



BROADWAY HOMES

BROADWAY HOMES

Austin Rental Housing Development
Assistance Application

August 2, 2024

OAK HILL LOFTS
7610 Old Bee Caves Rd
Austin, TX 78735

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OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

APPLICATION TABS

TAB A1 - Executive Summary

EXECUTIVE SUMMARY

Oak Hill Lofts has been proposed to partially fill a desperate need for high-quality income-restricted units in West Austin. In a submarket with HUD Small Area Fair Market Rents in the top 7% of all Austin MSA submarkets, market rate development opportunities are too great and the affordable housing need continues to worsen. In fact, the Discount to Market given the Oak Hill Lofts unit mix averages over \$790/unit¹, assuring West Oak Hill that all new development proposals are likely to continue being market-rate. Thankfully, through available RHDA financing and a desire to impact our home community, Broadway Homes has put together a proposal for a two phase development of modern towers that will be 100% affordable units. Current scoring for our two-phase proposal in the HDA Application is over a 123 point Final Quantitative Score, reflecting our targeted site selection to fulfill each of the goals set in the Strategic Housing Blueprint.

Since the last time Broadway Homes worked with AHFC for Oak Hill Lofts, our team has acquired the neighboring parcel and now proposes 270-units of 100% affordable housing. This more than doubles the number of District 8 income-restricted units in the most recent Strategic Housing Blueprint Scorecard, which has only achieved 2% of the Distribution Goal despite the measurement halfway through the 10-Year Goals. The development team focused their search on D8 and got site control in 2021 on an elevated site in the middle of one of the only Imagine Austin Activity Centers west of MoPac. However, due to the timing of Bond Reservations our team has been advised to apply for RHDA funds limited to only Phase I.



¹ Utilizing HUD FY2024 Small Area FMRs

The densely tree-covered topography will give tenants an opportunity to escape the congested city-life while remaining only 8 miles from downtown. In addition, the excellent schools of West Austin provide all families with an ideal location for young & old. Oak Hill Lofts is expected to fill an urgent need for additional high-quality affordable housing on an elevated site in the middle of one of the only Imagine Austin Activity Centers of West Austin.

The development team has built over 6,000 market rate units on both the East & West Coasts. Having lived in Austin for decades, the principals saw the MSA as the perfect market to build upon their affordable housing subsidiary, Broadway Homes, LLC. Despite not having placed units in-service within the Austin MSA, the team has already acquired both parcels in pre-development that currently total an appraised land value of \$7.65M. This is expected to be the first of many new Austin LIHTC developments for Broadway Homes, and the team looks forward to partnering with AHFC toward meeting several of Imagine Austin's aggressive goals.

Broadway Homes has focused on incorporating AHFC feedback on previous applications, and significantly modified the Unit Mix to include only 1Bd, 2 Bd, & 3Bd units in this family submarket. Given the eventual development of the adjacent Phase II, tenants will ultimately have full access to a standalone Community Center with pool, Leasing Office, Fitness Center, as well as a rooftop lounge that is more than 110 ft above street level and well above the dense tree-canopy.

Given the ever-increasing cost of home ownership in Austin, Oak Hill Lofts will be an attractive opportunity to obtain high quality housing at an income-restricted price in an extremely hot submarket. Residents will appreciate the improved commuter access following the completion of the \$550M [Oak Hill Parkway](#) and expansion of Old Bee Caves Rd from two lanes to four lanes with sidewalks & a center median. The development is targeting an Austin Energy Green Building certification due to District 8 community expectations, and will include numerous features like solar panels, EV charging, and modernized energy-efficient appliances. To accommodate an updated demand for broadband internet, Broadway Homes has negotiated fiber-to-the-unit for all Oak Hill Lofts tenants. This proposal has been negotiating with Austin City Council since 2021 and has the full endorsement of District 8 City Councilor Paige Ellis.

Due to relationships established through Rose Equities' coastal developments, the team has utilized NPR Group for cost estimating and is expected to become the General Contractor. The total development budget for Oak Hill Lofts (Phase I) is \$28.93M. Broadway Homes has engaged Walker & Dunlop for permanent financing, and has begun HUD underwriting of an FHA insured HUD 221(d)(4) loan. This structure utilizes the issuance of bonds in 2024 which will be outstanding during the construction period and collateralized by a portion of the FHA mortgage. Secondary financing will incorporate the Inflation Reduction Act with rooftop Solar Panels, as well as the Section 45L Energy Efficiency Act. The remaining sources will be Tax Credit Equity, this City of Austin RHDA request and a 60% Deferred Developer Fee.

DEVELOPMENT PROPOSAL

i. Oak Hill Lofts is proposed to serve general population residents through a mix of 1, 2, & 3Bd apartments intended for local families. 5 of the units will be limited to TC 30%, 43 units under TC 50%, while all remaining units are income restricted to TC 70% AMI.

Accessibility is particularly important to Broadway Homes, and the team has proposed 6 Accessible Units for Mobility Impairments as well as 4 Accessible Units for Sensory Impairments.

ii. Oak Hill Combined Neighborhood Plan

In the updated [2021 Future Land Use Map](#) of the [Oak Hill Combined Neighborhood Plan](#), the site is designated as Mixed Residential allowing density as high as MF-6. Additionally, Oak Hill Lofts has been certified for Affordability Unlocked which will require only an administrative zoning change from CS-NP.

Imagine Austin has designated this portion of West Oak Hill as an Activity Center, resulting in significant infrastructure projects such as the [current \\$550M Oak Hill Parkway](#) redevelopment. This has encouraged the development of large market rate new multifamily properties such as the adjacent 20-acre [Bee Caves Vistas](#), or 286-unit [The Shiloh](#) less than ½ mile down Old Bee Caves Rd. By 2025, Old Bee Caves Rd is scheduled to be expanded from a two lane road to a four lane artery with sidewalks and a center median.

iii. Oak Hill Lofts has yet to receive AHFD/HPD Gap funding, which was a critical component of the team's decision to begin their site search in the City of Austin. The anticipated \$28.6M total development cost is no longer feasible as a traditional LIHTC development given expected interest rates, so the availability of this Gap Funding is the primary reason Broadway Homes began this Austin site search.

The primary const-to-perm loan will be a HUD 221(d)(4), as HUD has become interested in updated development types and is actively meeting with Broadway Homes for underwriting. A milestone HUD Concept meeting is scheduled to take place in September. The \$11.8M loan has assumes a 6.14% rate with 0.25% MIP from Walker & Dunlop. Early equity pricing is expecting annual tax credits of \$961,576 resulting in syndicated LIHTC Equity of \$8.17M given their quoted syndication rate. Assuming a 60% Deferred Developer Fee, this leaves an AHFD/HPD Gap Funding request of \$91,929 per Unit, lower than the average funding per RHDA unit for all approved 2023 applications.

iv. Broadway Homes is not aware of additional City of Austin VMU / PUD / TOD density bonus programs that this proposal could qualify for. Oak Hill Lofts utilizes existing zoning through ordinances offered by Affordability Unlocked.

OAK HILL LOFTS by BROADWAY HOMES

Peaceful view of south Austin's rolling hills from proposed upper levels.



OAK HILL LOFTS: CONTENT OVERVIEW

Thank you for our conversation and your consideration of financing the development of this proposed opportunity. Please review this summary of the development plans & the linked Pro Forma, and feel free to contact our team with questions or concerns.

01 PROPOSAL

General Overview of this proposal

02 LOCATION

The Austin MSA and one of its premier lots

03 FINANCING

Summary of financing requirements, to be used alongside detailed Pro Forma

04 DEVELOPMENT TEAM

Meet Broadway Homes, over 32 years of residential development expertise





PROPOSAL

- 90 new LIHTC units (Phase I) on an elevated parcel in the center of an Imagine Austin Activity Center.
- Rents set by Austin MSA AMI (28% above Dallas / Fort Worth, Houston, & San Antonio)
- Two towers of family units built over podium parking.
- Recently acquired neighboring parcel for 180-unit Phase II.
- LEED / Austin Energy Green Building Certified.

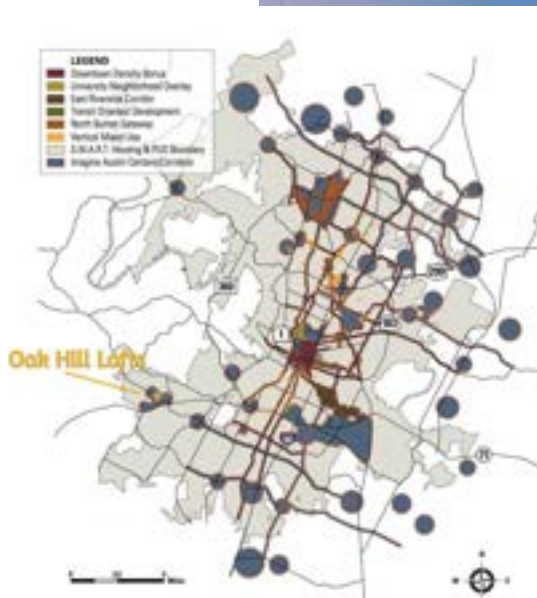


01

02

LOCATION

- Austin rated the #1 market for Commercial Real Estate Investments in both 2022 & 2023.
- Oak Hill is in the top 7% of Austin Neighborhoods for Fair Market Rents (HUD), and in the top 37% of U.S. schools.
- Site is heavily sloped, with the view from top units up to 110' above the street entrance.
- Located in one of the only Imagine Austin Activity Centers of West Austin.
- Austin AMI grown 60% in the past decade, with continued growth expected from tech.





PATH OF DEVELOPMENT

- Oak Hill Parkway is a massive new \$550M expansion of the intersection of Hwy 290 and Interstate 71. The main intersection of this new development is only blocks from our site.
- In 2025, Old Bee Caves Rd will be expanded from a two lane road into a four lane artery with sidewalks and a center median.
- Spillover benefits of even greater neighborhood amenities and renter demand.
- Peaceful Hill Country setting still only 8 miles from downtown.



Same intersection in 2022 with site a couple blocks to the right on Old Bee Caves Rd.

FINANCING REQUIREMENTS

\$28.6M TOTAL DEVELOPMENT COSTS

- [Phase I Pro Forma available here](#) (values only)

41% LTV CONSTRUCTION FINANCING

- Engagement started for a HUD 221(d)(4) loan

FORECAST OF OVER \$962K IN ANNUAL LIHTC

- Increases to \$1.25M with anticipated DDA boost.
- Additional opportunity for rooftop solar panels & EV Chargers to leverage Inflation Reduction Act credits.

MAXIMUM \$9.76M SOFT FINANCING AVAILABLE

- \$4.40M Austin Rental Housing Development Assistance
- 20-100% Deferred Developer Fee
- \$2.23M Contribution from General Partner



DEVELOPMENT TIMELINE

Affordability Unlocked



Feasibility Study,
City Council support,
neighborhood outreach.

2021

Financing



Begin Site Work,
Development of
Podium parking
& Residential Units.

Winter 2025

Completion



Development completion,
Final Finishes,
Leasing of Units.

Fall 2026

2019

City of Austin
announces a major new
planning initiative to
alleviate many of the
roadblocks to the
development of
affordable housing.

Fall 2024

Bond Reservation,
Construction Loan,
TDHCA Financing,
Austin RHDA financing,
HTC Equity syndication.

Site Preparation



Site Acquisition





Greg Stoll
Principal of Broadway Homes
Facilitated the new development of
over 7,000 LIHTC units in Texas

Founded in 2005, relocated to Texas to capitalize on the
unique growth opportunity in Austin.



Brent Stoll
Principal of Broadway Homes
Developed almost 4,000 luxury multifamily units
in Southern California & New England.



DEVELOPMENT PARTNERS

- Two partners have 36 years in multifamily development.
- Invested in Austin since 2002.
- Both partners have a Masters Degree from USC Price's Dollinger Master of Real Estate Development (MRED).

DEVELOPMENT TEAM

Ongoing Evaluation...

General Contractor

A delivery timing issue has forced our reconsideration of General Contractor. The team is actively interviewing numerous options that have both Austin multifamily development experience, as well as HUD approval in case we pursue HUD financing. We're utilizing relationships with GC's from our coastal developments, but more likely will focus on local contractors with an awareness of the unique obstacles of Austin development.

Robbye Meyer

Founder & President of Arx Advantage

A commercial real estate consulting company with experience in multifamily housing developments, specializing in low-income housing tax credit developments.

Robert LeJeune, AIA, NCARB, LEED AP BD+C, CPHC

Mark Hart Architecture

MHA projects range from high-rise architecture to midrise architecture to smaller boutique style office and multifamily buildings.

Rick Mahan

Founder of Mahan Construction Consulting & Mgmt

Rick has represented development owners on more than \$1.5 Billion of new construction and renovation projects.

OAK HILL LOFTS by BROADWAY HOMES, LLC

Tiffany French, CPA

Partner at Novogradac & Company LLP®

Novogradac is a national professional services organization focused on affordable housing. The organization provides professional services that include certified public accounting, valuation and consulting.





THANK YOU

For more information, contact:

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512-567-6784

or

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512-228-7443

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AUSTIN, TX

APPLICATION TABS

TAB A1 - Application Checklist

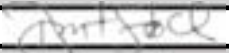
APPLICATION CHECKLIST/ INFORMATION FORM

DEVELOPER NAME: Broadway Homes, LLC	BORROWER ENTITY NAME : TCHFC Oak Hill Lofts, LP
DEVELOPMENT NAME : Oak Hill Lofts - Phase I	FUNDING CYCLE DEADLINE : August 2, 2024
FEDERAL TAX ID NO: 47-2739582	DUNS NO: 061151144
PROJECT ADDRESS: 7610 Old Bee Caves Rd, 78735	PROGRAM : RHDA / OHDA
CONTACT NAME : Brent Stoll	AMOUNT REQUESTED: \$4,412,600
CONTACT ADDRESS AND PHONE : brent@BroadwayHomes.com	

APPLICATION TABS		INITIALS
A1	EXECUTIVE SUMMARY/PROJECT PROPOSAL	B/S
A2	PROJECT SUMMARY FORM	B/S
A3	PROJECT TIMELINE	B/S
A4	DEVELOPMENT BUDGET	B/S
A5	OPERATING PRO FORMA	B/S
A6	SCORING SHEET	B/S

ATTACHMENT TABS				INITIALS
1	ENTITY INFORMATION	1.a.	Detailed listing of developer's experience	B/S
		1.b.	Certificate of Status	B/S
		1.c.	Statement of Confidence	B/S
2	PRINCIPALS INFORMATION	2.a.	Resumes of principals	B/S
		2.b.	Resumes of development team	B/S
		2.c.	Resumes of property management team	B/S
3	FINANCIAL INFORMATION	3.a.	Federal IRS Certification	B/S
		3.b.	Certified Financial Audit	B/S
		3.c.	Board Resolution	B/S
		3.d.	Financial Statements	B/S
		3.e.	Funding commitment letters .	B/S
4	PROJECT INFORMATION	4.a.	Market Study	B/S
		4.b.	Good Neighbor Policy	B/S
		4.c.	SMART Housing Letter	B/S
		4.d.	MOU with ECHO	B/S
		4.e.	Resident Services	B/S
5	PROPERTY INFORMATION	5.a.	Appraisal	B/S
		5.b.	Property Maps	B/S
		5.c.	Zoning Verification Letter	B/S
		5.d.	Proof of Site control	B/S
		5.e.	Phase I ESA	B/S

The applicant/developer certifies that the data included in this application and the exhibits attached hereto are true and correct.
Unsigned/undated submissions will not be considered.

<p>SIGNATURE OF APPLICANT</p> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">  </div> <p>PRINTED NAME</p> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;"> Brent Stoll </div> <p>TITLE OF APPLICANT</p> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;"> Principal </div> <p>DATE OF SUBMISSION</p> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;"> August 2, 2024 </div>	<p>DATE AND TIME STAMP OF RECEIPT</p> <div style="border: 1px solid black; height: 100px; width: 100%;"></div> <p align="center">FOR AHFC USE ONLY</p>
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AUSTIN, TX

APPLICATION TABS

TAB A2 - Project Summary Form

Project Summary Form

1) Project Name Oak Hill Lofts - Phase I		2) Project Type 100% Affordable		3) New Construction or Rehabilitation New Construction	
4) Address(s) or Location Description 7610 Old Bee Caves Rd, Austin, TX 78735				5) Mobility Bond Corridor William Cannon Dr	
6) Census Tract 19.08	7) Council District District 8	8) Elementary School OAK HILL EL		9) Affordability Period 40 years	
10) Type of Structure Multi-family		11) Occupied? No		12) How will funds be used? Construction	

13) Summary of Rental Units by MFI Level

Income Level	Efficiency	One Bedroom	Two Bedroom	Three Bedroom Unit	Four (+) Bedroom	Total
Up to 20% MFI						0
Up to 30% MFI			3	2		5
Up to 40% MFI						0
Up to 50% MFI		20	20	3		43
Up to 60% MFI						0
Up to 80% MFI		30	7	5		42
Up to 120% MFI						0
No Restrictions						0
Total Units	0	50	30	10	0	90

14) Summary of Units for Sale at MFI Level

Income Level	Efficiency	One Bedroom	Two Bedroom	Three Bedroom Unit	Four (+) Bedroom	Total
Up to 60% MFI						0
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions						0
Total Units	0	0	0	0	0	0

15) Initiatives and Priorities (of the Affordable Units)

Initiative	# of Units	Initiative	# of Units
Accessible Units for Mobility Impairments	6	Continuum of Care Units	
Accessible Units for Sensory Impairments	4		

Use the City of Austin GIS Map to Answer the questions below

16) Is the property within 1/2 mile of an Imagine Austin Center or Corridor?

17) Is the property within 1/4 mile of a High-Frequency Transit Stop?

18) Is the property within 3/4 mile of Transit Service?

19) The property has Healthy Food Access?

20) Estimated Sources and Uses of funds

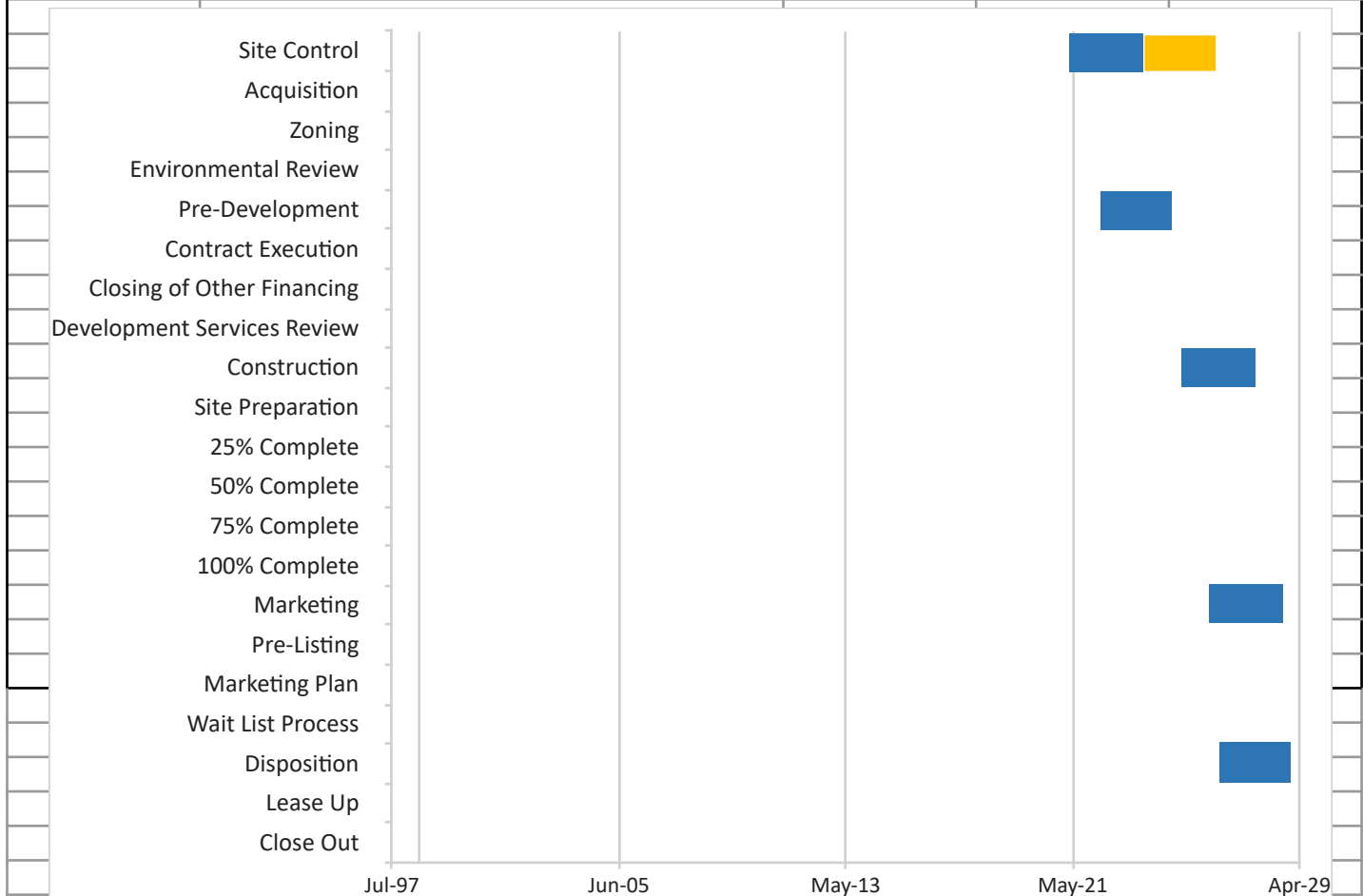
<u>Sources</u>		<u>Uses</u>	
Debt	11,842,869	Acquisition	2,727,000
Equity	8,172,247	Off-Site	
Grant		Site Work	1,565,734
Other	2,300,100	Sit Amenities	160,000
Deferred Developer Fee (not applicable for OHDA)	1,878,099	Building Costs	14,154,137
Previous AHFC Funding		Contractor Fees	1,046,143
Current AHFC Request	4,412,600	Soft Costs	2,494,573
		Financing	3,328,164
		Developer Fees	3,130,164
Total	\$ 28,605,915	Total	\$ 28,605,915

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

APPLICATION TABS

TAB A3 - Development Timeline

Development Schedule			
	Start Date	End Date	
Site Control	Mar-21	Apr-22	
Acquisition	Mar-21		
Zoning	Sep-21	Mar-22	
Environmental Review	4/3/22	4/3/22	
Pre-Development	Apr-22	May-24	
Contract Execution	Jan-25		
Closing of Other Financing	May-24	May-24	
Development Services Review	Apr-22	Apr-22	
Construction	Feb-25	Jun-26	
Site Preparation	Feb-25	Mar-25	
25% Complete	Jun-25		
50% Complete	Oct-25		
75% Complete	Feb-26		
100% Complete	Jun-26		
Marketing	Feb-26	Jan-27	
Pre-Listing	Mar-26	Jun-26	
Marketing Plan	Feb-26	Sep-26	
Wait List Process	Sep-26	Jan-27	
Disposition	Jun-26	Jan-27	
Lease Up	Jun-26	Oct-26	
Close Out	Sep-26	Jan-27	



OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

APPLICATION TABS

TAB A4 - Development Budget

Development Budget

	Total Project Cost	Requested AHFC Funds	Description		
Pre-Development					
Appraisal	29,012				
Environmental Review	26,325				
Engineering	230,591				
Survey	12,150				
Architectural	495,837	495,837			
Subtotal Pre-Development Cost	\$793,915	\$495,837			
Acquisition					
Site and/or Land	2,727,000				
Structures					
Other (specify)					
Subtotal Acquisition Cost	\$2,727,000	\$0			
Construction					
Infrastructure					
Site Work	1,725,734	1,725,734			
Demolition	30,044	30,044			
Concrete	2,538,461	205,895			
Masonry	1,192,875				
Rough Carpentry	4,250,000				
Finish Carpentry	176,998				
Waterproofing and Insulation	191,250				
Roofing and Sheet Metal	355,450				
Plumbing/Hot Water	765,000				
HVAC/Mechanical	1,200,330				
Electrical	1,219,830				
Doors/Windows/Glass	437,600	437,600			
Lath and Plaster/Drywall and Acoustical	585,000	585,000			
Tiel Work	95,000	95,000			
Soft and Hard Floor	113,490	113,490			
Paint/Decorating/Blinds/Shades	270,000				
Specialties/Special Equipment	38,853				
Cabinetry/Appliances	324,000	324,000			
Carpet					
Other (elevators)	400,000	400,000			
Construction Contingency	718,021				
Subtotal Construction Cost	\$16,627,936	\$3,916,763			
Soft & Carrying Costs					
Legal	133,178				
Audit/Accounting	30,730				
Title/Recordin	43,111				
Architectural (Inspections)	26,325				
Construction Interest	3,328,164				
Construction Period Insurance	119,735				
Construction Period Taxes	726,523				
Relocation	32,740				
Marketing	28,190				
Davis-Bacon Monitoring	234,743				
Developer Fee	3,130,164				
Other (specify)	623,461				
Subtotal Soft & Carrying Costs	\$8,457,064	\$0			
TOTAL PROJECT BUDGET	\$28,605,915	\$4,412,600			

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

APPLICATION TABS

TAB A5 - Operating Pro Forma

15 Year Rental Housing Operating Pro Forma (RHDA)

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of market rents, restricted rents, rental income and expenses), and principal and interest debt service. The Department uses an annual growth rate of 2% for income and 3% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attached to this exhibit.

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$1,555,212	\$1,586,316	\$1,618,043	\$1,650,403	\$1,683,411	\$1,858,622	\$2,052,069
Secondary Income	\$33,600	\$34,272	\$34,957	\$35,657	\$36,370	\$40,155	\$44,334
POTENTIAL GROSS ANNUAL INCOME	\$1,588,812	\$1,620,588	\$1,653,000	\$1,686,060	\$1,719,781	\$1,898,777	\$2,096,404
Provision for Vacancy & Collection Loss	-\$79,441	-\$81,030	-\$82,650	-\$84,303	-\$85,989	-\$94,939	-\$104,821
Rental Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EFFECTIVE GROSS ANNUAL INCOME	\$1,509,371	\$1,539,558	\$1,570,350	\$1,601,757	\$1,633,792	\$1,803,838	\$1,991,583
EXPENSES							
General & Administrative Expenses	\$45,645	\$47,014	\$48,425	\$49,878	\$51,374	\$59,556	\$69,042
Management Fee	\$75,469	\$77,733	\$80,065	\$82,467	\$84,941	\$98,470	\$114,154
Payroll, Payroll Tax & Employee Benefits	\$195,797	\$201,671	\$207,721	\$213,953	\$220,371	\$255,471	\$296,161
Repairs & Maintenance	\$73,403	\$75,605	\$77,873	\$80,209	\$82,616	\$95,774	\$111,029
Electric & Gas Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water, Sewer & Trash Utilities	\$64,532	\$66,468	\$68,462	\$70,516	\$72,631	\$84,200	\$97,610
Annual Property Insurance Premiums	\$88,303	\$90,952	\$93,681	\$96,491	\$99,386	\$115,215	\$133,566
Property Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Replacements	\$22,500	\$23,175	\$23,870	\$24,586	\$25,324	\$29,357	\$34,033
Other Expenses	\$28,954	\$29,823	\$30,717	\$31,639	\$32,588	\$37,778	\$43,796
TOTAL ANNUAL EXPENSES	\$594,603	\$612,441	\$630,814	\$649,739	\$669,231	\$775,822	\$899,390
NET OPERATING INCOME	\$914,768	\$927,117	\$939,535	\$952,018	\$964,561	\$1,028,016	\$1,092,193
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$768,662	\$768,662	\$768,662	\$768,662	\$768,662	\$768,662	\$768,662
Second Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL NET CASH FLOW	\$146,106	\$158,455	\$170,873	\$183,356	\$195,899	\$259,354	\$323,531
CUMULATIVE NET CASH FLOW	\$146,106	\$304,561	\$475,435	\$658,790	\$854,689	\$1,992,821	\$3,450,033
Debt Coverage Ratio	1.19	1.21	1.22	1.24	1.25	1.34	1.42

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

APPLICATION TABS

TAB A6 - Scoring Sheet

Project Name	Oak Hill Lofts - Phase I	
Project Type	100% Affordable	
Council District	District 8	
Census Tract	19.08	
Prior AHFC Funding	\$0	
Current AHFC Funding Request Amount	\$4,412,600	
Estimated Total Project Cost	\$28,605,915	
High Opportunity	No	
High Displacement Risk	NO	
High Frequency Transit	No	
Imagine Austin	Yes	
Mobility Bond Corridor	William Cannon Dr	
SCORING ELEMENTS		Description
UNITS		
< 20% MFI	0	# of rental units at < 20% MFI
< 30% MFI	5	# of rental units at < 30% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% of City's affordable housing goal near high frequency transit
Imagine Austin	6%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	23%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	11%	% of City's affordable housing goal within mobility bond corridors
SCORE	1	% of annual goal * units * 50%, max of 75
< 40% MFI	0	# of rental units at < 40% MFI
< 50% MFI	43	# of rental units at < 50% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% of City's affordable housing goal near high frequency transit
Imagine Austin	6%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	23%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	11%	% of City's affordable housing goal within mobility bond corridors
SCORE	6	% of annual goal * units * 25%, max of 75
< 60% MFI	0	# of units for purchase at < 60% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% of City's affordable housing goal near high frequency transit
Imagine Austin	6%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	23%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	11%	% of City's affordable housing goal within mobility bond corridors
SCORE	0	% of annual goal * units * 50%, max of 75
< 80% MFI	0	# of units for purchase at < 80% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% of City's affordable housing goal near high frequency transit
Imagine Austin	6%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	23%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	11%	% of City's affordable housing goal within mobility bond corridors
SCORE	0	% of annual goal * units * 25%, max of 75
Unit Score	7	MAXIMUM SCORE = 300
INITIATIVES AND PRIORITIES		
Continuum of Care	0	Total # of units provided up to 100 per year
Continuum of Care Score	0	(total CoC Units/100 + HF Units/50)*20
Access to Healthy Food	No	Within 1 Mile of Healthy Food (City GIS)
Continuum of Care Weighted Score	0	Mobility, Access to Jobs, Community Institutions, Social Cohesion
2 Bedroom Units	23	Total Affordable 2 Bedroom Units
3 Bedroom Units	5	Total Affordable 3 Bedroom units
4 Bedroom Units	0	Total Affordable 4+ Bedroom units
Multi-Generational Housing Score	12	Multi-bedroom Unit/Total Units * 20
TEA Grade	84	Elementary School Rating from TEA
Multi-Generational Housing Weighted Score	5	Educational Attainment, Environment, Community Institutions, Social Cohesion, Economic Security
Accessible Units	10	mobility and sensory units
Non-PSH, Non-Voucher Under 20% MFI	0	Total units under 20% MFI
Accessibility Score	4	Accessible Unit/Total Units * 20
Metro Access Service	No	Within 3/4 mile of fixed route transit
Accessibility Weighted Score	2	Housing Stability, Health, Mobility, Community Institutions
Initiatives and Priorities Score	23	MAXIMUM SCORE = 200
UNDERWRITING		
AHFC Leverage	29%	% of total project cost funded through AHFC request
Leverage Score	15	3 points per 5% reduction in leverage below 50% (max 30)
AHFC Per Unit Subsidy (including prior amounts)	\$91,929	Amount of assistance per unit
Subsidy per unit score	14	(\$200,000 - per unit subsidy)*25/\$200,000
AHFC Per Bedroom Subsidy	\$54,477	Amount of assistance per bedroom
Subsidy per Bedroom Score	18	(\$200,000 - per bedroom subsidy)*25/\$200,000
Debt Coverage Ratio (Year 5)	1.25	Measured at the 5 Year mark
Debt Coverage Ratio Score	24.5	Minimum = 1.0; Maximum = 1.5; 1.25 = best score
Underwriting Score	71	MAXIMUM SCORE = 100
APPLICANT		
FINAL QUANTITATIVE SCORE	101	THRESHOLD SCORE = 50
Previous Developments		
Compliance Score		
Proposal		
Supportive Services		
Development Team		
Management Team		
Notes		

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

ENTITY INFORMATION

TAB 1.A - Listing of Developers Experience

ENTITY INFORMATION

TAB 1.A - Listing of Developers Experience

The development team has built over 6,000 market rate units on both the East & West Coasts. Broadway Homes, LLC is a new entity formed to fill a critical need for affordable housing options in Central Texas. Although Broadway Homes does not currently have a Texas portfolio of LIHTC developments, each of the Principals as well as the entire development team independently have decades of experience delivering high-quality multi-family homes.

Please see Tabs 1c: Applicant Capacity as well as Section D pertaining to the Broadway Homes development team.

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

APPLICATION TABS

ENTITY INFORMATION

TAB 1.B - Certificate of Status



Office of the Secretary of State

CERTIFICATE OF FILING OF

Broadway Urban Homes, Limited Liability Company
File Number: 803922095

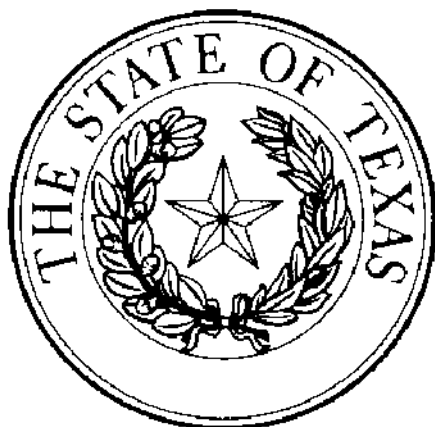
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Limited Liability Company (LLC) has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/01/2021

Effective: 02/01/2021



A handwritten signature in black ink, appearing to read "Ruth R. Hughs".

Ruth R. Hughs
Secretary of State

**Form 424
(Revised 05/11)**

Submit in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512 463-5555
FAX: 512/463-5709
Filing Fee: See instructions

This space reserved for office use.



Certificate of Amendment

Entity Information

The name of the filing entity is:

State the name of the entity as currently shown in the records of the secretary of state. If the amendment changes the name of the entity, state the old name and not the new name.

The filing entity is a: (Select the appropriate entity type below.)

- | | |
|--|---|
| <input type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Professional Corporation |
| <input type="checkbox"/> Nonprofit Corporation | <input type="checkbox"/> Professional Limited Liability Company |
| <input type="checkbox"/> Cooperative Association | <input type="checkbox"/> Professional Association |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Partnership |

The file number issued to the filing entity by the secretary of state is: _____

The date of formation of the entity is: _____

Amendments

1. Amended Name

(If the purpose of the certificate of amendment is to change the name of the entity, use the following statement)

The amendment changes the certificate of formation to change the article or provision that names the filing entity. The article or provision is amended to read as follows:

The name of the filing entity is: (state the new name of the entity below)

The name of the entity must contain an organizational designation or accepted abbreviation of such term, as applicable.

2. Amended Registered Agent/Registered Office

The amendment changes the certificate of formation to change the article or provision stating the name of the registered agent and the registered office address of the filing entity. The article or provision is amended to read as follows:

Registered Agent
(Complete either A or B, but not both. Also complete C.)

A. The registered agent is an organization (cannot be entity named above) by the name of:

OR

B. The registered agent is an individual resident of the state whose name is:

First Name *M.I.* *Last Name* *Suffix*

The person executing this instrument affirms that the person designated as the new registered agent has consented to serve as registered agent.

C. The business address of the registered agent and the registered office address is:

Street Address (No P.O. Box) *City* *TX* *State* *Zip Code*

3. Other Added, Altered, or Deleted Provisions

Other changes or additions to the certificate of formation may be made in the space provided below. If the space provided is insufficient, incorporate the additional text by providing an attachment to this form. Please read the instructions to this form for further information on format.

Text Area (The attached addendum, if any, is incorporated herein by reference.)

Add each of the following provisions to the certificate of formation. The identification or reference of the added provision and the full text are as follows:

Alter each of the following provisions of the certificate of formation. The identification or reference of the altered provision and the full text of the provision as amended are as follows:

Delete each of the provisions identified below from the certificate of formation.

Statement of Approval

The amendments to the certificate of formation have been approved in the manner required by the Texas Business Organizations Code and by the governing documents of the entity.

Effectiveness of Filing (Select either A, B, or C.)

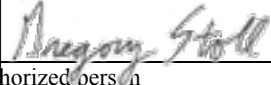
- A. This document becomes effective when the document is filed by the secretary of state.
- B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: _____
- C. This document takes effect upon the occurrence of a future event or fact, other than the passage of time. The 90th day after the date of signing is: _____
The following event or fact will cause the document to take effect in the manner described below:

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Date: _____

By: Gregory Scott Stoll
Verified by PDFFiller



Signature of authorized person
08/19/2021

Printed or typed name of authorized person (see instructions)

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

APPLICATION TABS

ENTITY INFORMATION

TAB 1.C - Statement of Confidence

February 3, 2023

James May
City of Austin
Neighborhood Housing and Community Development
1000 East 11th Street
Austin, Texas 78702

Subject: Reference for Oak Hill Lofts, by Broadway Homes

Dear Mr. May:

This letter is in reference to Brent Stoll, partner with Broadway Homes, and his vast experience and ability to effectively conceive & entitle one of the most significant multi-phase developments in Costa Mesa, California.

Brent and his team are actively developing One Metro West, a 1,057 unit mixed-use development, complete with 41 low and 67 very low-income affordable units. This 15-acre formerly industrial property also includes 1.5 acres of public open space, along with 6,000 SF of retail and 25,000 SF office in the heart of Costa Mesa's business district known as South Coast Metro. Accordingly, we have an active development agreement with his team, who have agreed to provide the City of Costa Mesa with approximately \$4,000,000 of offsite improvements.

Brent has worked with the city for more than eight years, including conducting extensive planning and community outreach. I am pleased that every portion of the proposal to date has met the city's expectations. Brent has proven an ability to work with partners, city officials, and neighborhoods to best serve the best interests of our community.

If you have any questions regarding this letter, please contact me at 949.335.2904.

Sincerely,



Jeffrey Harlan
City Councilmember, City of Costa Mesa, District 6

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PRINCIPALS INFORMATION
TAB 2.A - Resume of Principals

Brent Stoll

Brent is a Principal for Broadway Homes, as well as the COO/CIO at Rose Equities and Partner with the (Leonard) Glickman Family (owners of Rose Equities). With a masters in Real Estate Development from the University of Southern California (USC), he has been with the Glickman family for over 17 years. Brent currently manages the family's development operations and coordinates its investment strategy. Through the Glickman Family's partnership with the Wilf Family (New Jersey), he's developing the following ground-up, multifamily, development portfolio (nearly 6,000 units):

- Acquired, entitled, built and currently operate the following communities:
 - Metropolis, Irvine California – 457 units
 - Elements (Phase Ia), Irvine California – 388 units
 - Elements (Phase Ib), Irvine California – 312 units
- Acquired, entitled and currently building the following communities:
 - Valor (Phase I), Irvine California – 247 units
 - Elements (Phase II), Irvine California – 307 units
 - Residences at Main, Trumbull, Connecticut – 260 units
 - One Metro West (Phase I), Costa Mesa, California – 422 units
- Acquired and entitled the following communities:
 - Valor (Phase II), Irvine California – 302 units
 - Valor (Phase III), Irvine California – 327 units
 - Elements (Phase III), Irvine California – 593 units
 - One Metro West (Phase II), Costa Mesa, California – 355 units
 - One Metro West (Phase III), Costa Mesa, California – 280 units
- Acquired, currently entitling the following communities:
 - Lindero Terrace, Westlake Village, California – 693 units
 - Renaissance Harrison, Harrison, New York – 740 units
 - 2325 Crenshaw Boulevard, Torrance California – 260 units

Greg Stoll

Greg Stoll is a Principal of Broadway Homes, after more than 19 years in the pursuit of affordable housing solutions. After working with his brother at Rose Equities, Greg relocated to Texas and joined Texas Department of Housing & Community Affairs in order to underwrite each of the numerous LIHTC applications submitted every year. In this role, Greg closely reviewed each of the Market Analysis, development costing, and federal funding rules / other funding source rules of nearly all Texas LIHTC proposals. In 2022, he joined his market-rate developer brother to further the Broadway Homes development team targeting high-growth Texas markets with sustainable & affordable quality housing.

