80%	-	0%
			MR	-	✓
TOTAL	556	100%	TOTAL	556	100%

PRO FORMA FEASIBILITY INDICATORS					
Pro Forma Underwritten			TDHCA's Pro Forma		
Debt Coverage	1.15	Expense Ratio	55.5%		
Breakeven Occ.	87.1%	Breakeven Rent	\$869		
Average Rent	\$924	B/E Rent Margin	\$55		
Property Taxes	\$1,251/unit	Exemption/PILOT	0%		
Total Expense	\$5,810/unit	Controllable	\$3,096/unit		

SITE PLAN



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (15% Maximum)	10.3%		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	N/A	N/A
Premiums (+60% Rents)	N/A	N/A	
Rent Assisted Units	N/A	N/A	

DEVELOPMENT COST SUMMARY			
Costs Underwritten		TDHCA's Costs - Based on PCA	
Avg. Unit Size	739 SF	Density	35.0/acre
Acquisition	\$63K/unit	\$34,750K	
Building Cost	\$42.70/SF	\$32K/unit	\$17,540K
Hard Cost	\$36K/unit		\$20,112K
Total Cost	\$144K/unit		\$80,155K
Developer Fee	\$9,443K	(45% Deferred)	Paid Year: 10
Contractor Fee	\$2,816K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Chase - Fannie Mae M.TEB	15/40	3.51%	\$46,900,000	1.13	NOI During Construction	0	0.00%	\$2,182,537	1.15	Affordable Housing Partners	\$27,459,692
Adjustment to Debt Per §11.302(d)	15/40	3.51%	(\$950,000)	1.15	Fannie Mae Fee Reimbursement	0	0.00%	\$351,750	1.15	Co-Developers	\$4,210,968
TOTAL DEBT (Must Pay)			\$45,950,000		CASH FLOW DEBT / GRANTS			\$2,534,287		TOTAL EQUITY SOURCES	\$31,670,660
										TOTAL DEBT SOURCES	\$48,484,287
										TOTAL CAPITALIZATION	\$80,154,947

CONDITIONS

- 1 Receipt and acceptance by Cost Certification:
- a: Certification of comprehensive testing for asbestos; that any appropriate abatement procedures were implemented; and that any remaining asbestos-containing materials are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.
 - b: Certification of comprehensive testing for mold; that any appropriate abatement procedures were implemented by a qualified abatement company; and that Mold, Moisture & Minimization Plan has been implemented.
 - c: Certification that a Limited Sub-Surface Assessment was conducted in order to determine if the historical off-site dry cleaning operations of Dry Clean Express (formerly located at 6002 Antoine Drive, west adjacent and up-gradient to the subject property) have impacted the subject property; and that any appropriate abatement or mitigation procedures were implemented by a qualified abatement company.

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.

BOND RESERVATION / ISSUER

Issuer	Houston Housing Finance Corporation
Expiration Date	7/24/2021
Bond Amount	\$50,000,000
BRB Priority	Priority 2
Bond Structure	Fannie Mae M.TEB
% Financed with Tax-Exempt Bonds	76.6%

RISK PROFILE

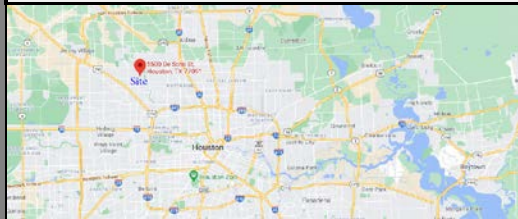
STRENGTHS/MITIGATING FACTORS

- Existing occupied property poses no lease-up risk
- Significant contingency
- Developer Experience

WEAKNESSES/RISKS

- Mix is comprised of only 1 and 2 bedroom units
- Potential cost overruns if unknown rehabilitation issues are present
- Interest rate sensitivity

AREA MAP



AERIAL PHOTOGRAPH(S)



21408 Residences at Arbor Oaks - Application Summary

PROPERTY IDENTIFICATION	
Application #	21408
Development	Residences at Arbor Oaks
City / County	Houston / Harris
Region/Area	6 / Urban
Population	General
Set-Aside	General
Activity	New Construction

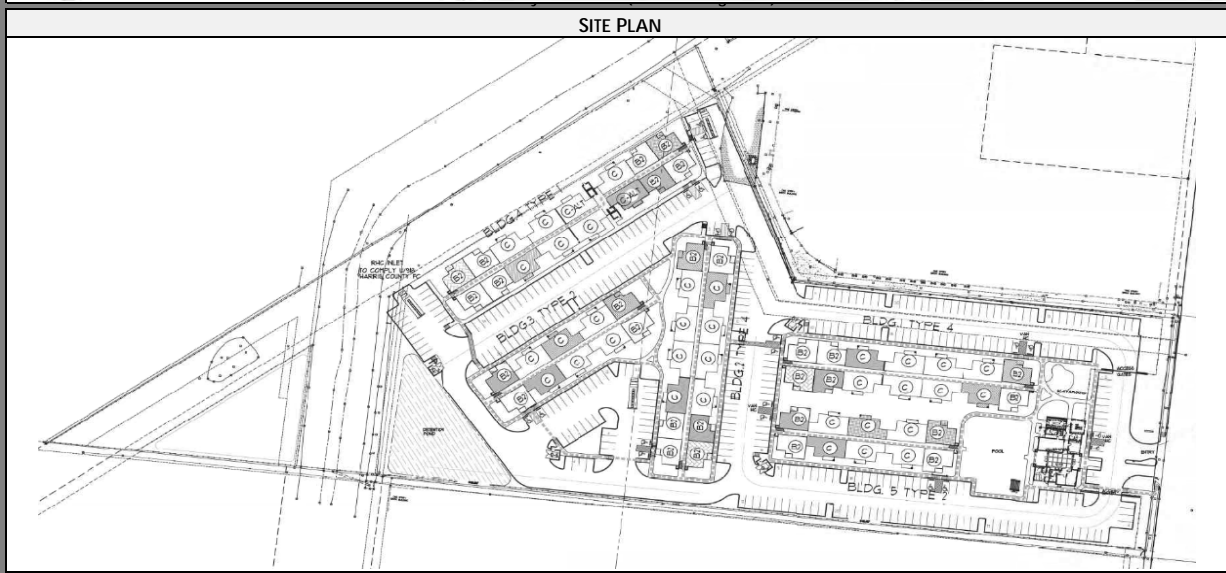
RECOMMENDATION					
TDHCA Program	Request	Recommended			
LIHTC (4% Credit)	\$1,931,603	\$1,931,603	\$10,060/Unit	\$0.96	

KEY PRINCIPALS / SPONSOR		
Dan Wilson - Senior Vice President Atlantic Pacific Communities & Horace Allison - Executive Director / CEO Harris County Housing Authority		
Related Parties	Contractor - Yes	Seller - No



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	-	0%	30%	16	8%
2	84	44%	40%	-	0%
3	108	56%	50%	23	12%
4	-	0%	60%	152	80%
			70%	-	0%
			80%	-	0%
			MR	-	0%
TOTAL	192	100%	TOTAL	191	99%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	✓ 1.29	Expense Ratio	✓ 39.1%
Breakeven Occ.	✓ 80.0%	Breakeven Rent	\$850
Average Rent	\$987	B/E Rent Margin	✓ \$137
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$4,393/unit	Controllable	\$2,823/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	✓	2.2%	
Highest Unit Capture Rate	18%	3 BR/60%	86
Dominant Unit Cap. Rate	18%	3 BR/60%	86
Premiums (↑60% Rents)	N/A	N/A	
Rent Assisted Units	98	51% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	1,034 SF	Density	18.6/acre
Acquisition		\$11K/unit	\$2,200K
Building Cost	\$102.20/SF	\$106K/unit	\$20,296K
Hard Cost		\$135K/unit	\$26,006K
Total Cost		\$233K/unit	\$44,645K
Developer Fee	\$5,008K	(2% Deferred)	Paid Year: 1
Contractor Fee	\$3,641K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES			
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount		
Citibank	15/35	4.36%	\$14,000,000	1.68						Citibank	\$18,541,533		
Harris County - CDBG	20/	2.00%	\$12,000,000	1.29						The Residences at Arbor Oaks Development, LLC	\$103,880		
TOTAL DEBT (Must Pay)			\$26,000,000		CASH FLOW DEBT / GRANTS				\$0		TOTAL EQUITY SOURCES	\$18,645,413	
											TOTAL DEBT SOURCES	\$26,000,000	
											TOTAL CAPITALIZATION		\$44,645,413

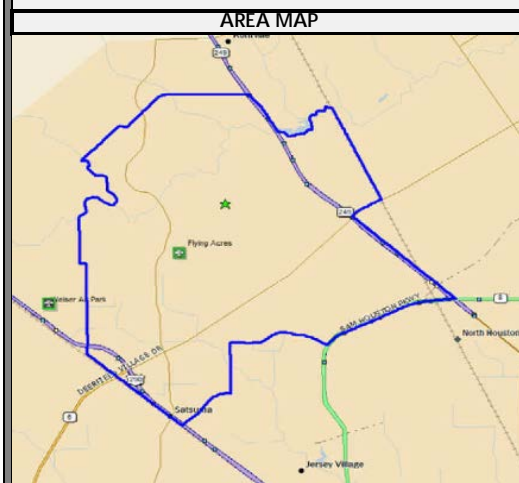
CONDITIONS

- 1 Receipt and acceptance by Cost Certification:
- a: Attorney opinion validating federally sourced funding can be considered bona fide debt with a reasonable expectation that it will be repaid in full and further stating that the funds should not be deducted from eligible basis.
 - b: A Wetlands and Jurisdictional Waters of the United States Determination Report with a clear determination of the wetland status of the subject site, indicating whether any mitigation is required. If any portion of the site is determined to be a wetland area, certification that compliance with all federal, state and local wetland mitigation requirements has been met.

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.

