

## DEVELOPMENT COST BUDGET DETAIL

Austin Homes - Phase 1B

	\$	\$/UNIT	\$/BSF	LIHTC ELIGIBLE	NON-ELIGIBLE	EXPENSED
<b>SITE/LAND COSTS</b>						
Land	\$0	\$0	\$0	\$0	\$0	
Improvements	\$0	\$0	\$0	\$0	\$0	
Other Acquisition Costs	\$0	\$0	\$0	\$0	\$0	
<b>Sub-total Site Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>HARD COSTS</b>						
Off-site Improvements	\$0	\$0	\$0	\$0	\$0	
Site Work	\$0	\$0	\$0	\$0	\$0	
GC Profit 0.0%	\$0	\$0	\$0	\$0	\$0	
GC Overhead 0.0%	\$0	\$0	\$0	\$0	\$0	
Basic Construction	\$27,500,000	\$152,778	\$134	\$27,500,000	\$0	
Person Prop. (FF&E)/Appliances/OS&E/Security	\$600,000	\$3,333	\$3	\$600,000	\$0	
General Requirements 0.0%	\$0	\$0	\$0	\$0	\$0	
Building Permits	\$75,000	\$417	\$0	\$75,000	\$0	
Bonding	\$0	\$0	\$0	\$0	\$0	
Pre-con CMAR Consulting	\$40,000	\$222	\$0	\$40,000	\$0	
Construction Contingency 5.00%	\$1,410,750	\$7,838	\$7	\$1,410,750	\$0	
<b>SUBTOTAL CONSTRUCTION HARD COSTS</b>	<b>\$29,625,750</b>	<b>\$164,588</b>	<b>\$144</b>	<b>\$29,625,750</b>	<b>\$0</b>	<b>\$0</b>
<b>SOFT COSTS</b>						
<b>Consultants</b>						
Architect / Design / Engineer / Consultants	\$940,500	\$5,225	\$5	\$940,500	\$0	
Construction/Project Management	\$0	\$0	\$0	\$0	\$0	
Construction Permits & Fees	\$0	\$0	\$0	\$0	\$0	
Lender Architect Inspections	\$40,000	\$222	\$0	\$40,000	\$0	
MEP Engineer	\$0	\$0	\$0	\$0	\$0	
Energy Star Consultant/Fee	\$63,000	\$350	\$0	\$63,000	\$0	
Materials Testing and Construction Inspections	\$206,250	\$1,146	\$1	\$206,250	\$0	
Geotech / Soils Engineer	\$9,850	\$55	\$0	\$9,850	\$0	
<b>Finance / Tax Exempt Bonds / Legal</b>						
Construction Loan Origination Fee	\$290,000	\$1,611	\$1	\$290,000	\$0	
Permament Loan Origination Fee	\$0	\$0	\$0	\$0	\$0	
Construction Interest (Capitalized)	\$470,805	\$2,616	\$2	\$353,104	\$117,701	
Construction Interest (Expensed)	\$0	\$0	\$0	\$0	\$0	\$0
Legal - Syndication & Partnership	\$25,000	\$139	\$0	\$0	\$25,000	
Legal - Bonds & Financing	\$225,000	\$1,250	\$1	\$0	\$225,000	
Legal - Real Estate	\$50,000	\$278	\$0	\$50,000	\$0	
LIHTC Syndication Fees	\$15,000	\$83	\$0	\$0	\$15,000	
Tax Exempt Bond Negative Arbitrage **If required by deal structure	\$160,000	\$889	\$1	\$160,000	\$0	