While getting his Masters of Real Estate Development with his brother, Brent, the two built a business plan to focus on market rate & affordable opportunities nationwide. Following the passage of the Austin Strategic Housing Blueprint, the brothers knew that it was time to start a new subsidiary focused on delivering high-quality LIHTC units to the Districts in the highest need of meeting the 10-year Goal (currently only 173 of 7,217 New Affordable Housing Units in District 8).

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PRINCIPALS INFORMATION

TAB 2.B - Resume of Development Team

PRINCIPALS INFORMATION

TAB 2.B - Resume of Development Team

Broadway Homes has assembled a new team of industry experts and innovative designers to optimize their first of many development proposals in Central Texas.

OWNER / DEVELOPER

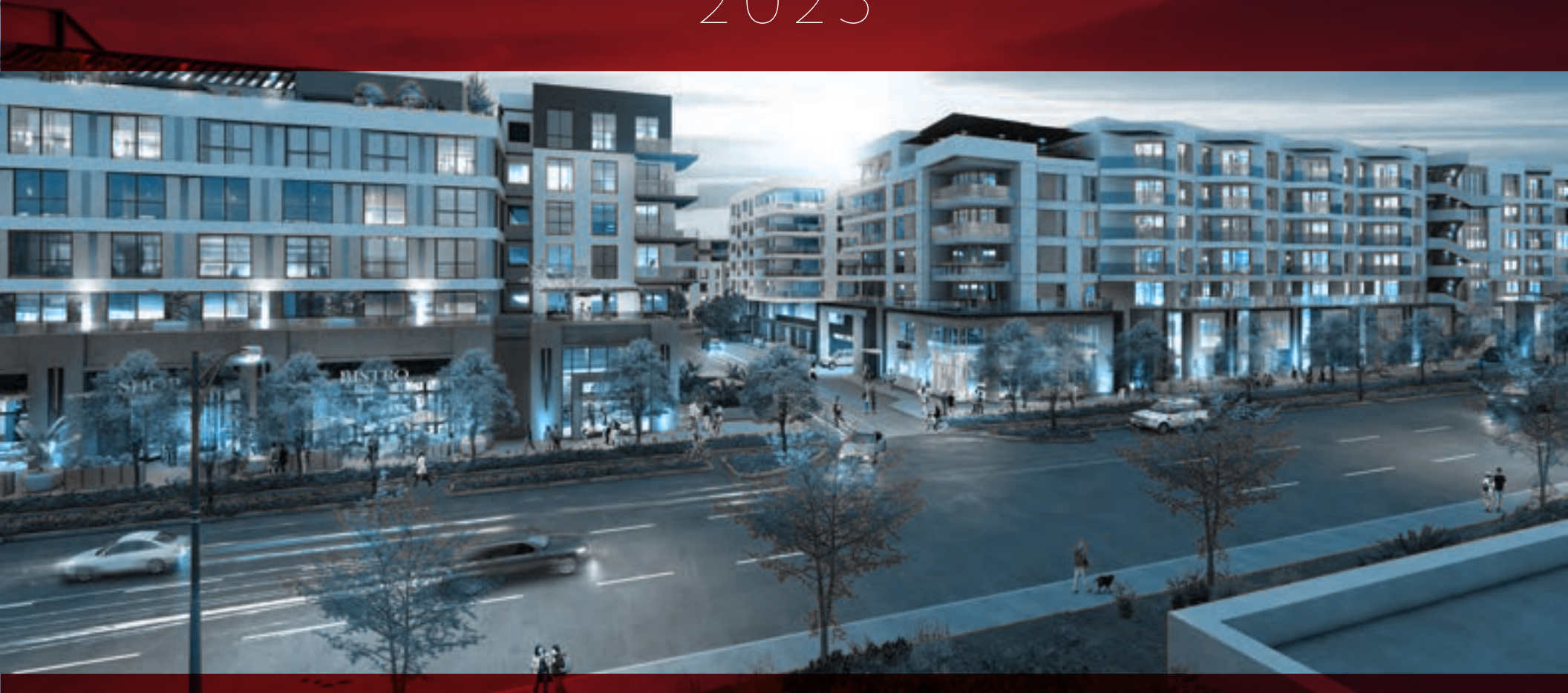
Broadway Homes
5900 Balcones Drive, Suite 100
Austin, TX 78731-4298

Brent Stoll - Principal - Broadway Homes & Rose Equities
512-567-6784 | brent@BroadwayHomes.com

Greg Stoll - Principal - Broadway Homes
512-228-7443 | greg@BroadwayHomes.com

ROSE EQUITIES

2023



ROSE EQUITIES
OWNER-BUILDERS SINCE 1949



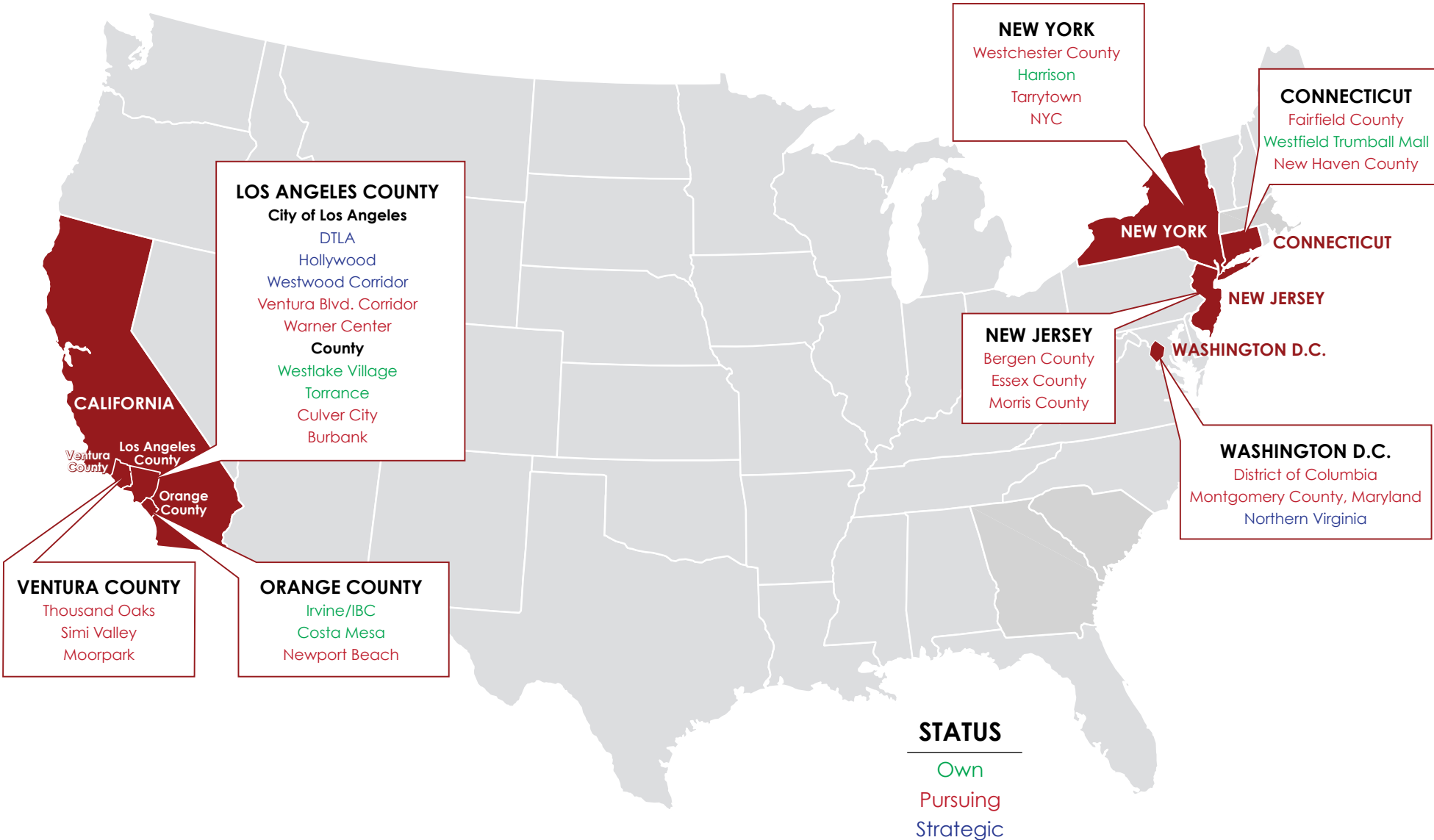
ROSE EQUITIES
USA REAL ESTATE
Regional Marketplaces
for
Acquisition • Development • Ownership

Rose Equities is a private, **family** owned, fully integrated development, management and investment group. With a unique **generational** investment strategy, Rose Equities seeks to combine **institutional**-quality best practices with the cultural and reputational heritage of a **traditional** family office. Throughout our long history, we have only conducted our business with a very select few of the best partners and friends. The word “friends” is important here as friendship is always the primary element of our relationship with our partners. This mix of factors are true differentiators, making Rose Equities’ value proposition to the marketplace rare and exemplary. Our reputation among landowners of providing a high level of “price, surety, and speed” continues to insure a very robust deal flow of off market, strategic and unique opportunities.

Founded by brothers Jack and Leonard Glickman, Rose Equities’ origins began in 1949 with the purchase of its first duplex in New Jersey by the families’ **matriarch/patriarch** Rose and David Glickman. Over the years, we have expanded our operations. A significant event occurred in 1982 when Leonard, with his Los Angeles born wife, together with his father and brother moved to California, diversifying and expanding the portfolio. Today, Rose remains active, seeking new acquisition and development opportunities on **both coasts**.

Rose Equities with its partner have in the last 10 years acquired and is currently entitling, developing, and managing close to 5,000 units on best-of-breed sites within Orange County and Los Angeles County, California. On the east coast, Rose Equities together with its partner is currently developing 260 luxury rental residences in Trumbull, Connecticut, directly adjacent to the Westfield Trumbull Mall. They have also begun a Westchester County (New York) Strategic Land Acquisition Strategy, starting with the recent acquisition of 28 acres in the town of Harrison. The development of these portfolios represents approximately \$3 billion of capitalization and \$1.8 billion of equity (all of which is internal off-balance sheet). Enclosed herein are some highlights of these opportunities.

NATIONAL MAP



ROSE EQUITIES
SOUTHERN CALIFORNIA MULTIFAMILY PORTFOLIO I | IRVINE - ORANGE COUNTY



METROPOLIS
IRVINE
457 Units
Completed

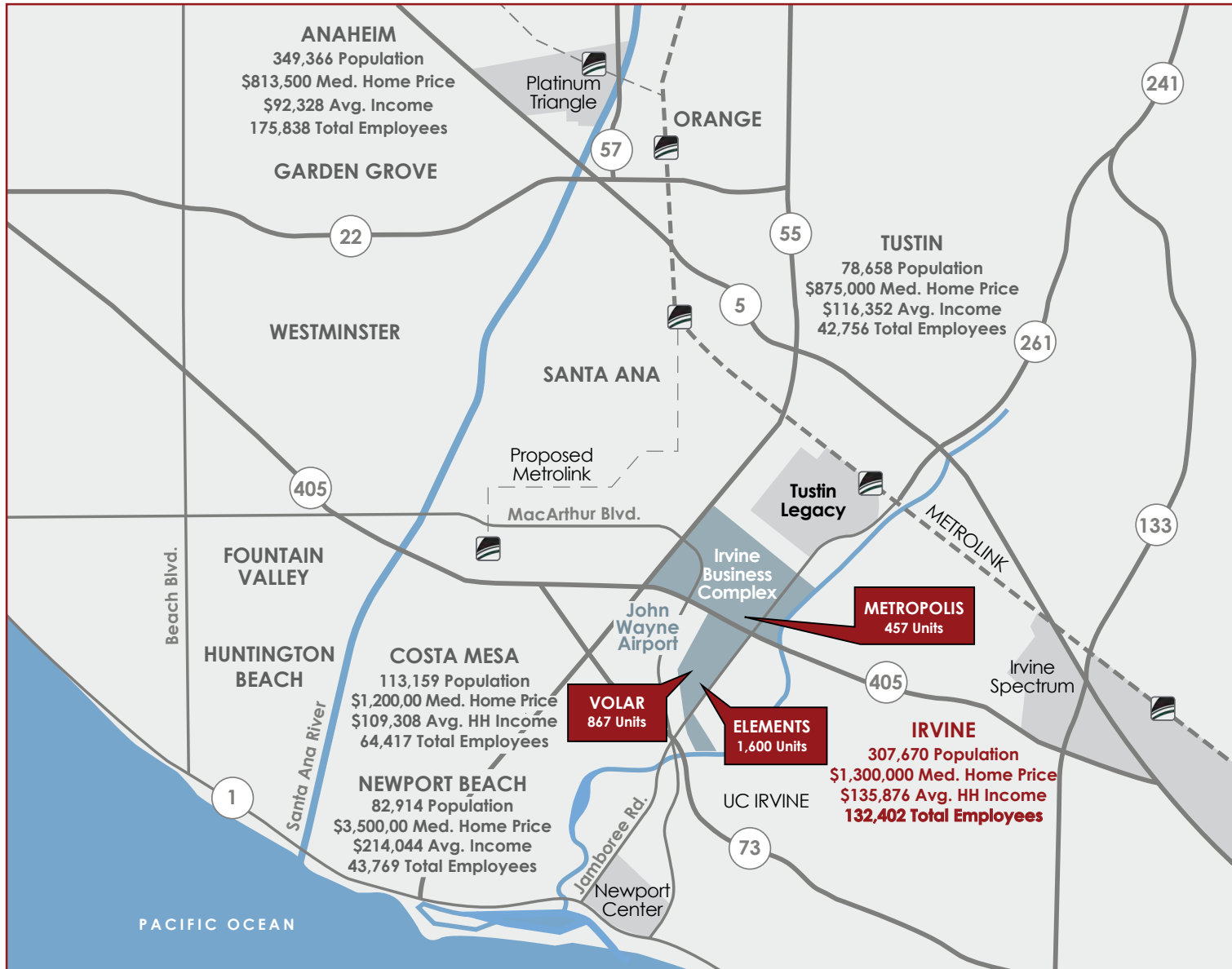


ELEMENTS
IRVINE
1,600 Units
In Lease Up



VOLAR
IRVINE
867 Units
Under Construction

ORANGE COUNTY MAP I | SOUTHERN CALIFORNIA



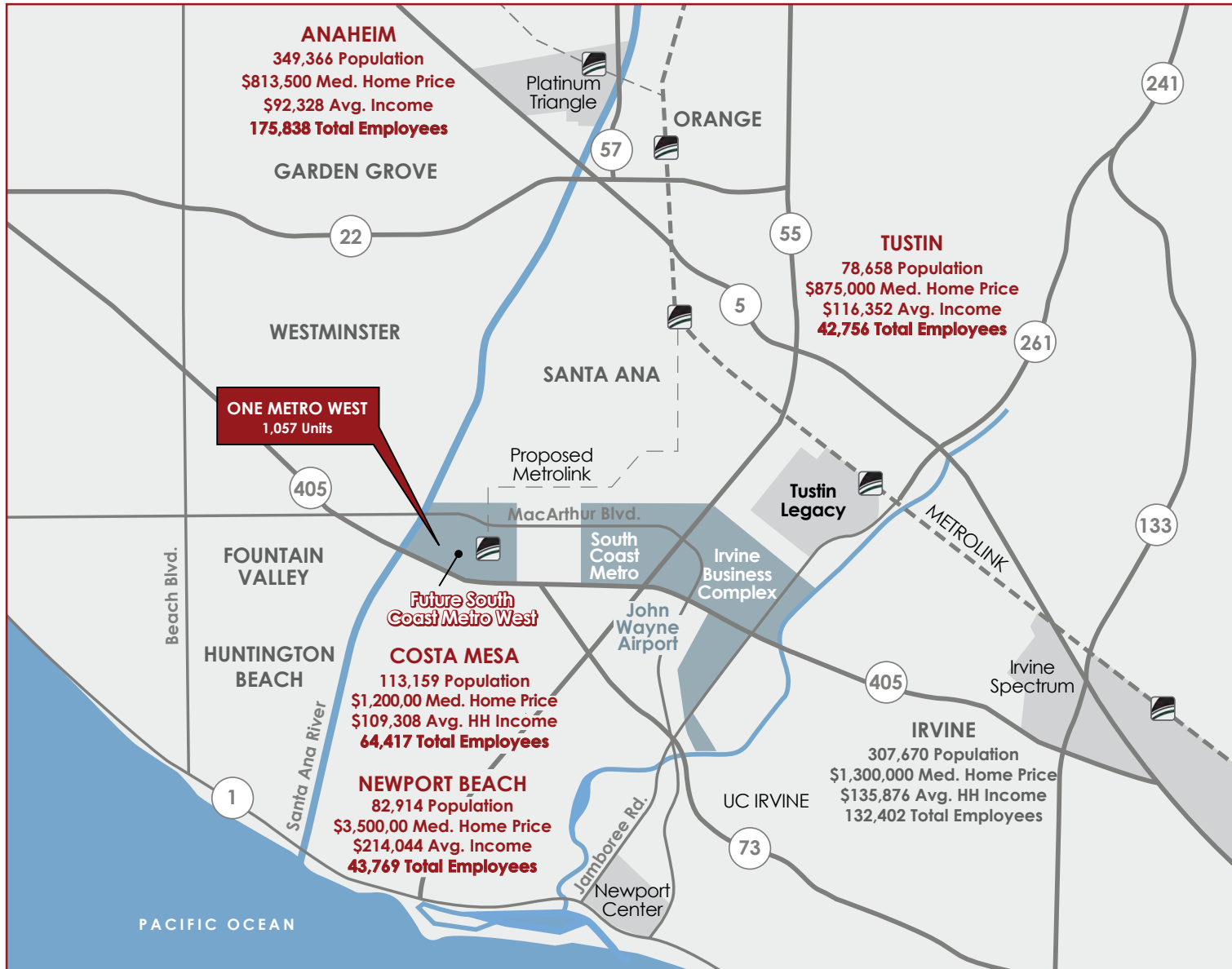




ONE METRO WEST
COSTA MESA

1,057 Units
Pre-Construction

ORANGE COUNTY MAP II | SOUTHERN CALIFORNIA



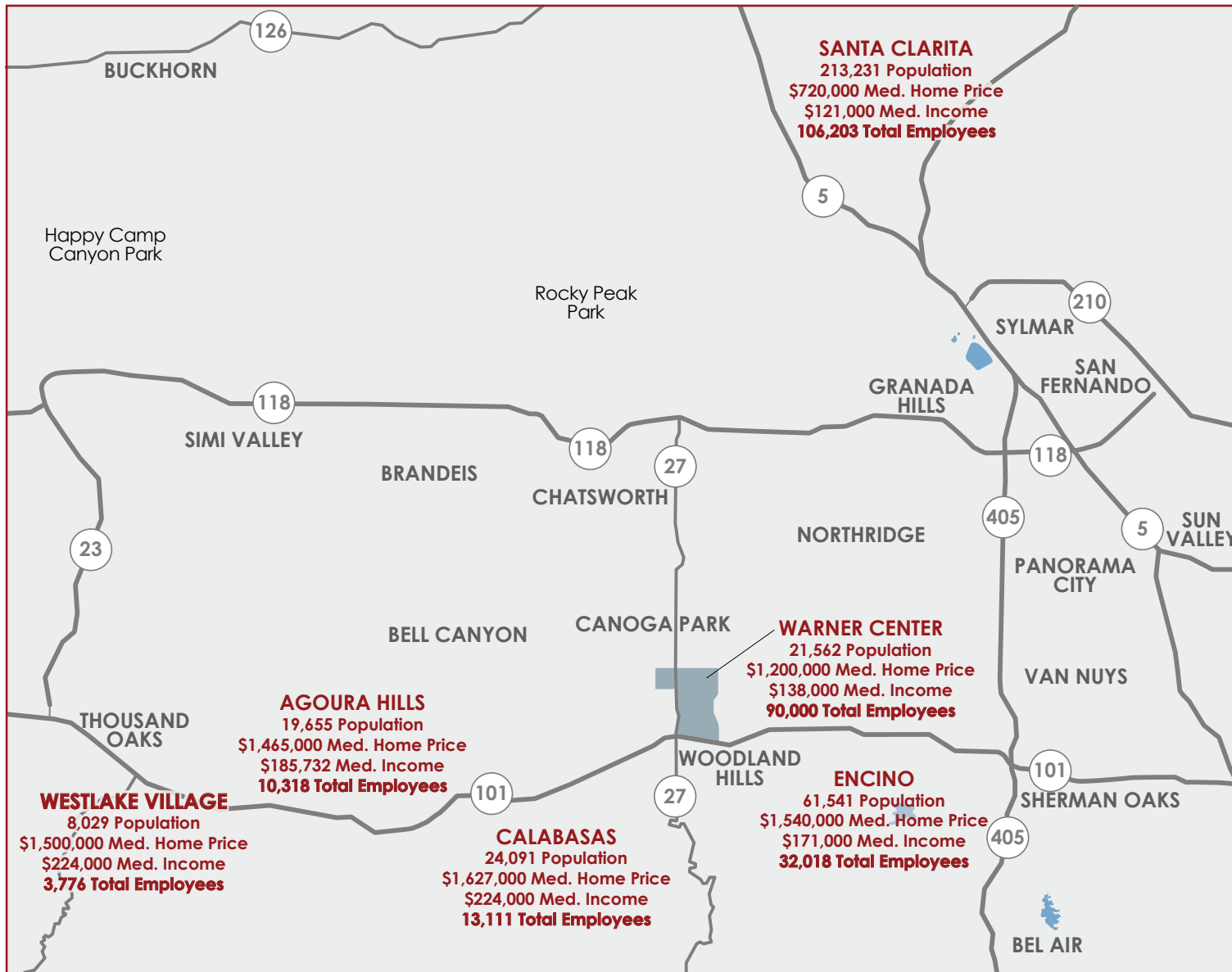




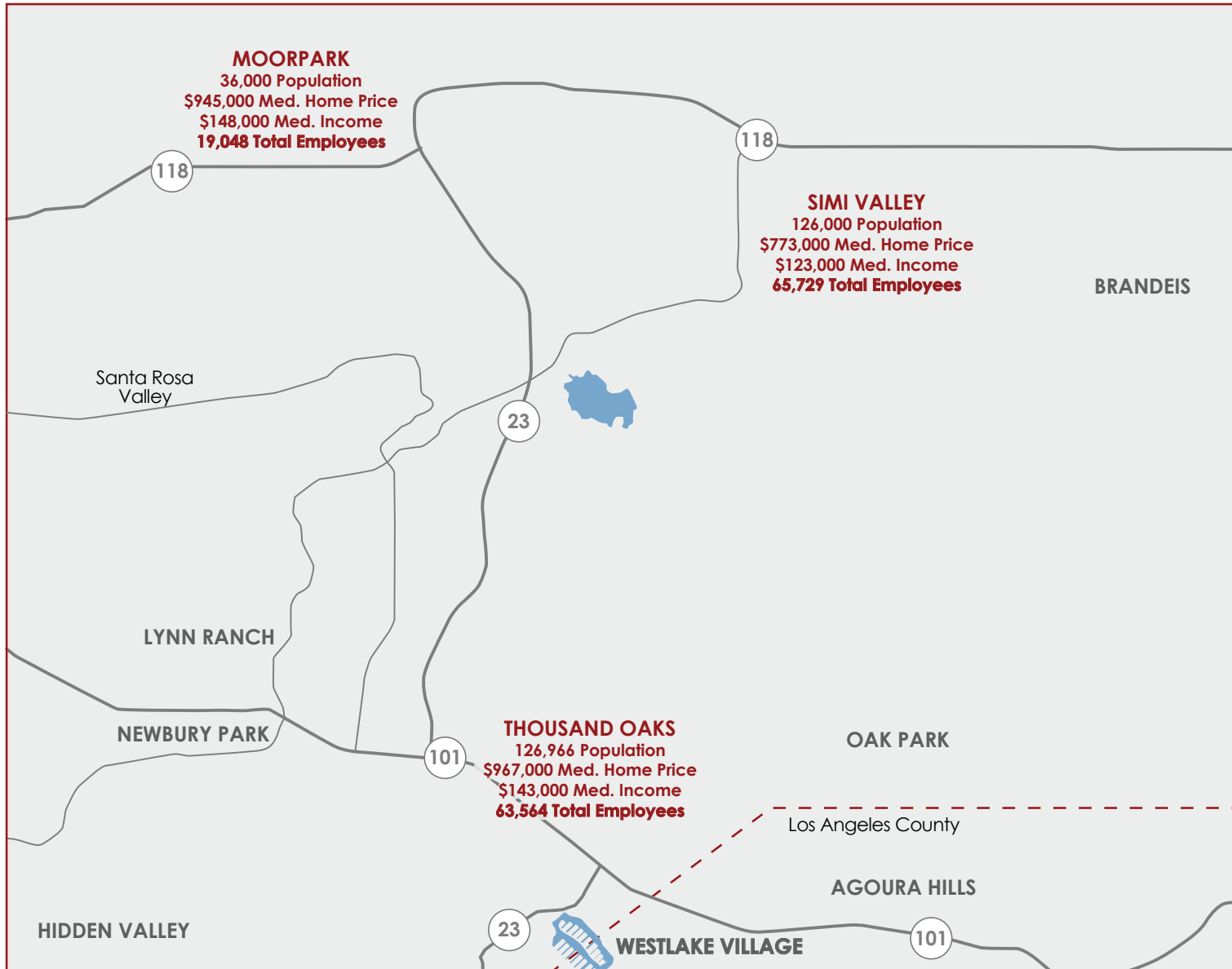
LINDERO TERRACE WESTLAKE VILLAGE
WESTLAKE VILLAGE, CALIFORNIA

693 Units

Entitlement Process



VENTURA COUNTY (EAST) MAP | SOUTHERN CALIFORNIA





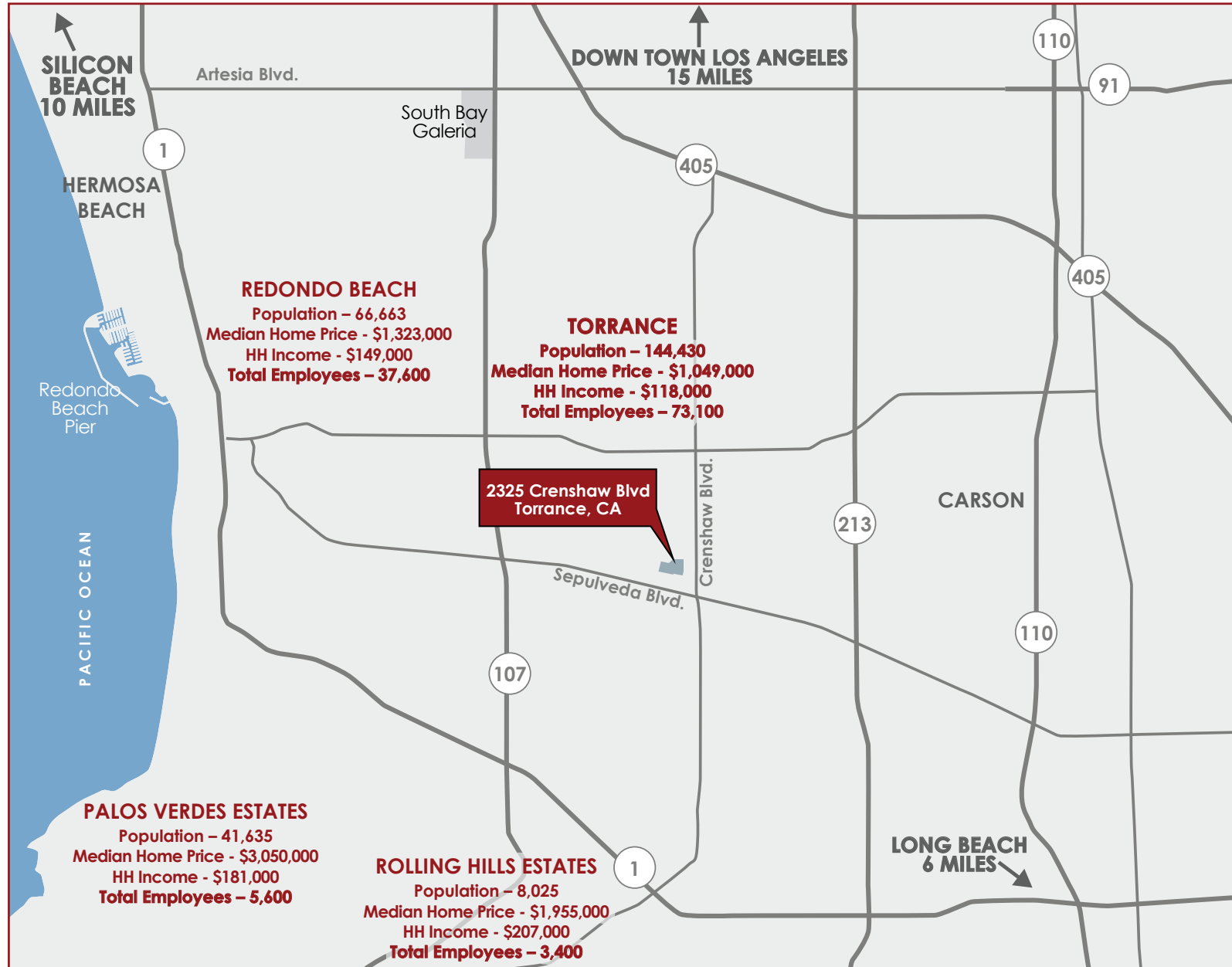


2325 CRENSHAW BLVD.
TORRANCE, CALIFORNIA

271 Units

Entitlement Process

LOS ANGELES COUNTY (SOUTH BAY) MAP | TORRANCE, CA



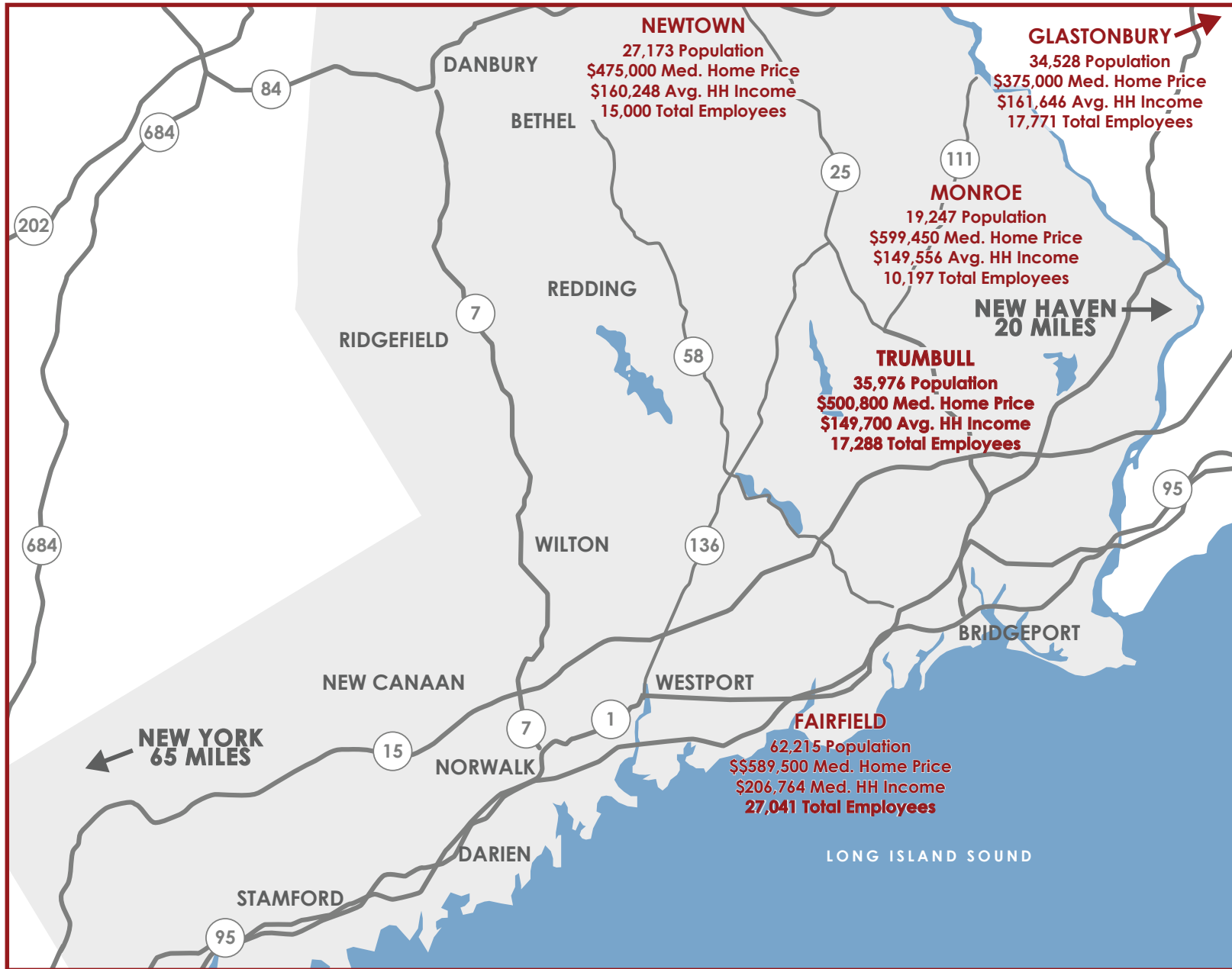


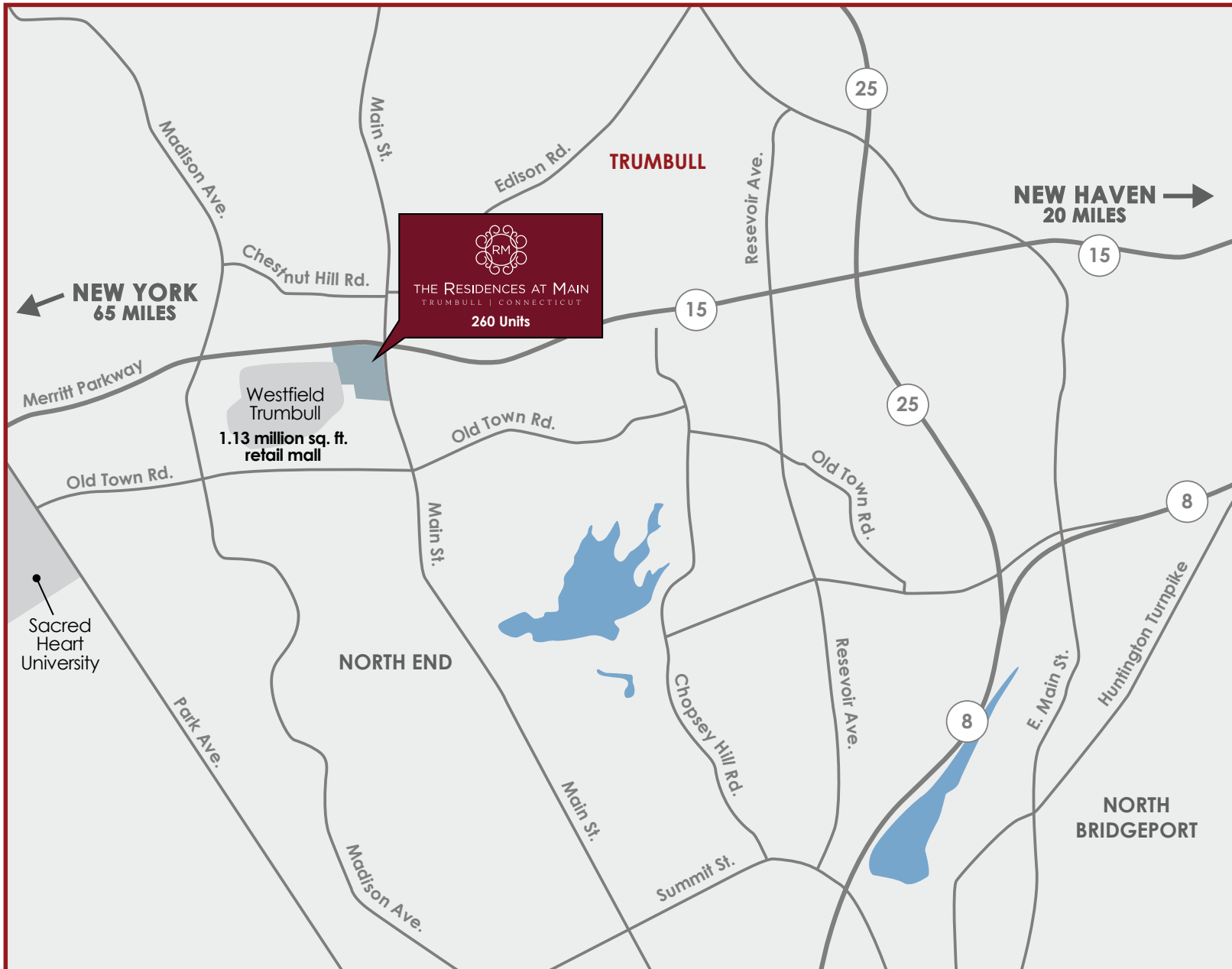


THE RESIDENCES AT MAIN
TRUMBULL, CONNECTICUT

260 Units
Under Construction

FAIRFIELD COUNTY MAP | CONNECTICUT









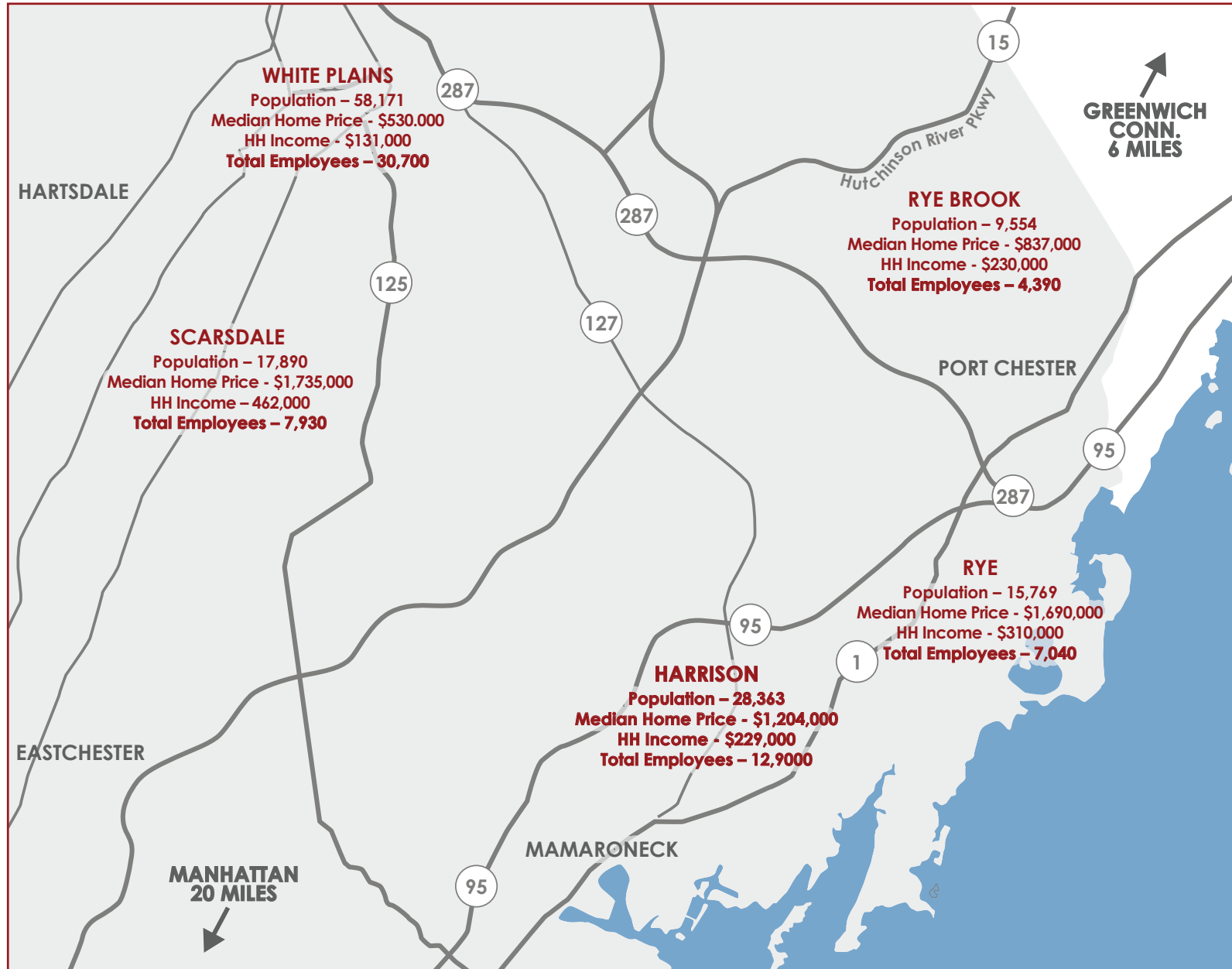
RENAISSANCE HARRISON

HARRISON, NEW YORK

750 Units

Entitlement Process

WESTCHESTER COUNTY (LOWER) MAP | HARRISON, NEW YORK





RENAISSANCE HARRISON
HARRISON, NEW YORK

750 Units

Entitlement Process

HISTORICAL OPPORTUNITIES



ROSE EQUITIES
OWNER-BUILDERS SINCE 1949

MARTIN EXPO TOWN CENTER



MARTIN EXPO TOWN CENTER

Aerial View From Olympic



EXECUTIVE SUMMARY



PROPERTY SUMMARY

Location:	NWC of Olympic Boulevard and Bundy Drive, West Los Angeles, California			
Site:	4.76 acres			
Components:		Units	Square Feet	% of Total
	Residential:	619	558,200 GSF	69%
	Office:	-	150,000 GSF	19%
	Retail:	-	99,000 GSF	12%
	TOTAL		807,200 GSF	100%
Parking:	1,548 Stalls (subterranean) 713 bike parking spaces and bike facilities			
Architect:	Gensler			
Entitlement Status:	Fully Entitled			
Timing Estimate:	Est. Construction Start:	Late 2018		
	Est. Project Opening:	Late 2021		
Transportation Access:	Less than 500 feet from Metro Expo Light Rail – Bundy/Exposition Station N/S Bundy and E/W Olympic bus access on site 1/2 mile to Interstate 10			

AWARD-WINNING DEVELOPMENT

Martin Expo Town Center is the recipient of the 2017 American Planning Association - LA Award of Excellence for Implementation for accomplishing positive changes in the area as a result of planning.