BOND RESERVATION / ISSUER	
Issuer	Harris County Housing Authority PFC
Expiration Date	7/18/2021
Bond Amount	\$20,000,000
BRB Priority	Priority 1c
Bond Structure	Private Activity Bond
% Financed with Tax-Exempt Bonds	54.8%

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫	Average rent is \$400 below market
▫	Overall Feasibility Indicators
▫	Proximity to employment
▫	Developer experience
▫	Low gross capture rate
WEAKNESSES/RISKS	
▫	Potential Wetlands mitigation required.
▫	Low visibility



21404 Agave - Application Summary

REAL ESTATE ANALYSIS DIVISION
March 31, 2021

PROPERTY IDENTIFICATION	
Application #	21404
Development	Agave
City / County	San Antonio / Bexar
Region/Area	9 / Urban
Population	General
Set-Aside	General
Activity	New Construction

RECOMMENDATION					
TDHCA Program	Request	Recommended			
LIHTC (4% Credit)	\$2,559,042	\$2,559,042	\$8,886/Unit	\$0.87	

KEY PRINCIPALS / SPONSOR		
LDG Development: Jason Trevino/William Hartz Developer/Contractor/SLP/Guarantor		
Bexar Mgmt and Development Corp - GP		
Related Parties	Contractor - Yes	Seller - No

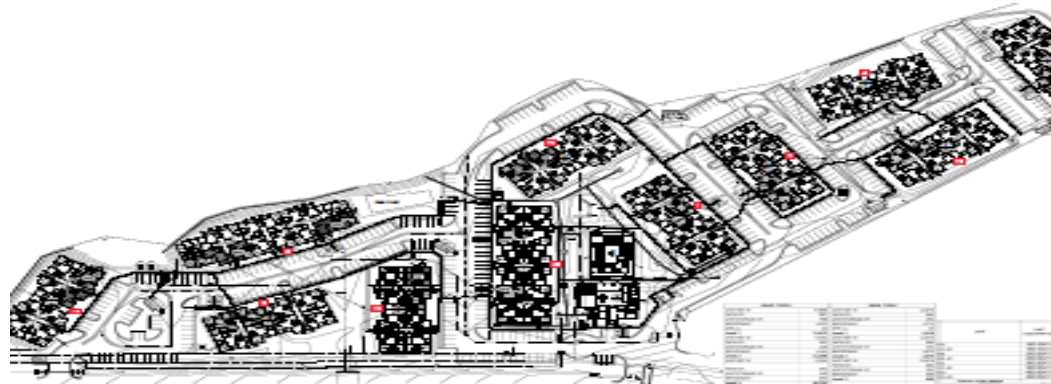
TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	36	13%	30%	-	0%
2	120	42%	40%	-	0%
3	120	42%	50%	-	0%
4	12	4%	60%	288	100%
			70%	-	0%
			80%	-	0%
			MR	-	✓
TOTAL	288	100%	TOTAL	288	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.17	Expense Ratio	38.9%
Breakeven Occ.	84.5%	Breakeven Rent	\$879
Average Rent	\$964	B/E Rent Margin	\$85
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$4,250/unit	Controllable	\$3,237/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (15% Maximum)			12.5%
Highest Unit Capture Rate	38%	2 BR/60%	120
Dominant Unit Cap. Rate	38%	2 BR/60%	120
Premiums (↑60% Rents)	#DIV/0!		#DIV/0!
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	1,160 SF	Density	21.6/acre
Acquisition		\$08K/unit	\$2,353K
Building Cost	\$75.46/SF	\$88K/unit	\$25,200K
Hard Cost		\$111K/unit	\$31,954K
Total Cost		\$198K/unit	\$56,973K
Developer Fee	\$6,419K	(13% Deferred)	Paid Year: 3
Contractor Fee	\$4,133K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
R4CF	18/40	3.80%	\$33,893,000	1.17						R4	\$22,259,210	
										LDG Multifamily, LLC	\$820,609	
TOTAL DEBT (Must Pay)			\$33,893,000		CASH FLOW DEBT / GRANTS				\$0		TOTAL EQUITY SOURCES	\$23,079,819
											TOTAL DEBT SOURCES	\$33,893,000
											TOTAL CAPITALIZATION	\$56,972,819

CONDITIONS

1 Receipt and acceptance before Determination Notice:

- a: Certification that if the site is in the 100-year floodplain when it places in service, the finished ground floor elevation of the buildings will be at least one foot above the floodplain and that parking and drive areas will be no more than 6 inches below the floodplain; and that the Owner will provide flood insurance coverage for the buildings and for the residents' personal property as long as the site remains in a designated floodplain.

2 Receipt and acceptance by Cost Certification:

- a: Architect certification that a noise assessment was completed, and that all recommendations were implemented and the Development is compliant with HUD noise guidelines.
- b: Architect or engineer certification that the finished ground floor elevation for each building is at least one foot above the floodplain and that all drives and parking areas are not more than 6 inches below the floodplain; or certification (including a Letter of Map Amendment or Revision ("LOMA / LOMR-F") if applicable, documenting that the development is not within the 100 year floodplain.

For any buildings remaining in the floodplain, documentation that flood insurance is in place at the property owner's expense covering both the buildings and the residents' personal property; and certification from the owner that flood insurance for the buildings and for the residents' personal property will remain in force as long as the site remains a designated floodplain.

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.

BOND RESERVATION / ISSUER	
Issuer	Bexar County HFC
Expiration Date	7/24/2021
Bond Amount	\$50,000,000
BRB Priority	Priority 3
Bond Structure	Private Placement
% Financed with Tax-Exempt Bonds	74.3%

AERIAL PHOTOGRAPH(S)



RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
Property tax exemption.	
12 four bedroom apartments for larger households	
Developer Experience	
Easy access to employment, shopping, IH-10 and Loop 1-410	
WEAKNESSES/RISKS	
Large number of affordable units approved in the area	
Marginal DCR	

AREA MAP

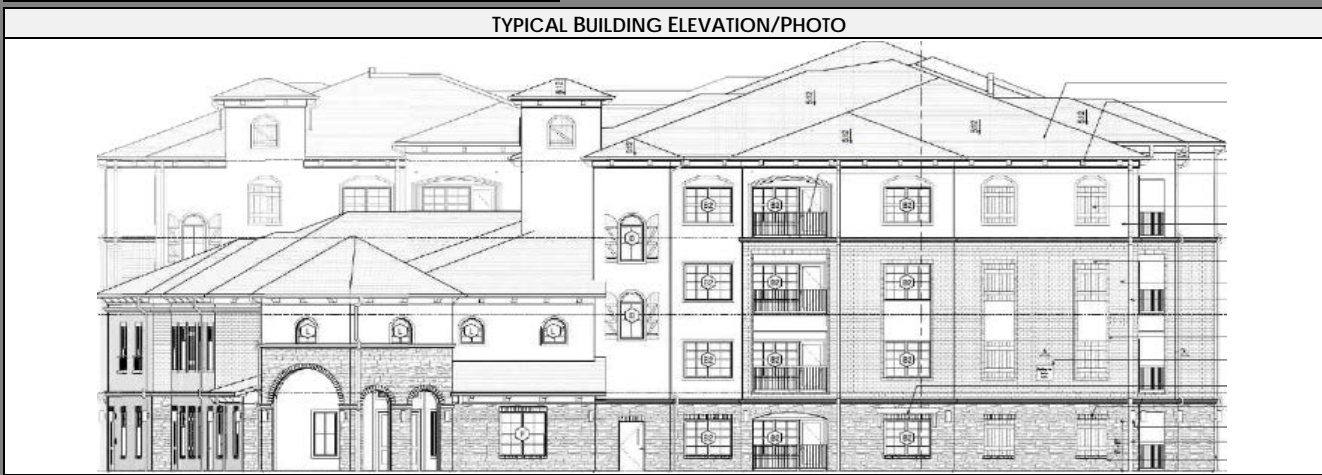


20481 Echo East - Application Summary

PROPERTY IDENTIFICATION	
Application #	20481
Development	Echo East
City / County	San Antonio / Bexar
Region/Area	9 / Urban
Population	General
Set-Aside	General
Activity	New Construction

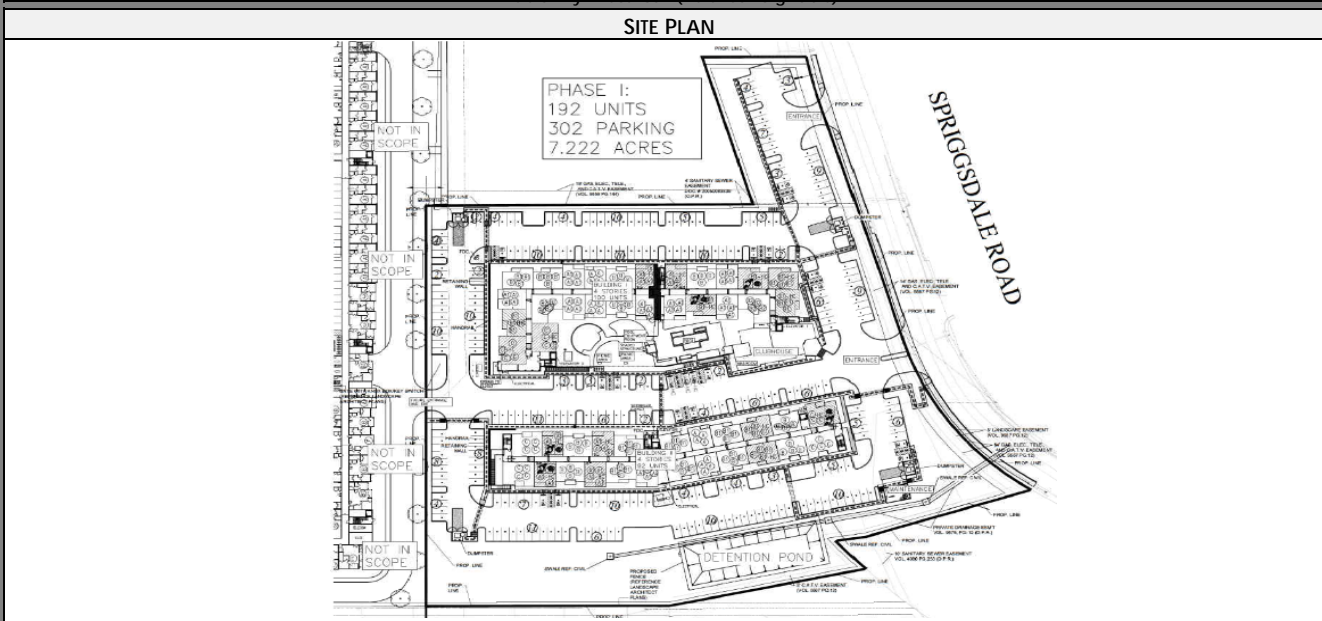
RECOMMENDATION					
TDHCA Program	Request	Recommended			
LIHTC (4% Credit)	\$1,920,586	\$1,920,586	\$10,003/Unit	\$0.91	