Tax Credit Application Fee	\$7,200	\$40	\$0	\$0	\$7,200	
Tax Credit Reservation or 42M Letter Fee	\$120,545	\$670	\$1	\$0	\$120,545	
Tax Credit Monitoring Fee(\$600/unit or \$1200 for income Avg)	\$216,000	\$1,200	\$1	\$0	\$216,000	
THDA MTBA Firm Commitment Letter Fee	\$360,000	\$2,000	\$2	\$360,000	\$0	
THDA MTBA Incentive Fee	\$72,000	\$400	\$0	\$2	\$71,998	
Tax Exempt Bond Underwriter, Trustee, and Issuer Expense	\$200,000	\$1,111	\$1	\$0	\$200,000	
Cost Certification	\$20,000	\$111	\$0	\$20,000	\$0	
<b>Insurance &amp; Taxes</b>						
Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	
Umbrella Insurance	\$15,000	\$83	\$0	\$15,000	\$0	
Liability Insurance	\$45,000	\$250	\$0	\$45,000	\$0	
<b>3rd Party Reports</b>						
Appraisal	\$8,500	\$47	\$0	\$8,500	\$0	
Market Study	\$5,000	\$28	\$0	\$5,000	\$0	
Surveys	\$28,500	\$158	\$0	\$28,500	\$0	
Environmental Review (Phase I & II)	\$5,000	\$28	\$0	\$5,000	\$0	
Other 3rd Parties (RAD PNA)	\$5,000	\$28	\$0	\$5,000	\$0	
<b>Other Soft Costs</b>						
Title & Recording	\$60,000	\$333	\$0	\$0	\$60,000	
Due Diligence Costs	\$0	\$0	\$0	\$0	\$0	
Lease-up & Marketing Costs	\$50,000	\$278	\$0	\$0	\$50,000	
Relocation Costs	\$0	\$0	\$0	\$0	\$0	
Accounting & Post-construction Audit	\$7,500	\$42	\$0	\$7,500	\$0	
Utilities	\$15,000	\$83	\$0	\$15,000	\$0	
<b>Contingency</b>						
Soft Cost Contingency 3.00%	\$112,070	\$623	\$1	\$0	\$112,070	
<b>Developer Fees</b>						
Developer Fee - Construction Hard Costs 15.0%	\$4,837,943	\$26,877	\$23	\$4,837,943	\$0	
Developer Fee - Acquisition 0.00%	\$0	\$0	\$0	\$0	\$0	
Developer Fee - Other 0.00%	\$0	\$0	\$0	\$0	\$0	
<b>SUBTOTAL SOFT COSTS</b>	<b>\$8,685,664</b>	<b>\$48,254</b>	<b>\$42</b>	<b>\$7,465,149</b>	<b>\$1,220,514</b>	<b>\$0</b>
<b>Capitalized Reserves</b>						
Replacement Reserve	\$70,000	\$389	\$0	\$0	\$70,000	
Operating Deficit Reserve	\$500,000	\$2,778	\$2	\$0	\$500,000	
Insurance & Tax Reserve	\$0	\$0	\$0	\$0	\$0	
Lease-up Reserve	\$0	\$0	\$0	\$0	\$0	
Other Reserves	\$0	\$0	\$0	\$0	\$0	
<b>Subtotal Capitalized Reserves</b>	<b>\$570,000</b>	<b>\$3,167</b>	<b>\$3</b>	<b>\$0</b>	<b>\$570,000</b>	<b>\$0</b>
<b>TOTALS</b>	<b>\$38,881,414</b>	<b>\$216,008</b>	<b>\$189</b>	<b>\$37,090,899</b>	<b>\$1,790,514</b>	<b>\$0</b>