EXCEPTIONALLY RARE OPPORTUNITY

Martin Expo Town Center will be the first project of this scale in highly desirable West Los Angeles and one of only three residential mixed-use projects of this scale in Southern California in the last 15 years.

TRANSFORMATIVE MIXED-USE DEVELOPMENT

Comprising approximately 99,000 SF of retail, 150,000 SF of office and 619 apartments, Martin Expo Town Center is the preeminent live, work, play development in West Los Angeles and offers a luxury living experience and dynamic office and retail environment that exemplifies the California lifestyle.



PROJECT OVERVIEW

Total Completed Project Cost

Estimated Financing Amount (100% LTC)	+/- \$375 Million
---------------------------------------	-------------------

Remaining Equity (Land Value)	TBD
-------------------------------	-----

JV Equity

Sponsorship Equity	51%
--------------------	-----

New Partner Equity	Up to 49%
---------------------------	------------------

Development Timeline (Estimated)

Construction Start	Oct-2018
--------------------	----------

Project Completion	Oct-2021
--------------------	----------

Stabilization	Oct-2022
---------------	----------

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PRINCIPALS INFORMATION

TAB 2.B - Resume of General Contractor

PRINCIPALS INFORMATION

TAB 2.B - Resume of General Contractor

Since initial acquisition of this site, Broadway Homes, LLC has been working with the NRP Group as one of the most well-established and proven General Contractors in the nation. The NRP Group has completed over 48,000 units nationally and are very adept at completing a challenging podium development on a sloped site.

GENERAL CONTRACTOR

NRP Group, LLC

Dan Hull, President - Construction

15727 Anthem Parkway, Suite 308

San Antonio, TX 78249

Phone: 844-NRP-0002 | DHull@nrgroup.com

CONSTRUCTION | the
NRP
group

MULTIFAMILY
PILLARS OF THE
INDUSTRY
AWARDS
2020 WINNER
BUILDER OF THE YEAR



BEST-IN-CLASS MULTIFAMILY CONSTRUCTION AT NATIONAL SCALE

**DEVELOPING PEOPLE.
BUILDING COMMUNITIES.**

NRPCONSTRUCTION.COM

ABOUT US

2021
NMHC
50

BUILDER #3
DEVELOPER #5
2021 NMHC Top 50

AFFORDABLE
HOUSING
FINANCE

2020 RANKED #2
Top 50 Affordable
Housing Developers

NAHB

National
Association
of Home
Builders

2020 WINNER
Multifamily Builder of the Year
2019 SAFE
Award Winner

EDISON AT GORDON SQUARE
CLEVELAND, OH, 306 UNITS, 2017
MARKET RATE , 4-STORY GARDEN STYLE
SURFACE PODIUM



For nearly three decades, The NRP group has perfected a **best-in-class construction platform** known for delivering projects that are **on time, on-budget and highly cost effective with award-winning quality and style.**

Our success is the direct result of having an **owner's perspective.** As one of the largest multifamily development, construction and management companies in the country, we have **delivered more than 45,000 units across 15 states,** and we have become the 2nd largest Affordable multifamily developer, the 3rd largest builder and 5th largest overall multifamily developer in the nation.

The NRP Group manages over 25,000 units across 15 states, providing us with deep institutional knowledge of how properties are best designed and constructed to run efficiently over the long term.

We are ideally suited to extend the quality and breadth of our in-house capabilities to other owners and developers. By applying our know-how, we ensure each property benefits from our design-build and value engineering capabilities, highly disciplined construction processes, buying power, and very strong sub-contractor network.

OVER 25 YEARS OF EXPERIENCE

NATIONALLY

285

properties built

48,000+

units built

EAST

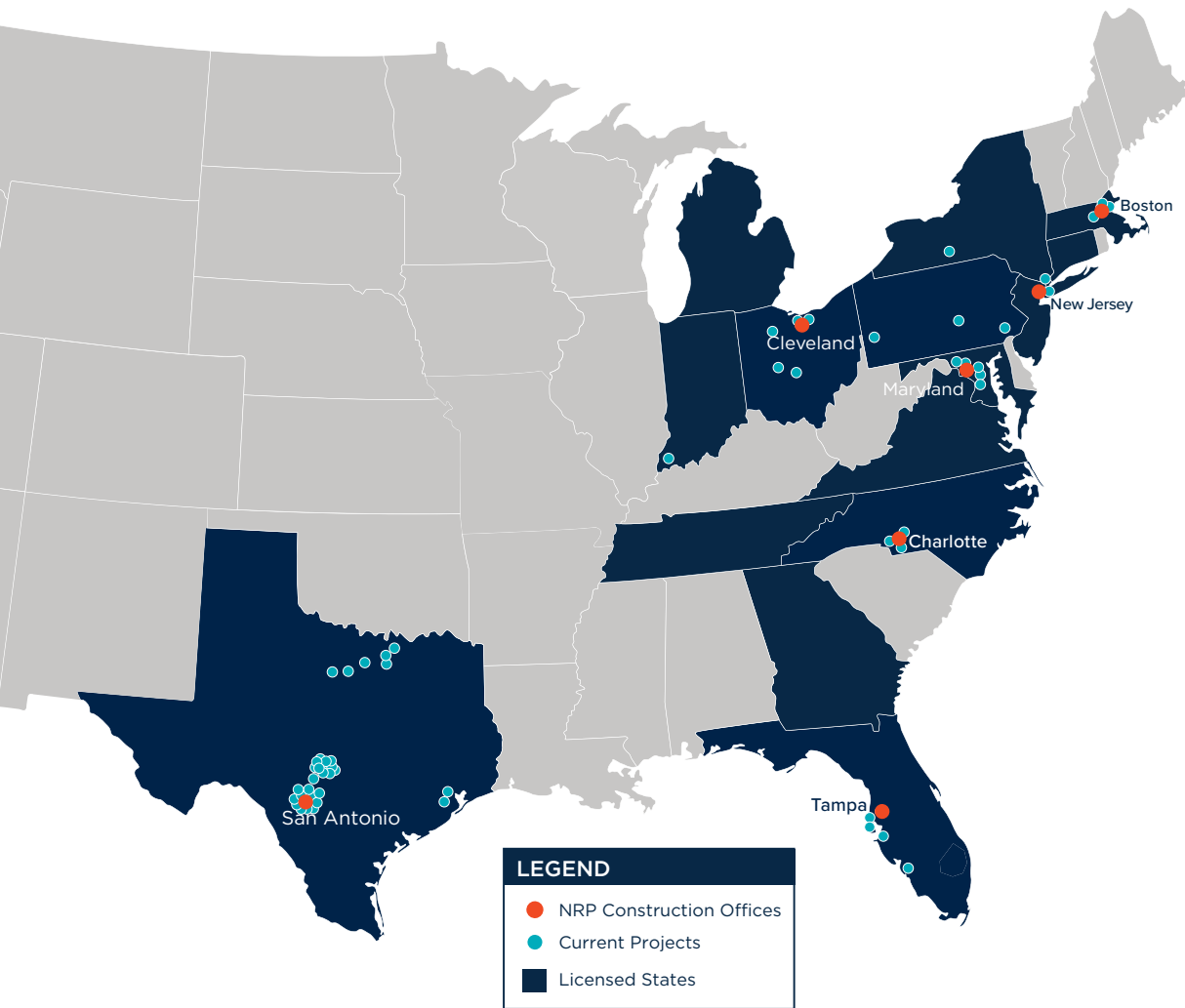
172

properties built

20,000+

units built





The NRP Group was founded over 25 years ago. We have delivered over 285 properties nationally (172 in the east) totaling more than 48,000 units nationally (20,000+ in the east).

Our Capabilities



DESIGN MANAGEMENT



ENTITLEMENT ASSISTANCE



OWNER'S PERSPECTIVE



NATIONAL BUYING POWER



ESTABLISHED INDUSTRY RELATIONSHIPS



RISK MANAGEMENT



VALUE ENGINEERING

PROJECT EXECUTION

NRP Construction has delivered over 255 projects totaling over 42,000 units nationwide.

From the earliest project feasibility review and design development stages through project leasing and close-out stages, our construction team is equipped and experienced to deliver the support that owners and developers depend on to ensure success.

We have developed a centralized project management system that provides consistency for every new construction project we undertake. Starting from day one, our project staff can focus on the finer construction details and plan execution throughout the life of a project.



1

9- 12 MONTHS PRIOR TO 1ST DELIVERY

- Design development call initiated
- Tracking documents created
- Conceptual budget pricing produced
- Site constraints identified
- Pre-construction timeline / schedule established



2

6 MONTHS PRIOR TO CONSTRUCTION START

- Design documents reviewed
- Budget pricing checked / updated
- Value engineering or project improvement options reviewed
- Major infrastructure coordination initiated
- Municipal / regulatory coordination initiated

3

1-3 MONTHS PRIOR TO CONSTRUCTION START

- Project design finalized
- Project construction costs finalized
- Construction schedule finalized
- Permit process completed
- Contract negotiations and documents finalized

4

CONSTRUCTION START



PRE-CONSTRUCTION

VICE PRESIDENT OF PRE-CONSTRUCTION

oversees estimating, design development and entitlement processes.

DIRECTOR OF PRE-CONSTRUCTION

manages estimating, design development and entitlement processes.

CONSTRUCTION

DIRECTOR OF FIELD OPERATIONS

oversees and assists field staff executing project construction and NRP performance standards.

REGIONAL VP OF CONSTRUCTION

oversees and assists project manager in management of project budget and schedule.

PROJECT MANAGER

project buyout, contract management, cost controls and schedule controls.

PROJECT SUPERINTENDENT AND FIELD STAFF

field construction management, schedule controls, site control and safety oversight.

FIELD LEADERSHIP

PROJECT MANAGEMENT

ON SITE

IT SUPPORT

real time support and enhancements to technology platform.

ACCOUNTING

pay application processing and financial records management.

HUMAN RESOURCES MANAGER

recruiting, onboarding, training and staff management.



THE NRP GROUP: SUSTAINABILITY

The NRP Group has begun efforts to improve the environmental footprint of assets across our portfolio.

We have embarked on portfolio-wide initiatives that have generated over half a million dollars in utility savings across our communities. These improvements range from LED lighting conversions to ultra-high efficiency toilet implementations, to irrigation controllers and monitoring.

To add to these efforts, 1,760 of our apartment units have earned LEED certification and over 2,000 additional

units have earned an Enterprise Green Community Designation.

We are also pursuing Passive House builds in our construction process and have begun to deliver units that earn this distinction.

The NRP Group will continue to expand our sustainability efforts as an ongoing initiative.



3855

Green Building
Certified Units



625

Tons of CO2
Emissions Annually



37M

Gallons of
Irrigation Usage Saved

and growing!



CONSTRUCTION | the
NRP
group

NRP Construction LLC

Ken Weinberg | Vice President of Business Operations

Office: 844-NRP-0002

Email: kweinberg@nrpgroup.com

Web: NRPConstruction.com

1228 Euclid Avenue 4th Floor

Cleveland, OH 44115

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PRINCIPALS INFORMATION
TAB 2.B - Resume of Architect

PRINCIPALS INFORMATION

TAB 2.B - Resume of Architect

Mark Hart Architecture has also been adamantly involved directly in the site planning as well as mitigation of the site constraints. MHA projects range from high-rise architecture to midrise architecture to smaller boutique style office and multifamily buildings. Coordination and collaboration with the client and the General Contractor are the cornerstones of the MHA process. Using design, creativity and logic the firm offers a full range of architectural services including architecture, master planning, site analyses, interiors and project management.

ARCHITECT

Mark Hart Architecture
2007 S 1st St, Austin, TX 78704
Robert LeJeune AIA - Senior Architect / COO
512-910-7057 | rlejeune@markhartarch.com



MULTIFAMILY
PORTFOLIO



MARK HART ARCHITECTURE
2007 S 1st Street
Suite 101
Austin, Texas 78704

Email
mhart@markhartarch.com

Phone
512-680-7905

Website
www.markhartarch.com

Mark Hart Architecture was founded in 2008 by Mark Hart, AIA. Since its inception the firm has grown steadily and is enjoying the inflow of more interesting projects as our track record is tested and applied to every design.

MHA projects range from high-rise architecture to midrise architecture as well smaller boutique style office and multifamily buildings. MHA is responsible for the design and production for projects such as The Corner, The Ruckus and Skyloft. These projects are examples of the style of design that MHA strives for. Coordination and collaboration with the client and the General Contractor are the cornerstones of the MHA process. Using design, creativity and logic, the firm offers a full range of architectural services including architecture, master planning, site analyses, interiors and project management.

Mark Hart, AIA, NCARB, LEED AP is the founding member and CEO of Mark Hart Architecture. He received his degree in Architecture from The Ohio State University and moved to Austin in 1997. His experience in multifamily / high-rise/ high-density mixed use architecture spans 20 years and is largely focused in the central Texas area.

As CEO, Mark is at the center of MHA's business development, strategic planning activities, and company/client relations. He also oversees architecture production from early site studies, to completion of construction documents, and construction administration. When not running a company, Mark enjoys running the trails of Town Lake and spending time with his wife and two sons.



Robert LeJeune, AIA, NCARB, LEED AP BD+C, CPHC came on as a partner with MHA in 2013, as Senior Architect & COO. He has over 20 years of experience working in the field of architecture: designing, managing, teaching and/or constructing. His professional experience specializes in all facets of multi-family residential design and construction, making him an expert in the field.

Rob specializes in energy efficient and sustainable design. He is a licensed architect in the state of Texas and NCARB certified, which allows him to be licensed in all 50 states. He is also LEED AP certified with a Building design and Construction (BD+C) specialty designation and in addition a Certified Passive House Consultant (CPHC); these credentials demonstrate a thorough understanding of green building and energy efficiency practices and principles.



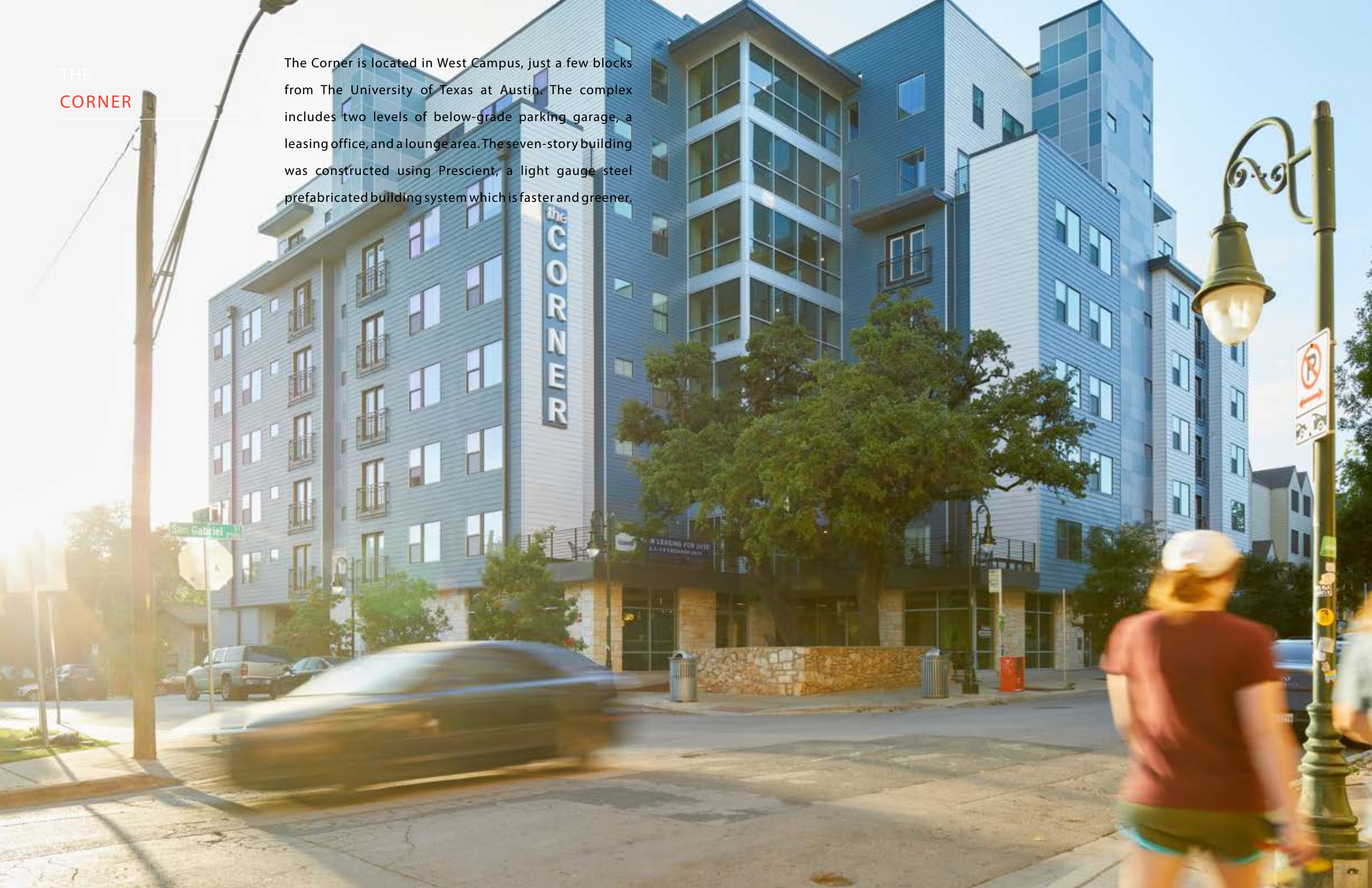
THE RUCKUS

The Ruckus is a seven-story student housing project located two blocks west of the the University of Texas, Austin in the student rich “West Campus” neighborhood. The Ruckus boasts 46 units (167 beds) with modern amenities and finish-outs, underground gated parking, secure access, a rooftop terrace, a cyber cafe, sky gym and study lounges. The Ruckus opened in August 2017.



THE
CORNER

The Corner is located in West Campus, just a few blocks from The University of Texas at Austin. The complex includes two levels of below-grade parking garage, a leasing office, and a lounge area. The seven-story building was constructed using Prescient, a light gauge steel prefabricated building system which is faster and greener.



THE CREEKSIDE

Located in Round Rock Texas, the Creekside is a HUD project consisting of 250 units, a clubhouse and pool area. The complex is wrapped by Brushy creek and is populated with many oak trees and terraces due to the sloping terrain, items that are a challenge to design and develop around but that also add amazing beauty to the property.



TEXAS

26

Texan 26 is a 50-unit apartment facility in the West Campus neighborhood of the University of Texas. This multifamily project is a total of six stories (72,000 sq. ft.) of apartments above a podium. This structure rests on a 3.5 tier subterranean concrete parking garage.



RIO
FLATS

An innovative 9-unit metal blue cube in Austin TX. This multifamily project is our smallest podium project! One level of surface parking with two levels of apartments above.



THE
SKYLOFT

This project is located in the West Campus neighborhood, University of Texas. It has 18 floors of apartments over 4 subterranean parking levels. Advanced amenities with a roof top pool looking over the University, Downtown and the Hillcountry. An exciting project to work on for MHA for many reasons, including partnering with STG Architects to design and complete as a great team.



RUCKUS 2.0

The younger bigger sibling of the Ruckus! Located on the busy corner of 24th and Rio Grande streets. A perfect culmination of the elaborate West Campus style of student housing in Austin Tx. An eight-story student housing project consisting of 67 units (231 beds) with modern amenities and finish-outs, underground gated parking, secure access, a rooftop terrace, a cyber cafe, sky gym and study lounges. The Ruckus opened in August 2017.



THE 9 @ Rio

A gradient blue cube in the West Campus neighborhood in Austin TX. Double Height amenities with a courtyard and pool in the center. A seven-story student housing project located two blocks west of the the University of Texas, Austin in the student rich "West Campus" neighborhood. The 9 contains 109 units (333 beds) with modern amenities and finish-outs, underground gated parking, secure access, a rooftop terrace, a cyber cafe, gym and study lounges.



Eastgate

A 3 story podium condo project in the near East neighborhood of Austin Tx. 68 luxury units with a central pool and courtyard. This project is the answer to the need for middle cost housing. Eastgate is the gateway to the bustling and quickly developing Eastside along Manor street.



HOM

HOM consists of 59 units totaling 63,476 SF of medium density, infill residential condominiums units on 2.22 acres. The property is located in the quiet, yet vibrant, Govalle neighborhood known for its great restaurants, community gardens, and just blocks to the Austin Bouldering Project. Interiors feature modern finishes, including European cabinetry, plan flooring, stainless appliances, as well as a swimming pool and resident clubhouse. Another things that sets HOM apart from other apartments is its price point.



Axiom East

Axiom East consists of 60 residential units plus ground floor commercial totaling 51,137 SF of high density, mixed-use development on .75 acres. The property is located directly on the East 7th Street corridor, providing excellent walkability to some of the best restaurants and nightlife that Austin has to offer. Interiors feature moder finishes including European cabinetry, plank flooring, stainless appliances, as well as a resident courtyard with outdoor kitchen, firepit, and community picnic area.



Hilltop

The Hilltop is an off campus student housing project located within walking distance from the University of Texas. Amenities include a pool, fitness center, and various study rooms. The project offers a rare opportunity for students to live next to a historic building that was built in 1869. The building blends old design styles with brand new and refreshed styles offering a modern look.



OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PRINCIPALS INFORMATION
TAB 2.B - Resume of Civil Engineer

PRINCIPALS INFORMATION

TAB 2.B - Resume of Civil Engineer

Kitchen Table Civil Solutions has been retained to help the team identify remaining site constraints, particularly relating to impervious cover. They have been particularly useful in negotiating the necessary impervious cover request via Save Our Springs and the Land Use & Entitlements attorney, Metcalfe Wolff Stuart & Williams, LLP.

CIVIL ENGINEER

Kitchen Table Civil Solutions

6805 N Capital of Texas Hwy, Suite 315

Austin, TX 78731

Jonathan Fleming, PE - Project Manager

512-717-5422 | jonathan.fleming@ktcivil.com



January 31, 2023

Greg Stoll
Broadway Homes, LLC
5900 Balcones Drive, Suite 100
Austin, TX 78731

RE: KTCivil Experience

Dear Mr. Stoll,

Thank you for considering KTCivil as a partner in assisting with your engineering needs. KTCivil was founded in September of 2016 and currently has 14 employees. Our Engineering and Design staff have over 100-years combined experience locally in the Central Texas market and believe that building relationships, whether it be with our clients or with regulatory entities, is one of our key strengths. Since 2016 KTCivil has permitted over 2,000 residential units, with an additional 500 units in design for developments within the Round Rock and Austin Jurisdictions.

Below you will find a list of our staffs' experience (designer and engineer experience combined) either while at KTCivil or with previous employers, a list of our senior staff, and professional references. In addition to the projects listed below, which are site development projects, our firm has extensive experience in master planned and single-family development and Municipal Utility Districts, for which a list can be provided upon request.

Multi-Family/Condo Site Development:

- Kensington Apartments – New Braunfels
- Chestnut Street Lofts – San Marcos
- Cielo Apartments – Austin
- Waterstone Apartments – Austin
- The Village Condominiums (Parmer Villas) – Austin
- Scofield Villas Condominiums - Austin
- Independence Park Condominiums – Austin
- AMLI Riverside – Austin
- Greystar Apartments – Austin
- Meritage Homes Easton Park Section 1B Lot 3 Condominiums – Austin ETJ and Travis County
- Milestone Community Builders (Milestone) Cooper Lane Condominiums – Austin
- Milestone Messinger Village Condominiums – Austin
- David Weekley Homes Goodnight Ranch Lot 3 Block A Condominiums – Austin
- Ash Creek Homes Canyonside at Falconhead West – Bee Cave
- The Cottages at Northwoods - Austin
- Due diligence on multiple sites– Austin, Austin ETJ/Travis County, Buda, Cedar Park, Georgetown, Kyle, Lago Vista, Leander, Pflugerville, and Round Rock.



Commercial Site Development:

- 7814 Burleson Rd. Automotive Shop – Austin
- Addison Section 3 Amenity Center – Austin ETJ and Travis County
- IBC Bank Mueller View – Austin
- Sovereign Bank at 5th and Nueces – Austin
- The Thinkery (Austin Children’s Museum) - Austin
- Multiple CVS Locations – Austin and Pflugerville
- Circle K – Lakeway
- Stripes multiple locations – Houston, Killeen, San Marcos, and Temple
- HEB multiple locations (gas pump retrofit) – Austin and San Antonio
- Sonic at Lakeline Blvd. and Cypress Creek – Cedar Park
- Lupe Tortilla – Round Rock
- Cabela’s – Buda
- Marriott TownePlace Suites – Round Rock, Georgetown and Williamson County
- Baylor Scott & White Medical Center – College Station
- Baylor Scott & White Children’s Medical Center and Surgical Sciences Addition – Temple
- Baylor Scott & White Clinic – Marble Falls
- University of Texas (UT) Engineering Education and Research Center (EERC) – UT Systems
- UT Material Transfer Center for EH & S (MTC) – UT Systems

Open Space/Park Site Development:

- Boardwalk Trail at Lady Bird Lake – Austin
- Bryant Park at Easton Park – Austin ETJ and Travis County
- Paggi Square at Mueller – Austin
- Aldrich Street Paseo – Austin

KTCivil’s senior staff:

- Peggy Carrasquillo, P.E. – Principal
- Jonathan Fleming, P.E. – Project Manager
- Andrew Shields, P.E., C.F.M. – Hydrology and Hydraulics Engineer
- Randy Nelson, P.E. – M.U.D. Engineer
- Kody Randall – Production Manager/CAD Designer

Professional References:

- Ian Dietrich, LEED AP – David Weekley Homes, Land Manager – 512-821-8828
- Rob Archer, P.E. – Meritage Homes, Land Development Manager – 512-615-6432
- Mike Ehrhardt – Liberty Civil Construction, LLC, Managing Principal – 512-233-9152
- Andrew Cortes, P.E. – Milestone, Land Entitlement Manager – 512-686-4986

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PRINCIPALS INFORMATION

TAB 2.B - Resume of Construction Manager

PRINCIPALS INFORMATION

TAB 2.B - Resume of Construction Manager

Rick D. Mahan is a 37+ year construction professional with over \$2 Billion in Construction, Consulting, and Owner's Representative Services affecting 100+ Million square feet of commercial, residential and government facilities. Mahan Construction & Management was invaluable at helping to identify the feasibility of the proposal on a sloped site in Southwest Austin.

CONSTRUCTION MANAGEMENT

Mahan Construction & Management

Rick Mahan - Principal

512-808-8991 | Rick@mahanccm.com

RICK D MAHAN – BIO

CONSTRUCTION CONSULTING & MANAGEMENT

Rick D. Mahan is a 35+ year construction professional with over \$2 Billion in Construction, Consulting, and Owner's Representative Services affecting 100+ Million square feet of commercial, residential and government facilities.

Rick started his career as a laborer at his uncle's Texas Hill Country custom home business while a freshman in high school. Since then, Rick has held Senior and Executive Level Positions with Small, Medium and Fortune 500 Construction and Consulting Firms as a hands-on leader of over 170 Project Managers, hundreds of contractors and thousands of employees/trade personnel on services affecting 26,000+ facilities.

Examples of representative project and programs include:

- Owner's Representative for New Construction, Renovation and Expansion of 35+ Million SF of Multi-family, Retail, School, Hotel, Hospital, Office, Government and Residential structures.
- Assembled and Led teams of Internationally Diversified AE's and Contractors on over \$600 Million in Pre-construction design and consulting services.
- Concurrently Oversaw 60+ Project Managers and 250+ Contractors as National Programs Manager on an \$800M Contract for New Construction, Renovation, and Improvements to 20,000+ government facilities.
- New Construction, Renovation and Expansion of hundreds of Hotels, Restaurant, Mall, Retail, Office, Medical, Airport and Commercial Facilities.
- Led over \$600 Million in Multi & Single-Family Developments (700+ Units) and six different communities for Fortune 500 Builder.
- Managed \$240+ Million in Design/Build Custom Home New Construction and Renovations.
- Oversaw National Energy Management Program including replacement of HVAC & Controls, Switchgear/UPS/Generator Back-up, Energy Loss/Recovery and Conservation at over 65 facilities.
- Oversaw \$200+ Million in Indoor Air Quality, Environmental and Safety Related Remediation Projects.
- Developed Construction, Safety, and Environmental Training Programs with over 7,000 attendants.
- 25+ Years of Direct Interaction with Executive Level Decision Makers resulting in \$800+ Million in Sales.

Rick holds a bachelor's degree in Energy Management and has earned countless certifications and licenses over his career, including Certified General Contractor (FL), Occupational Health and Safety Technologist (OHST), Certified Floodplain Manager (CFM), Stormwater Management, Licensed Insurance Adjuster (TX), Radiation Measurement Specialist, Hazardous Waste and Operations Responder, and numerous other environmental, indoor air quality, asbestos and construction management certifications.

Rick currently provides Owner's Representative and Construction Consulting Services through his boutique-sized firm called Construction Consulting & Management, LLC to small and medium sized firms that either cannot afford or need full-time in-house Construction Professional Representation. His services and level of participation are tailored to the specific needs of each client based on that specific client's level of expertise and understanding of the building industry.

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PRINCIPALS INFORMATION

TAB 2.B - Contact Information of Consultant Team

PRINCIPALS INFORMATION

TAB 2.B - Contact Information of Consultant Team

The remainder of the Oak Hill Lofts team are independent consultants with extensive LIHTC experience and a focus on promoting further deals throughout Central Texas.

LENDER

Walker & Dunlop

7272 Wisconsin Ave Suite 1300

Bethesda, MD 20814

Rob Rotach - Senior Managing Director | Real Estate Finance

301-564-3295 | RRotach@walkerdunlop.com

HTC APPLICATION CONSULTANT

ARX Advantage

Robbye Meyer - President

(512) 963-2555 | robbye@arxadvantage.net

MARKET ANALYSIS

Novogradac & Company

11044 Research Boulevard Building C, Suite 400

Austin, TX 78759

Lindsay Sutton - Partner

512.349.3212 | lindsey.sutton@novoco.com

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PRINCIPALS INFORMATION

TAB 2.C - Resumes of Property Management Team

PRINCIPALS INFORMATION

TAB 2.C - Resumes of Property Management Team

FDI Management Group



MULTIFAMILY

Multifamily services are those services provided to apartment communities. They include all aspects of property management, customer services to our residents, training of staff, resident retention events, collections and compliance.

With our proven performance distinguishing our service from others, FDI is your first choice for Multifamily management services.

Conventional Property Management

FDI is the best choice for Conventional Property management as we have proven the ability to maximize the investment returns for our owners in every way possible. Using available resources to maximize potential value of the property

Affordable Housing Tax Credit Management & Compliance

We are a leader in the affordable housing sector by providing management for Low Income Housing Tax Credit (LIHTC), and HUD and Rural development projects. Our internal compliance department is led by a Certified Compliance Officer with vast experience in the following areas:

- Initial compliance certification to qualify LIHTC properties
- Breakeven and stabilization period
- Tenant income certification approval prior to move in
- Monthly status reporting
- File audits quarterly

Compliance is the key to the LIHTC program. FDI's experienced compliance staff report directly to the CEO. We are committed to delivering tax credit and developers fees.

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

FINANCIAL INFORMATION

TAB 3.A - Federal IRS Certification

Not Applicable

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AUSTIN, TX

APPLICATION TABS

FINANCIAL INFORMATION

TAB 3.B - Certified Financial Audit

Not Applicable

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APPLICATION TABS

FINANCIAL INFORMATION
TAB 3.C - Board Resolution

Not Applicable

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AUSTIN, TX

APPLICATION TABS

FINANCIAL INFORMATION
TAB 3.D - Financial Statements

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AUSTIN, TX

APPLICATION TABS

FINANCIAL INFORMATION

TAB 3.E - Funding Commitment Letters

WALKER & DUNLOP

7272 Wisconsin Avenue
Suite 1300
Bethesda, MD 20814-6531
Phone: 301/215-5500
Fax: 301/634-2150

July 18, 2024

Greg Stoll
Broadway Homes
5900 Balcones Dr., Suite 100
Austin, TX 78731-4298

Property: Oak Hill Lofts
7610 Old Bee Caves Rd
Austin, TX 78735

Dear Mr. Stoll:

Thank you for providing Walker & Dunlop, LLC ("Lender") with the opportunity to evaluate an application for a first mortgage loan ("Loan") for the above referenced Project. This engagement letter ("Engagement Letter") confirms our agreement concerning the preparation and filing by Lender of an application to obtain a firm commitment ("Firm Commitment") from the U.S. Department of Housing and Urban Development ("HUD") to ensure a construction/permanent mortgage loan ("Loan") secured by the above referenced property. By execution of this Engagement Letter, the Borrower and Sponsor (collectively referred to herein as the "Applicant") hereby applies to the Lender for said Loan on the terms and conditions set forth herein and agrees to comply with the provisions hereof.

Please find attached a Financing Term Sheet attached as Exhibit B and incorporated herein, which details the Loan terms and other pertinent information. Lender will process and underwrite the Loan in accordance with the HUD's mortgage insurance guidelines and the terms outlined below:

- 1. HUD Firm Application.** Approval of the Loan is subject to Lender's complete review of the required documentation including third party reports, a site inspection, and approval by HUD in the form of HUD's Firm Commitment. Upon completion of Lender's satisfactory underwriting, Lender will prepare and submit an application and underwriting package in accordance with applicable HUD regulations and requirements. Applicant acknowledges and agrees that while Lender is working to obtain a Firm Commitment in general conformity with the terms described herein, Lender will not be liable to the Applicant if the Loan does not close, if a Firm Commitment for the Loan is not issued for any reason, or if an issued Firm Commitment contains conditions unsatisfactory to Borrower.
- 2. Recourse; Term; Loan Amount.** The Loan shall be non-recourse, except for the standard exceptions to non-recourse carve-outs that are the responsibility of the "Key Principal(s)," who will be identified by Lender. The loan term will be based on the remaining useful life of the property, subject to a maximum term as estimated on Exhibit B. The Loan amount is currently estimated based on HUD underwriting requirements as of the date of this Engagement Letter on the information provided to Lender by Applicant. Applicant understands that the actual Loan amount is subject to HUD approval.

- 3. Rate Lock.** Lender will estimate an interest rate for underwriting and HUD application submission purposes. The actual interest rate will be dependent upon, and subject to, market conditions at the time of interest rate lock.

Upon receipt of the FHA Firm Commitment, an Interest Rate Lock Agreement will be provided to the Borrower. An interest rate cannot be locked, nor may a loan closing occur, until the Rate Lock Agreement is executed and a rate lock deposit ("Rate Lock Deposit") of 0.50% of the Loan amount is paid to Lender. The Rate Lock Deposit will be refunded at the Loan closing.

Upon receipt of the Rate Lock Deposit, and the signed Borrower's Rate Lock Agreement, Lender will attempt to lock the Loan interest rate at a rate approved by Borrower.

Extension fees may be due and payable if the closing of the Loan is delayed beyond the dates agreed to in connection with locking the interest rate. In the event that Borrower accepts the FHA Firm Commitment and does not close the Loan following Rate Lock or does not close the Loan by the specified closing deadline, Lender will suffer substantial damages. An entity or individual approved by Lender, which must be a person or entity other than the Borrower itself, must agree to pay and/or guarantee the payment of any extension fees and losses associated with the delay or failure to achieve closing of the Loan. In the event of such delay or failure to close the Loan, the Rate Lock Deposit will be applied to Lender's damages and the Borrower and such entity or individual approved by Lender will be liable to Lender for any additional losses, over and above the Rate Lock Deposit amount. The actual amount of losses will be determined based on market conditions in effect at that time.

- 4. Fees.** The Applicant agrees to pay the fees outlined in Exhibit B to the Lender. Fees are subject to change based on changes to the Loan Amount. Each of the fees outlined in Exhibit B are eligible to be financed within the loan, unless otherwise noted, and subject to HUD approval. The nonrefundable processing fee, third party report deposit and legal deposit are due and payable to Lender upon execution of this Engagement Letter.
- 5. Exclusive Agreement.** Lender will have the exclusive right to represent Applicant in its application to HUD in connection with this project for the purpose of obtaining mortgage insurance for the Loan and all meetings and correspondence with HUD will be accomplished solely through Lender. Applicant represents to Lender that there are no outstanding commitments with respect to the financing of the Project and Applicants agree not to apply for or obtain FHA insurance or any financing related to FHA insurance for the Project using the services of anyone other than Lender. Applicants acknowledge that Lender will expend significant resources processing the Loan and applying for FHA insurance on the basis of this representation. If Applicant decides to cancel the processing of this Loan with Lender or rejects a Firm Commitment issued by HUD, Applicant may for a period of twelve (12) months thereafter reapply for FHA-insured financing of the above-referenced property only through Lender. If Applicant decides to cancel the processing of this Loan with Lender or rejects a Firm Commitment issued by HUD, all outstanding financial obligations to Lender by the Applicants are immediately due, including, but are not limited to third party report fees, Lender's Legal Fee, FHA Application Fee and Processing Fee, losses incurred in connection with a failed Rate Lock and Origination Fee.
- 6. Indemnification.** Applicant agrees to defend, indemnify and hold Lender and its officers, directors, members, shareholders, employees and agents forever harmless of and from all losses, costs, damages, and/or liabilities whatsoever resulting or occurring in connection with the financing of the Project, the Loan, and/or this Engagement Letter, including without limitation, and any disputes between or among the Applicant, HUD, other related parties including any general contractor, architect, seller, miscellaneous sub-contractors, management agent, or any subsequent Lender.

- 7. Miscellaneous.** Lender's maximum liability arising out of, or in any way relating to, this Engagement Letter shall not exceed the total Loan fees actually paid by Applicant to Lender, less any amount of out-of-pocket cost and third-party costs incurred by Lender.

Applicant acknowledges and agrees that this Engagement Letter shall be governed by the laws of the State of Maryland. Applicants further acknowledge and agree that any litigation between the parties shall be filed only in the State of Maryland.

Lender and Applicants hereby waive, to the fullest extent permitted by applicable law, the right to a trial by jury in any action or proceeding based upon, or related to, the subject matter of this Engagement Letter. This waiver is knowingly, intentionally, and voluntarily made by Lender and Applicants and all of their officers, directors, general partners or members. Lender and Applicants acknowledge that no person acting on behalf of any party to this Engagement Letter has made any representations of fact to induce this waiver of trial by jury or in any way to modify or nullify its effect. Lender and Applicants further acknowledge that they have been represented (or have had the opportunity to be represented) in connection with this Engagement Letter and in the making of this waiver by independent legal counsel, selected of their own free will, and that they have had the opportunity to discuss this waiver with counsel.