KEY PRINCIPALS / SPONSOR		
Howard D. Cohen / Dan Wilson		
San Antonio Housing Trust PFC		
Echo East 22 Development LLC		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	72	38%	40%	-	0%
2	96	50%	50%	-	0%
3	24	13%	60%	192	100%
4	-	0%	MR	-	0%
TOTAL	192	100%	TOTAL	192	100%

PRO FORMA FEASIBILITY INDICATORS					
Pro Forma Underwritten			Applicant's Pro Forma		
Debt Coverage	1.15	Expense Ratio	43.4%		
Breakeven Occ.	85.5%	Breakeven Rent	\$772		
Average Rent	\$836	B/E Rent Margin	\$65		
Property Taxes	Exempt	Exemption/PILOT	100%		
Total Expense	\$4,125/unit	Controllable	\$2,575/unit		



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (0% Maximum)	14.8%		
Highest Unit Capture Rate	42%	2 BR/60%	96
Dominant Unit Cap. Rate	42%	2 BR/60%	96
Premiums (↑60% Rents)	N/A	N/A	
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	854 SF	Density	26.6/acre
Acquisition		\$02K/unit	\$323K
Building Cost	\$118.52/SF	\$101K/unit	\$19,439K
Hard Cost		\$128K/unit	\$24,634K
Total Cost		\$215K/unit	\$41,344K
Developer Fee	\$4,864K	(56% Deferred)	Paid Year: 13
Contractor Fee	\$3,446K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
CitiBank - Tranche A	18/40	4.00%	\$17,850,000	1.15	TIRZ	0/0	0.00%	\$2,550,000	1.15	Regions Affordable Housing, LLC	\$17,475,582
					George Gervin Youth Center, Inc.,	30/0	0.00%	\$750,000	1.15	Villas at Echo East Development, LLC	\$2,718,615
TOTAL DEBT (Must Pay)			\$17,850,000		CASH FLOW DEBT / GRANTS			\$3,300,000		TOTAL EQUITY SOURCES	\$20,194,197
										TOTAL DEBT SOURCES	\$21,150,000
										TOTAL CAPITALIZATION	\$41,344,197

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.

BOND RESERVATION / ISSUER

Issuer	San Antonio Housing Trust Finance Corp
Expiration Date	4/14/2021
Bond Amount	\$20,000,000
BRB Priority	3
Bond Structure	Private Placement
% Financed with Tax-Exempt Bonds	58.9%

RISK PROFILE

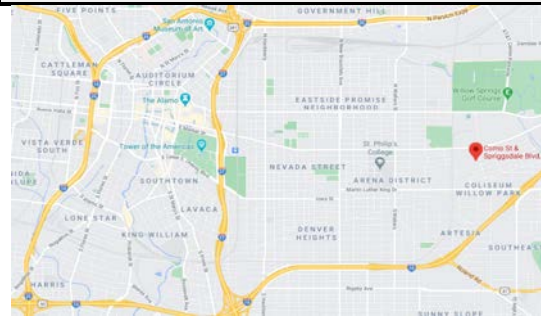
STRENGTHS/MITIGATING FACTORS

- Developer experience
- Proximity to employment opportunities

WEAKNESSES/RISKS

- Feasibility dependent on Tax Exemption
- High Gross Capture rate
- Low visibility
- Marginal debt coverage
- Thirteen years to repay deferred developer fee

AREA MAP



AERIAL PHOTOGRAPH(S)



21412 Celebration Arlington - Application Summary

PROPERTY IDENTIFICATION		RECOMMENDATION				
Application #	21412	TDHCA Program	Request	Recommended		
Development	Celebration Arlington	LIHTC (4% Credit)	\$2,330,099	\$2,330,099	\$8,473/Unit	\$0.91
City / County	Arlington / Tarrant					
Region/Area	3 / Urban					
Population	Elderly Preference					
Set-Aside	General					
Activity	New Construction					

KEY PRINCIPALS / SPONSOR		
Javelin Development Partners, LLC / Arlington Housing Finance Corporation		
Related Parties	Contractor - No	Seller - No

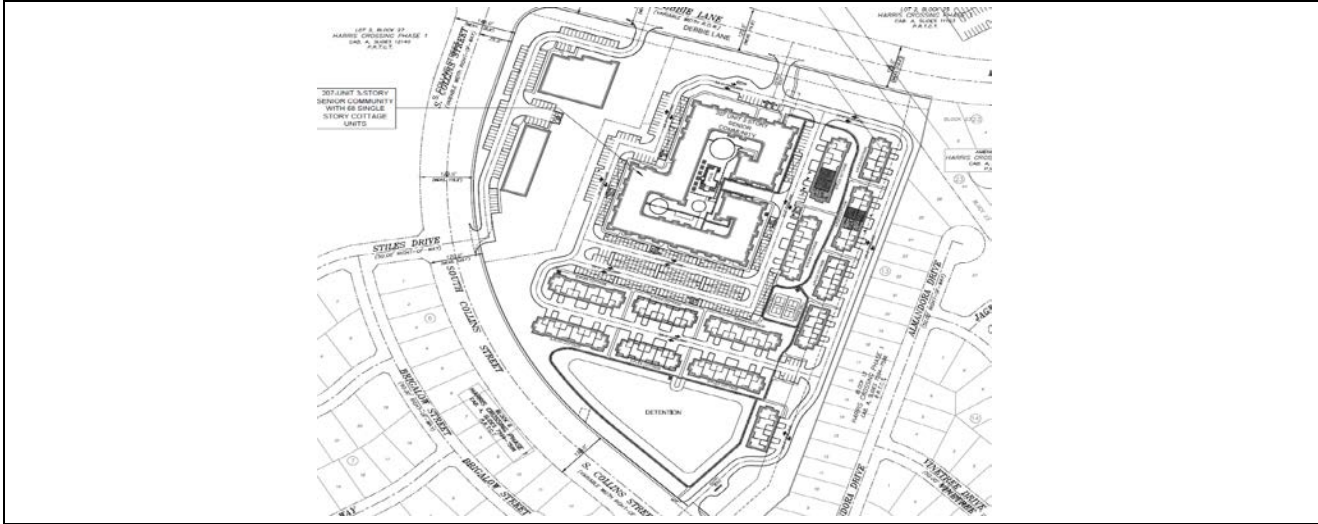
TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	39	14%	20%	-	0%
1	170	62%	30%	-	0%
2	66	24%	40%	-	0%
3	-	0%	50%	-	0%
4	-	0%	60%	275	100%
			70%	-	0%
			80%	-	0%
			MR	-	✓
TOTAL	275	100%	TOTAL	275	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	✓ 1.21	Expense Ratio	✓ 40.4%
Breakeven Occ.	✓ 82.8%	Breakeven Rent	\$856
Average Rent	\$959	B/E Rent Margin	✓ \$103
Property Taxes	\$36/unit	Exemption/PILOT	100%
Total Expense	\$4,390/unit	Controllable	\$3,061/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	✓	7.7%	
Highest Unit Capture Rate	ⓘ 24%	1 BR/60%	135
Dominant Unit Cap. Rate	ⓘ 24%	1 BR/60%	135
Premiums (↑60% Rents)	#DIV/0!	#DIV/0!	
Rent Assisted Units	55	20% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	821 SF	Density	15.7/acre
Acquisition		\$08K/unit	\$2,094K
Building Cost	\$108.23/SF	\$89K/unit	\$24,420K
Hard Cost		\$110K/unit	\$30,300K
Total Cost		\$184K/unit	\$50,640K
Developer Fee	\$5,845K	(25% Deferred)	Paid Year: 5
Contractor Fee	\$3,495K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
LUMENT	15/35	3.76%	\$28,000,000	1.21						Affordable Housing Partners, Inc.	\$21,201,779	
										Javelin	\$1,438,209	
TOTAL DEBT (Must Pay)			\$28,000,000		CASH FLOW DEBT / GRANTS				\$0		TOTAL EQUITY SOURCES	\$22,639,988
											TOTAL DEBT SOURCES	\$28,000,000
											TOTAL CAPITALIZATION	\$50,639,988

CONDITIONS

- Receipt and acceptance by Cost Certification:
 - Architect certification that a noise assessment was completed, and that all recommendations were implemented and the Development is compliant with HUD noise guidelines.

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.