**15 YEAR PROFORMA**  
**Austin Homes - Phase 1B**

Year of Operations	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8	
Project Status	First Year of Operations		Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Year Ended	12/31/2023		12/31/2024		12/31/2025		12/31/2026		12/31/2027		12/31/2028		12/31/2029		12/31/2030	
Rent Escalator	2.00%		2.00%		2.00%		2.00%		2.00%		2.00%		2.00%		2.00%	
Vacancy/Bad Debt	6.50%		6.50%		6.50%		6.50%		6.50%		6.50%		6.50%		6.50%	
	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>
Revenues																
Gross Potential Rent	\$1,560,547	\$8,670	\$2,115,837	\$11,755	\$2,158,153	\$11,990	\$2,201,316	\$12,230	\$2,245,343	\$12,474	\$2,290,249	\$12,724	\$2,336,054	\$12,978	\$2,382,776	\$13,238
Vacancy Loss	-\$101,436	-\$564	-\$137,529	-\$764	-\$140,280	-\$779	-\$143,086	-\$795	-\$145,947	-\$811	-\$148,866	-\$827	-\$151,844	-\$844	-\$154,880	-\$860
Other Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Effective Gross Revenue	\$1,459,111	\$8,106	\$1,978,307	\$10,991	\$2,017,873	\$11,210	\$2,058,231	\$11,435	\$2,099,395	\$11,663	\$2,141,383	\$11,897	\$2,184,211	\$12,135	\$2,227,895	\$12,377
Operating Expenses																
Management Fee	\$87,547	\$486	\$118,698	\$659	\$121,072	\$673	\$123,494	\$686	\$125,964	\$700	\$128,483	\$714	\$131,053	\$728	\$133,674	\$743
Administrative	\$40,517	\$225	\$54,774	\$304	\$56,417	\$313	\$58,110	\$323	\$59,853	\$333	\$61,649	\$342	\$63,498	\$353	\$65,403	\$363
Payroll	\$298,700	\$1,659	\$307,661	\$1,709	\$316,891	\$1,761	\$326,398	\$1,813	\$336,189	\$1,868	\$346,275	\$1,924	\$356,663	\$1,981	\$367,363	\$2,041
Utilities	\$185,628	\$1,031	\$250,945	\$1,394	\$258,474	\$1,436	\$266,228	\$1,479	\$274,215	\$1,523	\$282,441	\$1,569	\$290,914	\$1,616	\$299,642	\$1,665
Operating & Maintenance	\$100,057	\$556	\$135,265	\$751	\$139,323	\$774	\$143,502	\$797	\$147,807	\$821	\$152,242	\$846	\$156,809	\$871	\$161,513	\$897
Taxes & Insurance	<u>\$115,875</u>	<u>\$644</u>	<u>\$119,351</u>	<u>\$663</u>	<u>\$122,932</u>	<u>\$683</u>	<u>\$126,620</u>	<u>\$703</u>	<u>\$130,418</u>	<u>\$725</u>	<u>\$134,331</u>	<u>\$746</u>	<u>\$138,361</u>	<u>\$769</u>	<u>\$142,512</u>	<u>\$792</u>
Subtotal Operating Expenses	\$828,325	\$4,602	\$986,695	\$5,482	\$1,015,109	\$5,639	\$1,044,351	\$5,802	\$1,074,447	\$5,969	\$1,105,421	\$6,141	\$1,137,299	\$6,318	\$1,170,107	\$6,501
Replacement Reserve	\$55,620	\$309	\$57,289	\$318	\$59,007	\$328	\$60,777	\$338	\$62,601	\$348	\$64,479	\$358	\$66,413	\$369	\$68,406	\$380
<b>Net Operating Income</b>	<b>\$575,167</b>	<b>\$3,195</b>	<b>\$934,324</b>	<b>\$5,191</b>	<b>\$943,757</b>	<b>\$5,243</b>	<b>\$953,102</b>	<b>\$5,295</b>	<b>\$962,348</b>	<b>\$5,346</b>	<b>\$971,484</b>	<b>\$5,397</b>	<b>\$980,499</b>	<b>\$5,447</b>	<b>\$989,383</b>	<b>\$5,497</b>
<b>Margin</b>	<b>39.4%</b>		<b>47.2%</b>		<b>46.8%</b>		<b>46.3%</b>		<b>45.8%</b>		<b>45.4%</b>		<b>44.9%</b>		<b>44.4%</b>	
<b>Cash Available For Debt Service</b>	<b>\$575,167</b>		<b>\$934,324</b>		<b>\$943,757</b>		<b>\$953,102</b>		<b>\$962,348</b>		<b>\$971,484</b>		<b>\$980,499</b>		<b>\$989,383</b>	
Debt Service	\$535,083		\$810,226		\$809,608		\$809,608		\$809,608		\$810,226		\$809,608		\$809,608	
DSCR	1.07x		1.15x		1.17x		1.18x		1.19x		1.20x		1.21x		1.22x	
<b>Cash Available After Debt Service</b>	<b>\$40,083</b>		<b>\$124,098</b>		<b>\$134,149</b>		<b>\$143,494</b>		<b>\$152,740</b>		<b>\$161,258</b>		<b>\$170,891</b>		<b>\$179,775</b>	