In the event of a dispute regarding any of the terms of this Engagement Letter, the party prevailing in such dispute shall be paid its legal costs, including reasonable attorneys' fees, incurred in connection with the enforcement or interpretation of this agreement, in litigation and in preparation for litigation, and at trial and in connection with any appellate action.

Applicant agrees that Lender may use information collected in connection with the Loan as it deems necessary for a legitimate business purpose in connection with the Loan and to improve the product and service offerings of the Lender.

The party executing this Engagement Letter on behalf of the Borrower and Sponsor represents and warrants to Lender that: (a) such party has the power and authority to enter into this Engagement Letter on behalf of Borrower and Sponsor, respectively. Applicant represents and warrants that the factual statements and other information provided by Applicant in the processing of this Loan are (or will be) true, complete and accurate as of the date of their submittal. Applicant further agrees to notify Lender in writing immediately of any material change in the information provided to Lender for the Loan.

The rights, obligations and remedies of the parties to this Engagement Letter will in no way affect the validity or enforceability of the provisions of this Engagement Letter. If any provision of this Engagement Letter is held invalid for any reason, then such provision will be deemed severable from the remaining provisions of this Engagement Letter and will not affect the validity or enforceability of the other provisions of this Engagement Letter to the extent permitted by applicable law. This Engagement Letter shall survive the issuance of the Firm Commitment and continue throughout the term of the Loan provided that if any provisions of this Engagement Letter shall conflict with any terms of the Firm Commitment or other requirements of HUD, such terms of the Firm Commitment or requirements of HUD, as applicable, shall govern.

This Engagement Letter is not a commitment to make a loan or guarantee or warranty on the part of Lender that it can or will obtain a Firm Commitment having the terms and conditions as set forth in this Engagement Letter. Applicant acknowledges that HUD will complete its own independent underwriting and, accordingly, determine (a) whether it will insure the Loan, and (b) the final Loan amount. Applicants acknowledge and agree that, upon their execution of this Engagement Letter, Lender is processing this transaction as the HUD Mortgagee for the anticipated Loan and that Lender is in no way acting as Borrower or Sponsor's agent, co-venturer,

or partner or Applicant. Applicant acknowledges the information on Exhibit A is an estimate based on preliminary information and is subject to change.

Applicant acknowledges and agrees that certain funds provided by Borrower to be held by Lender/Escrow Agent for the benefit of Borrower (the "Borrower Funds") will be placed in accounts with depository institutions which are insured by the FDIC. Currently the level of insurance provided by the FDIC at each such institution is limited to Two Hundred Fifty Thousand Dollars (\$250,000) per individual/entity. In no event shall Lender/Escrow Agent be liable to Borrower for any regulatory or financial event of the depository institution which results in loss of any Borrower Funds.

8. **LIHTC.** Our initial review of the Loan includes certain assumptions with respect to the value of tax credits and availability of tax-exempt financing. While we believe our assumptions are reasonable, no assurance can be made as to the cost or availability of tax-exempt financing, the tax-exempt interest rate, whether tax credits will be obtained, nor, if such credits are obtained, the present value of such tax credits, and such matters are solely the responsibility of the Applicant. Accordingly based on the foregoing, the transaction may need to be structured differently than envisioned herein or may be unfeasible. In the event of such infeasibility or different structuring, no refund of amounts paid by Applicant will be made.

In order to proceed with this financing request, please execute where indicated below and return a fully executed copy of this Engagement Letter to Lender with a non-refundable Processing Fee payable to Lender, the Legal Deposit, and a Third Party Report Deposit each in the amount of as described on Exhibit B, along with an executed copy of this letter. Wiring instructions for the deposits are provided with this Engagement Letter. Third party reports will be ordered upon receipt of the full third party deposit.

We are very pleased to have the opportunity to work with you on this transaction.

Sincerely,
Walker and Dunlop, LLC



Rob Rotach
Senior Managing Director

Ph: 301-564-3295
Email: RRotach@walkerdunlop.com

APPLICANT ACCEPTANCE

The undersigned Applicant(s) hereby accepts all the terms and conditions contained herein and requests that Lender proceed with the processing and underwriting of the Loan. Applicant(s) agrees to provide Lender with any additional documentation requested to complete the requirements for processing.

The undersigned also authorizes Lender to obtain a credit report from an independent credit reporting agency with regard to all of the undersigned's personal and/or business credit. The undersigned also authorizes Lender to gather whatever additional information is considered necessary from affiliates of Lender for the evaluation of this loan request. The undersigned also agrees to cooperate fully with the credit reporting agency.

To Be Formed Borrower

Broadway Homes, LLC

Signature of Authorized Agent

Signature of Authorized Agent

Greg Stoll, Authorized Signatory

Greg Stoll, Authorized Signatory

Printed Name and Title

Printed Name and Title

5900 Balcones Dr., Suite 100, Austin, TX
78735

5900 Balcones Dr., Suite 100, Austin, TX
78735

greg@BroadwayHomes.com

greg@BroadwayHomes.com

Exhibits:

- A. Identity-of-Interest Disclosure
- B. Financing Term Sheet
- C. Loan Summary
- D. Additional Definitions and Program Requirements
- E. Wire Instructions

EXHIBIT A
Identity-of-Interest Disclosure

The undersigned Borrower hereby certifies to Lender that neither the undersigned, nor any member of the Borrower's immediate family or affiliates, has any financial or family relationship with any officer, manager, member, or staff member of Lender affiliates or owners thereof.

Greg Stoll, Authorized Signatory

July 18, 2024

The undersigned Sponsor hereby certifies to Lender that neither the undersigned, nor any member of the Sponsor's immediate family or affiliates, has any financial or family relationship with any officer, manager, member, or staff member of Lender affiliates or owners thereof.

Greg Stoll, Authorized Signatory

July 18, 2024

I, Rob Rotach, a Senior Managing Director **Error! Reference source not found.** of Lender, hereby certify to Lender that neither I, nor any member of my immediate family, has any financial or family relationship with any officer, director, manager, member, shareholder or staff member of the proposed Borrower or Sponsor.



Rob Rotach, Senior Managing Director

July 18, 2024

EXHIBIT B
Financing Term Sheet

A.	HUD Program Type:	221 (d)(4)
B.	Maximum Insured Loan Term:	480 Months
C.	Insured Loan Amount:	\$12,593,900.00
D.	Insured Loan Estimated Interest Rate:	5.80%*
E.	Amortization:	Fully-Amortizing
F.	Borrower Name:	To Be Formed Borrower
G.	Sponsor Entity:	Broadway Homes, LLC
H.	Project Address:	7610 Old Bee Caves Rd., Austin, TX 78735
I.	Number of Units:	90 units
J.	Estimated Cash Requirement to Close:	Not Applicable
K.	Estimated Fees are payable as follows:	
i.	Origination Fee:	1.00%
ii.	Processing Fee:	\$5,000.00
iii.	GNMA Application Fee:	\$2,900.00
iv.	HUD Application Fee:	0.30% of the loan amount
v.	HUD Inspection Fee:	\$62,969.50
vi.	HUD Initial MIP:	0.25% of the loan amount
vii.	Lender Legal Deposit:	\$5,000.00 deposit. It is anticipated that Lender's legal fee for initial endorsement will be \$35,000.00; however, if the transaction necessitates legal preparation not customary for an FHA loan closing, then Lender reserves the right to request reimbursement of actual legal fees incurred from the Borrower. At the time of final endorsement, it is anticipated that the Lender's legal fees will be \$5,000.00 subject to the legal description, borrower's organizational structure, commercial leases and title policy underwritten at the time of initial endorsement. Changes in these items may incur additional fees.
viii.	Broker:	No
ix.	Payment of Broker Fee:	Not Applicable
x.	Other Fees:	To be determined and could include repairs, title and recording, survey, borrower counsel and organizational costs. Escrows for property taxes, insurance, MIP, replacement reserves and if applicable, working capital, initial operating deficits, debt service reserve will be established.

*Please note the interest rate estimated is based upon a split rate. The estimated construction rate is 11.00% and the permanent interest rate is estimated at 5.80%.

L. Third Party Deposits:

Appraisal	\$6,000.00
Architectural/Cost Review	\$19,500.00
Contaminant Testing	\$4,900.00
Forensic Reports/Studies	\$0.00
HEROs Worksheet	\$0.00
Insurance Review	\$836.00
Market Study	\$5,200.00
O&M Reports	\$0.00
PCNA	\$0.00
Phase I Environmental & HEROS	\$5,900.00
Permit/Zoning Review	\$900.00
SHPO Consultation	\$2,200.00
Other	\$0.00
Other	\$0.00
Grand Total	\$45,436.00

EXHIBIT C
Loan Summary

Maximum New Mortgage Amount		Unit Mix and Rental Revenue					
The mortgage will be constrained by the lesser of:		# of Units	Type	SF	Rent	Rent/SF	Monthly Inc.
(1) Borrower's Request	N/A	17	1BR - 50% AMI	652	\$1,117	\$1.71	\$18,969
(2) 1.149x Debt Service Coverage Ratio	\$12,593,900	13	1BR - 70% AMI	652	\$1,589	\$2.44	\$20,657
(3) Statutory Per Unit Limitations	\$25,650,400	10	2BR - 30% AMI	968	\$766	\$0.79	\$7,660
(4) 87.00% of Replacement Cost	\$22,693,500	15	2BR - 50% AMI	968	\$1,333	\$1.38	\$19,995
(5) Criteria 11*	\$13,033,100	35	2BR - 70% AMI	968	\$1,900	\$1.96	\$66,500
Maximum Mortgage Amount	\$12,593,900	90 Total Units		77,640		Annual Income:	\$1,605,612
*Amount based on Deduction of Grant(s), Loan(s), Tax Credit Equity and Gift(s)							
Terms of New Mortgage		Underwritten NOI					
New Loan Amount	\$12,593,900		<u>UW-DSC</u>	<u>Per Unit</u>	<u>%</u>		
Mortgage Rate - Note 1	5.80%	Rental Income	\$ 1,605,612	\$ 17,840			
MIP	0.25%	Ancillary Income	\$ 33,600	\$ 373			
Term (months)	480	Gross Income	\$ 1,639,212	\$ 18,213			
Monthly P&I	\$67,546	Rental Vacancy	\$ (81,961)	\$ (911)	5.0%		
Monthly MIP (est.)	\$2,624	Net Commercial Income	\$ -	\$ -			
Monthly Payment	\$70,169	Effective Gross Income	\$ 1,557,251	\$ 17,303	95.0%		
Annual Payment	\$842,033	Operating Expenses	\$ 566,893	\$ 6,299	36.4%		
		Rep. Reserve	\$ 22,500	\$ 250			
		Total Expenses	\$ 589,393	\$ 6,549	37.8%		
		NOI	\$ 967,858	\$ 10,754	62.2%		
Financial Ratios							
Debt Service Coverage Ratio (Incl P&I & MIP)	1.15						
Loan To Cost	45.07%						
Sources and Uses of Funds							
Sources				Uses			
W&D's Loan Amount	\$12,593,900	Total HUD Estimated Development Cost	\$23,357,503				
Pre-Paid Uses	\$0	No B/SPRA or SPRA	\$0				
Tax Credit Proceeds for Mortgageable Items	\$6,411,801	Purchase Price - Note 3	\$2,727,000				
Tax Credits for Non-mortgageable Items	\$1,857,124	Initial Operating Deficit	\$421,017				
Deferred Developer Fee - Note 2	\$439,202	Working Capital (4%)	\$503,756				
Austin RHDA Funds	\$4,412,600	Off-site Construction Costs	\$0				
Seller Note	\$2,227,000	Demolition Costs	\$0				
		Developer's Fee	\$0				
		Other Non-Mortgageable Costs - Note 4	\$932,351				
Total	\$27,941,627			\$27,941,627			
Cash to Close (Proceeds to Borrower)				(\$0)			
Letters of Credit	\$ -						
Required Cash to Close*				(\$0)			

EXHIBIT D
Additional Definitions and Loan Requirements

Appraisal Report. At the Applicant’s expense, an Appraisal Report will be ordered by Lender from an independent third party that meets HUD’s qualifications, which firm will be identified by and acceptable to Lender.

As-Built Survey. It is the Applicant’s responsibility to provide to Lender an “as-built” ALTA Survey and a Surveyor’s Report from a licensed surveyor, meeting specific HUD requirements.

Assumability. The Loan may be assumed by a subsequent owner of the Project with HUD approval and payment of the applicable fees and expenses.

Architectural and Cost Review. At the borrower/sponsor’s expense an architectural and cost review report will be ordered by WALKER & DUNLOP, LLC from a firm identified by, and acceptable to, WALKER & DUNLOP, LLC. A deposit for this review report will be paid in the amount shown on Exhibit B.

Broker Fees. If any Broker Fee is owed as part of this transaction which is not governed by a separate agreement between Lender and Broker, the payment of the Broker Fee is the responsibility of Applicant. The Broker Fee is not an eligible transaction cost for determining the loan amount. All Brokers must meet HUD guidelines.

Commercial Income. Commercial income and net rentable area generally cannot exceed the percentage indicated for each program in the table below.

Commercial Space Underwriting Limitations					
	221(d)(3)/221(d)(4)/231	220	223f	232 NC / SR	232/223f
% of Net Rentable Area	25%	25%	25%	10%	20%
Allowable % of Effective Gross Income (EGI)	15%	30%	20%	15%	20%
*Parking income not included from residential tenants					
**Commercial Space that is intended to serve residents of the facility is not counted toward the limit					

General Contractor. The contractor must be capable of providing a completion and performance bond from a bonding company acceptable to WALKER & DUNLOP, LLC for 100% of the construction cost. The contractor must also demonstrate a net working capital of at least 5% of the construction contract amount after accounting for other work-in-progress. The contractor and all sub-contractors will be required to comply with Prevailing Wage Rates (Davis Bacon).

Environmental Report. At the Applicant’s expense, a Phase I environmental report that identifies potential and/or existing environmental contamination liabilities at the Project will be ordered by Lender from an independent third party that meets HUD’s qualifications, which firm will be identified by and acceptable to Lender. Any further environmental reports and investigation will also be at Applicant’s expense. Additional reports may be necessary for other contaminants or environmental impacts as identified during underwriting.

Escrows. Loan escrows for property taxes, property insurance, mortgage insurance premium, replacement reserves, working capital (if applicable), operating deficits (if applicable), and repairs (if applicable) will be established.

Equity Requirements. At closing all Escrow and equity requirements must be fully funded with Lender, provided however, tax credit investor equity in a LIHTC transactions may be paid over time as follows:

Benchmarks for Equity Installments	Minimum Equity Installment
On or Before Closing	20% of total equity
At 65% Completion of Construction Completion	37.5% of Net Equity
Final Endorsement of the HUD-Insured Note by HUD	62.5% of Net Equity

Fees:

- **Application fee.** Nonrefundable fee payable to Lender prior to submission of the HUD application fee in the amount listed on Exhibit B. This application fee will be a credit to equity requirements at the loan closing. If the Project meets the requirements of Notice H 2019-07 relating to Opportunity Zones, it may be eligible for a reduction in the HUD Application Fee.
- **Lender Legal Fees.** Lender Legal Fees will be an Applicant expense and are estimated on Exhibit B. The Applicant will be credited with any amount collected in excess of the actual cost and shall be responsible for any cost in excess of the estimated amount. Should the legal description, borrower’s organizational structure, commercial lease structure or title change between initial endorsement and final endorsement, fees are subject to change.
- **Mortgage Insurance Premium (“MIP”).** HUD requires payment by the Borrower of MIP for as long as the Loan is insured. During loan amortization, the MIP is based on the outstanding principal balance of the Loan and is paid in advance of the period covered and is collected monthly from the Borrower with the amortization payments. The applicable MIP rate at Firm Commitment is based on the rate in effect at that time as published in the Federal Register. The current applicable MIP is listed on Exhibit B and is subject to verification of Applicant’s qualification of the listed rate.

Applicable if Green MIP noted on Exhibit B: in accordance with Docket No. FR-5876-N-02, changes in Certain Multifamily Mortgage Insurance Premiums, the Applicant has committed to meet HUD’s requirements to obtain the lower “Green and Energy Efficient Housing” MIP rate. These requirements include, but are not limited to, achieving an energy score of 75 or greater, and evidence of an independent green building standard has been achieved. The Applicant confirms that its development team and design architect determined that the Project would meet these requirements. The Applicant understands that HUD may impose protocols to ensure the Applicant brings the Project into compliance, similar to protocols used in REAC for unacceptable property standards. For Projects pursuing a lower MIP through green/energy efficiency, separate reports to support ongoing energy consumption/scoring such as an ASHRAE II Energy Audit may be required.

- **Financing Fee.** The Origination Fee stated in Exhibit B is earned by Lender upon issuance of the Firm Commitment with payment deferred until the earlier of the loan closing or the expiration of the Firm Commitment.
- **GNMA Application Fee.** The GNMA Application Fee is \$500, plus an additional \$200 for every \$1.0 million (or fraction thereof) in mortgage amount above \$1.5 million. The GNMA Application Fee is payable at the loan closing.

All of the above fees are included in the refinance costs mortgage calculation and may be financed.

Financial Statements: If applicable, Applicant must provide three years of tax returns for the Project or Applicant. Applicant must provide Project financial statements that are reviewed by an independent third

party Certified Public Accountant (CPA) and include actual copies of the insurance and property tax bills. A waiver of this requirement may be requested for acquisitions.

HUD Forms. Applicant acknowledges that it is familiar with the current HUD loan documents including but not limited to the Note, Regulatory Agreement, Security Agreement and Mortgagee Certification. At Closing, a Regulatory Agreement between HUD and Applicant shall be executed, governing certain business activities of Applicant. Among other provisions, the Regulatory Agreement will require Applicant to obtain HUD approval of management, any sale or transfer of ownership of the Project, agree to submit audited financial statements, comply with REAC inspection protocol, and maintain a replacement reserve account that is funded monthly.

Inspection Report. At the Applicant's expense, certain inspection reports will be ordered by Lender from independent third parties that meet HUDS's qualifications, which firms will be identified by and acceptable to Lender, including (i) an engineering report which will report on all mechanical elements in the Project and their condition, as well as the remaining useful life of various elements and repairs and replacements needed immediately; (ii) a Statement of Energy Performance (SEP), or audit of historical energy consumption; and (iii) additional reports as may be necessary for seismic and other issues identified during the course of the inspection.

Insurance Review. At the Applicant's expense, an insurance review will be ordered by Lender from a firm identified by and acceptable to Lender.

Key Principal(s) Requirement. HUD requires the identification of certain individuals or entities as "Key Principals". The Key Principals will be subject to personal liability to the extent of losses arising from certain bad acts and malfeasance, as set forth in the Regulatory Agreement, provided that the Key Principals (1) have the ability to exercise control over the Applicant, so as to be in a position to commit or protect against the malfeasance; and (2) have the financial capacity to compensate HUD for damages arising from such malfeasance.

Large Loan. Loans of \$125,000,000 or more are subject to additional underwriting and loan requirements.

Market Study. At the borrower/sponsor's expense a market and economic feasibility study will be ordered by WALKER & DUNLOP, LLC, from a firm identified by and acceptable to, WALKER & DUNLOP, LLC. A deposit for this study will be paid in the amount shown on Exhibit B.

Occupancy. Projects must have an average physical occupancy rate of at least 85%. Project must demonstrate a pattern of stable physical occupancy for a period of six months prior to submission of the HUD Firm Application and maintain that occupancy through to the date of Initial/Final Endorsement.

Other reports. A zoning/permit report and any other third-party reports needed to verify property operations and information and/or evaluate the loan opportunity shall be ordered by Lender from a firm identified by and acceptable to Lender at the Applicant's expense. Additional reports may be necessary for historic or archeological clearance, floodplain and/or wetland issues, biological and/or endangered species issues, or other issues that arise during underwriting, which shall be ordered by Lender from a firm identified by and acceptable to Lender at the Applicant's expense. For Projects pursuing a lower MIP through green/energy efficiency, separate reports for energy modelling (SEDI) will be required.

Prepayment Terms. Loan prepayment terms are negotiable and will be determined at the time of Rate Lock.

Replacement Reserves. An annual reserve for replacements (collected monthly) will be required based on a property capital needs assessment and agreed to by Lender and HUD (with a minimum of \$250 per unit per year). An initial deposit will be required based on the PCNA and agreed to by Lender and HUD.

Secondary Financing. Secondary Financing is subject to Lender and HUD approval and must strictly comply with HUD program requirements.

Signs and Publicity. Lender may place a financing sign, as required by HUD, on the property and may publicize the financing by Lender and HUD of the Project. Applicant consents to the use by Lender of photos taken during a site inspection of the Project and/or photos provided by Applicant in the course of the loan application for marketing purposes including press releases and sales collateral.

Single Asset Entity Requirement. Borrower must be a single-asset entity that complies with HUD's regulatory requirements.

Soils Report. It is the borrower's responsibility to provide a soils report, or subsurface geo-technical study, etc., from a qualified engineer, meeting HUD's Minimum soils reports requirements.

Third Party Report Deposit. Applicant is required to remit a deposit prior to Lender ordering any third-party reports. See Exhibit B for estimated amounts and payment due dates. The Applicant will be credited at closing with any amount collected in excess of the actual costs incurred for the reports. If the costs of the third-party reports exceed the Expense Deposit, Lender will immediately notify the Applicant of such excess costs and Applicant will deposit the additional funds necessary to cover the shortfall within ten (10) business days of notification. Additional reports may be required as a result of further due diligence. The reports are for the exclusive use of Lender and HUD and may not be reproduced by the providers for any other party.

Third Party Report Reliance by Applicant. If Applicant requests a copy of any Third Party Report obtained by Lender, and Lender agrees to provide such Third Party Report to Applicant, Applicant agrees that a) neither Lender nor the provider of the Third Party Report makes any representations or warranties to Applicant concerning the content or accuracy of such report, b) Applicant is not authorized to rely on such report or the information contained in such report, and c) Applicant will indemnify, defend, and hold harmless Lender from any loss, claim, liability or expense related to or arising from Applicant's use or dissemination of such report.

Underwriting Occupancy. HUD requires a minimum vacancy allowance of 7%. Commercial income will be underwritten at a minimum vacancy allowance of 20%.

Warehousing Fee. Warehousing fees are charged when HUD mortgage insurance is used to credit enhance tax-exempt bonds. Warehouse fees are an eligible cost of insurance and are calculated in conjunction with the other costs of tax-exempt bond executions.

Walker & Dunlop Processing Fee. Applicant shall pay to Lender, upon execution of this Letter Agreement, a non-refundable Processing Fee, as shown in Exhibit B for out-of-pocket expenses (excluding third party report costs) to include the required underwrite site inspection travel costs.

EXHIBIT E
Wire Instructions

Bank Name: PNC Bank

Bank Address: 1900 E 9th Street
Cleveland, OH 44144

ABA: 041-000-124

Acct Name: Walker & Dunlop, LLC

Account #: 4212867739

Attention: Rob Rotach

Reference: Oak Hill Lofts WD Transaction # 223231360

Third Party Deposit - \$45,436.00
Processing Fee Deposit - \$5,000.00
Lender Legal Deposit - \$5,000.00
Total Wire - \$55,436.00

November 3, 2023

Braodway Homes LLC
Attention: Greg Stoll

Re: Oak Hill Lofts – Austin, TX

Dear Mr. Stoll:

Thank you for the opportunity to discuss an investment by Walker & Dunlop Affordable Equity through its subsidiary, Alliant Capital, Ltd. (“Affordable Equity”) on **Oak Hill Lofts** (“the Project”). Since 1997, Affordable Equity has invested, through affiliated funds, in over \$5 billion in real estate projects that qualify for and are allocated low-income housing tax credits (“LIHTCs”) pursuant to Section 42 of the Internal Revenue Code of 1986. This letter describes our initial assumptions to inform our continued discussions about this potential investment and to provide support for your tax credit application.

I. Transaction Summary

A. Equity Amount, Price – The anticipated pricing is \$0.87 per dollar of LIHTC available to the Investor over the full 10-year credit period, for a total investment of \$8,103,481, based upon annual LIHTCs of \$931,435 (99.99% of \$931,528). If the closing of this investment does not occur within 120 days of the tax credit award issuance, Affordable Equity may need to modify the price to reflect market conditions, in the exercise of its reasonable discretion.

B. Transaction Timeline

1. Closing and admission of Affordable Equity to the Partnership: July 15, 2024
2. Start of construction of the Property: July 15, 2024
3. Substantial completion of construction: December 2025
4. Rental Achievement [or Stabilization]: July 2026
5. Closing of the permanent financing [Delivery of 8609’s]: December 2026

C. Equity Pay-in

	Capital Contribution	Amount	% of total	Timing
1 st	Closing	\$1,215,522	15%	3rd Quarter 2024
2 nd	Construction Completion	\$2,836,218	35%	1st Quarter 2026
3 rd	Rental Achievement	\$3,646,566	45%	3rd Quarter 2026
4 th	Delivery of 8609’s	\$405,174	5%	1st Quarter 2027

D. [Federal] Credit Delivery

\$838,291_ for 2026;
\$931,435 for each of the years 2027 through 2035; and
\$93,143 for 2036.

- E. Developer Fee - \$3,124,593 of which \$62,589 is projected to be payable from the sources and uses, based upon the assumptions contained herein.

F. Required Reserves

Operating Deficit Reserve - an amount equal to the greater of: (i) six months of operating expenses and mandatory debt service, or (ii) \$630,000.

Replacement Reserve Deposit – an amount of \$300 per unit per year, to be annually increased at 3% a year.

- G. Reversion and Cash Flow Splits after waterfall – 90% to the General Partner 9.99%, to the Limited Partner and 0.01% to the Administrative Limited Partner.

H. Guarantees

1. Completion / Development Deficits. The Guarantor will guaranty that construction will commence within 30 days after Closing and will be substantially completed on schedule and in accordance with the approved plans and specifications. If at any time, the Partnership's available sources of debt and equity are less than the funds necessary for timely payment of all development costs (excluding the Development Fee), then the Guarantor will fund the shortfall (*i.e.*, the "Development Deficit") without reimbursement. The Guarantor will guaranty timely lease-up and rental achievement.

2. Operating Deficits. The Guarantor will guarantee and agree to advance to the Partnership sufficient funds, for a period of 60 months following the date rental achievement is attained (the "Operating Deficit Guaranty Period"), to fund operating deficits.

3. Tax Credit Delivery. The Guarantor will guarantee, for the compliance period, the delivery of the projected tax credits and tax credits taken will not be recaptured.

- I. Affordable Equity Syndication/ Legal Fee – at closing, the Partnership will pay \$60,000 to the Investor on account of the costs associated with the preparation of such documents and with the due diligence, underwriting, and closing process.

Oak Hill Lofts
Attention: Greg Stoll
November 3, 2023
Page 3

- J. Affordable Equity Asset Management Fee - \$7,500, payable \$3,750 on April 1st and the balance on October 1st of each year.

The terms of our investment may change if the assumptions and projections regarding the Project change. After our discussions have progressed further, Affordable Equity will prepare a Letter of Intent that will summarize the principal business terms for Affordable Equity's proposed investment.

Oak Hill Lofts
Attention: Greg Stoll
November 3, 2023
Page 4

I look forward to our continued discussions.

Very truly yours,

Alliant Capital, Ltd.

By: WDAGP, LLC, its General Partner

By: Suraj Mistry
Suraj Mistry
Director

The foregoing is hereby agreed to and confirmed:

_____, L.P.

By: _____, its General Partner

By: _____

Date: _____, 2023

Name: _____

Title: _____

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PROJECT INFORMATION
TAB 4.A - Market Study

PROJECT INFORMATION

TAB 4.A - Market Study

Market demand for additional affordable housing was the primary reason Broadway Homes selected this site in an Imagine Austin Activity Center. Please review the corresponding market analysis which demonstrates significant demand for affordable housing in the designated Primary Market Area. Austin City Council also validates a significant demand for affordable units in all of District 8. 2024 HUD Small Area Fair Market Rents are in the top 7% of all Austin MSA submarkets, market rate development opportunities are too great and the affordable housing need continues to worsen. In fact, the Discount to Market given the Oak Hill Lofts unit mix averages over \$790/unit², assuring West Oak Hill that all new development proposals are likely to continue being market-rate.

The current development of the \$550M Oak Hill Parkway is an example of significant infrastructure determining the path of development in West Austin. Although this anticipated project was not incorporated in the applicant's current market study, it demonstrates there will be continued demand growth in West Austin and all corresponding submarkets.

Please review the applicant's market study in order to see the identified Primary Market Area, the pool of eligible residents, competitive affordable rental developments, market demand, derived capture rate, as well as estimated absorption period. Be sure to also consider the lack of recent or proposed developments in the submarket, along with the lofty requirements placed by the city on the necessary distribution of affordable housing throughout our city.

² Utilizing HUD FY2024 Small Area FMRs



A MARKET FEASIBILITY STUDY OF:
Oak Hill Lofts

A MARKET FEASIBILITY STUDY OF: **OAK HILL LOFTS**

7610 Old Bee Caves Rd
Austin, Travis County, Texas 78735

Inspection Date: December 21, 2022
Effective Date: December 21, 2022
Report Date: January 27, 2023

Prepared for:
Greg Stoll
Broadway Homes, LLC
5900 Balcones Drive, Suite 100
Austin, TX 78731

and

Texas Department of Housing & Community Affairs (TDHCA)
221 East 11th Street
Austin, Texas 78701

Assignment Code: 10314771

Prepared by:
Novogradac Consulting LLP
11044 Research Boulevard, Building C, Suite 400
Austin, TX 78759
(512) 340-0420





January 27, 2023

Greg Stoll
Broadway Homes, LLC
5900 Balcones Drive, Suite 100
Austin, TX 78731

and

Texas Department of Housing & Community Affairs (TDHCA)
221 East 11th Street
Austin, Texas 78701

Re: Market Study for Oak Hill Lofts
7610 Old Bee Caves Rd
Austin, Travis County, Texas 78735

Dear Greg Stoll:

At your request, Novogradac & Company doing business under the brand name Novogradac Consulting (Novogradac), has performed a study of the multifamily rental market in the Austin, Travis County, Texas area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project.

The purpose of this market study is to assess the viability of the proposed new construction 90-unit family LIHTC project. Upon completion, the Subject will offer studios and one and two-bedroom units to households earning up to 50, 60, and 80 percent of the Area Median Income (AMI).

The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. Bryce Box inspected the Subject on December 21, 2022, which will serve as the effective date of this report. All persons signing this report have read and understand the requirements of the Texas Department of Housing and Community Affairs (TDHCA) 2023 Real Estate Analysis Rules and Guidelines. The scope of this report meets the requirements of the client, including the following:

- Inspection of the Subject property, neighborhood, and comparable data
- Project Description
- Market Area Analysis
- Supply Analysis
- Demand Analysis
- Rent Analysis
- Anticipated Market Absorption Analysis
- Conclusions and Recommendations
- Preparation of TDHCA compliant Report

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The depth of discussion contained in the report is specific to the needs of the client and the requirements of the TDHCA. The report and the conclusions are subject to the Assumptions and Limiting Conditions attached.

The National Council of Housing Market Analysts (NCHMA) is a professional organization chartered to promote the development of high-quality market analysis for the affordable housing industry. Novogradac adheres to market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). NCHMA is a professional organization chartered to promote the development of high-quality market analysis for the affordable housing industry. Novogradac is a charter member of this organization. NCHMA has compiled model content standards for market studies. This report, which Novogradac certifies as a NCHMA compliant comprehensive market analysis full narrative report, conforms to those standards; any slight modifications or departures from those standards are considered incidental. Novogradac is a disinterested third party. The report and the conclusions are subject to the Assumptions and Limiting Conditions attached. Additionally, Novogradac is an approved Qualified Market Analyst as defined by THDCA.

Broadway Homes, LLC is the client of this report and TDHCA is granted full authority to rely on the findings of the report. We have read and understood the requirements of Subchapter D – Underwriting and Loan Policy section. The Market Analysis contained in this report is from a disinterested party that does not materially benefit from the Development in any other way than receiving a fee for performing the Market Analysis, and that the fee is in no way contingent upon the outcome of the Market Analysis. All persons signing this report have read and understand the requirements of the Texas Department of Housing and Community Affairs (TDHCA) 2023 Real Estate Analysis Rules and Guidelines, which are the most recent available, particularly Section 11.303.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Any person signing this Report acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information, and make other use of the as authorized by law.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac can be of further assistance. It has been our pleasure to assist you with this assignment.

Respectfully submitted,
Novogradac



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I. SUMMARY SHEET

MARKET ANALYSIS SUMMARY

Provider: Date:
 Contact: Phone:
 Development: Target Population:
 Definition of Senior Age:
 Site Location: City: County:
 Site Coordinates: Latitude Longitude (decimal degree format)

Primary Market Area (PMA) page 18
 Square Miles

48453001917	48453030400	48453001921	48453030900	48453031200	48453034700
48453001920	48453033500	48453032100	48453001915	48453033400	48453030300
48453032000	48453001914	48453033000	48453001916	48453031000	

Market Analyst used the following assumptions for demand calculations per REA rules:

Please check the box as confirmation.

2 persons per bedroom, 40% rent to income, renter households	<input checked="" type="checkbox"/>

ELIGIBLE HOUSEHOLDS BY INCOME page 59

HH Size		1	2	3	4	5	6	7+
50% AMGI	Min	\$28,980	\$31,050					
	Max	\$38,650	\$44,150					
60% AMGI	Min	\$37,260	\$37,260	\$44,670	\$44,670			
	Max	\$46,380	\$52,980	\$59,580	\$66,180			
80% AMGI	Min	\$59,580	\$59,580	\$59,580	\$59,580			
	Max	\$61,840	\$70,640	\$79,440	\$88,240			

AFFORDABLE HOUSING INVENTORY in PMA page 37

Date of HTC Property Inventory Report Used for Affordable Housing Inventory (published on TDHCA website)	12/22/22
---	-----------------

	# Developments	Total Units	Avg Occupancy
Stabilized LIHTC Developments	7	569	99.2%

Proposed, Under Construction, and Unstabilized Comparable Developments in PMA

TDHCA #	Development	Status	Type	Target Population	Comp Units	Total Units	Occupancy

Other Affordable Developments in PMA since 2018

TDHCA #	Development	Status	Type	Target Population	Comp Units	Total Units	Occupancy
00028T	Southwest Trails	in service	new const	General	n/a	160	100%
16415	West Gate Ridge	in service	new const	General	n/a	140	96%
14069	Live Oak Trails	in service	new const	General	n/a	58	N/A
16419	Pathways at Manchaca II (RAD)	in service	rehab	General	n/a	33	N/A
16099	Sea Oaks Apartments (RAD)	in service	rehab	General	n/a	75	N/A

Discuss any competitive project located just outside the PMA that may draw demand from the Subject PMA and why it is or is not included in the capture rate calculations. This should be discussed in depth in the market study. §11.303 (d)(10)(E)(iv)

If electing 15% GCR for Tax-Exempt Bond Development per §11.302(i)(1), enter the average occupancy below and attach a PMA map with affordable developments labeled, showing the 20 minute drive time ring. *See footnote 1

Average occupancy of affordable housing in 20 minute drive time ring.	%
---	---

PMA DEMOGRAPHIC DATA

	GENERAL			SENIORS		
	current year	place-in-service	five year	current year	place-in-service	five year
	2022	2024	2027	2022	2024	2027
Population p. 25	91,118	92,123	93,741	12,927	13,823	15,265
Households p. 26						
Total HH	39,680	40,273	41,226	8,468	9,173	10,307
Renter HH	16,221	16,539	17,051	2,688	2,926	3,308
Homeowner HH	23,459	23,733	24,175	5,780	6,247	6,999

DEMAND CALCULATION p. 63		Total Households	15,796		
	Program Only Restricted Units	Assisted Units	Min Income	\$ 28,980	N/A
Subject Units	90	0	Max Income	\$ 88,240	N/A
Unstabilized Comparable Units	0		Potential Demand	6987	N/A
RELEVANT SUPPLY	90	0	10% External Demand	699	N/A
			Other Demand		N/A
			GROSS DEMAND	7685	N/A
			RELEVANT SUPPLY / GROSS DEMAND = GROSS CAPTURE RATE	1.2%	N/A

CAPTURE RATE BY AMGI BAND p. 63					
AMGI Band Capture Rates	Demand	10% External Demand	Subject Units	Comp Units	Capture Rate
50% AMGI	768	77	45	0	5.3%
60% AMGI	2778	278	27	0	0.9%
80% AMGI	3441	344	18	0	0.5%

CAPTURE RATE BY UNIT p. 63				PROPOSED RENT		p. 5 6	DEMAND by UNIT TYPE p. 62				
AMGI Level	Beds	Baths	Size (sqft)	Gross	Net	MARKET RENT	Demand	10% External Demand	Subject Units	Comp Units	Unit Capture Rate
50%	0	1	550	\$966	\$915	\$1,600	109	11	40	0	33.6%
50%	1	1	793	\$1,035	\$973	\$1,850	476	48	5	0	1.0%
60%	1	1	793	\$1,242	\$1,180	\$1,850	828	83	25	0	2.7%
60%	2	1	1,030	\$1,489	\$1,416	\$2,100	662	66	2	0	0.3%
80%	2	1	1,030	\$1,986	\$1,913	\$2,100	825	83	18	0	2.0%

Footnotes:
 1 This is only required for developments that will utilize the 15% GCR for Tax-Exempt Bond Developments rule § 11.302(i)(1).
 2 Program only restricted units include HTC and MDL restricted units. Assisted units include RAD, Section 8, PHU, or PBV units.

II. ASSUMPTIONS AND LIMITING CONDITIONS

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be True, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the development will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or appraisal and are invalid if so used.
11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst,

firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.
13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property Unless satisfactory additional arrangements are made prior to the need for such services.
14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.
17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
18. On all studies, subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.
20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.
24. Estimates presented in this report are assignable to parties to the development's financial structure.

III. PROJECT DESCRIPTION

PROJECT DESCRIPTION

DESCRIPTION OF THE SITE

The location of an apartment community can have a substantial negative or positive impact upon the performance, safety, and appeal of the project. The following site description will discuss the physical features of the site, as well as the layout, access issues, and traffic flow.

Identification:

The Subject property is a proposed LIHTC new construction multifamily housing development to be located at 7610 Old Bee Caves Road in Austin, Texas. The Subject site is partially vacant and is improved with an old, paved driveway and a few shed structures in poor condition that will be demolished prior to construction. According to the Travis Central Appraisal District, the Subject site is identified by Parcel ID 306342. The Subject is located within Census Tract 48453001920, which is not a 2022 Qualified Census Tract. The Subject will be accessible from a driveway on the east side of Old Bee Caves Road.

Site Location:

The following image details the boundaries of the Subject site.



Size:

According to the Travis Central Appraisal District, the Subject site is approximately 1.84 acres, or 80,150 square feet.

Shape:

The Subject site is generally rectangular in shape.

Zoning:

The Subject site is located in Austin, Texas. According to the Austin Planning and Zoning Department, the Subject site is currently zoned General Commercial Services – Neighborhood Plan Combining District (CS-NP). According to the City of Austin, the general commercial services

district is primarily intended for commercial and industrial activities of a service nature having operating characteristics or traffic service requirements generally incompatible with residential environments. However, the NP designation indicates the property is part of a neighborhood plan, and modifies use and site development regulations to address specific circumstances presented by a site. Therefore, the permitted density for the Subject will be contingent on individual development approval, and we assume the Subject will be successfully approved as proposed. Overall, the development will represent a legal, conforming use, upon completion.