BOND RESERVATION / ISSUER	
Issuer	Arlington Housing Finance Corporation
Expiration Date	7/21/2021
Bond Amount	\$48,000,000
BRB Priority	Priority 1c
Bond Structure	Freddie Mac TEL
% Financed with Tax-Exempt Bonds	96.7%

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫	20% Project-Based Voucher
▫	100% Tax-Exemption
▫	Strong Cash-Flow Potential
▫	77% of parking is covered
WEAKNESSES/RISKS	
▫	Lack of experience with TDHCA

AREA MAP	

AERIAL PHOTOGRAPH(S)



21400 The Oaks - Application Summary

REAL ESTATE ANALYSIS DIVISION

April 1, 2021

PROPERTY IDENTIFICATION	
Application #	21400
Development	The Oaks
City / County	Dallas / Dallas
Region/Area	3 / Urban
Population	Elderly Preference
Set-Aside	General
Activity	New Construction

RECOMMENDATION					
TDHCA Program	Request	Recommended			
LIHTC (4% Credit)	\$1,967,029	\$1,967,029	\$7,565/Unit	\$0.96	

KEY PRINCIPALS / SPONSOR		
NTHP Pembroke, Inc/ Dallas Housing Authority Volunteers of America National Services Deborah Welchel		
Related Parties	Contractor - No	Seller - Yes

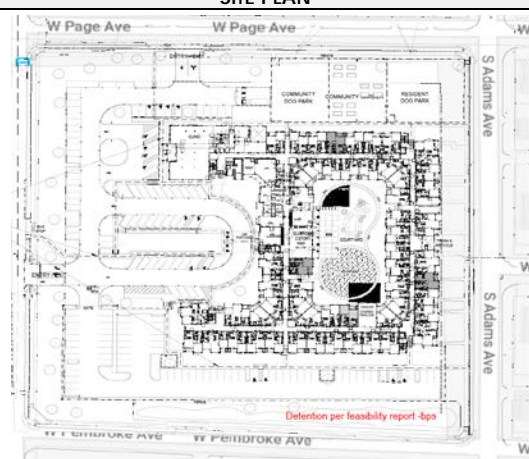
TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	197	76%	30%	27	10%
2	63	24%	40%	-	0%
3	-	0%	50%	-	0%
4	-	0%	60%	216	83%
			70%	-	0%
			80%	-	0%
			MR	17	7%
TOTAL	260	100%	TOTAL	260	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		TDHCA's Pro Forma	
Debt Coverage	✓ 1.24	Expense Ratio	✓ 50.3%
Breakeven Occ.	✓ 83.7%	Breakeven Rent	\$883
Average Rent	\$977	B/E Rent Margin	✓ \$95
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$5,563/unit	Controllable	\$3,840/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	✓	4.7%	
Highest Unit Capture Rate	✓ 8%	1 BR/60%	58
Dominant Unit Cap. Rate	✓ 8%	1 BR/60%	58
Premiums (↑60% Rents)	No		
Rent Assisted Units	130	50% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	717 SF	Density	38.8/acre
Acquisition		\$00K/unit	\$K
Building Cost	\$123.04/SF	\$88K/unit	\$22,921K
Hard Cost		\$105K/unit	\$27,369K
Total Cost		\$180K/unit	\$46,797K
Developer Fee	\$5,427K	(5% Deferred)	Paid Year: 2
Contractor Fee	\$3,883K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Lument	17/35	3.90%	\$22,100,000	1.24	Reinvestment of Bond Proceeds	0/0	0.00%	\$525,000	1.24	Bank of America	\$18,881,586	
					DHA	50/0	0.05%	\$4,500,000	1.24	VOANS / NHTP	\$290,051	
					Volunteers of America Natl Svcs	40/0	5.00%	\$500,000	1.24			
TOTAL DEBT (Must Pay)			\$22,100,000		CASH FLOW DEBT / GRANTS				\$5,525,000		TOTAL EQUITY SOURCES	\$19,171,637
											TOTAL DEBT SOURCES	\$27,625,000
											TOTAL CAPITALIZATION	\$46,796,637

CONDITIONS

- Receipt and acceptance due before LURA Execution:
- Receipt of HUD-approved definition of Elderly for the Public Housing and the PBV units (if different than the statutory definition)

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.

BOND RESERVATION / ISSUER	
Issuer	Housing Options Inc.
Expiration Date	7/18/2021
Bond Amount	\$35,000,000
BRB Priority	Priority 2
Bond Structure	Freddie TEL
% Financed with Tax-Exempt Bonds	89.2%
RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
<ul style="list-style-type: none"> ▫ Developer experience ▫ Overall Feasibility Indicators ▫ 50% of units have rental assistance 	
WEAKNESSES/RISKS	
<ul style="list-style-type: none"> ▫ Parking ratio is 0.4 spaces per unit. ▫ Feasibility reliant on property tax exemption 	

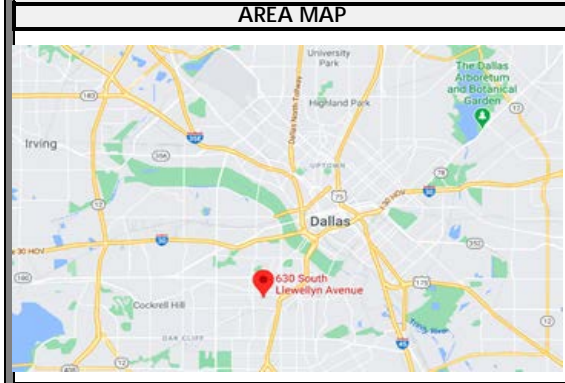
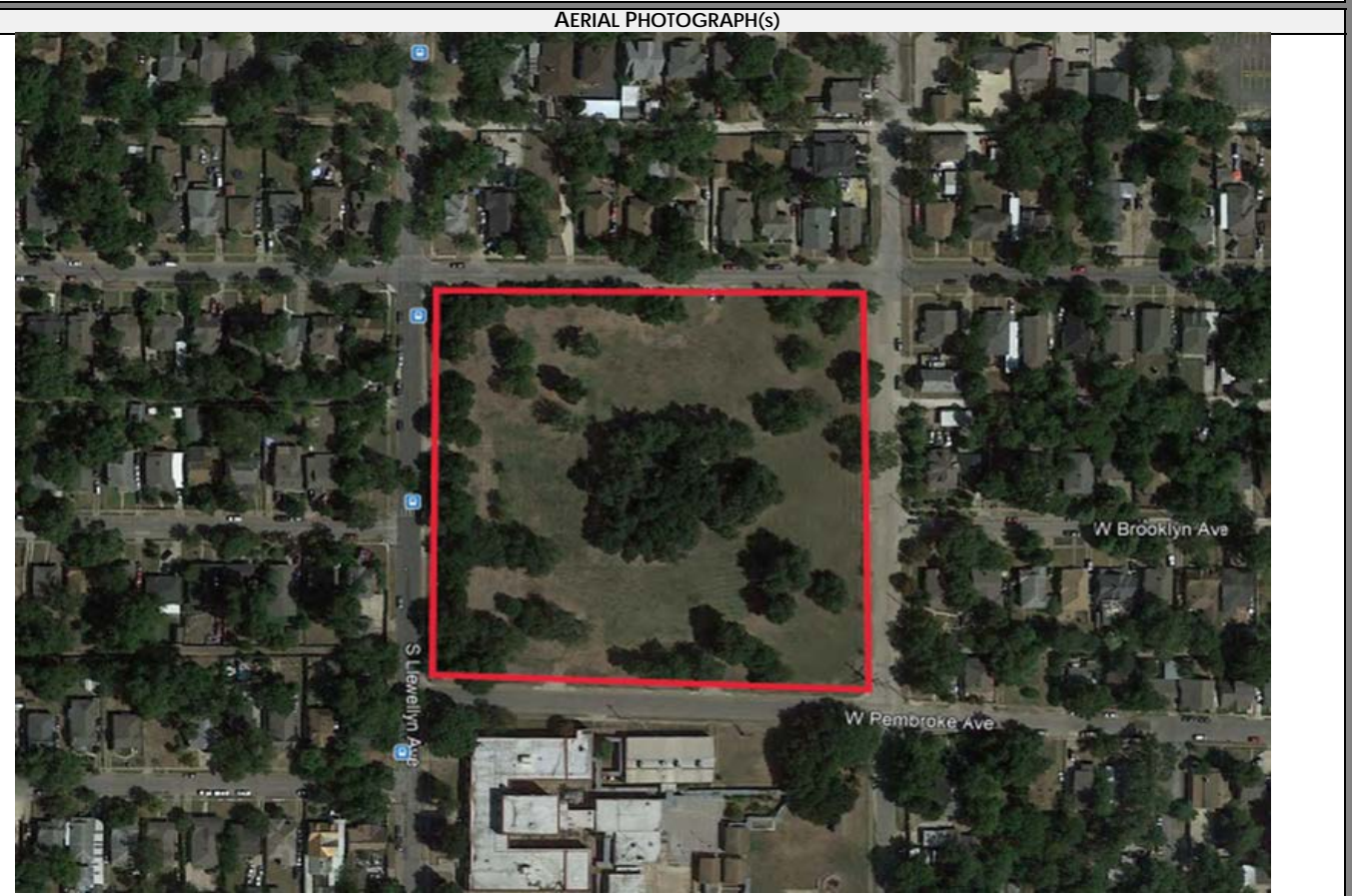