**15 YEAR PROFORMA**  
**Austin Homes - Phase 1B**

<b>Year of Operations</b>	<b>Year 9</b>		<b>Year 10</b>		<b>Year 11</b>		<b>Year 12</b>		<b>Year 13</b>		<b>Year 14</b>		<b>Year 15</b>	
Project Status	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Year Ended	12/31/2031		12/31/2032		12/31/2033		12/31/2034		12/31/2035		12/31/2036		12/31/2037	
Rent Escalator	2.00%		2.00%		2.00%		2.00%		2.00%		2.00%		2.00%	
Vacancy/Bad Debt	6.50%		6.50%		6.50%		6.50%		6.50%		6.50%		6.50%	
	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>	<u>\$</u>	<u>Per Unit</u>
Revenues														
Gross Potential Rent	\$2,430,431	\$13,502	\$2,479,040	\$13,772	\$2,528,620	\$14,048	\$2,579,193	\$14,329	\$2,630,777	\$14,615	\$2,683,392	\$14,908	\$2,737,060	\$15,206
Vacancy Loss	-\$157,978	-\$878	-\$161,138	-\$895	-\$164,360	-\$913	-\$167,648	-\$931	-\$171,000	-\$950	-\$174,420	-\$969	-\$177,909	-\$988
Other Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Effective Gross Revenue	\$2,272,453	\$12,625	\$2,317,902	\$12,877	\$2,364,260	\$13,135	\$2,411,545	\$13,397	\$2,459,776	\$13,665	\$2,508,972	\$13,939	\$2,559,151	\$14,218
Operating Expenses														
Management Fee	\$136,347	\$757	\$139,074	\$773	\$141,856	\$788	\$144,693	\$804	\$147,587	\$820	\$150,538	\$836	\$153,549	\$853
Administrative	\$67,365	\$374	\$69,386	\$385	\$71,468	\$397	\$73,612	\$409	\$75,820	\$421	\$78,095	\$434	\$80,438	\$447
Payroll	\$378,384	\$2,102	\$389,736	\$2,165	\$401,428	\$2,230	\$413,471	\$2,297	\$425,875	\$2,366	\$438,651	\$2,437	\$451,811	\$2,510
Utilities	\$308,631	\$1,715	\$317,890	\$1,766	\$327,427	\$1,819	\$337,249	\$1,874	\$347,367	\$1,930	\$357,788	\$1,988	\$368,522	\$2,047
Operating & Maintenance	\$166,359	\$924	\$171,349	\$952	\$176,490	\$980	\$181,785	\$1,010	\$187,238	\$1,040	\$192,855	\$1,071	\$198,641	\$1,104
Taxes & Insurance	<u>\$146,787</u>	<u>\$815</u>	<u>\$151,191</u>	<u>\$840</u>	<u>\$155,726</u>	<u>\$865</u>	<u>\$160,398</u>	<u>\$891</u>	<u>\$165,210</u>	<u>\$918</u>	<u>\$170,166</u>	<u>\$945</u>	<u>\$175,271</u>	<u>\$974</u>
Subtotal Operating Expenses	\$1,203,873	\$6,688	\$1,238,626	\$6,881	\$1,274,394	\$7,080	\$1,311,208	\$7,284	\$1,349,097	\$7,495	\$1,388,094	\$7,712	\$1,428,231	\$7,935
Replacement Reserve	\$70,458	\$391	\$72,571	\$403	\$74,749	\$415	\$76,991	\$428	\$79,301	\$441	\$81,680	\$454	\$84,130	\$467
<b>Net Operating Income</b>	<b>\$998,122</b>	<b>\$5,545</b>	<b>\$1,006,704</b>	<b>\$5,593</b>	<b>\$1,015,117</b>	<b>\$5,640</b>	<b>\$1,023,347</b>	<b>\$5,685</b>	<b>\$1,031,379</b>	<b>\$5,730</b>	<b>\$1,039,198</b>	<b>\$5,773</b>	<b>\$1,046,790</b>	<b>\$5,815</b>
<b>Margin</b>	<b>43.9%</b>		<b>43.4%</b>		<b>42.9%</b>		<b>42.4%</b>		<b>41.9%</b>		<b>41.4%</b>		<b>40.9%</b>	
<b>Cash Available For Debt Service</b>	<b>\$998,122</b>		<b>\$1,006,704</b>		<b>\$1,015,117</b>		<b>\$1,023,347</b>		<b>\$1,031,379</b>		<b>\$1,039,198</b>		<b>\$1,046,790</b>	
Debt Service	\$809,608		\$810,226		\$809,608		\$809,608		\$809,608		\$810,226		\$809,618	
DSCR	1.23x		1.24x		1.25x		1.26x		1.27x		1.28x		1.29x	
<b>Cash Available After Debt Service</b>	<b>\$188,514</b>		<b>\$196,479</b>		<b>\$205,510</b>		<b>\$213,739</b>		<b>\$221,771</b>		<b>\$228,972</b>		<b>\$237,172</b>	