- Flood Plain:** According to Flood Insights and Flood Insurance Rate Map Community Panel Number 48453C0560J, dated January 21, 2020, the Subject site is located in Zone X. Zone X is defined as an area outside the 500-year floodplain, which is determined to be outside the 0.2 percent annual chance floodplains.
- Topography:** The Subject site exhibits level topography.
- Existing Improvements:** The Subject site is partially vacant and is improved with an old, paved driveway and a few shed structures in poor condition that will be demolished prior to construction.
- Utilities:** All utilities are available to the site.
- Visibility/Views:** The Subject site has good visibility along Old Bee Caves Road. To the north, views consist of single-family homes in average condition. To the east, views consist of vacant land and single-family homes in good condition. To the south and west, across Old Bee Caves Road, views consist of vacant wooded land and a commercial use. Overall, views are considered average.
- Access/Traffic Flow:** The Subject site has frontage on the east side of Old Bee Caves Road, from which it will also be accessed. Old Bee Caves Road is a lightly-trafficked, two-lane, southeast/northwest-traversing roadway that provides access to Highway 71 less than one mile south of the Subject. Highway 71 is a heavily-trafficked four-lane road that traverses east/west through Austin. Highway 71 merges with Highway 290, providing access to Interstate 35. Interstate 35 is a north/south-traversing, heavily-trafficked interstate approximately nine miles east of the Subject, with access to downtown Austin. Additionally, the nearest bus stop is located approximately 0.5 miles west of the Subject at the intersection of Highway 71 and Fletcher Lane. Overall, access is considered good and traffic flow is moderate in the Subject's area.
- Detrimental Influences:** No detrimental influences or site nuisances were observed at the time of the inspection.
- Ownership History:** According to the Travis Central Appraisal District, current ownership of the Subject's parcel is vested in Broadway Urban Homes LLC (7610 Old Bee Caves Road). Broadway Urban Homes LLC purchased 7610 Old Bee Caves Road from James Michael Shelley on March 9, 2021. There have been no other known transfers of the parcel in the past three years.

Conclusion:

The Subject is physically capable of supporting a variety of legally permissible uses and is considered a desirable site.

DESCRIPTION OF THE IMPROVEMENTS

Property Improvements: The Subject site is partially vacant and is improved with an old, paved driveway and a few shed structures in poor condition that will be demolished prior to construction.



Subject site



Subject site

Number of Stories: The proposed Subject will consist of two four-story elevator-serviced, midrise residential buildings over two levels of podium parking garages.

Date of Construction: The Subject is proposed new construction. Construction is scheduled to begin in June 2023 and be complete in May 2024.

Proposed Rents: The following table illustrates the Subject's proposed rents.

PROPOSED RENTS

Unit Type	Unit Size (SF)	# Units	Asking Rent	Utility Allowance*	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rent
@50%							
0BR/1BA	550	40	\$915	\$51	\$966	\$966	\$1,092
1BR/1BA	793	5	\$973	\$62	\$1,035	\$1,035	\$1,236
@60%							
1BR/1BA	793	25	\$1,180	\$62	\$1,242	\$1,242	\$1,236
2BR/1BA	1,030	2	\$1,416	\$73	\$1,489	\$1,489	\$1,451
@80%							
2BR/1BA	1,030	18	\$1,913	\$73	\$1,986	\$1,986	\$1,451
Total		90					

*Source of Utility Allowance provided by the Developer

As illustrated, the Subject's proposed LIHTC rents at 50, 60, and 80 percent of the AMI are set at the 2022 maximum allowable rent limits.

Community Amenities: The proposed Subject's community amenities will include a courtyard, elevator service, an intercom system (buzzer), in-unit alarms, limited access, on-site management, perimeter fencing, picnic areas, recreational areas, sport courts, video surveillance, adult education, and common-area Wi-Fi.

Unit Amenities: The proposed Subject's unit amenities will include balconies/patios, blinds, in-unit internet, carpet flooring, central air conditioning,

dishwashers, ceiling fans, garbage disposals, microwaves, ovens, refrigerators, and in-unit washers/dryers.

Resident Services:	The Subject will offer adult education as a supportive service.
Security Features:	The Subject will offer limited access, in-unit alarms, video surveillance, perimeter fencing, and an intercom (buzzer) as security features.
Parking:	The Subject will offer 98 carport parking spaces, or approximately 1.09 carports per unit, and six garages. The amount of parking is adequate based on the Subject's access to public transportation and local amenities.
Utility Structure:	The proposed Subject will offer central air conditioning and electric cooking, heating, and water heating. Tenants will be responsible for the cooking, hot water, heating, and electric expenses. The landlord will be responsible for the cold water, sewer, and trash costs, as well as all common area utility expenses
Americans with Disabilities Act of 1990:	We assume the property will not have any violations of the Americans with Disabilities Act of 1990.
Quality of Construction & Deferred Maintenance:	We assume the Subject will be constructed in a timely manner consistent with the information provided, using average-quality materials in a professional manner.
Condition:	As a newly constructed development, the Subject will exhibit excellent condition upon completion.
Conclusion:	The Subject will be the new construction of an affordable multifamily housing development. The Subject will not suffer from functional or physical obsolescence and will provide good utility for its intended use.

IV. PRIMARY & SECONDARY MARKET INFORMATION

PRIMARY AND SECONDARY MARKET INFORMATION

REGIONAL AND LOCAL AREA SUMMARY

The Subject is located in Austin, in Travis, Texas. Travis is part of the MSA, which consists of the following counties: Travis.

Based on TDHCA guidelines, the boundaries of the PMA were defined by 2022 census tracts. Per TDHCA guidelines, the base year (2022) population of the PMA is 91,118, and does not exceed 100,000 persons. For the purposes of this study, the Subject's Primary Market Area (PMA) is comprised of the following census tracts:

CENSUS TRACTS IN PMA (17)	
48453001917	48453034700
48453001920	48453001921
48453032000	48453032100
48453031000	48453033000
48453033400	48453030300
48453030400	48453031200
48453033500	48453030900
48453001914	48453001915
48453001916	

General boundaries of this PMA include:

North:	Bee Caves Road and Texas Loop 360
East:	Texas Loop 360, Menchaca Road, and railroad
South:	Davis Lane
West:	U.S. Route 290, Circle Drive, Thomas Springs Road, and Texas State Highway 71

This area comprises a southwestern portion of Austin in Travis County, and was defined based upon conversations with local property managers and city officials, as well as commuting patterns, major roadways, and overall similarities in market characteristics observed during the field inspection. These boundaries were determined based on where we believe tenants would be willing to relocate from based on our conversations with local property managers and city officials, as well as commuting patterns, major roadways, and overall similarities in market characteristics observed during the field inspection.

There is no more logical of a PMA than the one determined. We believe the proximity of the Subject to suburban Austin with many amenities and its location near State Highway 71 would attract tenants from surrounding rural communities. We believe the excellent quality of the Subject will attract tenants to Austin. The PMA does not cross county lines, and is part of the Austin-Round Rock, TX MSA. The Area Median Income (AMI) in Travis County is \$110,300 as of 2022. It is assumed that more than 90 percent of the income-qualified and size-eligible household demand for the Subject will be generated from within the PMA. A map of the PMA follows.

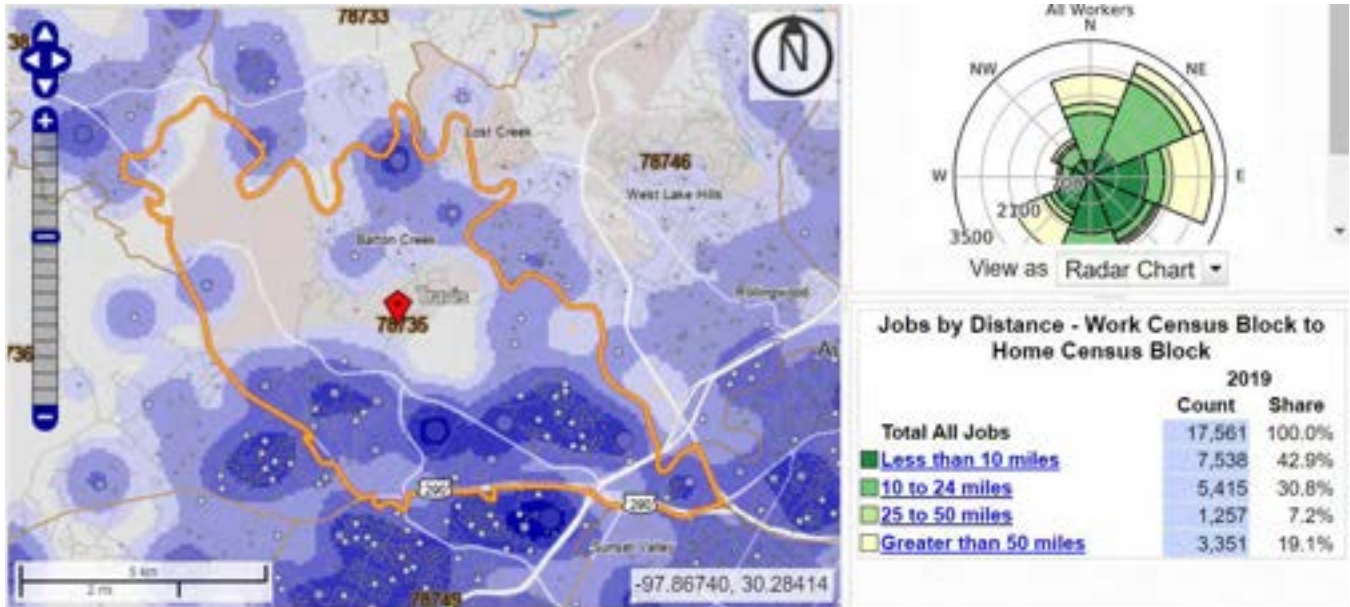
In order to determine appropriate boundaries for the PMA and MSA, we interviewed local market participants, as well as researched other recent housing studies to define our boundaries. We attempted to contact Austin Chamber of Commerce Economic Development to discuss Austin housing supply and demand. However, as of the date of this report, our phone calls have not been returned. Based on our research, we identified residential development concentrated along State Highway 71 and U.S. Route 290 in southwest Austin.

To finalize the PMA boundaries, we supplemented our interviews and published housing data research with census data for where employees work versus where they live. The following data from the U.S. Census Bureau's OnTheMap tool illustrates worker inflow and outflow for the Subject's zip code.



According to Census statistics, there are 46,662 persons that do not live in the Subject's zip code (78735), but commute to the Subject's zip code for work. This indicates a significant potential demand source for the Subject from a market area outside of the Subject's zip code. To provide additional support, we have also looked at commuting patterns for residents living in the Subject's zip code as well as for residents that work in the Subject's zip code but do not live within the Subject's zip code.

Works in the Subject's zip code but lives outside the Subject's zip code:



As indicated above, the majority of commuters come from within Austin. Further, the Subject's zip code's residents also commute to other parts of Austin and surrounding areas for employment, as illustrated following.

Lives in the Subject's zip code but works outside the Subject's zip code:

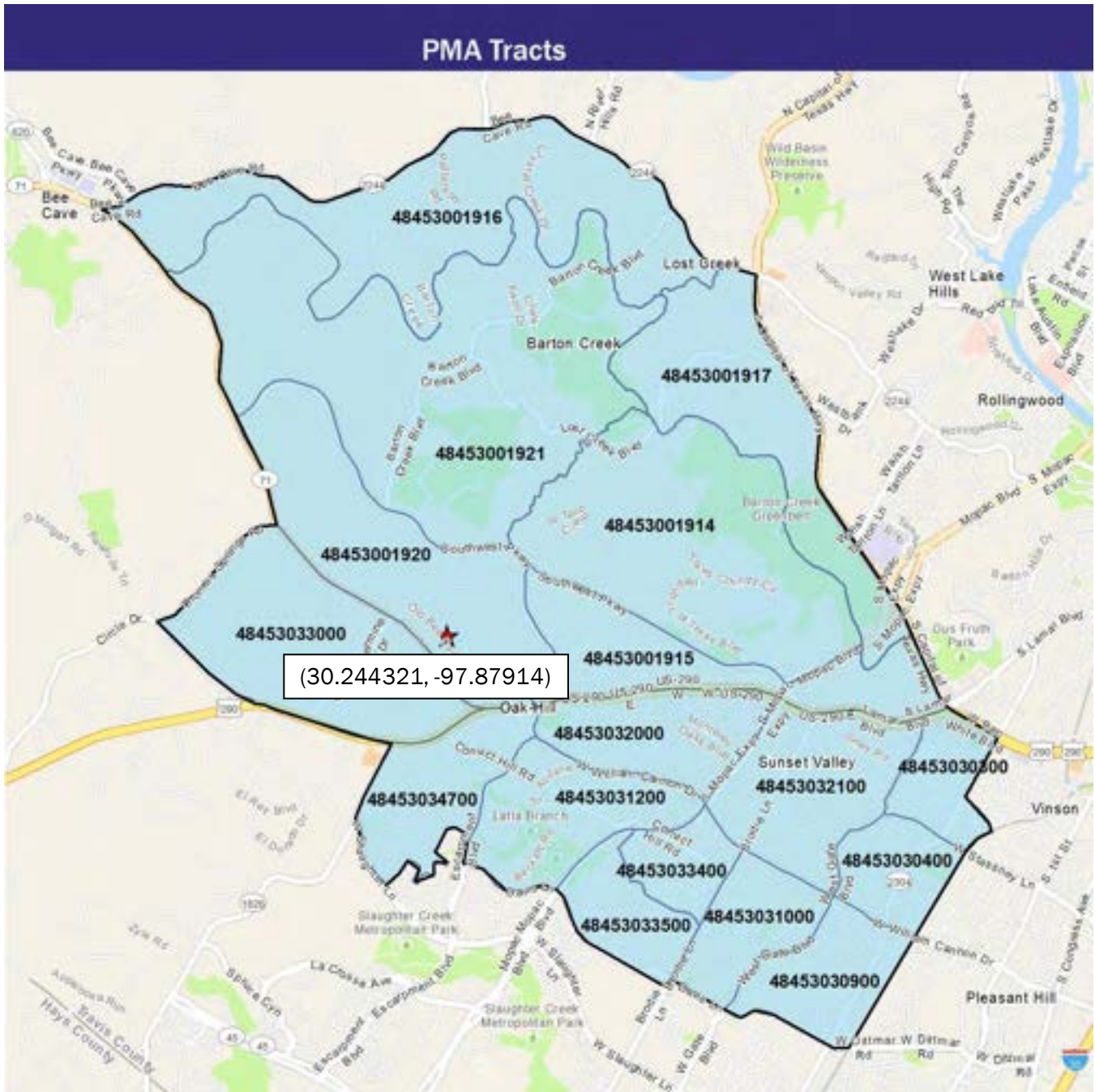


Thus, based on this data, we believe the majority of workers commuting to the Subject's zip code are coming from the south Austin area.

Based on this data, we believe this indicates that non-local market area residents working in the PMA would consider a property similar to the Subject as a viable option. Thus, we have considered these employment and commuting trends in defining the Subject's Primary Market Area. While the PMA encompasses a relatively large area, the data provided above supports that the Subject would draw tenants from parts of south Austin in general.

PMA Map - Census Tracts

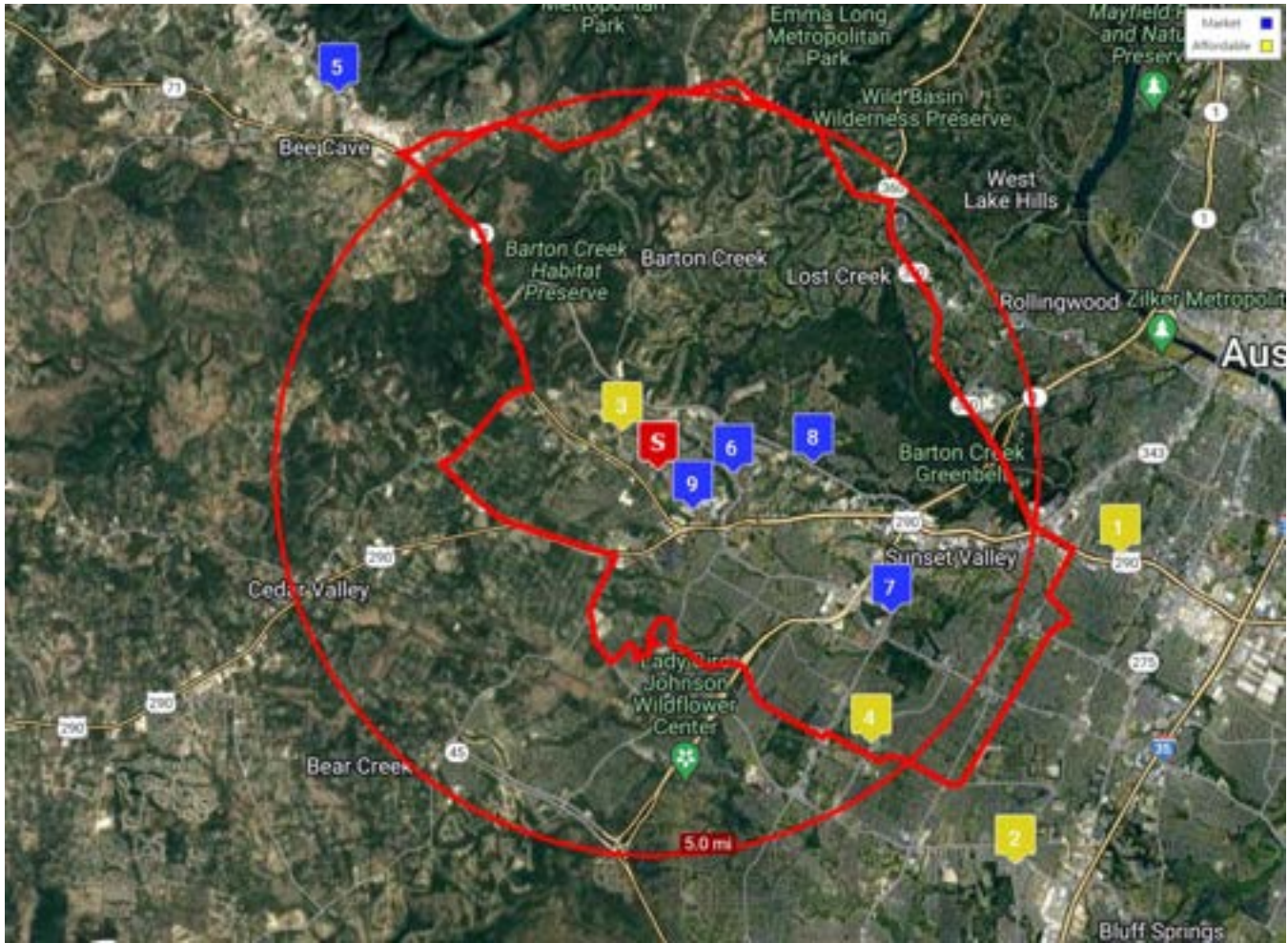
The PMA encompasses approximately 46 square miles.



Source: Google Maps, January 2023

CENSUS TRACTS IN PMA (17)	
48453001917	48453034700
48453001920	48453001921
48453032000	48453032100
48453031000	48453033000
48453033400	48453030300
48453030400	48453031200
48453033500	48453030900
48453001914	48453001915
48453001916	

PMA Map - Subject and Comparables



Source: Google Maps, January 2023

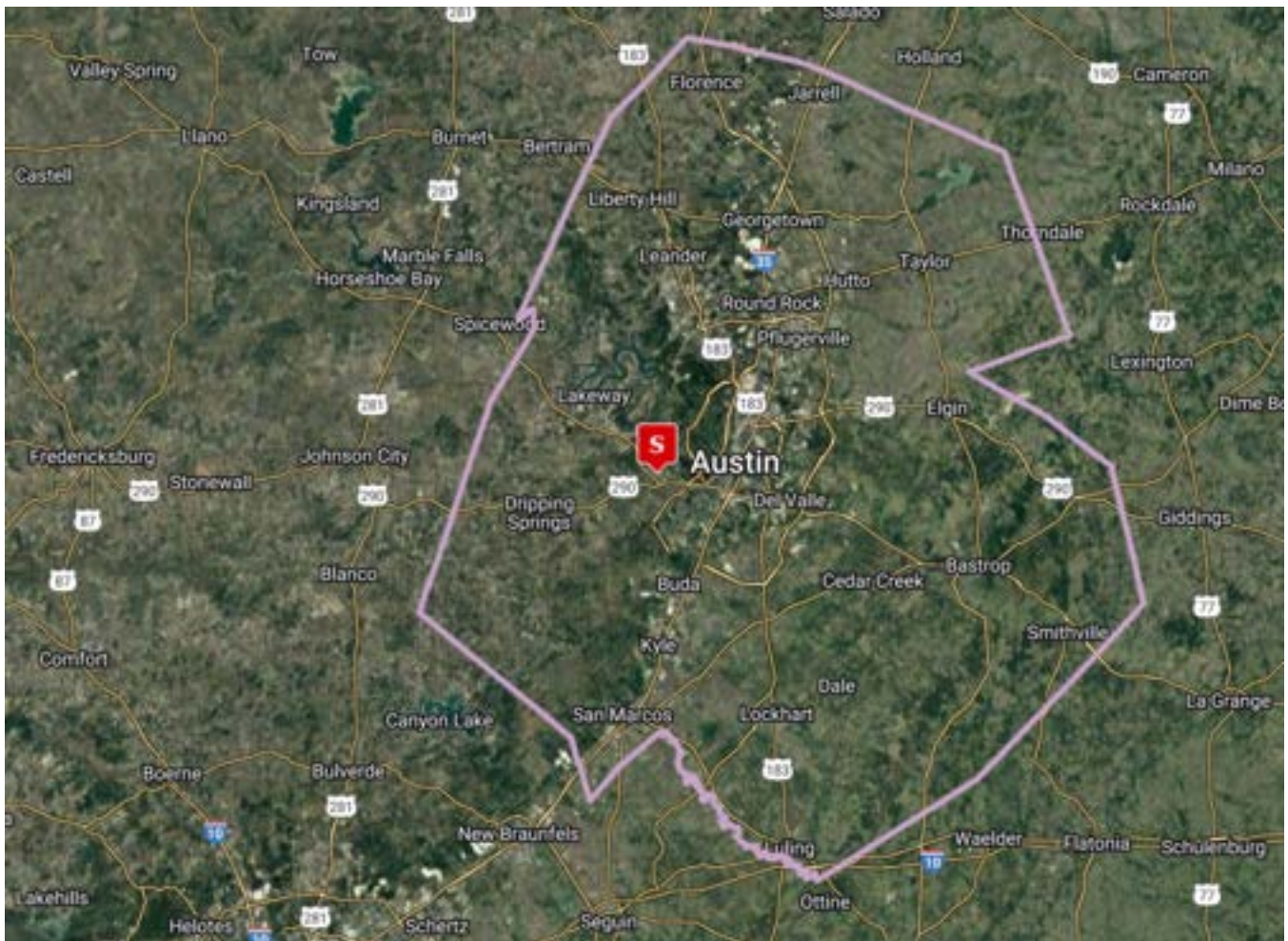
COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Distance to Subject
S	Oak Hill Lofts	Austin	LIHTC	-
1	Skyline Terrace*	Austin	LIHTC	6.1 miles
2	Southpark Ranch*	Austin	LIHTC	6.9 miles
3	Southwest Trails	Austin	LIHTC	0.7 mile
4	West Gate Ridge	Austin	LIHTC	4.5 miles
5	Cielo Apartments*	Austin	Market	6.5 miles
6	Lantana Ridge	Austin	Market	1.0 mile
7	The Park On Brodie Lane	Austin	Market	3.6 miles
8	The Preserve At Travis Creek	Austin	Market	2.0 miles
9	The Shiloh At Oak Hill	Austin	Market	0.7 mile

*Located outside PMA

SMA Map

The Secondary Market Area (SMA) for the Subject is the Austin-Round Rock-Georgetown, TX Metropolitan Statistical Area (MSA), which consists of Bastrop, Caldwell, Hays, Travis, and Williamson Counties. The MSA encompasses approximately 7,113 square miles.



Source: Google Maps, January 2023

ECONOMIC ANALYSIS

Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2007 to November 2022.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2007	813,165	-	3.7%	-	146,046,667	-	4.6%	-
2008	828,014	1.8%	4.4%	0.6%	145,362,500	-0.5%	5.8%	1.2%
2009	827,642	-0.0%	6.9%	2.5%	139,877,500	-3.8%	9.3%	3.5%
2010	866,291	4.7%	7.1%	0.2%	139,063,917	-0.6%	9.6%	0.3%
2011	894,673	3.3%	6.8%	-0.2%	139,869,250	0.6%	8.9%	-0.7%
2012	929,711	3.9%	5.7%	-1.2%	142,469,083	1.9%	8.1%	-0.9%
2013	964,166	3.7%	5.2%	-0.4%	143,929,333	1.0%	7.4%	-0.7%
2014	1,001,470	3.9%	4.3%	-1.0%	146,305,333	1.7%	6.2%	-1.2%
2015	1,036,980	3.5%	3.4%	-0.9%	148,833,417	1.7%	5.3%	-0.9%
2016	1,082,392	4.4%	3.3%	-0.1%	151,435,833	1.7%	4.9%	-0.4%
2017	1,113,688	2.9%	3.2%	-0.1%	153,337,417	1.3%	4.3%	-0.5%
2018	1,153,410	3.6%	3.0%	-0.2%	155,761,000	1.6%	3.9%	-0.4%
2019	1,191,264	3.3%	2.7%	-0.3%	157,538,083	1.1%	3.7%	-0.2%
2020	1,159,288	-2.7%	6.3%	3.5%	147,794,750	-6.2%	8.1%	4.4%
2021	1,253,061	8.1%	4.1%	-2.2%	152,580,667	3.2%	5.4%	-2.7%
2022 YTD Average*	1,314,546	4.9%	2.9%	-1.2%	158,238,273	3.7%	3.7%	-1.7%
Nov-2021	1,299,043	-	3.2%	-	155,797,000	-	3.9%	-
Nov-2022	1,338,061	3.0%	2.8%	-0.4%	158,749,000	1.9%	3.4%	-0.5%

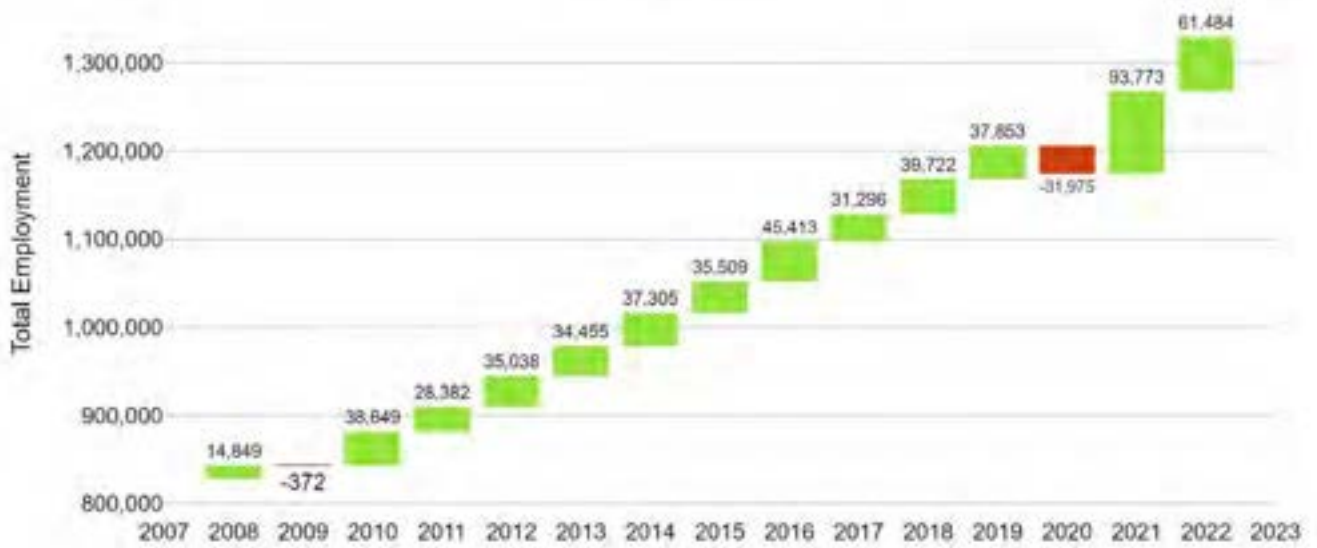
Source: U.S. Bureau of Labor Statistics, January 2023
*2022 YTD Average is through November

The MSA economy performed well between 2012 and 2019; employment growth in the MSA exceeded the nation in every year. Employment in the MSA declined by 2.7 percent in 2020 amid the pandemic, compared to 6.2 percent across the nation. The MSA subsequently recovered all pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of October 2022, employment in the MSA is increasing at an annualized rate of 3.1 percent, similar to the 2.7 percent growth reported across the nation.

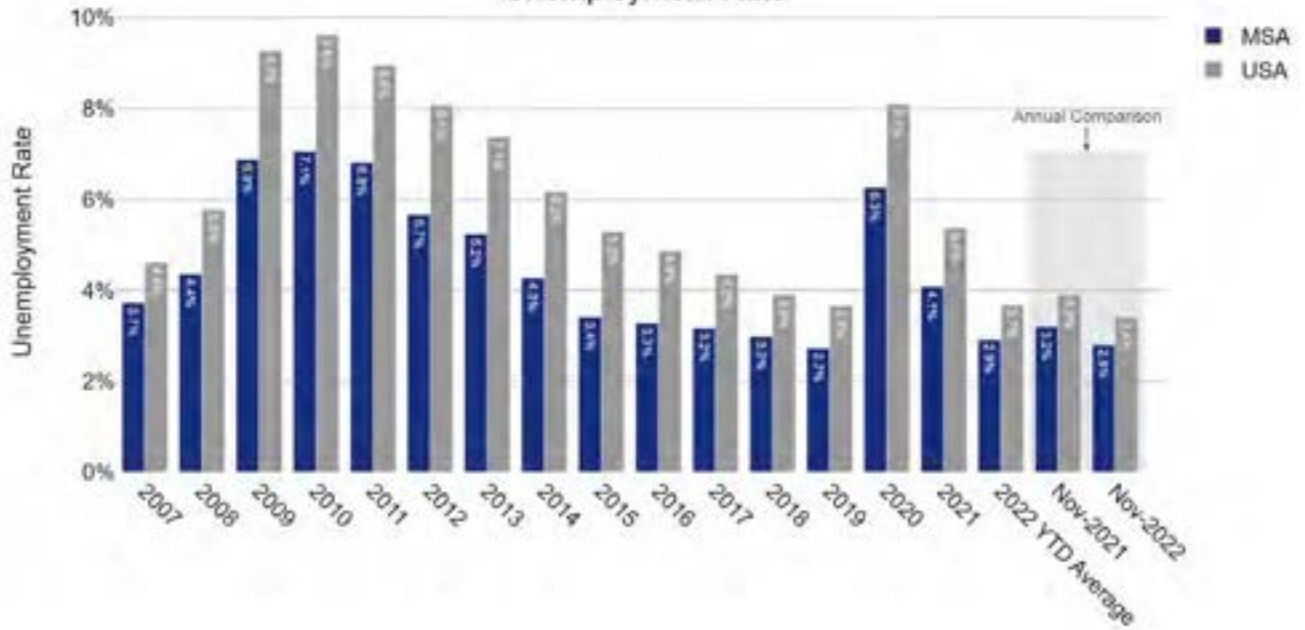
During the period preceding the onset of COVID-19 (2012-2019), the MSA generally experienced a lower unemployment rate relative to the nation. The MSA unemployment rate increased by 3.5 percentage points in 2020 amid the pandemic, reaching a high of 6.3 percent. For comparison, the national unemployment rate rose by 4.4 percentage points and reached a high of 8.1 percent over the same time period. According to the latest labor statistics, dated October 2022, the current MSA unemployment rate is 2.8 percent. This is well below the COVID highs of 2020, and slightly below the current national unemployment rate of 3.4 percent.

It should be noted that increasing inflation and rising interest rates have created an uncertain economic climate. An article by Jeff Cox (CNBC.com) from December 15, 2022, stated, "The Federal Reserve's benchmark interest rate is at the highest level in 15 years, indicating the fight against inflation is not over despite some promising signs lately." The article later states, "Along with the increase came an indication that officials expect to keep rates higher through next year, with no reductions until 2024." In a December 13, 2022, newsletter published by U.S. Bank, Eric Freedman, chief investment officer for U.S. Bank Wealth Management, suggested, "As the Fed tightens interest rates, we can expect a decline in economic growth." Bill Merz, senior portfolio strategist at U.S. Bank Wealth Management, stated, "The potential for continued volatility in capital markets remains high and the range of possible outcomes is wide."

MSA Job Growth



Unemployment Rate



Employment by Industry

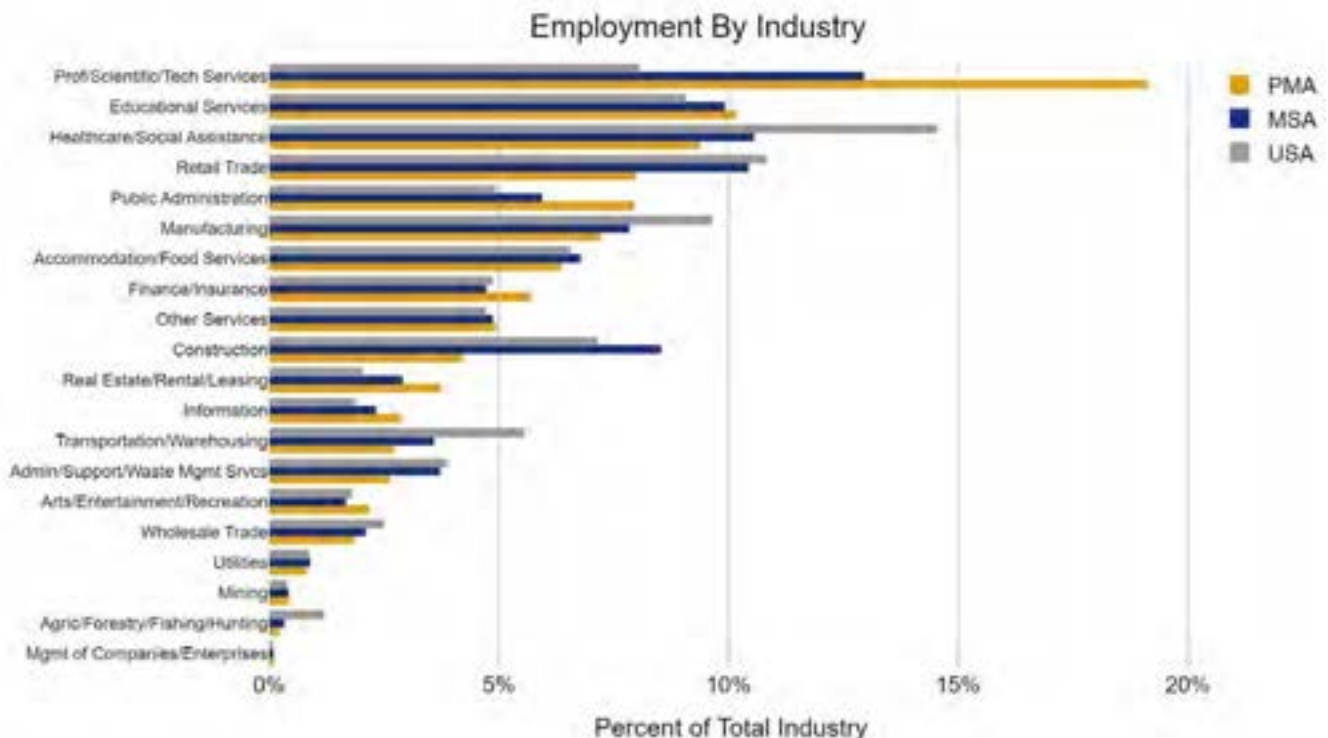
The following table illustrates employment by industry for the PMA and nation as of 2022.

2022 - EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Prof/Scientific/Tech Services	10,389	19.1%	13,016,941	8.0%
Educational Services	5,521	10.2%	14,659,582	9.0%
Healthcare/Social Assistance	5,085	9.4%	23,506,187	14.5%
Retail Trade	4,322	7.9%	17,507,949	10.8%
Public Administration	4,297	7.9%	7,945,669	4.9%
Manufacturing	3,904	7.2%	15,599,642	9.6%
Accommodation/Food Services	3,446	6.3%	10,606,051	6.5%
Finance/Insurance	3,084	5.7%	7,841,074	4.8%
Other Services	2,671	4.9%	7,599,442	4.7%
Construction	2,279	4.2%	11,547,924	7.1%
Real Estate/Rental/Leasing	2,015	3.7%	3,251,994	2.0%
Information	1,547	2.8%	3,018,466	1.9%
Transportation/Warehousing	1,450	2.7%	8,951,774	5.5%
Admin/Support/Waste Mgmt Svcs	1,413	2.6%	6,232,373	3.8%
Arts/Entertainment/Recreation	1,175	2.2%	2,872,222	1.8%
Wholesale Trade	989	1.8%	4,005,422	2.5%
Utilities	414	0.8%	1,362,753	0.8%
Mining	220	0.4%	581,692	0.4%
Agric/Forestry/Fishing/Hunting	109	0.2%	1,885,413	1.2%
Mgmt of Companies/Enterprises	39	0.1%	97,694	0.1%
Total Employment	54,369	100.0%	162,090,264	100.0%

Source: Esri Demographics 2022, Novogradac, January 2023

Employment in the PMA is concentrated in prof/scientific/tech services, educational services, and healthcare/social assistance, which collectively comprise 31.5 percent of local employment. The large share of PMA employment in the healthcare/social assistance industry is notable as this industry is historically stable, and exhibits greater resilience during economic downturns.



Major Employers

The following table details major employers in Austin.

MAJOR EMPLOYERS

Austin, TX

Employer Name	Industry	# Of Employees
Apple	Prof/Sci/Tech Services	6,000+
Ascension Seton	Healthcare	6,000+
Austin ISD	Education	6,000+
City of Austin	Government	6,000+
Dell Technologies	Prof/Sci/Tech Services	6,000+
Federal Government	Government	6,000+
IBM Corp.	Prof/Sci/Tech Services	6,000+
Round Rock ISD	Education	6,000+
Samsun Austin Semiconductor	Manufacturing	6,000+
St. David's HealthCare Partnership	Healthcare	6,000+
State of Texas	Government	6,000+
University of Texas at Austin	Education	6,000+
Accenture	Prof/Sci/Tech Services	2,000-5,999
Advanced Micro Devices	Prof/Sci/Tech Services	2,000-5,999
Amazon Fulfillment Centers	Distribution	2,000-5,999
Applied Materials	Manufacturing	2,000-5,999
AT&T	Telecommunications	2,000-5,999
Austin Community College	Education	2,000-5,999
Charles Schwab	Finance	2,000-5,999
Flex	Manufacturing	2,000-5,999
General Motors	Prof/Sci/Tech Services	2,000-5,999
Indeed	Job Search Website	2,000-5,999
Intel	Prof/Sci/Tech Services	2,000-5,999
Keller Williams Realty	Real Estate	2,000-5,999
National Instruments	Manufacturing	2,000-5,999
NXP Semiconductors	Manufacturing	2,000-5,999
Oracle Corp.	Prof/Sci/Tech Services	2,000-5,999
Tesla	Manufacturing	2,000-5,999
Texas State University	Education	2,000-5,999
Travis County	Government	2,000-5,999
U.S. Internal Revenue Service	Government	2,000-5,999
Visa	Finance	2,000-5,999
Whole Foods Market	Grocery Retail	2,000-5,999

Source: Austin Chamber of Commerce, December 2021

As illustrated, the major employers in Austin are primarily concentrated among the professional/scientific/technical services, healthcare, education, and government sectors. We believe the diverse mix of industries bodes well for the local area economy.

Employment Expansions

We attempted to contact the City of Austin Economic Development Department in order to gather information about recent economic expansions in the city; however, our calls have not been returned as of the date of this report. We also conducted our own research on economic expansions in the area. Notable expansions include, but are not limited to, the following:

- Flex, an electronics manufacturing services provider, pledged in September 2022 to use funding from the Texas Enterprise Zone Project to invest \$20 million in capital expenditures and to hire 200 additional employees in the Austin area – more than a third of whom are veterans, live in an enterprise zone, or are economically disadvantaged
- TCS Mechanical, a mechanical contractor, announced in August 2022 that they are opening a new headquarters and manufacturing space in Bastrop that will create 444 new jobs in the Austin area
- Tesla is building a \$1.1 billion manufacturing plant in the Austin area that recently completed in 2022. The new plant is expected to create up to 10,000 jobs. In January 2023, the company announced an expansion of the facility, with further expansions planned through 2024

- In August 2021, Amazon announced plans to open a new delivery station in Austin and opened the new facility in late 2022. The 315,000-square-foot delivery station is expected to create over 200 new jobs
- In September 2021, Charles Schwab announced plans to expand its operations in Austin. The company plans to create approximately 450 new jobs

WARN Notices

We reviewed the Worker Adjustment and Retraining Notification Act (WARN) notices published by the Texas Workforce Commission for 2022 to 2023 year-to-date for Austin. The following table illustrates the companies that experienced layoffs as well as the number of affected employees.