EXHIBIT B

4% (Non-Competitive) Housing Tax Credit Program
2020 Application Status Log

TDHCA #	Previous TDHCA #	Development Name	Development City	Board Meeting Date (MM/DD/YYYY)	Application Status	Total Units	Total Low-Income Units	Bond Reservation Amount	Requested HTC Amount	Recommend HTC Amount
20451	19440	Ventura at Parmer Lane	Austin ETJ	10/10/2019	Closed	216	216	\$ 34,000,000	\$ 2,189,841	\$ 2,189,841
20600		Oaks on Clark	San Antonio	4/23/2020	Closed	80	80	\$ 12,000,000	\$ 607,290	\$ 597,284
20605	19608	Reserve at San Marcos	San Marcos	3/26/2020	Closed	376	320	\$ 41,000,000	\$ 1,857,733	\$ 1,857,733
20448	18458; 19431	Scharbauer Flats	Midland	2/20/2020	Closed	300	300	\$ 40,000,000	\$ 2,895,615	\$ 2,895,615
20410		Traders Flats	San Antonio	5/21/2020	Closed	324	324	\$ 38,000,000	\$ 1,863,629	\$ 1,863,629
20465	19428	Riverstone	San Marcos	11/7/2019	Closed	336	336	\$ 50,000,000	\$ 2,349,942	\$ 2,349,942
20414		The Arbor at Wayforest	Houston	3/26/2020	Closed	192	192	\$ 20,000,000	\$ 1,262,807	\$ 1,262,807
20420		Pan American	San Antonio	4/23/2020	Closed	100	100	\$ 15,000,000	\$ 674,355	\$ 674,355
20429	19452	Las Palmas	La Feria	1/16/2020	Closed	36	35	\$39,120,000 (portfolio)	\$ 87,983	\$ 87,983
20422	19445	Brush Country Cottages	Dilley	1/16/2020	Closed	28	28	-	\$ 89,069	\$ 89,069
20423	19446	Chula Vista	San Diego	1/16/2020	Closed	44	44	-	\$ 149,982	\$ 149,982
20424	19447	Cielo Lindo	Edcouch	1/16/2020	Closed	34	34	-	\$ 101,022	\$ 101,022
20425	19448	La Estancia	Sebastian	1/16/2020	Closed	32	32	-	\$ 101,210	\$ 101,210
20426	19449	La Posada I & II	Ela	1/16/2020	Closed	74	74	-	\$ 208,076	\$ 208,076
20427	19450	La Reina	La Villa	1/16/2020	Closed	30	30	-	\$ 65,586	\$ 65,586
20428	19451	La Sombra	Donna	1/16/2020	Closed	50	50	-	\$ 118,354	\$ 118,354
20430	19453	Leuty Avenue	Justin	1/16/2020	Closed	24	24	-	\$ 80,261	\$ 80,261
20432	19455	Los Naranjos	Alton	1/16/2020	Closed	30	30	-	\$ 67,810	\$ 67,810
20433	19456	Oak Haven	Donna	1/16/2020	Closed	24	24	-	\$ 63,090	\$ 63,090
20434	19457	Raintree	Alamo	1/16/2020	Closed	32	32	-	\$ 82,925	\$ 82,925
20435	19458	Seagraves Gardens	Seagraves	1/16/2020	Closed	32	32	-	\$ 91,709	\$ 91,709
20436	19459	Silver Trail	Menard	1/16/2020	Closed	24	24	-	\$ 67,091	\$ 67,091
20437	19460	The Village	Tomball	1/16/2020	Closed	64	64	-	\$ 172,768	\$ 172,768
20438	19461	Valley View	Valley View	1/16/2020	Closed	24	24	-	\$ 78,834	\$ 78,834
20439	19462	Villa Vallarta	Rio Grande City	1/16/2020	Closed	40	40	-	\$ 122,529	\$ 122,529
20440	19463	Vista Verde	Cotulla	1/16/2020	Closed	24	24	-	\$ 82,514	\$ 82,514
20441	19464	Willowick	Gainesville	1/16/2020	Closed	60	60	-	\$ 171,018	\$ 171,018
20442	19465	Windmill	Giddings	1/16/2020	Closed	28	28	-	\$ 77,926	\$ 77,926
20443	19466	Windwood I & II	Kingsland	1/16/2020	Closed	68	68	-	\$ 151,618	\$ 151,618
20407		New Hope Housing Avenue J	Houston	2/20/2020	Closed	100	100	\$ 23,000,000	\$ 1,290,647	\$ 1,290,467
20401		Palladium Port Aransas	Port Aransas	4/23/2020	Closed	183	165	\$ 19,000,000	\$ 1,155,074	\$ 1,155,074
20408		Vi Collina	Austin	4/23/2020	Closed	170	170	\$ 24,000,000	\$ 1,340,220	\$ 1,340,220
20611	20402	333 Holly	The Woodlands	5/21/2020	Closed	332	332	\$ 36,800,000	\$ 2,484,301	\$ 2,484,301
20612	20403	The Pines	The Woodlands	5/21/2020	Closed	152	152	\$ 22,000,000	\$ 1,469,273	\$ 1,469,273
20604	19468	The Walzem	San Antonio	5/21/2020	Closed	200	200	\$ 20,000,000	\$ 1,326,147	\$ 1,280,892
20603	19612	Scott Street Lofts	Houston	5/21/2020	Closed	123	98	\$ 18,000,000	\$ 741,693	\$ 711,964
20416		The Estates at Owen Tech	Austin	5/21/2020	Closed	174	174	\$ 20,000,000	\$ 1,213,610	\$ 1,213,610
20409		McKinney Flats	McKinney	3/26/2020	Closed	205	205	\$ 32,000,000	\$ 1,393,849	\$ 1,393,849
20404		Tampico Apartments	San Antonio	3/26/2020	Closed	200	136	\$ 23,000,000	\$ 739,670	\$ 739,670
20418		Park at 38 Thirty	San Antonio	3/26/2020	Closed	196	196	\$ 25,000,000	\$ 1,027,837	\$ 1,027,837
20412		1604 Lofts Apartments	San Antonio	5/21/2020	Closed	324	324	\$ 38,000,000	\$ 1,895,702	\$ 1,895,702
20452		Enclave at Lake Pointe	Houston	6/25/2020	Closed	132	132	\$ 14,200,000	\$ 723,725	\$ 723,725
20458		Kinwood Apartments	McKinney	6/25/2020	Closed	200	200	\$ 30,000,000	\$ 1,245,289	\$ 1,240,383
20405		Gala at Fate	Fate	5/21/2020	Closed	185	185	\$ 25,000,000	\$ 1,166,285	\$ 1,166,285
20421	19442	Richcrest Apartments	Houston	3/26/2020	Closed	288	286	\$ 30,000,000	\$ 1,974,441	\$ 1,974,441
20456		The Hollows	Channelview CDP	7/23/2020	Closed	192	192	\$ 20,000,000	\$ 1,043,287	\$ 1,043,287
20461		Cascade at Onion Creek	Austin	6/25/2020	Closed	264	264	\$ 35,000,000	\$ 1,431,091	\$ 1,422,168
20609		Pecan Grove	Seguin	7/23/2020	Closed	198	198	\$ 26,000,000	\$ 1,353,160	\$ 1,353,160
20447	19472	Franklin Park	Austin	5/21/2020	Closed	163	163	\$ 15,000,000	\$ 737,361	\$ 737,361
20450		Mira Vista	San Antonio	5/21/2020	Closed	312	312	\$ 28,000,000	\$ 1,783,385	\$ 1,783,385
20419		Woodway Village	Austin	6/25/2020	Closed	160	160	\$ 30,000,000	\$ 1,196,513	\$ 1,168,103
20457		Pinewood Apartments	Houston	6/25/2020	Closed	240	240	\$ 30,000,000	\$ 1,174,359	\$ 1,106,302
20459		Spring Villas	Austin	6/25/2020	Closed	304	302	\$ 45,000,000	\$ 2,295,642	\$ 2,295,524
20602	03438	The Vermillion	Houston	7/23/2020	Closed	260	260	\$ 29,000,000	\$ 1,372,549	\$ 1,375,437
20467		Greenline North	San Antonio	7/23/2020	Closed	292	292	\$ 50,000,000	\$ 1,930,015	\$ 1,930,015
20466		Blue Water Gardens	Hereford	9/3/2020	Closed	132	132	\$ 16,750,000	\$ 738,553	\$ 738,553
TBD		Legacy Senior	Round Rock	11/7/2019	Closed	157	157	\$ 20,000,000	\$ 732,029	\$ 732,029
TBD	18456; 19470	Jackie Robinson Apartments	El Paso	12/12/2019	Closed	186	186	\$ 30,000,000	\$ 1,290,195	\$ 1,290,195
20601	19611	Granada Terrace Apartments	Houston	4/23/2020	Closed	156	156	\$ 12,000,000	\$ 882,061	\$ 882,061
20415		Avenue on 34th Apartments	Houston	9/3/2020	Closed	70	56	\$ 12,000,000	\$ 333,845	\$ 333,845
20478		Vera at Odessa	Odessa	9/3/2020	Closed	288	288	\$ 35,000,000	\$ 1,389,149	\$ 1,389,149
20606	19610	Fish Pond at Corpus Christi	Corpus Christi	9/3/2020	Closed	112	111	\$ 10,000,000	\$ 682,849	\$ 682,849
20471		Northwood	Houston ETJ	7/23/2020	Closed	288	288	\$ 40,000,000	\$ 2,378,498	\$ 2,378,498
20411		Kitty Hawk Flats Apartments	San Antonio	9/3/2020	Closed	239	239	\$ 28,000,000	\$ 1,359,994	\$ 1,359,994
20454		South Terrace	Waco	9/3/2020	Closed	250	250	\$ 25,000,000	\$ 1,452,219	\$ 1,445,826
20475		Northview Apartments	San Antonio	9/3/2020	Closed	156	156	\$ 25,000,000	\$ 1,270,215	\$ 1,270,215
20483	02412	Shady Oaks	Fort Worth	9/3/2020	Closed	138	138	\$ 15,000,000	\$ 654,862	\$ 654,862
20480		Bridge at Turtle Creek	Austin	10/8/2020	Closed	307	307	\$ 44,000,000	\$ 2,332,344	\$ 2,332,344
20449	19469	EMLI at Pecan Creek	Aubrey	4/23/2020	Closed	254	254	\$ 30,000,000	\$ 1,484,333	\$ 1,413,138
20613		Riverside Senior	Fort Worth	12/10/2020	Closed	264	264	\$ 40,000,000	\$ 1,913,049	\$ 1,913,049
20400		Palladium West Francis	Midland	5/21/2020	Closed	240	188	\$ 25,000,000	\$ 1,596,885	\$ 1,596,885
20406		Gala at Central Park Apartments	Hurst	6/25/2020	Closed	94	94	\$ 15,000,000	\$ 486,783	\$ 486,783