**WARN LISTINGS
AUSTIN, TX 2022 - 2023 YTD**

Company	Industry	Employees Affected	Layoff Date
Meta Platforms, Inc.	Technology	222	1/13/2023
Argo AI, LLC	Technology	78	11/1/2022
Rev.com, Inc.	Technology	85	10/21/2022
Signify Health, LLC	Healthcare	9	10/1/2022
F45 Training, Inc.	Health/Fitness	78	9/25/2022
Total		472	

Source: Texas Workforce Commission, retrieved 1/2023

As illustrated, there were a total of 472 layoffs between 2022 and 2023 year-to-date in Austin. However, due to the overall size of the Austin-area labor market, these recent WARN filings are not anticipated to substantively affect total employment in the PMA or MSA, as overall job growth has far exceeded these losses.

POPULATION, HOUSEHOLD, AND INCOME TRENDS

The following section provides an analysis of the demographic characteristics within the Subject’s market area. Data such as population, households, and growth patterns are studied, to determine if the PMA and the SMA are areas of growth or contraction. Based on TDHCA guidelines, the following demographic data includes projections for the Subject’s market entry date. It should be noted that per TDHCA guidelines, demographic data for a five-year period with the year of application as the base year must be included. The base year is considered the year the application for the development is submitted, which would be 2022 for the Subject; however, 2022 data is not available as of the date of this report and the base year is 2022. The projected market entry date is June 2024.

Population Growth

The table below illustrates total population in the PMA, SMA, and the nation from 2000 through 2027, including the projected population at the time of market entry.

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2000	53,453	-	1,249,703	-	281,250,431	-
2010	79,596	4.9%	1,716,289	3.7%	308,738,557	1.0%
2022	91,118	1.2%	2,446,554	3.5%	335,707,629	0.7%
Projected Mkt Entry June 2024	92,123	0.6%	2,534,529	1.9%	337,315,676	0.2%
2027	93,741	0.6%	2,676,053	1.9%	339,902,535	0.2%

Source: Esri Demographics 2022, Novogradac, January 2023

Historical population growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced population growth greater than the nation during the same time period. Growth in the PMA slowed between 2010 and 2022 and grew by less than the MSA. According to ESRI demographic projections,

annualized PMA growth is expected to slow to 0.6 percent through market entry and through 2027, which is below growth expectations for the MSA and above the nation.

Household Growth

The table below illustrates total households in the PMA, SMA, and the nation from 2000 through 2027, including the projected population at the time of market entry.

HOUSEHOLDS						
Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2000	21,681	-	471,251	-	105,409,443	-
2010	33,731	5.6%	650,407	3.8%	116,713,945	1.1%
2022	39,680	1.5%	946,148	3.8%	128,657,502	0.9%
Projected Mkt Entry June 2024	40,273	0.8%	981,553	2.0%	129,421,946	0.3%
2027	41,226	0.8%	1,038,509	2.0%	130,651,704	0.3%

Source: Esri Demographics 2022, Novogradac, January 2023

Historical household growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced household growth greater than the nation during the same time period. Growth in the PMA slowed between 2010 and 2022 and grew by less than the MSA. According to ESRI demographic projections, annualized PMA growth is expected to slow to 0.8 percent through market entry and through 2027, which is below growth expectations for the MSA and above the nation.

Average Household Size

The following table is a summary of the average household size in the PMA, MSA, and nation in 2000, 2022, as well as 2027.

AVERAGE HOUSEHOLD SIZE						
Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.38	-	2.55	-	2.59	-
2010	2.35	-0.2%	2.58	0.1%	2.57	-0.1%
2022	2.25	-0.3%	2.53	-0.1%	2.55	-0.1%
Projected Mkt Entry June 2024	2.24	-0.2%	2.53	-0.0%	2.54	-0.1%
2027	2.23	-0.2%	2.53	-0.0%	2.54	-0.1%

Source: Esri Demographics 2022, Novogradac, January 2023

The average household size in the PMA is slightly below the MSA and the overall nation. According to ESRI demographic projections, the average household size in the PMA is expected to remain relatively stable through market entry and through 2027.

Median Household Income Levels

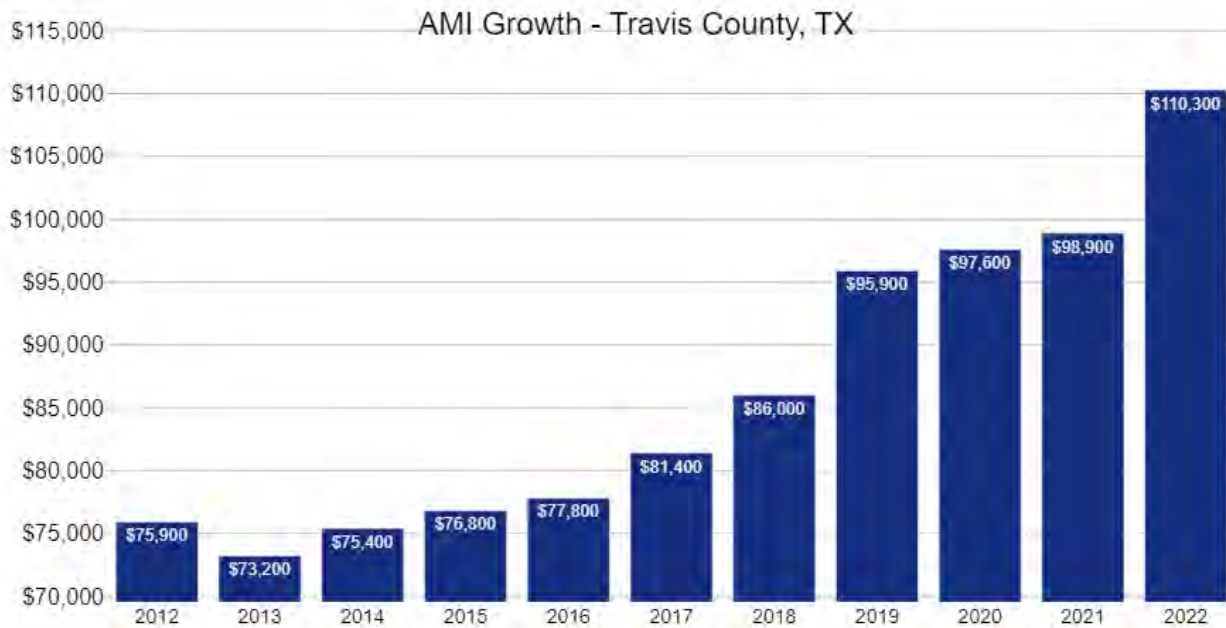
The table below illustrates median household income in the PMA, SMA, and the nation as a whole from 2000 to 2027.

MEDIAN HOUSEHOLD INCOME						
Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2000	\$80,554	-	\$53,376	-	\$44,290	-
2022	\$108,743	1.6%	\$89,278	3.1%	\$72,414	2.9%
Projected Mkt Entry June 2024	\$113,275	2.2%	\$94,322	2.9%	\$77,026	3.3%
2027	\$120,566	2.2%	\$102,437	2.9%	\$84,445	3.3%

Source: Esri Demographics 2022, Novogradac, January 2023

As of 2022, the median income in the PMA is above the surrounding MSA. Of note, median income in the PMA declined from 181.9 percent of the national median income in 2000 to 150.2 percent in 2022. According to ESRI demographic projections, annualized PMA growth is expected to accelerate to 2.2 percent through 2027, which is below the projected growth in the MSA and nation.

The following chart illustrates the AMGI level for a four-person household in the MSA.



Overall, the AMI increased at an annual rate of 4.12 percent between 2012 and 2022. Over 95.7 percent of counties in the nation experienced an increase in AMI in 2022. This was also true in Travis County, which reached a record high AMI level in 2022. Rising AMI levels bode well for future rent growth at affordable developments, such as the proposed Subject. Given that the Subject’s proposed LIHTC rents are set at the 2022 maximum allowable rent limits, rent increases will be primarily dependent upon changes in the AMGI, as well as market conditions.

Tenure Patterns

The following tables illustrate the renter vs. owner households among total households in the PMA and the SMA.

TENURE PATTERNS - OVERALL POPULATION

Year	PMA				MSA			
	Owner-Occupied Units Number	Owner-Occupied Units Percentage	Renter-Occupied Units Number	Renter-Occupied Units Percentage	Owner-Occupied Units Number	Owner-Occupied Units Percentage	Renter-Occupied Units Number	Renter-Occupied Units Percentage
2010	20,369	60.4%	13,362	39.6%	380,456	58.5%	269,951	41.5%
2022	23,459	59.1%	16,221	40.9%	562,795	59.5%	383,353	40.5%
Projected Mkt Entry June 2024	23,733	58.9%	16,539	41.1%	587,770	59.9%	393,784	40.1%
2027	24,175	58.6%	17,051	41.4%	627,946	60.5%	410,563	39.5%

Source: Esri Demographics 2022, Novogradac, January 2023

In the PMA, approximately 40.9 percent of households are renter households, while 59.1 percent are owner households. The MSA renter households percentage is similar to the PMA at 40.5 percent. The number and percentage of renter households in the MSA are projected to remain relatively stable through the projected date of market entry and through 2027.

Renter Household Income

The following tables illustrate renter household income distribution and renter household income by household size in the PMA for 2022, market entry, and 2027. This data is provided by HISTA, as required by TDHCA.

RENTER HOUSEHOLD INCOME DISTRIBUTION PMA

Income Cohort	2022		2027		Annual Change 2022 to 2027	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	599	3.7%	546	3.2%	-11	-1.8%
\$10,000-19,999	666	4.1%	590	3.5%	-15	-2.3%
\$20,000-29,999	940	5.8%	820	4.8%	-24	-2.6%
\$30,000-39,999	1,152	7.1%	941	5.5%	-42	-3.7%
\$40,000-49,999	1,390	8.6%	1,192	7.0%	-40	-2.8%
\$50,000-59,999	1,325	8.2%	1,239	7.3%	-17	-1.3%
\$60,000-74,999	2,252	13.9%	2,017	11.8%	-47	-2.1%
\$75,000-99,999	2,526	15.6%	2,671	15.7%	29	1.1%
\$100,000-124,999	2,059	12.7%	2,331	13.7%	54	2.6%
\$125,000-149,999	1,076	6.6%	1,321	7.7%	49	4.6%
\$150,000-199,999	1,219	7.5%	1,729	10.1%	102	8.4%
\$200,000+	1,017	6.3%	1,654	9.7%	127	12.5%
Total	16,221	100.0%	17,051	100.0%		

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, January 2023

RENTER HOUSEHOLD INCOME BY HOUSEHOLD SIZE

Income Cohort	PMA 2022				
	1	2	3	4	5+
\$0-9,999	419	102	39	22	17
\$10,000-19,999	417	129	38	52	30
\$20,000-29,999	494	128	162	43	113
\$30,000-39,999	724	146	79	60	143
\$40,000-49,999	799	288	227	67	9
\$50,000-59,999	746	321	171	67	20
\$60,000-74,999	1,138	666	265	77	106
\$75,000-99,999	727	1,043	335	351	70
\$100,000-124,999	507	869	428	193	62
\$125,000-149,999	338	528	118	38	54
\$150,000-199,999	232	445	227	251	64
\$200,000+	483	282	145	79	28
Total	7,024	4,947	2,234	1,300	716

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, January 2023

RENTER HOUSEHOLD INCOME BY HOUSEHOLD SIZE

PMA Projected Mkt Entry June 2024					
Income Cohort	1	2	3	4	5+
\$0-9,999	409	98	34	20	17
\$10,000-19,999	403	117	38	49	30
\$20,000-29,999	484	121	143	43	103
\$30,000-39,999	680	135	77	55	124
\$40,000-49,999	752	265	201	83	13
\$50,000-59,999	745	299	166	60	22
\$60,000-74,999	1,100	625	256	79	103
\$75,000-99,999	762	1,048	330	368	73
\$100,000-124,999	561	892	453	189	69
\$125,000-149,999	369	572	122	45	61
\$150,000-199,999	287	500	276	260	91
\$200,000+	604	340	193	88	37
Total	7,155	5,012	2,290	1,339	743

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, January 2023

RENTER HOUSEHOLD INCOME BY HOUSEHOLD SIZE

PMA 2027					
Income Cohort	1	2	3	4	5+
\$0-9,999	392	92	27	18	17
\$10,000-19,999	380	97	39	44	30
\$20,000-29,999	467	110	112	44	87
\$30,000-39,999	609	117	75	46	94
\$40,000-49,999	677	229	159	108	19
\$50,000-59,999	744	264	159	48	24
\$60,000-74,999	1,039	558	241	81	98
\$75,000-99,999	817	1,056	323	396	79
\$100,000-124,999	648	928	492	183	80
\$125,000-149,999	419	644	128	57	73
\$150,000-199,999	375	589	356	275	134
\$200,000+	798	433	270	102	51
Total	7,365	5,117	2,381	1,402	786

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, January 2023

As illustrated by the tables, approximately 20.7% of the renter population in the PMA earned less than \$40,000 in 2022. By 2027, the renter population earning less than \$40,000 in the PMA is expected to decrease to about 17 percent, which is still a significant percentage of low-income renter households. This data provides strong support for affordable rental housing in the Subject's PMA.

Conclusion

Population in the PMA increased at an annualized rate of 1.2 percent between 2010 and 2022, compared to growth of 3.5 percent in the MSA and 0.7 percent across the nation. The percentage of renter households in the PMA rose between 2010 and 2022 and is estimated to be approximately 41 percent as of 2022. This is more than the estimated 33 percent renter households across the overall nation. The median income in the PMA, as of 2022, is above the MSA and overall nation. According to ESRI demographic projections, population, household, and median income levels are all expected to rise through market entry and through 2027. Overall, the combination of rising population and median household income bodes well for future demand for multifamily housing.

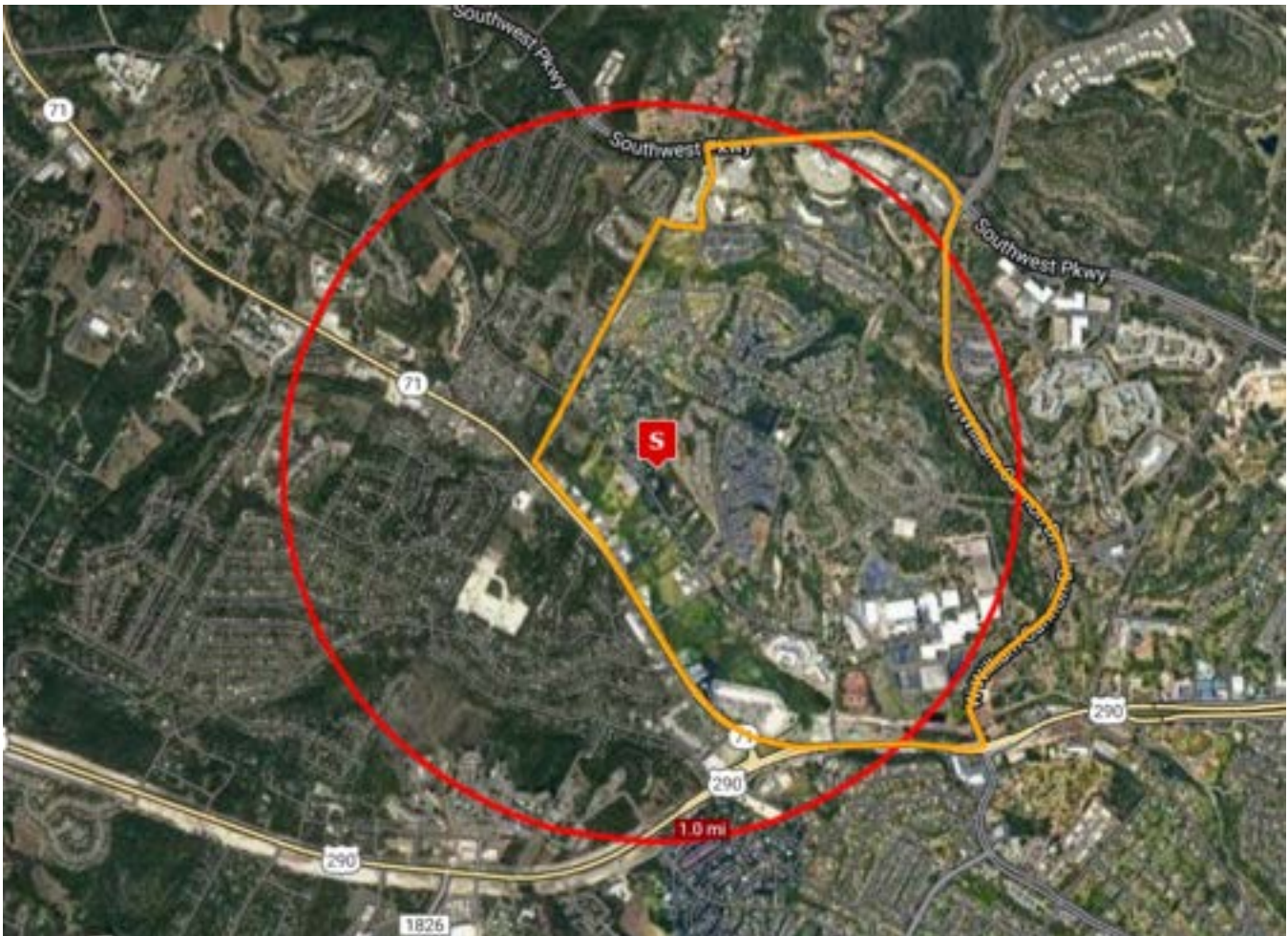
NEIGHBORHOOD DESCRIPTION

The neighborhood surrounding an apartment property often impacts the property's status, image, class, and style of operation, and sometimes its ability to attract and properly serve a particular market segment. This section investigates the Subject's neighborhood and evaluates any pertinent location factors that could affect its rent, its occupancy, and overall profitability.

The neighborhood analysis provides a bridge between the area analysis and the study of the Subject. The goal of the neighborhood analysis is to determine how the operation of social, economic, governmental and environmental factors influences the marketability of real estate. In the neighborhood analysis, we focus on how these factors interact in the immediate vicinity of the Subject. Our analysis will focus on the neighborhood as a whole with individual focus on the location in the community and the demographic characteristics in the community.

Location and Boundaries

The Subject is located in Austin, Texas. The Subject's neighborhood boundaries are generally defined as Southwest Parkway to the north, W William Cannon Drive to the east, Highway 71 to the south, and Teravista Drive and Wier Hills Road to the west. A map of the Subject's neighborhood follows.



Source: Google Maps, January 2023

Predominant Land Uses

The Subject is located in a mixed-use neighborhood in Austin, Texas. The surrounding neighborhood is primarily characterized by retail, commercial, and residential uses. Land use to the north consists of single-family homes in average condition. Land use to the east consists of vacant land and single-family homes in

good condition. Land use to the south and west, across Old Bee Caves Road, consists of some single-family homes in average condition and a commercial use. Farther west are more retail and commercial uses concentrated along State Highway 71. The Subject site is designated "Car-Dependent" by Walk Score with a score of 4 out of 100, indicating almost all errands require a car. According to Zillow, the 2022 median home value in the Subject's zip code was \$495,425.

Accessibility

The Subject site has frontage on the east side of Old Bee Caves Road, from which it will also be accessed. Old Bee Caves road is a lightly-trafficked, two-lane, southeast/northwest-traversing roadway that provides access to Highway 71 less than one mile south of the Subject. Highway 71 is a heavily-trafficked four-lane road that traverses east/west through Austin. Highway 71 merges with Highway 290, providing access to Interstate 35. Interstate 35 is a north/south-traversing, heavily-trafficked interstate approximately nine miles east of the Subject, with access to downtown Austin. Additionally, the nearest bus stop is located approximately 0.5 miles west of the Subject at the intersection of Highway 71 and Fletcher Lane. Overall, access is considered good and traffic flow is moderate in the Subject's area.

QCT

The site is located within Census Tract 48453001920, which is not a 2022 Qualified Census Tract.

Crime Statistics

The following table illustrates crime risk indices in the PMA and MSA. An index of 100 equates to the national average. A number above 100 indicates a crime rate higher than the nation, while a number below 100 reflects a lower crime rate than the nation.

2022 CRIME INDICES

	PMA	MSA
Total Crime*	94	148
Personal Crime*	64	97
Murder	72	72
Rape	131	100
Robbery	49	94
Assault	63	99
Property Crime*	99	155
Burglary	117	132
Larceny	99	171
Motor Vehicle Theft	51	87

Source: Esri Demographics 2022, Novogradac, January 2023

*Unweighted aggregations

As the above table indicates, crime indices in the Subject's PMA are below those of the MSA and similar to slightly below those of the nation. Further, observations of the PMA and the Subject's neighborhood, which include some new developments and new construction, as well as interviews with market participants, reflect that crime is not a major concern in the area. The Subject will offer limited access, in-unit alarms, video surveillance, perimeter fencing, and an intercom (buzzer) as security features. All of the comparable properties offer some form of security. Overall, the Subject's proposed security amenities appear market oriented.

Public Transportation

Metro Capital provides fixed-route bus service in the Austin area. One-day fares are \$1.25, while weekly and monthly passes are available for \$11.25 and \$41.25, respectively. The nearest bus stop is located approximately 0.5 miles west of the Subject at the intersection of Highway 71 and Fletcher Lane.

Education

Austin is home to The University of Texas at Austin, a top-ranked university offering a range of undergraduate and graduate programs among a range of disciplines including, but not limited to, the liberal arts, natural sciences, engineering, education, public affairs, architecture, law, pharmacy, medicine, business, and the fine arts. As of the fall semester of 2021, the school employed 3,133 teaching faculty. As of the fall semester of 2022, the school had a total enrollment of 52,384.

Healthcare

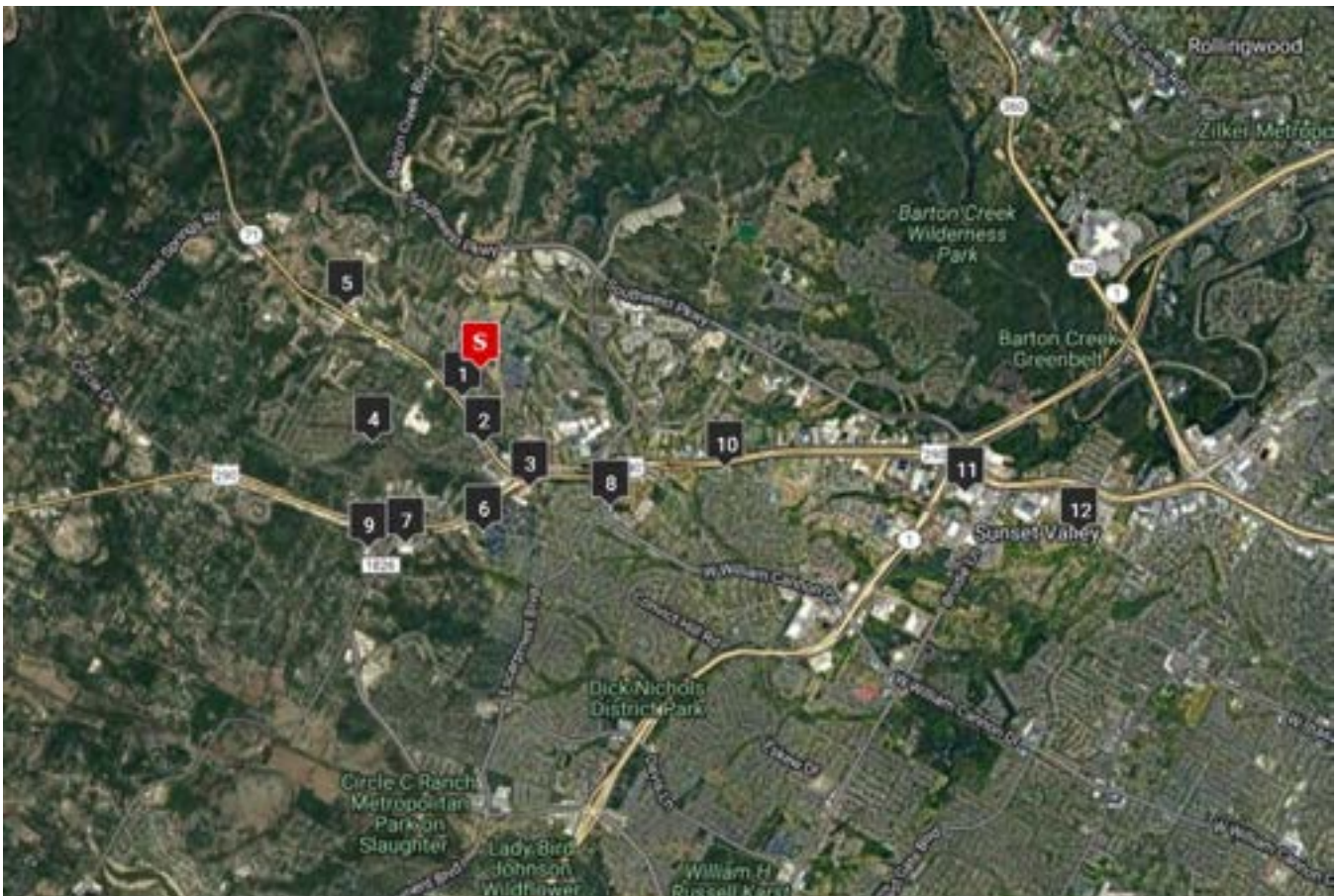
Ascension Seton Southwest Hospital is a full-service hospital located approximately 1.4 miles southwest of the Subject site. The hospital offers 24/7 emergency care and a Level IV trauma center.

Proximity to Local Services

The Subject is close to important local services as shown in the following table. All of the major amenities and services are located within a reasonable driving distance of the Subject site. A map illustrates these locational services following.

Locational Amenities

The following map and table illustrate the Subject’s proximity to necessary services. Map numbers correspond with the *Locational Amenities Map*, presented below.



Source: Google Earth, January 2023

LOCATIONAL AMENITIES

#	Service or Amenity	Distance to Subject	Drive Time	#	Service or Amenity	Distance to Subject	Drive Time
1	Valero Gas Station	0.2 miles	4 min	7	HEB	1.3 miles	7 min
2	Bus Stop	0.5 miles	4 min	8	Walgreens	1.3 miles	6 min
3	Prosperity Bank	0.9 miles	7 min	9	Ascension Seton Southwest Hospital	1.4 miles	7 min
4	Windmill Run Park	0.9 miles	5 min	10	United States Postal Service	1.8 miles	6 min
5	Austin Fire Station 37	1.0 miles	3 min	11	Walmart	3.4 miles	9 min
6	The Cypress School of Austin	1.1 miles	5 min	12	Sunset Valley Police	4.3 miles	10 min

Conclusion

Upon completion, the Subject will provide good quality affordable housing units that are in strong demand in the area. Land use in the Subject’s neighborhood is primarily characterized by retail, commercial, and residential uses. The majority of locational amenities are located within 1.8 miles of the Subject site, including public transportation and retail/commercial uses. The Subject will positively impact the neighborhood, which is well suited for this type of housing.

V. SUPPLY ANALYSIS

SUPPLY ANALYSIS

HOUSING STOCK OVERVIEW

Tenure

The following table is a summary of the housing stock in the PMA and SMA.

TENURE PATTERNS - OVERALL POPULATION

Year	PMA				MSA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2010	20,369	60.4%	13,362	39.6%	380,456	58.5%	269,951	41.5%
2022	23,459	59.1%	16,221	40.9%	562,795	59.5%	383,353	40.5%
Projected								
Mkt Entry	23,733	58.9%	16,539	41.1%	587,770	59.9%	393,784	40.1%
June 2024								
2027	24,175	58.6%	17,051	41.4%	627,946	60.5%	410,563	39.5%

Source: Esri Demographics 2022, Novogradac, January 2023

In the PMA, approximately 40.9 percent of households are renter households, while 59.1 percent are owner households. The MSA renter households percentage is similar to the PMA at 40.5 percent. The number and percentage of renter households in the MSA are projected to remain relatively stable through the projected date of market entry and through 2027.

INTERVIEWS

Provided below is a summary of interviews conducted to discern the current and potential future demand for affordable housing in the PMA.

Housing Authority of the City of Austin

We previously spoke with Lisa Garcia, Vice President of Assisted Living with the Housing Authority of the City of Austin. According to Ms. Garcia, the Housing Choice Voucher (HCV) Department administers approximately 5,400 Housing Choice Vouchers within the City of Austin. The waiting list for Housing Choice Vouchers is currently closed and was last opened from September 17, 2018 to September 24, 2018. Ms. Garcia indicated the waiting list is approximately 2,000 households in length. The current payment standards are detailed in the table below.

PAYMENT STANDARDS

Unit Type	Proposed Gross Rent	Gross Payment Standard	Proposed Rent Vs. Payment Standard
		@50%	
OBR	\$966	\$1,147	-18.7%
1BR	\$1,035	\$1,298	-25.4%
		@60%	
1BR	\$1,242	\$1,298	-4.6%
2BR	\$1,489	\$1,524	-2.4%
		@80%	
2BR	\$1,986	\$1,524	30.3%

Source: Housing Authority of the City of Austin, effective July 2022

The Subject's proposed gross rents for its studios and one-bedroom units are below the current payment standards, indicating voucher holders will not be required to pay additional rent out of pocket to reside in these units. The Subject's proposed gross rent for its two-bedroom units at 80 percent of AMI is above the current payment standards, indicating voucher holders may have to pay additional rent out of pocket to reside in these units.

Planning Department

We attempted to contact the City of Austin Planning and Zoning Department in order to obtain information regarding proposed, planned, under construction, or recently completed multifamily developments in the area. However, as of the date of this report, our phone calls have not been returned. We also searched the most recent CoStar new construction listings and identified three under construction multifamily developments in the PMA. Our findings are displayed in the table below.

RECENT AND PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	Construction Status	LIHTC Allocation Year	Distance to Subject
Perch	Market	Family	325	0	Under Construction	N/A	5.5 miles
The Saint June	Market	Family	182	0	Under Construction	N/A	1.5 miles
The Markson	Market	Family	330	0	Under Construction	N/A	1.6 miles
Totals			837	0			

LIHTC Allocations

According to the Texas Department of Housing and Community Affairs, there have not been any developments allocated tax credits within the PMA since 2020.

Building Permits

The following table demonstrates building permit information from 2000 through year-to-date for Travis, Texas.

BUILDING PERMITS: TRAVIS COUNTY 2000 - 2021*

Year	Single-family and Duplex	Three and Four-Family	Five or More Family	Total Units
2000	7,607	309	6,353	14,269
2001	4,498	218	6,035	10,751
2002	5,576	160	4,859	10,595
2003	6,364	386	1,815	8,565
2004	8,027	222	2,409	10,658
2005	9,921	96	4,217	14,234
2006	10,071	289	5,378	15,738
2007	6,906	542	4,573	12,021
2008	4,064	77	2,707	6,848
2009	3,677	11	1,561	5,249
2010	3,142	248	1,007	4,397
2011	3,298	44	2,419	5,761
2012	4,437	27	8,018	12,482
2013	4,694	168	9,051	13,913
2014	5,977	116	6,580	12,673
2015	5,986	30	7,808	13,824
2016	7,186	64	6,253	13,503
2017	8,681	72	7,976	16,729
2018	9,016	53	10,451	19,520
2019	9,738	27	11,652	21,417
2020	10,579	47	16,484	27,110
2021*	9,514	117	19,421	29,052
Average*	6,771	151	6,683	13,605

*YTD, preliminary

Source: US Census 2022, Novogradac, January 2023

Between 2000 and 2021, overall permit issuance in Travis County peaked in 2021, with 2020 having the second most permits issued. Permit issuance declined by approximately 72.1 percent during the recession, reaching a low in 2010. Permit issuance increased in nine out of 11 years between 2010 and 2021. The most recent years with finalized data indicate construction activity increased by 7.2 percent between 2020 and 2021.

Affordable Properties in the PMA

The following table details all known existing Section 8, Public Housing, and LIHTC developments in the PMA.

EXISTING AFFORDABLE IN PMA

Property Name	Program	Tenancy	Total Units	Competitive LIHTC Units
Southwest Trails*	LIHTC	Family	160	160
West Gate Ridge*	LIHTC	Family	140	140
Live Oak Trails	LIHTC	Family	58	58
Mosaic Housing Corporation XXIII	Section 8	Senior/Disabled	4	0
Pathways At Manchaca II (RAD)	Section 8	Family	33	0
Sea Oaks Apartments (RAD)	Section 8	Family	75	0
Western Trails	Section 8	Family	99	0
Totals				358

*Utilized as a comparable property

Housing Units in PMA

The table below summarizes the housing stock in the Subject's PMA per TDHCA's guidelines.

HOUSING UNITS IN THE PMA - 2022

	Number of Units
Total Housing Units - 2022	39,680
Total Owner Household Units	23,459
Total Renter Household Units	16,221
Number of Affordable Housing Units (LIHTC, Subsidized)	569
Number of Market Rate Housing Units	15,652

It appears that the majority of the rental housing in the Subject's PMA is market rate. This suggests a strong need for affordable housing in the PMA.

SURVEY OF COMPARABLE PROPERTIES

Comparable properties are examined on the basis of proximity to the Subject site as well as similarities in target population, physical characteristics (i.e. building type, age/quality, and level of common amenities), rents, and utility structure. We attempted to compare the Subject to the best available "true" comparables from the PMA to provide an accurate picture of the health and available supply in the market.

To evaluate the competitive position of the Subject, a multitude of potentially comparable affordable and market rate properties were screened to ascertain whether these properties would compete with the Subject for prospective low-income tenants. Properties that were deemed comparable were also surveyed in depth for information on unit mix, size, absorption (if new), unit and common area amenities, tenant profiles, rental and utility structure, construction information, and market trends in general. We excluded government subsidized developments from the comparable property analysis because the income qualifications and rent structures at these properties are not similar to the Subject as a LIHTC property. It should be noted that three of the comparable properties are located outside of the PMA. This is due to the TDHCA requirement that the PMA's population must be less than 100,000.

A map of the selected comparable properties as well as a summary matrix and complete profiles of the comparable properties are provided later in this report.

Excluded Properties

The following table details some of the properties excluded from our analysis in addition to their reasons for exclusion.

EXCLUDED PROPERTIES			
Property Name	Rent Structure	Tenancy	Reason for Exclusion
Live Oak Trails	LIHTC	Family/Homeless	Unable to contact
Mosaic Housing Corporation XXIII	Section 8	Senior/Disabled	Subsidized rents
Sea Oaks Apartments (RAD)	Section 8	Family	Subsidized rents
Pathways at Manchaca II (RAD)	Section 8	Family	Subsidized rents
Western Trails	Section 8	Family	Subsidized rents
The Heritage At Gaines Ranch	Market	Senior	Dissimilar tenancy
Vineyard Hills Apartments	Market	Family	Unable to contact

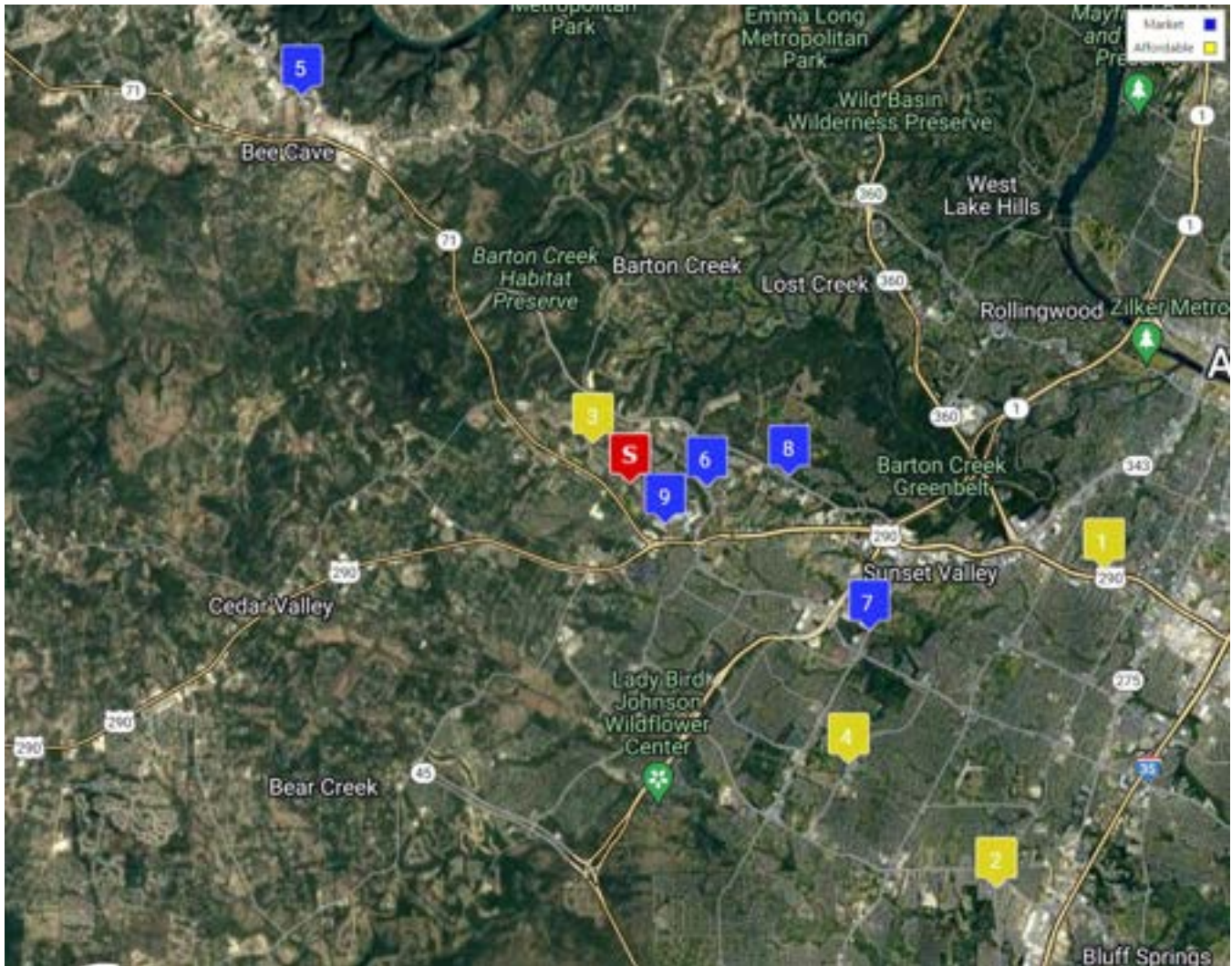
Description of Property Types Surveyed

To evaluate the competitive position of the Subject, we surveyed a total of 2,456 units in nine rental properties. The availability of the LIHTC data is considered average. We included four affordable developments located between 0.7 and 6.9 miles from the Subject site, two of which are located outside the PMA (Skyline Terrace and Southpark Ranch). The availability of the market rate data is also considered average. We included five market rate properties located between 0.7 and 6.5 miles from the Subject site, one of which is located outside the PMA (Cielo Apartments). It should be noted there is a limited supply of studios in the area, and just one of the market rate comparables offer studios. Therefore, we have utilized one-bedroom units in the studio grid for the other four comparables. The group of properties most likely to compete with the Subject was obtained by interviewing local property managers, reviewing local apartment guides, site inspections, and conducting searches on the internet. Overall, we believe the availability of data is adequate to support our conclusions.

On the pages that follow are maps of the comparable properties utilized in this report, as well as a summary matrix that details each of the comparables, a rent and square foot ranking table, an amenity matrix, and the property profile reports for the comparable developments.

Comparable Rental Property Map

The following map illustrates the location of the Subject in relation to the comparable properties.



Source: Google Maps, January 2023

COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Distance to Subject
S	Oak Hill Lofts	Austin	@50%, @60%, @80%	-
1	Skyline Terrace*	Austin	@30%, @50%	6.1 miles
2	Southpark Ranch*	Austin	@60%	6.9 miles
3	Southwest Trails	Austin	@50%	0.7 mile
4	West Gate Ridge	Austin	@60%	4.5 miles
5	Cielo Apartments*	Austin	Market	6.5 miles
6	Lantana Ridge	Austin	Market	1.0 mile
7	The Park On Brodie Lane	Austin	Market	3.6 miles
8	The Preserve At Travis Creek	Austin	Market	2.0 miles
9	The Shiloh At Oak Hill	Austin	Market	0.7 mile

*Located outside PMA

PROPERTY PROFILE REPORT

Oak Hill Lofts

Effective Rent Date	12/29/2022
Location	7610 Old Bee Caves Rd Austin, TX 78735 Travis County
Distance	N/A
Units	90
Vacant Units	N/A
Vacancy Rate	N/A
Type	Midrise (4 stories)
Year Built/Renovated	2024 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	Greg Stroll
Phone	(512) 228-7443



Market Information

Program	@50%, @60%, @80%
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	N/A
Waiting List	N/A

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (4 stories)	40	550	\$915	\$0	@50%	N/A	N/A	N/A	yes	None
1	1	Midrise (4 stories)	5	793	\$973	\$0	@50%	N/A	N/A	N/A	yes	None
1	1	Midrise (4 stories)	25	793	\$1,180	\$0	@60%	N/A	N/A	N/A	yes	None
2	1	Midrise (4 stories)	2	1,030	\$1,416	\$0	@60%	N/A	N/A	N/A	yes	None
2	1	Midrise (4 stories)	18	1,030	\$1,913	\$0	@80%	N/A	N/A	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$915	\$0	\$915	\$0	\$915	1BR / 1BA	\$1,180	\$0	\$1,180	\$0	\$1,180
1BR / 1BA	\$973	\$0	\$973	\$0	\$973	2BR / 1BA	\$1,416	\$0	\$1,416	\$0	\$1,416
@80%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
2BR / 1BA	\$1,913	\$0	\$1,913	\$0	\$1,913						

Oak Hill Lofts, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	Adult Education
Cable/Satellite/Internet	Carpeting	Intercom (Buzzer)	
Central A/C	Dishwasher	Limited Access	
Ceiling Fan	Garbage Disposal	Perimeter Fencing	
Microwave	Oven	Video Surveillance	
Refrigerator	Washer/Dryer		
Property		Premium	Other
Carport	Courtyard	None	None
Elevators	Garage(\$ 40.00)		
On-Site Management	Picnic Area		
Recreation Areas	Sport Court		
Wi-Fi			

Comments

Construction on the property is anticipated to begin in June 2023 and be complete in May 2024. The two towers will each be four levels of units over two levels of podium parking garages.

Photos



PROPERTY PROFILE REPORT

Skyline Terrace

Effective Rent Date	12/02/2022
Location	1212 W Ben White Blvd Austin, TX 78704 Travis County
Distance	N/A
Units	100
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (5 stories)
Year Built/Renovated	1985 / 2008
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Other Foundation Communities properties
Tenant Characteristics	Mixed general one-person households and PSH tenants
Contact Name	Teressa
Phone	512-440-0300



Market Information

Program	@30%, @50%
Annual Turnover Rate	14%
Units/Month Absorbed	N/A
HCV Tenants	3%
Leasing Pace	From waiting list
Annual Chg. in Rent	Increased up to 3%
Concession	None
Waiting List	Yes, 40 households

Utilities

A/C	included -- wall
Cooking	included -- electric
Water Heat	included -- gas
Heat	included -- gas
Other Electric	included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (5 stories)	N/A	256	\$ 455	\$ 0	@30%	Yes	0	N/A	no	None
0	1	Midrise (5 stories)	N/A	509	\$ 610	\$ 0	@50%	Yes	0	N/A	no	None

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$ 455	\$ 0	\$ 455	-\$ 48	\$ 407	Studio / 1BA	\$ 610	\$ 0	\$ 610	-\$ 48	\$ 562

Amenities

In-Unit	Security	Services
Blinds	Intercom (Buzzer)	None
Microwave	Limited Access	
Refrigerator		
Property	Premium	Other
Business Center/Computer Lab	None	Pantry, health visits, food delivery
Elevators		
Non-shelter Services		
On-Site Management		

Comments

Skyline Terrace was built in 1985 as a hotel and was converted into apartments in 2008. Management reported that they receive approximately seven calls per day from prospective tenants, but the property is 100 percent occupied with a waiting list that is already full (capped at 40 households). Of the 100 units, 28 operate with a project-based subsidy via the nonprofit, Caritas. Tenants in these units pay 30 percent of their income towards the monthly rent. The rents listed are approved rents by AMI; however, the actual tenant paid rents are lower than those listed according to the property's rent roll. The tenant makeup of the property includes 47 veterans. Of these, 14 have effectively zero income; 15 have incomes below \$ 1,000 per month; and, 18 have incomes of approximately \$ 1,000 per month, a level that would be within the range of affordability for the property's 30 percent AMI units without additional subsidy. Therefore, there are veterans at the property who qualify as homeless with income levels that would render it feasible for them to pay the 30 percent AMI rent without subsidy such as VASH vouchers.

Skyline Terrace, continued

Trend Report

Vacancy Rates

1Q15 4Q22
0.0% 0.0%

Trend: @30%

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$ 410	\$ 0	\$ 410	\$ 362
2022	4	N/A	\$ 455	\$ 0	\$ 455	\$ 407

Trend: @50%

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$ 658	\$ 0	\$ 658	\$ 610
2022	4	N/A	\$ 610	\$ 0	\$ 610	\$ 562

Trend: Comments

1Q15 Skyline Terrace was built in 1985 as a hotel and was converted into apartments in 2008. Management reported that they receive approximately seven calls per day from prospective tenants, but the property is 100 percent occupied with a waiting list that is already full (capped at 40 households). Of the 100 units, 28 operate with a project-based subsidy via the nonprofit, Caritas. Tenants in these units pay 30 percent of their income towards the monthly rent. The rents listed are approved rents by AMI; however, the actual tenant paid rents are lower than those listed according to the property's rent roll. The tenant makeup of the property includes 47 veterans. Of these, 14 have effectively zero income; 15 have incomes below \$ 1,000 per month; and, 18 have incomes of approximately \$ 1,000 per month, a level that would be within the range of affordability for the property's 30 percent AMI units without additional subsidy. Therefore, there are veterans at the property who qualify as homeless with income levels that would render it feasible for them to pay the 30 percent AMI rent without subsidy such as VASH vouchers.

4Q22 N/A

Photos



PROPERTY PROFILE REPORT

Southpark Ranch

Effective Rent Date	1/23/2023
Location	9401 S 1st Street Austin, TX 78744 Travis County
Distance	N/A
Units	192
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2008 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Families and single parent households from Austin
Contact Name	Ashley
Phone	(512) 292-6400



Market Information

Program	@60%
Annual Turnover Rate	25%
Units/Month Absorbed	27
HCV Tenants	40%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased to 2022 max
Concession	None
Waiting List	Yes, 10-12 households

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	6	650	\$ 1,194	\$ 0	@60%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	48	749	\$ 1,194	\$ 0	@60%	Yes	0	0.0%	yes	None
2	1	Garden (3 stories)	24	916	\$ 1,435	\$ 0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	48	973	\$ 1,435	\$ 0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	30	1,075	\$ 1,435	\$ 0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	36	1,317	\$ 1,656	\$ 0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$ 1,194	\$ 0	\$ 1,194	\$ 0	\$ 1,194
2BR / 1BA	\$ 1,435	\$ 0	\$ 1,435	\$ 0	\$ 1,435
2BR / 2BA	\$ 1,435	\$ 0	\$ 1,435	\$ 0	\$ 1,435
3BR / 2BA	\$ 1,656	\$ 0	\$ 1,656	\$ 0	\$ 1,656

Southpark Ranch, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	Afterschool Program
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Garden tubs, built-in shelves, and
Exercise Facility	Garage(\$ 100.00)		
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground	Swimming Pool		

Comments

The contact reported the property has raised rents to the 2022 maximum allowable levels. The property is currently fully occupied and maintains a waiting list for all unit types.

Southpark Ranch, continued

Trend Report

Vacancy Rates

2Q20	3Q20	2Q21	1Q23
4.7%	3.6%	0.0%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	7.4%	\$924 - \$974	\$0	\$924 - \$974	\$924 - \$974
2020	3	3.7%	\$1,060	\$0	\$1,060	\$1,060
2021	2	0.0%	\$1,060	\$0	\$1,060	\$1,060
2023	1	0.0%	\$1,194	\$0	\$1,194	\$1,194

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	4.2%	\$1,108	\$0	\$1,108	\$1,108
2020	3	4.2%	\$1,200	\$0	\$1,200	\$1,200
2021	2	0.0%	\$1,200	\$0	\$1,200	\$1,200
2023	1	0.0%	\$1,435	\$0	\$1,435	\$1,435

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	3.8%	\$1,180 - \$1,240	\$0	\$1,180 - \$1,240	\$1,180 - \$1,240
2020	3	3.8%	\$1,240 - \$1,270	\$0	\$1,240 - \$1,270	\$1,240 - \$1,270
2021	2	0.0%	\$1,240 - \$1,270	\$0	\$1,240 - \$1,270	\$1,240 - \$1,270
2023	1	0.0%	\$1,435	\$0	\$1,435	\$1,435

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	2.8%	\$1,300	\$0	\$1,300	\$1,300
2020	3	2.8%	\$1,467	\$0	\$1,467	\$1,467
2021	2	0.0%	\$1,467	\$0	\$1,467	\$1,467
2023	1	0.0%	\$1,656	\$0	\$1,656	\$1,656

Trend: Comments

2Q20	The contact reported that, while the property has typically been able to increase rents to the maximum each year, they have not raised rents to the 2020 maximum allowable levels. She stated occupancy has remained stable despite the economic fallout caused by COVID-19 and there has been no issues with rent collection and job losses have been minimal amongst tenancy. The contact was unsure if and when rents would increase to the 2020 max rates.
3Q20	The contact reported the property has raised rents to the 2020 maximum allowable levels for all units except the two-bedroom/one-bath units and the smaller two-bedroom/two-bath units. She stated occupancy has remained stable despite the economic fallout caused by COVID-19 and there has been no issues with rent collection and job losses have been minimal amongst tenancy.
2Q21	The contact reported the property has raised rents to the 2021 maximum allowable levels for all units except the two-bedroom/one-bath units and the smaller two-bedroom/two-bath units. She stated occupancy has remained stable despite the economic fallout caused by COVID-19, as there has been no issue with rent collections.
1Q23	The contact reported the property has raised rents to the 2022 maximum allowable levels. The property is currently fully occupied and maintains a waiting list for all unit types.

Photos



PROPERTY PROFILE REPORT

Southwest Trails

Effective Rent Date	12/05/2022
Location	8405 Old Bee Caves Road Austin, TX 78735 Travis County
Distance	N/A
Units	160
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Settlers Creek and Vineyard Hills
Tenant Characteristics	None identified
Contact Name	Josie
Phone	512-301-2442



Market Information

Program	@50%
Annual Turnover Rate	8%
Units/Month Absorbed	N/A
HCV Tenants	5%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased to 2022 max
Concession	None
Waiting List	Yes, length unspecified

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- gas
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	16	789	\$ 859	\$ 0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	24	1,019	\$ 1,034	\$ 0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	72	1,047	\$ 1,034	\$ 0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	46	1,204	\$ 1,190	\$ 0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	2	1,220	\$ 1,190	\$ 0	@50%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$ 859	\$ 0	\$ 859	\$ 110	\$ 969
2BR / 2BA	\$ 1,034	\$ 0	\$ 1,034	\$ 130	\$ 1,164
3BR / 2BA	\$ 1,190	\$ 0	\$ 1,190	\$ 152	\$ 1,342

Southwest Trails, continued

Amenities

In-Unit

Balcony/Patio
Cable/Satellite/Internet
Central A/C
Dishwasher
Ceiling Fan
Oven
Washer/Dryer hookup

Blinds
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator

Security

Perimeter Fencing

Services

Adult Education
Afterschool Program
Tutoring

Property

Basketball Court
Central Laundry
On-Site Management
Sport Court

Business Center/Computer Lab
Off-Street Parking
Playground
Swimming Pool

Premium

None

Other

None

Comments

The property is currently fully occupied and maintains a waiting list.

Southwest Trails, continued

Trend Report

Vacancy Rates

2Q08	2Q15	3Q15	4Q22
1.9%	1.9%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$560	\$0	\$560	\$670
2015	2	0.0%	\$627	\$0	\$627	\$737
2015	3	0.0%	\$638	\$0	\$638	\$748
2022	4	0.0%	\$859	\$0	\$859	\$969

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$665	\$0	\$665	\$795
2015	2	0.0%	\$739	\$0	\$739	\$869
2015	3	0.0%	\$747	\$0	\$747	\$877
2022	4	0.0%	\$1,034	\$0	\$1,034	\$1,164

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$745	\$0	\$745	\$897
2015	2	6.2%	\$848	\$0	\$848	\$1,000
2015	3	0.0%	\$862	\$0	\$862	\$1,014
2022	4	0.0%	\$1,190	\$0	\$1,190	\$1,342

Trend: Comments

2Q08	Contact stated that the property does not maintain a waiting list. Applications are processed on a first come first served basis.
2Q15	The waiting list has a total of 30 households, which is the maximum number of households allowed on the waiting list. All three vacancies are pre-leased.
3Q15	A rent increase was implemented at the property, effective July 1, 2015.
4Q22	The property is currently fully occupied and maintains a waiting list.

Photos



PROPERTY PROFILE REPORT

West Gate Ridge

Effective Rent Date	12/02/2022
Location	8700 West Gate Blvd Austin, TX 78745 Travis County
Distance	N/A
Units	140
Vacant Units	5
Vacancy Rate	3.6%
Type	Garden
Year Built/Renovated	2018 / N/A
Marketing Began	1/01/2018
Leasing Began	3/01/2018
Last Unit Leased	7/30/2018
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy from South Austin
Contact Name	Kate
Phone	(512) 717-5706



Market Information

Program	@60%
Annual Turnover Rate	N/A
Units/Month Absorbed	14
HCV Tenants	10%
Leasing Pace	N/A
Annual Chg. in Rent	Increased to 2022 max
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	30	674	\$ 1,200	\$ 0	@60%	No	1	3.3%	yes	None
1	1	Garden	30	752	\$ 1,200	\$ 0	@60%	No	1	3.3%	yes	None
1	1	Garden	30	855	\$ 1,200	\$ 0	@60%	No	1	3.3%	yes	None
2	2	Garden	25	1,124	\$ 1,439	\$ 0	@60%	No	1	4.0%	yes	None
2	2	Garden	25	1,129	\$ 1,439	\$ 0	@60%	No	1	4.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$ 1,200	\$ 0	\$ 1,200	\$ 0	\$ 1,200
2BR / 2BA	\$ 1,439	\$ 0	\$ 1,439	\$ 0	\$ 1,439

West Gate Ridge, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Off-Street Parking		
On-Site Management	Playground		
Swimming Pool			

Comments

The contact reported that they do have 5 vacant units currently but remain 100% pre-leased through 2023.

West Gate Ridge, continued

Trend Report

Vacancy Rates

1Q19	4Q22
0.0%	3.6%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	0.0%	\$ 899 - \$ 921	\$ 0	\$ 899 - \$ 921	\$ 899 - \$ 921
2022	4	3.3%	\$ 1,200	\$ 0	\$ 1,200	\$ 1,200

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	0.0%	\$ 1,106	\$ 0	\$ 1,106	\$ 1,106
2022	4	4.0%	\$ 1,439	\$ 0	\$ 1,439	\$ 1,439

Trend: Comments

- 1Q19 The contact reported the property began moving in the first tenants in March of 2018 and the property was fully completed four months later in July. He noted the property recently became fully occupied in mid January of 2019. No waiting list is maintained as of yet but the contact expects to take applications as the first wave of leases begin to expire next month.
- 4Q22 The contact reported that they do have 5 vacant units currently but remain 100% pre-leased through 2023.

Photos



PROPERTY PROFILE REPORT

Cielo Apartments

Effective Rent Date	12/30/2022
Location	3501 Ranch Road 620 South Austin, TX 78738 Travis County
Distance	N/A
Units	326
Vacant Units	8
Vacancy Rate	2.5%
Type	Garden (3 stories)
Year Built/Renovated	2014 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Patrick
Phone	512-402-9200



Market Information

Program	Market
Annual Turnover Rate	22%
Units/Month Absorbed	20
HCV Tenants	0%
Leasing Pace	One to two weeks
Annual Chg. in Rent	LRO pricing/fluctuates daily
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	1,034	\$ 2,007	\$ 110	Market	No	1	N/A	N/A	HIGH
1	1	Garden (3 stories)	N/A	627	\$ 1,638	\$ 79	Market	No	2	N/A	N/A	LOW
2	2	Garden (3 stories)	N/A	1,397	\$ 2,761	\$ 189	Market	No	3	N/A	N/A	HIGH
2	2	Garden (3 stories)	N/A	1,064	\$ 2,207	\$ 150	Market	No	2	N/A	N/A	LOW
3	2	Garden (3 stories)	N/A	1,596	\$ 3,454	\$ 206	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$ 1,638 - \$ 2,007	\$ 79 - \$ 110	\$ 1,559 - \$ 1,897	\$ 135	\$ 1,694 - \$ 2,032
2BR / 2BA	\$ 2,207 - \$ 2,761	\$ 150 - \$ 189	\$ 2,057 - \$ 2,572	\$ 155	\$ 2,212 - \$ 2,727
3BR / 2BA	\$ 3,454	\$ 206	\$ 3,248	\$ 179	\$ 3,427

Cielo Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpet/Hardwood	Central A/C	Intercom (Buzzer)	
Coat Closet	Dishwasher	Limited Access	
Exterior Storage	Ceiling Fan	Perimeter Fencing	
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Carport(\$ 35.00)	Clubhouse/Meeting Room/Community	View	None
Courtyard	Exercise Facility		
Garage(\$ 130.00)	Off-Street Parking		
On-Site Management	Picnic Area		
Recreation Areas	Swimming Pool		

Comments

The contact indicated rent varies based off view, unit size, yard, and a garage. Detached garages are available for \$ 130. The concessions offered are one month free on one-bedroom units, and 1.5 months free on the two and three-bedroom units. The contact could not determine why vacancy has increased. The one-bedroom rents decreased up to three percent. The two-bedroom rents have not changed. The three-bedroom units have decreased 21 percent.

Cielo Apartments, continued

Trend Report

Vacancy Rates

2Q15	1Q17	4Q22	1Q23
9.2%	46.0%	46.0%	2.5%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	N/A	\$970 - \$1,325	\$0	\$970 - \$1,325	\$1,105 - \$1,460
2017	1	N/A	\$944 - \$1,325	\$79 - \$110	\$865 - \$1,215	\$1,000 - \$1,350
2022	4	N/A	\$944 - \$1,325	\$79 - \$110	\$865 - \$1,215	\$1,000 - \$1,350
2023	1	N/A	\$1,638 - \$2,007	\$79 - \$110	\$1,559 - \$1,897	\$1,694 - \$2,032

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	N/A	\$1,346 - \$1,700	\$0	\$1,346 - \$1,700	\$1,501 - \$1,855
2017	1	N/A	\$1,346 - \$1,700	\$150 - \$189	\$1,196 - \$1,511	\$1,351 - \$1,666
2022	4	N/A	\$1,346 - \$1,700	\$150 - \$189	\$1,196 - \$1,511	\$1,351 - \$1,666
2023	1	N/A	\$2,207 - \$2,761	\$150 - \$189	\$2,057 - \$2,572	\$2,212 - \$2,727

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	N/A	\$2,353	\$0	\$2,353	\$2,532
2017	1	N/A	\$1,853	\$206	\$1,647	\$1,826
2022	4	N/A	\$1,853	\$206	\$1,647	\$1,826
2023	1	N/A	\$3,454	\$206	\$3,248	\$3,427

Trend: Comments

2Q15	The contact stated that the property recently finished construction on the final phase and the vacancy rate reflects an undisclosed number of recently completed new units which recently became available. The contact stated that some one and two-bedroom units feature attached garages. Additionally, detached garages are available to rent for \$130 per month. The contact was unable to provide a date for initial unit delivery, stating the property has been open for approximately a year and a half. However, the contact was able to state that during lease-up the property was absorbing approximately 20 units per month.
1Q17	The contact indicated rent varies based off view, unit size, yard, and a garage. Detached garages are available for \$130. The concessions offered are one month free on one-bedroom units, and 1.5 months free on the two and three-bedroom units. The contact could not determine why vacancy has increased. The one-bedroom rents decreased up to three percent. The two-bedroom rents have not changed. The three-bedroom units have decreased 21 percent.
4Q22	N/A
1Q23	N/A

Photos



PROPERTY PROFILE REPORT

Lantana Ridge

Effective Rent Date	12/02/2022
Location	6636 W. William Cannon Dr. Austin, TX 78735 Travis County
Distance	N/A
Units	354
Vacant Units	21
Vacancy Rate	5.9%
Type	Garden (3 stories)
Year Built/Renovated	1997 / 2014
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	The Preserve, Sedona Springs, Deerfeild
Tenant Characteristics	Families and singles from the Austin area
Contact Name	Lizzie
Phone	512-891-5500



Market Information

Program	Market
Annual Turnover Rate	42%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	LRO pricing/fluctuates daily
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	196	735	\$ 1,500	\$ 0	Market	No	9	4.6%	N/A	None
2	2	Garden (3 stories)	118	1,092	\$ 1,650	\$ 0	Market	No	4	3.4%	N/A	None
3	2	Garden (3 stories)	40	1,269	\$ 2,093	\$ 0	Market	No	8	20.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$ 1,500	\$ 0	\$ 1,500	\$ 135	\$ 1,635
2BR / 2BA	\$ 1,650	\$ 0	\$ 1,650	\$ 155	\$ 1,805
3BR / 2BA	\$ 2,093	\$ 0	\$ 2,093	\$ 179	\$ 2,272

Lantana Ridge, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpeting	Central A/C	Limited Access	
Dishwasher	Exterior Storage		
Ceiling Fan	Fireplace		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Garage(\$ 80.00)		
Central Laundry	Off-Street Parking		
On-Site Management	Playground		
Swimming Pool			

Comments

The contact indicated that renovations were recently completed at the property. The property accepts Housing Choice Vouchers, but currently has no tenants using vouchers.

Lantana Ridge, continued

Trend Report

Vacancy Rates

3Q04	3Q05	2Q15	4Q22
0.0%	0.0%	2.8%	5.9%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	3	N/A	\$ 772	\$ 0	\$ 772	\$ 907

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	3	0.0%	\$ 697	\$ 0	\$ 697	\$ 832
2005	3	0.0%	\$ 641	\$ 0	\$ 641	\$ 776
2015	2	N/A	\$ 1,079	\$ 0	\$ 1,079	\$ 1,214
2022	4	4.6%	\$ 1,500	\$ 0	\$ 1,500	\$ 1,635

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	3	0.0%	\$ 864	\$ 0	\$ 864	\$ 1,019
2005	3	0.0%	\$ 853	\$ 0	\$ 853	\$ 1,008
2015	2	N/A	\$ 1,483	\$ 0	\$ 1,483	\$ 1,638
2022	4	3.4%	\$ 1,650	\$ 0	\$ 1,650	\$ 1,805

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	3	0.0%	\$ 1,019	\$ 0	\$ 1,019	\$ 1,198
2005	3	0.0%	\$ 1,051	\$ 0	\$ 1,051	\$ 1,230
2015	2	N/A	\$ 1,688	\$ 0	\$ 1,688	\$ 1,867
2022	4	20.0%	\$ 2,093	\$ 0	\$ 2,093	\$ 2,272

Trend: Comments

3Q04	AMLI at Lantana Ridge is completely occupied with a rental increase of \$ 50 dollars over the past year. They get the most demand for their two and three bedroom apartments, although they prelease all of their units. Turnover at Lantana Ridge is low. They normally loose 5 leases a month.
3Q05	The contact was a new employee, but seemed confident of information given. She said that rents tend to change weekly, or even more often, as they are set by a computer program. Back yard have recently been fenced in.
2Q15	The contact indicated that renovations were recently completed at the property. The property accepts Housing Choice Vouchers, but currently has no tenants using vouchers.
4Q22	N/A

Photos



PROPERTY PROFILE REPORT

The Park On Brodie Lane

Effective Rent Date	12/06/2022
Location	6607 Brodie Lane Austin, TX 78745 Travis County
Distance	N/A
Units	290
Vacant Units	13
Vacancy Rate	4.5%
Type	Garden (3 stories)
Year Built/Renovated	1997 / 2015
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Highland Hill Country, Grand Reserve
Tenant Characteristics	Mixed tenancy from South and SW Austin
Contact Name	Bethany
Phone	512.892.3899



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Preleased to five days
Annual Chg. in Rent	LRO pricing/fluctuates daily
Concession	N/A
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	52	655	\$ 1,313	\$ 0	Market	No	1	1.9%	N/A	None
1	1	Garden (3 stories)	53	796	\$ 1,515	\$ 0	Market	No	1	1.9%	N/A	None
1	1	Garden (3 stories)	53	857	\$ 1,728	\$ 0	Market	No	1	1.9%	N/A	None
2	1	Garden (3 stories)	18	932	\$ 1,540	\$ 0	Market	No	1	5.6%	N/A	None
2	2	Garden (3 stories)	32	1,071	\$ 1,645	\$ 0	Market	No	3	9.4%	N/A	None
2	2	Garden (3 stories)	32	1,126	\$ 1,828	\$ 0	Market	No	2	6.2%	N/A	None
2	2	Garden (3 stories)	32	1,244	\$ 1,918	\$ 0	Market	No	1	3.1%	N/A	None
3	2	Garden (3 stories)	18	1,367	\$ 2,044	\$ 0	Market	No	3	16.7%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$ 1,313 - \$ 1,728	\$ 0	\$ 1,313 - \$ 1,728	\$ 135	\$ 1,448 - \$ 1,863
2BR / 1BA	\$ 1,540	\$ 0	\$ 1,540	\$ 155	\$ 1,695
2BR / 2BA	\$ 1,645 - \$ 1,918	\$ 0	\$ 1,645 - \$ 1,918	\$ 155	\$ 1,800 - \$ 2,073
3BR / 2BA	\$ 2,044	\$ 0	\$ 2,044	\$ 179	\$ 2,223

The Park On Brodie Lane, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Fireplace	Garbage Disposal		
Microwave	Oven		
Refrigerator	Vaulted Ceilings		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Carport(\$ 30.00)	None	None
Clubhouse/Meeting Room/Community	Exercise Facility		
Garage(\$ 75.00)	Jacuzzi		
Central Laundry	Off-Street Parking		
Playground	Swimming Pool		

Comments

The contact reported a lull in the leasing pace during the past two weeks due to the holidays but expects an increase in renter traffic at the start of the New Year.

The Park On Brodie Lane, continued

Trend Report

Vacancy Rates

3Q05	4Q15	4Q16	4Q22
1.4%	5.9%	9.3%	4.5%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	3	N/A	\$ 860 - \$ 1,005	\$ 204 - \$ 299	\$ 656 - \$ 706	\$ 791 - \$ 841
2015	4	N/A	\$ 1,140 - \$ 1,295	\$ 0	\$ 1,140 - \$ 1,295	\$ 1,275 - \$ 1,430
2016	4	8.9%	\$ 1,090 - \$ 1,340	\$ 0	\$ 1,090 - \$ 1,340	\$ 1,225 - \$ 1,475
2022	4	1.9%	\$ 1,313 - \$ 1,728	\$ 0	\$ 1,313 - \$ 1,728	\$ 1,448 - \$ 1,863

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	3	N/A	\$ 1,015	\$ 109	\$ 906	\$ 1,061
2015	4	N/A	\$ 1,250	\$ 0	\$ 1,250	\$ 1,405
2016	4	16.7%	\$ 1,540	\$ 0	\$ 1,540	\$ 1,695
2022	4	5.6%	\$ 1,540	\$ 0	\$ 1,540	\$ 1,695

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	3	N/A	\$ 1,155 - \$ 1,400	\$ 159 - \$ 394	\$ 996 - \$ 1,006	\$ 1,151 - \$ 1,161
2015	4	N/A	\$ 1,300 - \$ 1,430	\$ 0	\$ 1,300 - \$ 1,430	\$ 1,455 - \$ 1,585
2016	4	6.2%	\$ 1,430 - \$ 1,645	\$ 0	\$ 1,430 - \$ 1,645	\$ 1,585 - \$ 1,800
2022	4	6.2%	\$ 1,645 - \$ 1,918	\$ 0	\$ 1,645 - \$ 1,918	\$ 1,800 - \$ 2,073

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	3	N/A	\$ 1,410 - \$ 1,475	\$ 269 - \$ 304	\$ 1,106 - \$ 1,206	\$ 1,285 - \$ 1,385
2015	4	0.0%	\$ 1,705	\$ 0	\$ 1,705	\$ 1,884
2016	4	22.2%	\$ 1,755	\$ 0	\$ 1,755	\$ 1,934
2022	4	16.7%	\$ 2,044	\$ 0	\$ 2,044	\$ 2,223

Trend: Comments

3Q05	Riveroaks Apartments is currently 99 percent occupied. Management reported that the market is improving in the area.
4Q15	The contact reported a lull in the leasing pace during the past two weeks due to the holidays but expects an increase in renter traffic at the start of the New Year.
4Q16	N/A
4Q22	N/A

Photos



PROPERTY PROFILE REPORT

The Preserve At Travis Creek

Effective Rent Date	12/02/2022
Location	5604 Southwest Parkway Austin, TX 78735 Travis County
Distance	N/A
Units	608
Vacant Units	25
Vacancy Rate	4.1%
Type	Garden (3 stories)
Year Built/Renovated	1997 / 2013
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Amyly
Tenant Characteristics	None identified
Contact Name	Mary
Phone	512-899-2322



Market Information

Program	Market
Annual Turnover Rate	39%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	LRO pricing/fluctuates daily
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	65	692	\$ 1,557	\$ 0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	64	788	\$ 1,735	\$ 0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	65	793	\$ 1,597	\$ 0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	64	912	\$ 1,716	\$ 0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	82	1,054	\$ 1,953	\$ 0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	82	1,062	\$ 1,923	\$ 0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	82	1,165	\$ 1,813	\$ 0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	104	1,362	\$ 2,149	\$ 0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$ 1,557 - \$ 1,735	\$ 0	\$ 1,557 - \$ 1,735	\$ 135	\$ 1,692 - \$ 1,870
2BR / 2BA	\$ 1,813 - \$ 1,953	\$ 0	\$ 1,813 - \$ 1,953	\$ 155	\$ 1,968 - \$ 2,108
3BR / 2BA	\$ 2,149	\$ 0	\$ 2,149	\$ 179	\$ 2,328

The Preserve At Travis Creek, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Carpeting	Limited Access	None
Central A/C	Coat Closet	Perimeter Fencing	
Dishwasher	Ceiling Fan		
Fireplace	Garbage Disposal		
Microwave	Oven		
Refrigerator	Vaulted Ceilings		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Garage		
Jacuzzi	Central Laundry		
Off-Street Parking	On-Site Management		
Sauna	Swimming Pool		

Comments

Trash is a \$ 25 fee and pest control is a \$ 3 fee, monthly.

The Preserve At Travis Creek, continued

Trend Report

Vacancy Rates

3Q04	3Q05	2Q15	4Q22
1.8%	7.9%	4.1%	4.1%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	3	1.9%	\$946	\$92	\$854	\$989
2005	3	N/A	\$835	\$0	\$835	\$970
2015	2	N/A	\$1,145 - \$1,372	\$0	\$1,145 - \$1,372	\$1,280 - \$1,507
2022	4	N/A	\$1,557 - \$1,735	\$0	\$1,557 - \$1,735	\$1,692 - \$1,870

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	3	2.0%	\$1,296	\$238	\$1,058	\$1,213
2005	3	N/A	\$1,089	\$0	\$1,089	\$1,244
2015	2	N/A	\$1,400 - \$1,639	\$0	\$1,400 - \$1,639	\$1,555 - \$1,794
2022	4	N/A	\$1,813 - \$1,953	\$0	\$1,813 - \$1,953	\$1,968 - \$2,108

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	3	1.0%	\$1,649	\$132	\$1,517	\$1,696
2005	3	N/A	\$1,529	\$0	\$1,529	\$1,708
2015	2	N/A	\$1,701	\$0	\$1,701	\$1,880
2022	4	N/A	\$2,149	\$0	\$2,149	\$2,328

Trend: Comments

3Q04 N/A

3Q05 The Preserve at Travis Creek is currently 92 percent occupied and 95 percent leased. The representative we spoke with was unable to provide information on turnover or tenancy

2Q15 Trash is a \$ 25 fee and pest control is a \$ 3 fee, monthly.

4Q22 N/A

Photos



PROPERTY PROFILE REPORT

The Shiloh At Oak Hill

Effective Rent Date	1/23/2023
Location	6811 Old Bee Caves Rd Austin, TX 78735 Travis County
Distance	N/A
Units	286
Vacant Units	10
Vacancy Rate	3.5%
Type	Garden (4 stories)
Year Built/Renovated	2021 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed; families, young professionals
Contact Name	Property Manager
Phone	(737) 245-0419



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	LRO pricing/fluctuates daily
Concession	N/A
Waiting List	N/A

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (4 stories)	N/A	696	\$ 1,510	\$ 0	Market	No	2	N/A	N/A	None
1	1	Garden (4 stories)	N/A	825	\$ 1,811	\$ 0	Market	No	2	N/A	N/A	AVG*
1	1.5	Garden (4 stories)	N/A	968	\$ 2,141	\$ 0	Market	No	3	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,084	\$ 2,109	\$ 0	Market	No	3	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,182	\$ 2,131	\$ 0	Market	No	0	N/A	N/A	AVG*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$ 1,510	\$ 0	\$ 1,510	\$ 133	\$ 1,643
1BR / 1BA	\$ 1,811	\$ 0	\$ 1,811	\$ 135	\$ 1,946
1BR / 1.5BA	\$ 2,141	\$ 0	\$ 2,141	\$ 135	\$ 2,276
2BR / 2BA	\$ 2,109 - \$ 2,131	\$ 0	\$ 2,109 - \$ 2,131	\$ 155	\$ 2,264 - \$ 2,286

The Shiloh At Oak Hill, continued

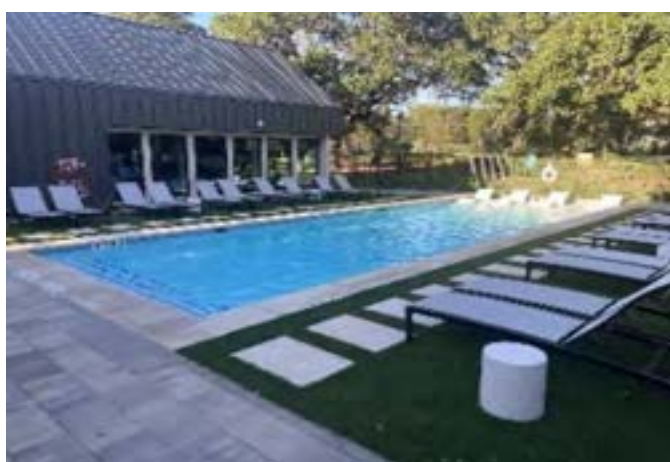
Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Central A/C	Limited Access	
Coat Closet	Dishwasher	Perimeter Fencing	
Ceiling Fan	Garbage Disposal	Video Surveillance	
Microwave	Oven		
Refrigerator	Vaulted Ceilings		
Walk-In Closet	Washer/Dryer		
Property		Premium	Other
Business Center/Computer Lab	Carport(\$ 35.00)	None	Dog Park
Clubhouse/Meeting Room/Community	Elevators		
Exercise Facility	Garage(\$ 100.00)		
Off-Street Parking	On-Site Management		
Picnic Area	Recreation Areas		
Swimming Pool	Wi-Fi		

Comments

The property was built in 2021 and offers a mix of studios and one and two-bedroom apartments. The contact was unable to report absorption information. The profile reflects units that were available at the time of the survey.

Photos



MARKET CHARACTERISTICS

Following are relevant characteristics of the comparable properties surveyed.

Unit Mix

The following table displays the unit mix at the surveyed comparable properties.

UNIT MIX				
Unit Type	Total Units (Subject)	Percent (Subject)	Total Units (Comps)	Percent (Comps)
OBR	40	44.4%	0	0.0%
1BR	30	33.3%	772	44.3%
2BR	20	22.2%	726	41.6%
3BR	-	0.0%	246	14.1%
Total	90	100.0%	1,744	100.0%

The Subject's unit mix will have a higher percentage of studios and a lower percentage of one and two-bedroom units when compared to the comparable properties. It should be noted that Cielo Apartments, Skyline Terrace, and The Shiloh At Oak Hill did not report a unit mix. Therefore, these developments have been excluded from this analysis. We anticipate the Subject's unit mix will be received well in the market given the comparables' and the Subject's targeted tenancy.

Turnover

The following table illustrates reported turnover for the comparable properties.

TURNOVER			
Property Name	Program	Tenancy	Annual Turnover
Skyline Terrace*	LIHTC	Family	14%
Southpark Ranch*	LIHTC	Family	25%
Southwest Trails	LIHTC	Family	8%
West Gate Ridge	LIHTC	Family	N/A
Cielo Apartments*	Market	Family	22%
Lantana Ridge	Market	Family	42%
The Park On Brodie Lane	Market	Family	N/A
The Preserve At Travis Creek	Market	Family	39%
The Shiloh At Oak Hill	Market	Family	N/A
Average Turnover			25%

*Located outside PMA

The comparable properties reported turnover rates ranging between eight and 42 percent, with an overall average of 25 percent. The LIHTC comparables operate with an average turnover rate of approximately 16 percent, which is well below the 34 percent average reported by the market rate properties. Three of the comparable properties, West Gate Ridge, The Park On Brodie Lane, and The Shiloh At Oak Hill, did not report turnover rates and have been excluded from this analysis. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a turnover rate of approximately 15 percent, upon completion.

Rent Growth

We were able to obtain the most recent rent growth data from the following comparable properties, which are illustrated in the following table.

RENT GROWTH

Property Name	Program	Tenancy	Rent Growth
Skyline Terrace*	LIHTC	Family	Increased up to 3%
Southpark Ranch*	LIHTC	Family	Increased to 2022 max
Southwest Trails	LIHTC	Family	Increased to 2022 max
West Gate Ridge	LIHTC	Family	Increased to 2022 max
Cielo Apartments*	Market	Family	LRO pricing/fluctuates daily
Lantana Ridge	Market	Family	LRO pricing/fluctuates daily
The Park On Brodie Lane	Market	Family	LRO pricing/fluctuates daily
The Preserve At Travis Creek	Market	Family	LRO pricing/fluctuates daily
The Shiloh At Oak Hill	Market	Family	LRO pricing/fluctuates daily

*Located outside PMA

Three of the affordable comparables reported increasing rents to the 2022 maximum allowable LIHTC rent limits. The other LIHTC comparable reported slight increases of up to three percent and reported that rents are kept under maximum allowable levels to maintain affordability for tenants, many of whom are senior or very low-income households. The market rate comparables reported rents fluctuate daily. Given that the Subject's proposed LIHTC rents are set at the 2022 maximum allowable rent limits, rent increases will be primarily dependent upon changes in the AMGI, as well as market conditions.

Projected Absorption

The following table details the nearest absorption comparables we were able to identify. One of the comparables, West Gate Ridge, was able to provide absorption data. Additionally, we obtained absorption data from other properties within a ten-mile radius of the Subject that have reported absorption information since 2018.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
The Oaks At Ben White	LIHTC	Family	Austin	2021	96	29	9.9 miles
Urbana At Goodnight Ranch	Market	Family	Austin	2019	151	9	9.5 miles
Anthem At Ledge Stone	Market	Family	Austin	2019	292	20	6.7 miles
West Gate Ridge*	LIHTC	Family	Austin	2018	140	14	4.5 miles
Sentral East Austin 1630	LIHTC	Family	Austin	2018	138	22	9.3 miles
Travis At The Lake	Market	Family	Austin	2018	312	25	9.4 miles
E6 Apartments	Market	Family	Austin	2018	208	9	9.8 miles
Average Affordable					125	22	
Average Market					241	16	
Overall Average					191	18	

*Comparable Property

As illustrated above, absorption at the comparable property, West Gate Ridge, was reported to be 14 units per month. The overall average reported by the surveyed affordable properties was 22 units per month. The overall average reported by all surveyed properties was 18 units per month. Based on this information, we estimate that the Subject would achieve a stabilized occupancy rate of 95 percent at a rate of approximately 20 units per month, which equates to an absorption period of approximately four to five months.