20474		Canyon Pass	San Antonio	10/8/2020	Closed	264	264	\$	35,000,000	\$	2,003,601	\$	2,003,601
20491		Ridgecrest Terrace	Dallas	12/10/2020	Closed	250	250	\$	40,000,000	\$	1,790,582	\$	1,790,582
20615		The Montage	San Antonio ETJ	1/14/2021	Closed	216	216	\$	35,000,000	\$	1,916,191	\$	1,914,402
20455		Redwood	San Marcos	10/8/2020	Closed	296	296	\$	50,000,000	\$	2,145,888	\$	2,145,888
20476		Grand Station Apartments	Austin	10/8/2020	Closed	216	216	\$	35,000,000	\$	1,380,252	\$	1,347,471
20486		Old Manor Senior	Austin	11/5/2020	Closed	207	207	\$	30,000,000	\$	1,632,397	\$	1,632,397
20488		Wildhorse Flats	Austin	12/10/2020	Closed	310	310	\$	50,000,000	\$	2,786,158	\$	2,781,346
20498		Gala at Waxahachie	Waxahachie	12/10/2020	Closed	185	185	\$	25,000,000	\$	1,098,763	\$	1,098,763
20704		Applewood Apartments	San Antonio	2/11/2021	Closed	317	317	\$	35,000,000	\$	2,463,768	\$	2,463,768
20620		Oso Bay Apartments	Corpus Christi	1/14/2021	Closed	104	104	\$	14,000,000	\$	869,817	\$	869,817
20495		Fawn Ridge Apartments	The Woodlands	12/10/2020	Closed	119	118	\$	16,500,000	\$	733,463	\$	733,463
20494		La Cima	Austin	12/10/2020	Closed	260	260	\$	39,000,000	\$	1,772,256	\$	1,772,256
20623	04101	Bella Vista fka Pleasant Hill	Austin	2/11/2021	Closed	100	100	\$	20,000,000	\$	1,095,248	\$	1,092,201
20624	534284	Crystal Falls fka Cedar Ridge	Leander	2/11/2021	Closed	152	152	\$	18,000,000	\$	702,435	\$	702,435
20496		Marshall Apartments	Austin	12/10/2020	Approved	100	100	\$	16,500,000	\$	556,883	\$	556,883
20703		Cove in Odessa	Odessa	1/14/2021	Approved	200	200	\$	30,000,000	\$	1,605,578	\$	1,598,402
20625	04147	Shiloh Village	Dallas	2/11/2021	Approved	168	168	\$	25,000,000	\$	1,485,284	\$	1,485,284
20701		City Heights	Austin	2/11/2021	Approved	179	179	\$	22,000,000	\$	1,748,807	\$	1,748,807
20707		Kallison Ranch	San Antonio	2/11/2021	Approved	384	384	\$	50,000,000	\$	2,935,991	\$	2,932,004
20499		Legacy Senior Residences	Round Rock	2/11/2021	Approved	199	199	\$	30,000,000	\$	1,240,000	\$	1,225,538
20705		Sandpiper Cove	Galveston	3/11/2021	Approved	192	192	\$	37,500,000	\$	1,721,660	\$	1,721,660
20709		Watson Road	San Antonio	3/11/2021	Approved	348	348	\$	38,000,000	\$	2,613,696	\$	2,613,696
20708		Copernicus	San Antonio	3/11/2021	Approved	318	318	\$	38,000,000	\$	2,375,902	\$	2,375,902
20481		Echo East	San Antonio	4/8/2021	Approved	192	192	\$	20,000,000	\$	1,920,586	\$	1,920,586
						16,882	16,646		2,130,250,000		113,010,781		112,672,443
20417		St. Joe Apartments	Houston	3/19/2020	Withdrawn	307	307	\$	51,757,648	\$	4,596,000	\$	-
20468		Preserve at the Port	San Antonio	7/23/2020	Withdrawn	384	384	\$	37,000,000	\$	1,654,968	\$	-
20431	19454	Los Laureles	Edcouch	1/16/2020	Withdrawn	23	23	\$	-	\$	88,153	\$	88,153
20413		Residences at Merritt Hill	Rowlett	5/21/2020	Withdrawn	260	260	\$	33,000,000	\$	1,888,671	\$	1,888,671
20473		Agave East	Austin ETJ	9/3/2020	Withdrawn	240	240	\$	35,000,000	\$	1,355,697	\$	1,355,697
20477		Sphinx at Throckmorton Villas	McKinney	10/8/2020	Withdrawn	220	216	\$	28,000,000	\$	1,670,582	\$	-
20444		Plano Kathryn Senior Living	Plano	6/25/2020	Withdrawn	252	252	\$	30,000,000	\$	1,774,750	\$	1,774,750
20479		The Oaks	Dallas	11/5/2020	Withdrawn	260	243	\$	35,000,000	\$	1,488,978	\$	-
20484		The Lantana	San Marcos	11/5/2020	Withdrawn	216	216	\$	26,000,000	\$	1,750,669	\$	-
20628		Mayhill Road	Denton	9/3/2020	Withdrawn	360	360	\$	30,000,000	\$	2,247,493	\$	-
20629		Residences at Merritt Hill	Rowlett	9/3/2020	Withdrawn	260	260	\$	50,000,000	\$	2,206,067	\$	-
20446	19432	St. Johns Square	San Antonio	3/26/2020	Withdrawn	252	54	\$	50,000,000	\$	473,449	\$	449,524
20482		W. Leo Daniels Towers	Houston	11/5/2020	Withdrawn	100	100	\$	15,000,000	\$	833,142	\$	-
20487		Springdale Manor Apartments	Austin	12/10/2020	Withdrawn	186	186	\$	20,000,000	\$	1,182,803	\$	-
20462		Sunland County Apartments	Harlingen	11/5/2020	Withdrawn	166	166	\$	20,000,000	\$	941,981	\$	941,981
20489		Horizon Pointe	San Antonio	11/5/2020	Withdrawn	312	312	\$	35,000,000	\$	2,045,672	\$	2,045,672
20702		Cypress Creek Apartment Homes	Rowlett	1/14/2021	Withdrawn	234	187	\$	35,000,000	\$	1,224,185	\$	-
						4,032	3,766	\$	530,757,648	\$	27,423,260	\$	8,544,448
TOTAL*						16,882	16,646		2,130,250,000		113,010,781		112,672,443

*Totals include Closed, Approved, and Active Status



EXHIBIT C

4% (Non-Competitive) Housing Tax Credit Program
2021 Application Status Log

TDHCA #	Previous TDHCA #	Development Name	Development City	Board Meeting Date (MM/DD/YYYY)	Application Status	Total Units	Total Low-Income Units	Bond Reservation Amount	Requested HTC Amount	Recommend HTC Amount
20493	20493	The Ridge at Lancaster	Dallas	1/14/2021	Approved	300	300	\$ 50,000,000	\$ 2,707,319	\$ 2,707,319
21420	423;19400;204	Villas del San Xavier	San Marcos	2/11/2021	Approved	156	156	\$ 30,000,000	\$ 1,059,750	\$ 1,606,175
21418	20497	The Oleanders at Broadway	Galveston	2/11/2021	Approved	348	261	\$ 51,757,648	\$ 2,085,677	\$ 2,074,543
21419	96038/21419	2100 Memorial Drive	Houston	2/11/2021	Approved	197	160	\$ 35,000,000	\$ 2,091,385	\$ 2,074,355
21601	05044	Ridgewood at Panther Creek fka	The Woodlands	3/11/2021	Approved	300	300	\$ 40,000,000	\$ 3,269,484	\$ 3,269,484
21602	04108	Pineview at Grogan's Mill fka Tamarac	The Woodlands	3/11/2021	Approved	300	300	\$ 34,000,000	\$ 2,761,636	\$ 2,761,636
21406		Midpark Towers	Dallas	3/11/2021	Approved	202	202	\$ 20,000,000	\$ 2,148,645	\$ 1,243,088
21407		Espero Austin	Austin	3/11/2021	Approved	171	171	\$ 20,000,000	\$ 1,350,600	\$ 1,350,588
21401	20492	Cowan Place	Fort Worth	3/11/2021	Approved	174	174	\$ 20,000,000	\$ 1,650,621	\$ 1,650,621
21402		Belmont	Austin	4/8/2021	Approved	146	146	\$ 30,000,000	\$ 1,264,833	\$ 1,264,833
21614	20617	Murdeaux Villas	Dallas	4/8/2021	Approved	280	280	\$ 35,000,000	\$ 2,238,085	\$ 2,218,728
21605		Palladium Simpson Stuart	Dallas	4/8/2021	Approved	270	270	\$ 25,750,000	\$ 2,135,593	\$ 2,135,593
21600	94063	Corona Del Valle	El Paso	4/8/2021	Approved	101	101	\$ 8,500,000	\$ 766,973	\$ 760,792
21400	20479	The Oaks	Dallas	4/8/2021	Approved	260	243	\$ 35,000,000	\$ 1,967,029	\$ 1,967,029
21411		Gateway Oak Cliff	Dallas	4/8/2021	Approved	230	184	\$ 33,000,000	\$ 1,643,367	\$ 1,643,367
21414		Waterview Apartments	Anna	4/8/2021	Approved	300	300	\$ 38,000,000	\$ 3,318,016	\$ 3,318,016
21410		Life at De Soto	Houston	4/8/2021	Approved	556	556	\$ 50,000,000	\$ 3,308,893	\$ 3,308,893
21412		Celebration Arlington	Arlington	4/8/2021	Approved	275	275	\$ 48,000,000	\$ 2,330,099	\$ 2,330,099
21403		Bluebonnet Ridge	Ennis	4/8/2021	Approved	264	263	\$ 23,000,000	\$ 1,985,983	\$ 1,985,983
21404		Agave	San Antonio	4/8/2021	Approved	288	288	\$ 50,000,000	\$ 2,559,042	\$ 2,559,042
21408		The Residences at Arbor Oaks	Houston	4/8/2021	Approved	192	192	\$ 20,000,000	\$ 1,931,603	\$ 1,931,603
21443	20463	Trinity Oaks	Sulphur Springs	4/8/2021	Approved	48	48	\$ 2,200,000	\$ 188,836	\$ 188,836
21444	20464	Pine Terrace	Mount Pleasant	4/8/2021	Approved	76	76	\$ 3,300,000	\$ 259,570	\$ 259,570
						5,434	5,246	702,507,648	45,023,039	44,610,193
21615	20610	Terrace at Southern Oaks	Dallas	5/13/2021	Active	300	300	\$ 45,000,000	\$ 2,000,114	\$ -
21613		The Citadel	Houston	5/13/2021	Active	74	67	\$ 15,000,000	\$ 914,051	\$ -
21607		Caroline Lofts	Houston	5/13/2021	Active	119	80	\$ 20,000,000	\$ 570,279	\$ -
21409		Cypress Creek at Howard Lane	Austin	5/13/2021	Active	362	289	\$ 50,000,000	\$ 1,538,141	\$ -
21405		The Conrad	Austin	5/13/2021	Active	280	280	\$ 45,000,000	\$ 2,291,055	\$ -
21416		Virginia Flats	Beaumont	5/13/2021	Active	110	110	\$ 15,000,000	\$ 833,030	\$ -
21422		Enchanted Gardens	Victoria	5/13/2021	Active	168	168	\$ 20,830,247	\$ 1,093,233	\$ -
21415		Temenos	Houston	6/17/2021	Active	95	95	\$ 15,500,000	\$ 942,087	\$ -
21428		Grand Avenue Flats	Austin	6/17/2021	Active	275	275	\$ 50,000,000	\$ 2,419,820	\$ -
21423		El Rosario	Mission	6/17/2021	Active	100	100	\$ 20,000,000	\$ 801,528	\$ -
21424		La Merced	Mercedes	6/17/2021	Active	100	100	(portfolio with #21423) \$ 551,565	\$ 100	\$ -
21436		Capitol View Flats	Austin	6/17/2021	Active	324	324	\$ 50,000,000	\$ 2,656,332	\$ -
21437		Enclave on Ross	Del Valle	6/17/2021	Active	288	288	\$ 40,000,000	\$ 1,917,732	\$ -
21429		Henderson on Reinli	Austin	6/17/2021	Active	306	306	\$ 45,000,000	\$ 3,593,245	\$ -
21417		Art House Lofts at Westmoreland	Dallas	6/17/2021	Active	248	223	\$ 30,000,000	\$ 2,264,302	\$ -
21438		Las Palmas	Eagle Pass	6/17/2021	Active	64	64	\$ 8,000,000	\$ 385,862	\$ -
21413		Summit at Renaissance Park	Houston	6/17/2021	Active	325	325	\$ 50,000,000	\$ 3,156,351	\$ -
21432		Oakwood Apartments	Balch Springs	6/17/2021	Active	288	288	\$ 45,000,000	\$ 2,719,888	\$ -
21425		Granada Apartments	San Antonio	6/17/2021	Active	265	265	\$ 30,000,000	\$ 2,176,952	\$ -
21426		Lantana Apartments	San Marcos	6/17/2021	Active	216	216	\$ 26,000,000	\$ 1,991,636	\$ -
21431		Springwood	Balch Springs	6/17/2021	Active	284	284	\$ 45,000,000	\$ 2,685,743	\$ -
21439		Riverstation Apartments	Dallas	6/17/2021	Active	236	236	\$ 28,000,000	\$ 1,941,483	\$ -
21435		Yager Flats	Manor	6/17/2021	Active	300	300	\$ 32,524,093	\$ 3,473,070	\$ -
21606		Palladium Sorcery Park	Dallas	6/17/2021	Active	152	152	\$ 14,750,000	\$ 1,044,403	\$ -
21430		The Matador	Austin	6/17/2021	Active	285	285	\$ 50,000,000	\$ 2,444,556	\$ -
						5,564	5,420	790,604,340	46,406,458	-
21618		Providence on the Park	Dallas	4/8/2021	Pre-Application	280	280	\$ 36,000,000	\$ 2,334,513	\$ -
						280	280	36,000,000	2,334,513	-
TOTAL*						11,278	10,946	1,529,111,988		

*Totals include Approved, Active and Pre-Application Status

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BOARD ACTION REQUEST

MULTIFAMILY FINANCE AND REAL ESTATE ANALYSIS DIVISIONS

APRIL 8, 2021

Presentation, discussion, and possible action regarding streamlining 4% Housing Tax Credit Applications and Associated Waivers

RECOMMENDED ACTION

WHEREAS, the Department has seen a significant increase over the past few years in 4% Housing Tax Credit (HTC) Applications submitted for consideration of a Determination Notice, creating significant pressure on the Department's ability to complete timely Application reviews;

WHEREAS, the Determination Notice is not required by Texas statute or federal regulations, and is not binding on the Department with regards to the credit amount;

WHEREAS, removal of certain requirements from 4% HTC Applications will reduce processing time, assuring that Applicants are able to meet statutory requirements for closing their bond financing, and reducing administrative burdens;

WHEREAS, several of the changes described herein are related only to the Department's review of specific parts of the Application, and a change to the QAP is not required to effect those changes in the review process;

WHEREAS, administrative approval and issuance of Determination Notices will allow staff to respond to Applicant's needs in a timely manner that is not bound by the Board calendar;

WHEREAS, the waivers will only apply to 4% HTC applications that do not involve a request for Direct Loan funds, and do not involve TDHCA-issued bonds;

WHEREAS, staff will report to the board quarterly detailing the number of Determination Notices issued with a brief description of the projects;

WHEREAS, due to the nature of 4% HTC, waiver of all requirements that mention the issuance of the Determination Notice as a function of Board action in 10 TAC §11.201, §11.201(3) related to Certification of Tax-Bond Applications with New Docket Numbers, §11.204(15) related to Feasibility Reports with the exception that a survey will continue to be required for new construction, specific waivers of the following underwriting provisions that speak to the underwriter developing independent estimates as related thereto, including 10 TAC §11.302(d)(1)(D) related to Effective Gross Income, 10 TAC §11.302(d)(2)(L) related to Total Operating Expenses, 10 TAC §11.302(d)(3) related to Net

Operating Income, 10 TAC §11.302(e) related to Total Housing Development Costs, 10 TAC §11.302(e)(4)(A) related to the Underwriter estimate of Building Cost, 10 TAC §11.302(e)(4)(B)(ii) related to cost data from the Scope and Cost Review, and 10 TAC §11.302(e)(10) related to Soft Costs, along with §11.901(19) related to Determination Notice Reinstatement Fees, and 10 TAC §10.402(b) related to Determination Notices being approved by the Board or a rescission of such Notice, will not negatively impact the Department's role as the allocating agency; and

WHEREAS, staff recommends the Board approve the reduced Application requirements and review, along with the waivers as described herein.

NOW, therefore, it is hereby

RESOLVED, that the process relating to the review of 4% Housing Tax Credit Applications as discussed herein, along with the waiver of all requirements that mention the issuance of the Determination Notice as a function of Board action in 10 TAC §11.201, §11.201(3) related to Certification of Tax-Bond Applications with New Docket Numbers, §11.204(15) related to Feasibility Reports with the exception that a survey will continue to be required for new construction, specific waivers of the following underwriting provisions that speak to the underwriter developing independent estimates as related thereto, including 10 TAC §11.302(d)(1)(D) related to Effective Gross Income, 10 TAC §11.302(d)(2)(L) related to Total Operating Expenses, 10 TAC §11.302(d)(3) related to Net Operating Income, 10 TAC §11.302(e) related to Total Housing Development Costs, 10 TAC §11.302(e)(4)(A) related to the Underwriter estimate of Building Cost, 10 TAC §11.302(e)(4)(B)(ii) related to cost data from the Scope and Cost Review, and 10 TAC §11.302(e)(10) related to Soft Costs, along with §11.901(19) related to Determination Notice Reinstatement Fees, and 10 TAC §10.402(b) related to Determination Notices being approved by the Board or a rescission of such Notice, is hereby approved in the form presented at this meeting.

BACKGROUND

The 4% HTC program is considered a non-competitive program in that there is not a specific ceiling amount of HTCs that can be issued each year. Rather, the ceiling amount of HTCs that can be issued is limited by the amount of Private Activity Bond (PAB) volume cap available. The Texas Bond Review Board (BRB) administers the PAB program for the State of Texas, and for the 2021 calendar year, the state ceiling is approximately \$3.2 billion in PAB authority.

Individual projects receive a Certification of Reservation (Reservation) from the BRB that allows for a statutory 180-day closing timeline. For those projects seeking 4% HTCs (as the majority of them do), they must complete the Department's review process, the bond issuer's process, and the Attorney General's process in order to close within the prescribed timeframe. The Department accepts applications on a monthly basis throughout the year.

The volume of applications submitted has increased exponentially over the past few years. The table below provides insight as to the number of units produced under the 4% program:

	2019	2020	2021 to date*
Total Units	7,116	17,006	11,154

*includes those applications approved by the Board and those that have been submitted and are currently under review.

Not included in the numbers above are those applications submitted that are actively reviewed by staff, but are withdrawn for various reasons. This can total anywhere from five to ten applications over the course of the program year.

Over the past decade, the PAB program has been undersubscribed and Applicants have been able to secure a Reservation when the timing was right for their project. Over the past few years, and specifically for 2021, the PAB program is oversubscribed and securing a Reservation is not as predictable as it had historically been.

Staff reviews of the Application include a program review for compliance with the QAP, a compliance review in accordance with the Previous Participation Rule and an underwriting evaluation for compliance with the Underwriting and Loan Policy Rules. The program review happens first and once complete the Application is reviewed by Real Estate Analysis (REA) Division and the Compliance Division review is typically concurrent with the underwriting review. Generally, this process takes three months before an Application is in a position to be presented before the Board. Delays in completing the program review, either due to staff constraints and volume of Applications currently in the pipeline for review or Applicant delays in submitting the necessary information to complete the program review will delay the presentation before the Board. Moreover, these delays along with concerns raised during the underwriting review may prevent the Application from remaining on the necessary track for Board consideration. Delays in getting to the Board for approval of the Determination Notice can jeopardize the Applicant’s ability to close by the 180-day statutory deadline associated with the Bond Reservation. Meeting this deadline is critical considering that if the Development fails to meet the statutory deadline to close and the Reservation is withdrawn, the volume cap will go to the next application in line and no longer be available to the subject Application.

By way of background, the Determination Notice (Notice) is not required by state statute nor is it required by any federal regulation. It is a document that provides some level of comfort to the equity investor signifying that the state allocating agency has looked at an Application and determined a preliminary amount of tax credits to which the project could qualify. The action taken by the Board is not an “award” or “allocation” of the housing tax credits. Under the 4% program, the credits are not officially allocated until the Applicant places the project into service and submits to the Department the cost certification package identifying the actual costs of the project. Upon review by the Asset Management division, the IRS Form 8609 is issued, which marks the point in time that the 4% credit is officially allocated. Moreover, federally, the 4% HTC is considered an “automatic” credit so long as there are tax-exempt bonds that finance at least 50% of the project’s aggregate basis (*i.e.* land plus depreciable assets).

The level of review currently performed at the time of Application is extensive and based solely on an assumption of costs indicated by an Applicant. Concurrent with staff's review, the Applicant is tracking the project through the local process for permitting and through the lender and syndicator's due diligence and underwriting processes. As a result, there are often changes to the Development that occur during review that require staff to continually ask for the necessary updates to the application and re-evaluation of underwriting. Considering the large volume of Applications under review, it has become increasingly difficult to arrive at a snapshot in time that solidifies staff's review as complete and ready for Board consideration. Depending on the changes, this continuous process of review places significant pressure on staff to meet the internal deadlines associated with Board posting so as to not jeopardize the closing deadline associated with the Reservation.

Staff is recommending the review process for 4% HTC Applications that do not include a request for Direct Loan funds and do not involve TDHCA-issued bonds be streamlined to 1) allow staff to administratively issue the Notice once the program, compliance and underwriting evaluations are complete, and 2) streamline the underwriting based on the information provided by the Applicant in the Application that meets the parameters in the rule, and underwrite the Application at cost certification when the actual costs and operations are known. This streamlining of the process addresses unnecessary administrative delays that are beyond Applicants' control, and thus better serves the foundational policies TDHCA articulated in Tex. Gov't Code ch. 2306. The waivers herein described apply solely to 4% HTC Applications that do not include a request for Direct Loan funds and do not involve TDHCA-issued bonds, and do not constitute a general modification of the rules involved.

As it relates to administratively issuing the Notice, staff will present to the Board a quarterly report that details the number of Notices issued and specific details surrounding each project. Streamlining the underwriting will involve verifying that certain feasibility indicators, as required by the rule, are reflected in the application. The application must reflect the following:

1. Debt Coverage Ratio between 1.15 and 1.35
2. Deferred Developer Fee repayment within 15 years
3. Proposed rents are consistent with current Program Rent limits and submitted Market Study
4. Rule limit applies for Market Rent for less than 15% Market Units
5. Approval for proposed increase to Rental Assistance Payments must be submitted before Determination Notice is issued;
6. Vacancy of 7.5% (or as otherwise allowed under the rule)
7. 2%/3% growth rates/long-term feasibility
8. Amortization must meet rules
9. Contingency/Contractor Fee/Developer Fee limits apply
10. Operational Reserve limits apply
11. Satisfies 50% Test for Tax Exempt Bond Financing
12. Acquisition credits are consistent with appraisal that is compliant with QAP
13. Market Study is compliant with QAP
14. Environmental Report is compliant with QAP
15. Development plan meets QAP requirements with regard to building in the floodplain
16. Scope and Cost Review is compliant with QAP

This represents a paradigm shift from underwriting at initial application to cost certification and at the time of the actual award of credits. The initial credit sizing will be based on Applicant's information with REA reviewing that the Applicant's sizing meets the underwriting rules. The Determination Notice will be issued reflecting the credit amount requested, as adjusted to satisfy the Department's limits and rules, recognizing that the current rules allow for the credit amount to change at the time of cost certification.

It should be noted that in addition to REA confirming that the submitted Application meets the Department's feasibility criteria, TDHCA is not the only entity that reviews for feasibility. Every Application is also subject to the underwriting criteria of the local bond issuers, lenders, and equity providers who are actively investing in the project. Moreover, such entities perform their own reviews that often overlap with programmatic criteria regarding site location and other characteristics of the development.

This new process will require that specific waivers be granted within the Underwriting and Loan Policy Rules that include the following:

1. 10 TAC §11.302(d)(1)(D) Effective Gross Income – The Underwriter will not develop an independent estimate of Effective Gross Income (EGI); the Applicant's EGI will be characterized as reasonable;
2. 10 TAC §11.302(d)(2)(L) Total Operating Expenses - The Underwriter will not develop an independent estimate of Total Operating Expenses; the Applicant's Total Operating Expenses will be characterized as reasonable;
3. 10 TAC §11.302(d)(3) Net Operating Income - The Underwriter will not develop an independent estimate of Net Operating Income (NOI); the Applicant's NOI will be characterized as reasonable;
4. 10 TAC §11.302(e) Total Housing Development Costs - The Underwriter will not develop an independent estimate of Development Costs for New Construction, Rehabilitation, or Adaptive Re-use; the Applicant's Development Costs will be characterized as reasonable;
5. 10 TAC §11.302(e)(4)(A) Building Cost - The Underwriter will not develop an independent estimate of Building Cost; the Applicant's Building Cost will be characterized as reasonable;
6. 10 TAC §11.302(e)(4)(B)(ii) Scope and Cost Review data - The Underwriter will not use cost data provided on the SCR Supplement as the basis for estimating Total Housing Development Costs; the Applicant's Total Housing Development Costs will be characterized as reasonable.
7. 10 TAC §11.302(e)(10) Soft Costs – The Underwriter will not develop an independent estimate of Soft Costs; the Applicant's Soft Costs will be characterized as reasonable.

On the programmatic side, staff is requesting the following specific waivers be granted to allow staff to implement this process for the remainder of the 2021 calendar year and will consider revisions to the 2022 QAP to memorialize the more efficient and streamline review of these 4% HTC Applications. The specific waivers include those listed below and are applicable for 4% HTC applications not layered with Direct Loan or involve TDHCA Bond issuances.

Staff notes that for Applications that garner significant public comment while it is under review, or other situations or issues that arise and of which staff determines the Board should be aware, staff reserves the right to present such Applications to the Board for consideration of the issuance of a Determination Notice. Moreover, staff notes that where an Applicant is requesting a waiver of specific threshold or eligibility requirements, such waivers and consideration of a Determination Notice will be presented to the Board for consideration. Worth noting is the last waiver requested is found in the Post Award and Asset Management Requirements while all others are contained in the Qualified Allocation Plan.

1. Waivers – There are several instances in the QAP that reference Board consideration of a Determination Notice. Staff has tried to capture all of those instances in the list below. For the list that follows, staff clarifies that the requested waiver is not applicable to the entire section, paragraph or sentence, but only the specific language that pertains to Board consideration for the issuance of a Notice.
 - a. §11.201(2)(A) – “Staff will require at least 90 days to review an Application, unless Department staff can complete its evaluation in sufficient time for an earlier Board consideration.
 - b. §11.201(2)(B)(i) – “The Third Party Reports must be submitted on the fifth day of the month and the Application may be scheduled for a Board meeting at which the decision to issue a Determination Notice would be made approximately 90 days following such submission deadline.”
 - c. §11.201(2)(B)(ii) - “Priority 3 Application submissions must be complete, including all Third Party Reports and the required Application Fee described in §11.901 of this chapter, before they will be considered accepted by the Department and meeting the submission deadline for the applicable Board meeting date.”
 - d. §11.201(2)(C) - “The Department will require at least 90 days to review an Application, unless Department staff can complete its evaluation in sufficient time for an earlier Board consideration.”
 - e. §11.201(2)(D) – “Department staff may choose to delay presentation to the Board in instances where an Applicant is not expected to close within a reasonable timeframe following the issuance of a Determination Notice.”
 - f. §11.201(2)(E) – “The Department will not prioritize the processing of the new Application over other Applications under review once a new Certificate of Reservation is issued, regardless of the stage of review the Application was in prior to termination, or that it maintain the originally selected Board meeting for consideration of the Housing Tax Credits.”
2. §11.201(3) – Certification of Tax-Bond Applications with New Docket Numbers – Historically, the Reservation is tied to the Determination Notice such that if a new Reservation is received after Board approval then the Applicant must contact staff to have a new Notice issued that corresponds to the new Reservation. Staff is required to re-review any changes that may have occurred since the original Notice was issued. As part of the streamlining process, staff is suggesting that once it confirms that a Reservation was active at the time the Notice was issued, any subsequent changes will be reviewed at the time of cost certification. Moreover, the other financing participants (debt and equity) will be confirming that there is a current Reservation of bonds before closing on the transaction, should another one be issued post Determination Notice.

3. §11.204(10) – Site Control – The Bond Review Board requires and reviews for site control prior to the issuance of a Reservation. Staff believes that if evidence of site control was previously established, performing another in-depth review of such documentation is not necessary. Moreover, other financing participants will be verifying that the Applicant has the ability to compel title as part of their due diligence. As it relates to site control in the HTC application, staff is requesting flexibility from the Board for an applicant to submit the same evidence that was provided in the BRB application and accept at face-value without an in-depth review of extension provisions and earnest money deposits.
4. §11.204(12) – Title commitment/policy – a thorough review of this document is performed by debt and equity counsels on a bond transaction such that the version submitted with the HTC Application is often moot.
5. §11.204(15) – Feasibility Report – Waive all of the items under this section except the survey for new construction Applications. With the streamline the underwriting review at application, staff believes that many of the items noted under this section and required to be contained in the Feasibility Report can be eliminated, with the exception of the survey. The survey for all new construction Applications will still be required for comparison purposes at cost certification.
6. §11.901(19) – Determination Notice Reinstatement Fee – This fee (\$1,000) is associated with the above-referenced certification. With the certification process waived, this fee would need to be waived as well.
7. §10.402(b) – Determination Notices – This paragraph speaks to the requirements of the Determination Notice. Specifically, what information is included in the Notice, the timeframe by which to execute, pay the associated fee and submit various documents required therein. Staff is requesting that the specific language in this paragraph that speaks to the Notices being approved by Board, and the rescission of the Notice if the Applicant does not close under the original Reservation, any material changes that occur after the Notice is issued be waived. Aside from the equity investor not having the comfort of a valid Determination Notice, the rescission of such Notice by staff does not diminish the Applicant’s ability to claim the 4% HTC’s at cost certification. Moreover, the removal of the language regarding changes that occur or a new Reservation that is issued is consistent with the waiver previously noted relating to 10 TAC §11.201(3), noted above.