Concessions

The following table details rental concessions offered by the comparables.

CONCESSIONS			
Property Name	Program	Tenancy	Concessions
Skyline Terrace*	LIHTC	Family	None
Southpark Ranch*	LIHTC	Family	None
Southwest Trails	LIHTC	Family	None
West Gate Ridge	LIHTC	Family	None
Cielo Apartments*	Market	Family	1 to 1.5 months free on select units
Lantana Ridge	Market	Family	None
The Park On Brodie Lane	Market	Family	None
The Preserve At Travis Creek	Market	Family	None
The Shiloh At Oak Hill	Market	Family	None

*Located outside PMA

One of the nine comparable properties reported offering concessions. Given the overall lack of concessions offered in the market, we do not anticipate that the Subject will need to offer concessions to maintain a stabilized occupancy rate, upon completion.

Waiting Lists

In markets with high housing costs and a limited supply of affordable housing, waiting lists are common. A waiting list indicates a strong market with high occupancy and unmet demand. Properties that carry a waiting list typically enjoy easy lease-up upon turnover. The following table details the waiting list information at comparable multifamily properties.

WAITING LISTS			
Property Name	Program	Tenancy	Waiting List Length
Skyline Terrace*	LIHTC	Family	Yes, 40 households
Southpark Ranch*	LIHTC	Family	Yes, 10-12 households
Southwest Trails	LIHTC	Family	Yes, length unspecified
West Gate Ridge	LIHTC	Family	N/A
Cielo Apartments*	Market	Family	N/A
Lantana Ridge	Market	Family	N/A
The Park On Brodie Lane	Market	Family	N/A
The Preserve At Travis Creek	Market	Family	N/A
The Shiloh At Oak Hill	Market	Family	N/A

*Located outside PMA

Three of the four LIHTC properties maintain waiting lists. These waiting lists range from approximately 10 to 40 households in length. Southwest Trails was unable to specify the length of its waiting list. None of the market rate properties maintain waiting lists. Based on the waiting lists maintained by three of the four LIHTC properties, upon stabilization, we expect the Subject to operate with low vacancy and maintain a waiting list.

Vacancy

The following table summarizes overall weighted vacancy levels at the surveyed properties.

OVERALL VACANCY

Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Skyline Terrace*	LIHTC	Family	100	0	0.0%
Southpark Ranch*	LIHTC	Family	192	0	0.0%
Southwest Trails	LIHTC	Family	160	0	0.0%
West Gate Ridge	LIHTC	Family	140	5	3.6%
Cielo Apartments*	Market	Family	326	8	2.5%
Lantana Ridge	Market	Family	354	21	5.9%
The Park On Brodie Lane	Market	Family	290	13	4.5%
The Preserve At Travis Creek	Market	Family	608	25	4.1%
The Shiloh At Oak Hill	Market	Family	286	10	3.5%
LIHTC Total			592	5	0.8%
Market Total			1,864	77	4.1%
Overall Total			2,456	82	3.3%

*Located outside PMA

The comparable properties reported vacancy rates ranging from zero to 5.9 percent, with an overall weighted average of 3.3 percent. Managers at three of the four LIHTC properties reported being fully occupied. The average vacancy rate reported by the LIHTC comparables was 0.8 percent. All of the market rate properties reported vacancy rates of 5.9 percent or less with an overall weighted average of 4.1 percent. We have taken into account elevated market vacancy in our determination of achievable market rents. Based on the performance of the comparables, we expect the Subject will operate with vacancy and collection losses of approximately three percent or less upon stabilization.

Historical Vacancy

The following table details historical vacancy levels for the properties included as comparables.

HISTORICAL VACANCY

Property Name	Program	Total Units	2022 Q4	2023 Q1
Skyline Terrace	LIHTC	100	0.0%	0.0%
Southpark Ranch	LIHTC	192	N/Av	0.0%
Southwest Trails	LIHTC	160	0.0%	0.0%
West Gate Ridge	LIHTC	140	3.6%	3.6%
Cielo Apartments	Market	326	46.0%	2.5%
Lantana Ridge	Market	354	5.9%	5.9%
The Park On Brodie Lane	Market	290	4.5%	4.5%
The Preserve At Travis Creek	Market	608	4.1%	4.1%
The Shiloh At Oak Hill	Market	286	N/Av	3.5%
Average*			9.2%	3.3%

*Note: calculated based on simple, unweighted average of available vacancy percents

As indicated, there is limited historical performance data available for the selected comparable properties. It should be noted that the base line percentages do not reflect a weighted average as indicated in the previous vacancy rate analysis. Per TDHCA 2023 guidelines, we have provided a vacancy table by age, quality, and bedroom type, which is located following.

Per TDHCA guidelines, we have provided the following occupancy tables by age, quality, and bedroom type.

VACANCY BY CONDITION

Property Name	Year Built/Renovated	Condition	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Southpark Ranch	2008	-	LIHTC	Family	192	0	0.0%
The Shiloh At Oak Hill	2021	-	Market	Family	286	10	3.5%
Total (-)					478	10	2.1%
Skyline Terrace	1985 / 2008	Average	LIHTC	Family	100	0	0.0%
Total (Average)					100	0	0.0%
Southwest Trails	2000	Good	LIHTC	Family	160	0	0.0%
Cielo Apartments	2014	Good	Market	Family	326	8	2.5%
The Park On Brodie Lane	1997 / 2015	Good	Market	Family	290	13	4.5%
Total (Good)					776	21	2.7%
West Gate Ridge	2018	Excellent	LIHTC	Family	140	5	3.6%
Lantana Ridge	1997 / 2014	Excellent	Market	Family	354	21	5.9%
The Preserve At Travis Creek	1997 / 2013	Excellent	Market	Family	608	25	4.1%
Total (Excellent)					1,102	51	4.6%
Total (Overall)					2,456	82	3.3%

VACANCY BY BEDROOM TYPE

Property Name	Program	Tenancy	0BR	1BR	2BR	3BR
Skyline Terrace	LIHTC	Family	-	-	-	-
Southpark Ranch	LIHTC	Family	-	0.0%	0.0%	0.0%
Southwest Trails	LIHTC	Family	-	0.0%	0.0%	0.0%
West Gate Ridge	LIHTC	Family	-	3.3%	4.0%	-
Cielo Apartments	Market	Family	-	-	-	-
Lantana Ridge	Market	Family	-	4.6%	3.4%	20.0%
The Park On Brodie Lane	Market	Family	-	1.9%	6.1%	16.7%
The Preserve At Travis Creek	Market	Family	-	0.0%	0.0%	0.0%
The Shiloh At Oak Hill	Market	Family	-	-	-	-

REASONABILITY OF RENTS

The following is a discussion about the Subject’s and comparable properties’ affordable rents. “Net rents” are rents adjusted for the cost of utilities (adjusted to the Subject’s convention) and are used to compensate for the differing utility structures of the Subject and the comparable properties. Net rents represent the actual costs of residing at a property, and help to provide an “apples-to-apples” comparison of rents.

Achievable LIHTC Rents

Based on the proposed rents, the Subject’s proposed LIHTC rental rates are below the achievable market rates for the PMA for all units set aside at the 50, 60, and 80 percent AMI levels. The following table illustrates the rent comparison for achievable market rents at the comparable properties and the proposed rents at the Subject.

50 Percent AMI

LIHTC RENT COMPARISON @50%

Property Name	County	0BR	1BR	Max Rent?
Oak Hill Lofts	Travis	\$915	\$973	Yes
LIHTC Maximum Rent (Net)	Travis	\$915	\$973	-
Skyline Terrace	Travis	\$562	-	No
Southwest Trails	Travis	-	\$969	Yes
Average	-	\$562	\$969	-
Achievable LIHTC Rent	-	\$915	\$973	Yes

60 Percent AMI

LIHTC RENT COMPARISON @60%

Property Name	County	1BR	2BR	Max Rent?
Oak Hill Lofts	Travis	\$1,180	\$1,416	Yes
LIHTC Maximum Rent (Net)	Travis	\$1,180	\$1,416	-
Southpark Ranch	Travis	\$1,194	\$1,435	Yes
West Gate Ridge	Travis	\$1,200	\$1,439	Yes
Average	-	\$1,197	\$1,437	-
Achievable LIHTC Rent	-	\$1,180	\$1,416	Yes

Two of the four of the comparables offer units at the 50 percent AMI set aside and two of the four comparables offers units at the 60 percent AMI set aside. It should be noted that the discrepancy between the adjusted rents for the comparables and the applicable rent limits for the Subject is attributed to differing utility allowance schedules. Three of the comparables, Southwest Trails, Southpark Ranch, and West Gate Ridge, reported achieving 2022 LIHTC maximum allowable rents. Management at Skyline Terrace reported that the property offers a mix of subsidized and unsubsidized units, and that rents are kept under maximum allowable levels to maintain affordability for tenants, many of whom are senior or very low-income households. Three of the four comparables maintain waiting lists. Management at West Gate Ridge reported the property does not currently maintain a waiting list as it is pre-leased through 2023. The comparables operate with an average vacancy rate of 0.8 percent. The Subject will offer slightly superior to superior condition relative to the comparables as new construction, and is similar to superior to the comparables in terms of location. Based on the performance of the comparables, we have concluded to achievable LIHTC rents at the 2022 maximum allowable levels for the Subject’s studios and one-bedroom units at 50 percent of the AMI and the Subject’s one and two-bedroom units at 60 percent of the AMI.

None of the comparables offer units set aside at the 80 percent AMI level. However, it should be noted potential income-qualified tenants for the Subject’s 60 percent AMI units may also qualify for the Subject’s 80 percent AMI units. Therefore, based on the performance of the comparable at the 60 percent AMI set aside, as well as the strong overall performance of the market rate comparables, we have concluded to achievable LIHTC rents at the 2022 maximum allowable levels for the Subject’s two-bedroom units at 80 percent of the AMI.

Achievable Market Rents & Comparable Units

Per TDHCA guidelines, Novogradac has prepared separate rent matrices to support the estimate of achievable unrestricted market rents, which can be found on the following pages. Following the grids, we have detailed the adjustments made in the Rent Comparability Matrices for the market rate properties. Through our explanation of adjustments, we have detailed additional comparable characteristics including age/year of renovation, condition, target population (all comparables target the general population, similar to the Subject), unit amenities, and utility structure. It should be noted that we have produced grids for the largest proposed units for each unit type at the Subject. The remaining rents for each unit type are based on a square foot adjustment.

	Subject	Comparable #5		Comparable #6		Comparable #7		Comparable #8		Comparable #9	
	Oak Hill Lofts	Cielo Apartments		Lantana Ridge		The Park On Brodie Lane		The Preserve At Travis Creek		The Shiloh At Oak Hill	
	7610 Old Bee Caves Rd	3501 Ranch Road 620 South		6636 W. William Cannon Dr.		6607 Brodie Lane		5604 Southwest Parkway		6811 Old Bee Caves Rd	
	Austin, Travis County, TX	Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,638	N	\$1,500	N	\$1,313	N	\$1,557	N	\$1,510	N
2	Date Last Leased (mo/yr)	Dec-22		Dec-22		Dec-22		Dec-22		Jan-23	
3	Rent Concessions	Y	(\$79)	N		N		N		N	
4	Occupancy for Unit Type	100%		95%		98%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,559	\$2.49	\$1,500	\$2.04	\$1,313	\$2.00	\$1,557	\$2.25	\$1,510	\$2.17
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	E / 4	G / 3	\$20	G / 3	\$20	G / 3	\$20	G / 3	\$20	E / 4
7	Yr. Built / Yr. Renovated	2024	2014	\$15	1997 / 2014	\$45	1997 / 2015	\$45	1997 / 2013	\$45	2021
8	Condition / Street Appeal	E	E		G	\$50	G	\$50	G	\$50	E
9	Neighborhood	A	A		A		F	\$50	A		A
10	Same Market? Miles to Subj.		Y/6.5		Y/1.0		Y/3.6		Y/2.0		Y/0.7
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	0.0	1.0	(\$100)	1.0	(\$100)	1.0	(\$100)	1.0	(\$100)	0.0
12	# Bathrooms	1.0	1.0		1.0		1.0		1.0		1.0
13	Unit Interior Sq. Ft.	550	627	(\$50)	735	(\$94)	655	(\$53)	692	(\$80)	696
14	Balcony / Patio	Y	Y		Y		Y		Y		Y
15	AC: Central / Wall	C	C		C		C		C		C
16	Range / Refrigerator	R / F	R / F		R / F		R / F		R / F		R / F
17	Microwave / Dishwasher	M / D	M / D		M / D		M / D		M / D		M / D
18	Washer / Dryer	WD	WD		L / HU	\$20	L / HU	\$20	L / HU	\$20	WD
19	Floor Coverings	Y	Y		Y		Y		Y		Y
20	Window Coverings	B	B		B		B		N	\$5	B
21	Cable / Satellite / Internet	Internet	N	\$35	N	\$35	N	\$35	N	\$35	N
22	Special Features	CF / GD	CF / WIC		CF / GD / F / WIC	(\$10)	CF / GD / F / VC / WIC	(\$15)	CF / GD / F / VC / WIC	(\$15)	CF / GD / VC / WIC
23	Special / Custom	Common-Area Wi-Fi	N	\$5	N	\$5	N	\$5	N	\$5	Common-Area Wi-Fi, Dog Park
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	C / G(\$40)	L / C(\$35) / G(\$130)	\$35	L / G(\$80)	\$35	L / C(\$30) / G(\$75)	\$35	L / G	(\$65)	L / C(\$35) / G(\$100)
25	Extra Storage	N	Y	(\$10)	Y	(\$10)	Y	(\$10)	N		N
26	Security	Y	Y		Y		Y		Y		Y
27	Clubhouse / Meeting Rooms	N	MR	(\$10)	MR	(\$10)	MR	(\$10)	MR	(\$10)	MR
28	Pool / Recreation Areas	RRRR	P / E / RRR	(\$10)	P / E / R		P / E / RR	(\$5)	P / E / R		P / E / RR
29	Business Ctr / Nbhd Network	N	N		BC	(\$10)	BC	(\$10)	BC	(\$10)	BC
30	Service Coordination	N	N		N		N		N		N
31	Non-shelter Services	N	N		N		N		N		N
32	Neighborhood Networks	N	N		N		N		N		N
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E
34	Cooling (in rent? / type)	N / C	N / C		N / C		N / C		N / C		N / C
35	Cooking (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E
36	Hot water (in rent? / type)	N / E	N / E		N / G		N / E		N / G		N / E
37	Other Electric	N	N		N		N		N		N
38	Cold Water / Sewer	Y / Y	N / N	\$108	N / N	\$108	N / N	\$108	N / N	\$108	N / N
39	Trash / Recycling	Y	N	\$25	N	\$25	N	\$25	N	\$25	N
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	(5)	7	(6)	8	(7)	7	(6)	2	(6)
41	Sum Adjustments B to D	\$110	(\$180)	\$210	(\$234)	\$260	(\$203)	\$180	(\$280)	\$70	(\$119)
42	Sum Utility Adjustments	\$133		\$133		\$133		\$133		\$133	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E	\$63	\$423	\$109	\$577	\$190	\$596	\$33	\$593	\$84	\$322
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)	\$1,622		\$1,609		\$1,503		\$1,590		\$1,594	
45	Adj Rent / Last rent		104%		107%		114%		102%		106%
46	Estimated Market Rent	\$1,600	\$2.91 Estimated Market Rent / Sq. Ft								

	Subject	Comparable #5		Comparable #6		Comparable #7		Comparable #8		Comparable #9	
	Oak Hill Lofts	Cielo Apartments		Lantana Ridge		The Park On Brodie Lane		The Preserve At Travis Creek		The Shiloh At Oak Hill	
	7610 Old Bee Caves Rd	3501 Ranch Road 620 South		6636 W. William Cannon Dr.		6607 Brodie Lane		5604 Southwest Parkway		6811 Old Bee Caves Rd	
	Austin, Travis County, TX	Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,638	N	\$1,500	N	\$1,515	N	\$1,597	N	\$1,811	N
2	Date Last Leased (mo/yr)	Dec-22		Dec-22		Dec-22		Dec-22		Jan-23	
3	Rent Concessions	Y	(\$79)	N		N		N		N	
4	Occupancy for Unit Type	100%		95%		98%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,559	\$2.49	\$1,500	\$2.04	\$1,515	\$1.90	\$1,597	\$2.01	\$1,811	\$2.20
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	E / 4	G / 3	\$20	G / 3	\$20	G / 3	\$20	G / 3	\$20	E / 4
7	Yr. Built / Yr. Renovated	2024	2014	\$15	1997 / 2014	\$45	1997 / 2015	\$45	1997 / 2013	\$45	2021
8	Condition / Street Appeal	E	E		G	\$50	G	\$50	G	\$50	E
9	Neighborhood	A	A		A		F	\$50	A		A
10	Same Market? Miles to Subj.		Y/6.5		Y/1.0		Y/3.6		Y/2.0		Y/0.7
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1.0	1.0		1.0		1.0		1.0		1.0
12	# Bathrooms	1.0	1.0		1.0		1.0		1.0		1.0
13	Unit Interior Sq. Ft.	793	627	\$108	735	\$30	796		793		825
14	Balcony / Patio	Y	Y		Y		Y		Y		Y
15	AC: Central / Wall	C	C		C		C		C		C
16	Range / Refrigerator	R / F	R / F		R / F		R / F		R / F		R / F
17	Microwave / Dishwasher	M / D	M / D		M / D		M / D		M / D		M / D
18	Washer / Dryer	WD	WD		L / HU	\$20	L / HU	\$20	L / HU	\$20	WD
19	Floor Coverings	Y	Y		Y		Y		Y		Y
20	Window Coverings	B	B		B		B		N	\$5	B
21	Cable / Satellite / Internet	Internet	N	\$35	N	\$35	N	\$35	N	\$35	N
22	Special Features	CF / GD	CF / WIC		CF / GD / F / WIC	(\$10)	CF / GD / F / VC / WIC	(\$15)	CF / GD / F / VC / WIC	(\$15)	CF / GD / VC / WIC
23	Special / Custom	Common-Area Wi-Fi	N	\$5	N	\$5	N	\$5	N	\$5	Common-Area Wi-Fi, Dog Park
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	C / G(\$40)	L / C(\$35) / G(\$130)	\$35	L / G(\$80)	\$35	L / C(\$30) / G(\$75)	\$35	L / G	(\$65)	L / C(\$35) / G(\$100)
25	Extra Storage	N	Y	(\$10)	Y	(\$10)	Y	(\$10)	N		N
26	Security	Y	Y		Y		Y		Y		Y
27	Clubhouse / Meeting Rooms	N	MR	(\$10)	MR	(\$10)	MR	(\$10)	MR	(\$10)	MR
28	Pool / Recreation Areas	RRRR	P / E / RRR	(\$10)	P / E / R		P / E / RR	(\$5)	P / E / R		P / E / RR
29	Business Ctr / Nbhd Network	N	N		BC	(\$10)	BC	(\$10)	BC	(\$10)	BC
30	Service Coordination	N	N		N		N		N		N
31	Non-shelter Services	N	N		N		N		N		N
32	Neighborhood Networks	N	N		N		N		N		N
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E
34	Cooling (in rent? / type)	N / C	N / C		N / C		N / C		N / C		N / C
35	Cooking (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E
36	Hot water (in rent? / type)	N / E	N / E		N / G		N / E		N / G		N / E
37	Other Electric	N	N		N		N		N		N
38	Cold Water / Sewer	Y / Y	N / N	\$110	N / N	\$110	N / N	\$110	N / N	\$110	N / N
39	Trash / Recycling	Y	N	\$25	N	\$25	N	\$25	N	\$25	N
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	(3)	8	(4)	8	(5)	7	(4)	2	(6)
41	Sum Adjustments B to D	\$218	(\$30)	\$240	(\$40)	\$260	(\$50)	\$180	(\$100)	\$70	(\$58)
42	Sum Utility Adjustments	\$135		\$135		\$135		\$135		\$135	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E	\$323	\$383	\$335	\$415	\$345	\$445	\$215	\$415	\$147	\$263
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)	\$1,882		\$1,835		\$1,860		\$1,812		\$1,958	
45	Adj Rent / Last rent		121%		122%		123%		113%		108%
46	Estimated Market Rent	\$1,850	\$2.33 Estimated Market Rent / Sq. Ft								

Subject		Comparable #5		Comparable #6		Comparable #7		Comparable #8		Comparable #9	
Oak Hill Lofts		Cielo Apartments		Lantana Ridge		The Park On Brodie Lane		The Preserve At Travis Creek		The Shiloh At Oak Hill	
7610 Old Bee Caves Rd		3501 Ranch Road 620 South		6636 W. William Cannon Dr.		6607 Brodie Lane		5604 Southwest Parkway		6811 Old Bee Caves Rd	
Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX		Austin, Travis County, TX	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$2,207	N	\$1,650	N	\$1,645	N	\$1,813	N	\$2,109	N
2	Date Last Leased (mo/yr)	Dec-22		Dec-22		Dec-22		Dec-22		Jan-23	
3	Rent Concessions	Y	(\$150)	N		N		N		N	
4	Occupancy for Unit Type	100%		97%		91%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$2,057	\$1.93	\$1,650	\$1.51	\$1,645	\$1.54	\$1,813	\$1.56	\$2,109	\$1.95
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	E / 4	G / 3	\$20	G / 3	\$20	G / 3	\$20	G / 3	\$20	E / 4
7	Yr. Built / Yr. Renovated	2024	2014	\$15	1997 / 2014	\$45	1997 / 2015	\$45	1997 / 2013	\$45	2021
8	Condition / Street Appeal	E	E		G	\$50	G	\$50	G	\$50	E
9	Neighborhood	A	A		A		F	\$50	A		A
10	Same Market? Miles to Subj.		Y/6.5		Y/1.0		Y/3.6		Y/2.0		Y/0.7
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2.0	2.0		2.0		2.0		2.0		2.0
12	# Bathrooms	1.0	2.0	(\$50)	2.0	(\$50)	2.0	(\$50)	2.0	(\$50)	2.0
13	Unit Interior Sq. Ft.	1,030	1,064	(\$18)	1,092	(\$23)	1,071	(\$16)	1,165	(\$53)	1,084
14	Balcony / Patio	Y	Y		Y		Y		Y		Y
15	AC: Central / Wall	C	C		C		C		C		C
16	Range / Refrigerator	R / F	R / F		R / F		R / F		R / F		R / F
17	Microwave / Dishwasher	M / D	M / D		M / D		M / D		M / D		M / D
18	Washer / Dryer	WD	WD		L / HU	\$20	L / HU	\$20	L / HU	\$20	WD
19	Floor Coverings	Y	Y		Y		Y		Y		Y
20	Window Coverings	B	B		B		B		N	\$5	B
21	Cable / Satellite / Internet	Internet	N	\$35	N	\$35	N	\$35	N	\$35	N
22	Special Features	CF / GD	CF / WIC		CF / GD / F / WIC	(\$10)	CF / GD / F / VC / WIC	(\$15)	CF / GD / F / VC / WIC	(\$15)	CF / GD / VC / WIC
23	Special / Custom	Common-Area Wi-Fi	N	\$5	N	\$5	N	\$5	N	\$5	Common-Area Wi-Fi, Dog Park
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	C / G(\$40)	L / C(\$35) / G(\$130)	\$35	L / G(\$80)	\$35	L / C(\$30) / G(\$75)	\$35	L / G	(\$65)	L / C(\$35) / G(\$100)
25	Extra Storage	N	Y	(\$10)	Y	(\$10)	Y	(\$10)	N		N
26	Security	Y	Y		Y		Y		Y		Y
27	Clubhouse / Meeting Rooms	N	MR	(\$10)	MR	(\$10)	MR	(\$10)	MR	(\$10)	MR
28	Pool / Recreation Areas	RRRR	P / E / RRR	(\$10)	P / E / R		P / E / RR	(\$5)	P / E / R		P / E / RR
29	Business Ctr / Nbhd Network	N	N		BC	(\$10)	BC	(\$10)	BC	(\$10)	BC
30	Service Coordination	N	N		N		N		N		N
31	Non-shelter Services	N	N		N		N		N		N
32	Neighborhood Networks	N	N		N		N		N		N
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E
34	Cooling (in rent? / type)	N / C	N / C		N / C		N / C		N / C		N / C
35	Cooking (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E
36	Hot water (in rent? / type)	N / E	N / E		N / G		N / E		N / G		N / E
37	Other Electric	N	N		N		N		N		N
38	Cold Water / Sewer	Y / Y	N / N	\$130	N / N	\$130	N / N	\$130	N / N	\$130	N / N
39	Trash / Recycling	Y	N	\$25	N	\$25	N	\$25	N	\$25	N
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	(5)	7	(6)	8	(7)	7	(6)	2	(7)
41	Sum Adjustments B to D	\$110	(\$98)	\$210	(\$113)	\$260	(\$116)	\$180	(\$203)	\$70	(\$116)
42	Sum Utility Adjustments	\$155		\$155		\$155		\$155		\$155	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E	\$167	\$363	\$252	\$478	\$299	\$531	\$132	\$538	\$109	\$341
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)	\$2,224		\$1,902		\$1,944		\$1,945		\$2,218	
45	Adj Rent / Last rent		108%		115%		118%		107%		105%
46	Estimated Market Rent	\$2,100	\$2.04 Estimated Market Rent / Sq. Ft								

EXPLANATION OF ADJUSTMENTS & PROPERTY CHARACTERISTICS

Occupancy/Concessions

Concessions are calculated on a monthly basis and the corresponding negative adjustments are reflected in the matrices. Cielo Apartments reported offering one month free on one-bedroom units and 1.5 months free on two and three-bedroom units. As such, we applied negative \$79, \$110, and \$189 adjustments to this comparable property in the one, two, and three-bedroom rent grids, respectively, which is applying the concessions at the comparable on a monthly basis. None of the remaining comparable properties in the matrices are currently offering concessions. Therefore, no further adjustments are necessary.

Number of Stories/Elevators

The Subject's units will be contained in two four-story elevator-serviced midrise residential buildings over two levels of podium parking garages. Four of the five comparables offer a three-story garden-style design without elevator service, which is considered inferior to the Subject. Therefore, a positive \$20 adjustment was applied to these four comparables. The remaining comparable offers a four-story garden-style design with elevator service. As such, no adjustment is necessary.

Age/Condition (Built or Last Renovated)

The comparables were constructed between 1997 and 2021 and renovated between 2013 and 2015. Cielo Apartments was constructed in 2014 and exhibits excellent overall condition. Lantana Ridge was constructed in 1997, significantly renovated in 2014, and exhibits good overall condition. The Park On Brodie Lane was constructed in 1997 and renovated in 2015 and exhibits good overall condition. The Preserve at Travis Creek was constructed in 1997, significantly renovated in 2013, and exhibits good overall condition. The Shiloh At Oak Hill was constructed in 2021 and exhibits excellent overall condition. As new construction, the Subject will be in excellent condition. As such, we have applied a positive \$50 adjustment to the comparables in good condition.

The Subject will be new construction with an anticipated completion date in 2024. The following table illustrates the adjustments used to calculate the difference in year built and the impact of renovations on the effective age of the rent comparables relative to the Subject property. We applied a positive \$15 adjustment to Cielo Apartments and a positive \$45 adjustment to Lantana Ridge, The Park On Brodie Lane, and The Preserve At Travis Creek for difference in year built/effective age.

YEAR BUILT/RENOVATED ADJUSTMENT							
Effective Age Diff. from Subject (Years)	1-2	3-5	6-8	9-11	12-15	16-25	26+
Line 7 Adjustment (\$)	\$0	\$15	\$30	\$45	\$60	\$75	\$100

Location/Neighborhood

As illustrated, The Park On Brodie Lane is located in a fair neighborhood with a lower household income, median rent value, median home value, and rent differential relative to the Subject. The remaining four market rate comparables are considered to be in average locations, similar to the Subject. Taking this data into account, along with our physical inspection of the Subject site and comparable locations, we applied a positive \$50 adjustment to the comparable in an inferior location relative to the Subject site.

LOCATIONAL COMPARISON SUMMARY

#	Property Name	Program	Distance Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	Oak Hill Lofts	LIHTC		\$109,850	\$495,425	\$1,659	70	4	4.0%	52.4%
1	Skyline Terrace*	LIHTC	6.1 miles	\$71,852	\$273,659	\$1,476	168	64	10.1%	65.3%
2	Southpark Ranch*	LIHTC	6.9 miles	\$70,770	\$163,825	\$1,255	124	52	7.4%	66.8%
3	Southwest Trails	LIHTC	0.7 mile	\$112,729	\$495,425	\$1,659	70	24	2.4%	51.9%
4	West Gate Ridge	LIHTC	4.5 miles	\$85,259	\$279,009	\$1,373	118	27	3.3%	47.5%
5	Cielo Apartments*	Market	6.5 miles	\$150,272	\$572,900	\$1,645	101	38	11.7%	40.8%
6	Lantana Ridge	Market	1.0 mile	\$76,655	\$495,425	\$1,659	96	14	7.3%	68.8%
7	The Park On Brodie Lane	Market	3.6 miles	\$84,385	\$279,009	\$1,373	168	57	13.1%	67.9%
8	The Preserve At Travis Creek	Market	2.0 miles	\$133,020	\$495,425	\$1,659	73	17	9.4%	44.8%
9	The Shiloh At Oak Hill	Market	0.7 mile	\$115,091	\$495,425	\$1,659	115	32	4.0%	43.8%

*Located outside PMA

Unit Type

The Subject will offer studios and one and two-bedroom units. One of the five comparables offers studios. Therefore, we utilized one-bedroom units in the studio grid for the other four comparables. Based on our experience in the Subject's market, as well as the matched pair analysis illustrated following, we estimate the rent premium for an additional bedroom in the Subject's market to be \$100 and applied a negative \$100 adjustment to the comparables that do not offer studios.

SUPPORT FOR BEDROOM ADJUSTMENT

Property Name	Unit Type	Structure	Rent	SF	Rent / SF	Value of Extra SF*	Value of Full Bedroom
The Park On Brodie Lane	1BR/1BA	Garden	\$1,313	655	\$2.00		
	2BR/1BA	Garden	\$1,540	932	\$1.65	\$(139)	\$88
	Difference		\$227	277	\$0.82		
The Park On Brodie Lane	2BR/2BA	Garden	\$1,828	1,126	\$1.62		
	3BR/2BA	Garden	\$2,044	1,367	\$1.50	\$(98)	\$118
	Difference		\$216	241	\$0.90		
The Preserve At Travis Creek	2BR/2BA	Garden	\$1,923	1,062	\$1.81		
	3BR/2BA	Garden	\$2,149	1,362	\$1.58	\$(136)	\$90
	Difference		\$226	300	\$0.75		
Average							\$99

*Note: SF value is calculated as (square foot delta) * (rpsf smaller unit) * (25% PSF)

Number of Bathrooms

The Subject will offer one bathroom in its studios and one and two-bedroom units. All of the comparables offer one bathroom in their studios and one-bedroom units, similar to the Subject. All of the comparables offer two bathrooms in their two-bedroom units. Based on our experience in the Subject's market, as well as the matched pair analysis illustrated following, we estimate the rent premium for an additional full bathroom in the Subject's market to be \$50 and applied a negative \$50 adjustment to the comparables that offer two bathrooms in the two-bedroom grid.

SUPPORT FOR BATHROOM ADJUSTMENT

Property Name	Unit Type	Structure	Rent	SF	Rent / SF	Value of Extra SF*	Value of Full Bath
The Park On Brodie Lane	2BR/1BA	Garden	\$1,540	932	\$1.65	(\$57)	\$48
	2BR/2BA	Garden	\$1,645	1,071	\$1.54		
	Difference		\$105	139	\$0.76		

*Note: SF value is calculated as (square foot delta) * (rpsf smaller unit) * (25% PSF)

Unit Size Adjustment

The following table summarizes unit sizes in the market area and provides a comparison of the Subject's unit sizes relative to the surveyed average unit sizes in the market.

UNIT SIZE COMPARISON

Bedroom Type	0BR	1BR	2BR
Subject	550	793	1,030
Average	487	786	1,092
Min	256	627	916
Max	696	1,034	1,397
Advantage/Disadvantage	12.9%	0.9%	-5.7%

The Subject and the comparables vary in square footage. Most market observers agree that with all other variables being equal, a larger unit is more desirable than a smaller unit. However, the value of the additional square footage is mitigated to some degree by the similarity in perceived unit function (i.e. a 600-square-foot one-bedroom unit functions similarly to a 700-square-foot one-bedroom unit), reflective of economies of scale. In other words, there is a diminishing return of value for additional square footage, as each additional square foot does not necessarily equal additional functional utility. We used the following match pair analysis to estimate the marginal value of square footage in the local market.

SUPPORT FOR SQUARE FOOTAGE ADJUSTMENT

Property Name	Unit Type	Structure	Rent	SF	Rent / SF	Marginal RPSF (%)
The Park On Brodie Lane	2BR/2BA	Garden	\$1,828	1,126	\$1.62	47%
	2BR/2BA	Garden	\$1,918	1,244	\$1.54	
	Difference		\$90	118	\$0.76	
The Preserve At Travis Creek	1BR/1BA	Garden	\$1,557	692	\$2.25	18%
	1BR/1BA	Garden	\$1,597	793	\$2.01	
	Difference		\$40	101	\$0.40	
The Preserve At Travis Creek	1BR/1BA	Garden	\$1,557	692	\$2.25	32%
	1BR/1BA	Garden	\$1,716	912	\$1.88	
	Difference		\$159	220	\$0.72	
The Preserve At Travis Creek	1BR/1BA	Garden	\$1,735	788	\$2.20	-7%
	1BR/1BA	Garden	\$1,716	912	\$1.88	
	Difference		\$19	124	-\$0.15	
Average						22%

As illustrated, the rent differential for additional square footage over the base square footage ranges from negative seven to positive 47 percent at these two comparable properties. In other words, the additional square footage is worth, on average, approximately 22 percent of the rent per square foot in comparison to the base square footage. In similar markets, we have observed a rent differential of approximately 25 percent; as such, we believe a 25 percent rent differential is reasonable for the unit size adjustment and we have applied it to the comparable properties.

Utilities Paid by Tenant

Tenants will be responsible for the cooking, hot water, heating, and electric expenses. The landlord will be responsible for the cold water, sewer, and trash costs, as well as all common area utility expenses. Some of the comparable properties have differing utility structures when compared to the Subject and have received

adjustments. These adjustments are based on the utility allowance schedule provided by the Housing Authority of the City of Austin, dated July 31, 2022, the most recent version available.

Unit Amenities

Appropriate adjustments of \$5 are applied to the comparables to account for differences in unit amenities from the Subject based on conversations with local property managers. Overall, the Subject offers similar unit amenities to the comparables.

Parking/Transportation

The Subject will offer 98 carport parking spaces for no additional fee and six garage spaces at an additional fee of \$40 per month. All of the comparables offer free off-street surface parking. Cielo Apartments, The Park On Brodie Lane, and The Shiloh At Oak Hill also offer carport and garage spaces for additional fees. Lantana Ridge also offers garage spaces for an additional fee. The Preserve at Travis Creek also offers garage spaces for no additional fee. We applied a positive \$35 adjustment to the comparables that offer carport and/or garage spaces for additional fees and a negative \$65 adjustment to the comparable that offers garage spaces for no additional fee.

Property Amenities

The Subject's property amenities will include a courtyard, elevator service, an intercom system (buzzer), in-unit alarms, limited access, on-site management, perimeter fencing, picnic areas, recreational areas, sport courts, video surveillance, adult education, and common-area Wi-Fi. Appropriate adjustments of \$5 to \$10 are applied to the comparable properties to account for differences in certain project amenities. Overall, the Subject offers similar project amenities in comparison to the comparable properties.

Security

The Subject will offer limited access, in-unit alarms, video surveillance, perimeter fencing, and an intercom (buzzer) as security features. All of the comparable properties offer some form of security. Therefore, no adjustments were applied for security.

Achievable Market Rents

Based on the proposed rents, the Subject's proposed LIHTC rental rates are below the achievable market rates for the PMA for all units set aside at the 50, 60 and 80 percent AMI levels. The following table illustrates the rent comparison for achievable market rents at the comparable properties and the proposed rents at the Subject.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Square Feet	Pro Forma Rent	Adjusted Min	Adjusted Max	Adjusted Average	Achievable Market Rent	Subject Rent Advantage
OBR/1BA	@50%	550	\$915	\$1,503	\$1,622	\$1,584	\$1,600	43%
1BR/1BA	@50%	793	\$973	\$1,812	\$1,958	\$1,869	\$1,850	47%
1BR/1BA	@60%	793	\$1,180	\$1,812	\$1,958	\$1,869	\$1,850	36%
2BR/1BA	@60%	1,030	\$1,416	\$1,902	\$2,224	\$2,047	\$2,100	33%
2BR/1BA	@80%	1,030	\$1,913	\$1,902	\$2,224	\$2,047	\$2,100	9%

The Subject will be in excellent condition as a newly constructed property and will offer relatively similar unit and property amenity packages, along with a similar location when compared to the majority of the market rate comparables. The market rate comparables will generally exhibit slightly inferior to similar conditions when compared to the Subject. The adjusted rents of all comparables were given consideration in our determination of achievable market rents. Overall, the Subject's highest proposed affordable rents will offer an advantage to Novogradac's estimated achievable market rents of approximately nine to 47 percent for all units set aside at the 50, 60, and 80 percent AMI levels.

Impact on Existing Affordable Housing

The affordable comparables reported vacancy rates ranging from zero to 3.6 percent, with an average of 0.8 percent. The market rate comparables reported vacancy rates ranging from 2.5 to 5.9 percent, with an average of 4.1 percent. Three of the four of the affordable comparable properties reported maintaining a waiting list. The Subject will offer similar to superior unit amenities and similar property amenities relative to the affordable comparable properties. We do not believe the construction of the Subject will adversely impact the existing affordable comparable properties given the waiting lists maintained at three of the four affordable comparables and strong demand for affordable housing in the Subject's area.

VI. DEMAND ANALYSIS

DEMAND ANALYSIS

The Subject property is a proposed 90-unit LIHTC development to be located in Austin, Texas. The development will offer LIHTC units restricted to households earning 50, 60, and 80 percent of the area median income (AMI) or less. Per TDHCA guidelines, the current base year is requested to be shown; however, 2023 data is not yet available. Therefore, we have utilized the most recent ESRI and Ribbon demographic estimates and projections 2022 and five-year projections 2027. Per TDHCA guidelines, our estimate of demand for the LIHTC units proposed at the Subject will be based on base year current households (2022) adjusted to the projected date of market entry, which is June 2024. Demand will be calculated for each proposed rent level and each bedroom size. Income qualified households will not be double counted.

DEMAND FROM EXISTING HOUSEHOLDS IN PMA

Number of Renter Households

The total number of renter households in the PMA in 2022 is 16,221 and the total number of renter households in 2027 is projected to be 17,051.

New Renter Households at Market Entry

According to ESRI Business Information Solutions, the number of renter households in the PMA will increase from 16,221 to 17,051 between 2022 and 2027. Based on this projection, the total number of renter households in the PMA is projected to be 16,539 by June 2024, the projected date of market entry, which is an increase of 318 households from 2022.

Number of Income and Size Qualified Renter Households

LIHTC maximum rent and income limits are based on the area median gross income (AMI), adjusted for household size, for the Subject's location. HUD estimates the relevant income levels with annual updates. The rents are calculated by HUD assuming that the gross rent a household pays is 30 percent of its household income at the relevant AMI level (50, 60, and 80 percent for the Subject). HUD assumes household size to be 1.5 persons per bedroom for LIHTC rent calculation purposes.

If the tenant pays utilities in addition to the rent, the rent is reduced by a utility allowance, which is generally estimated by the local Housing Authority.

By multiplying the total number of renter households by the percentage of income eligible households, we can estimate the number of income eligible renter households in the local market area. Per TDHCA guidelines, if some households are eligible for more than one unit type due to overlapping eligible ranges for income or household size, we have adjusted Gross Demand to avoid including households more than once.

Setting the Minimum and Maximum Eligible Income Ranges

To establish the number of income eligible potential tenants for the Subject, the calculations are as follows:

First, we estimate the Subject minimum and maximum income levels for the proposed LIHTC units. Per TDHCA guidelines, minimum income levels were calculated based on the assumption that lower income family households should pay no more than 40 percent of their income to gross rent.

Often, lower income households pay a higher percentage of income to rent due to their income level. Although higher income households generally spend a smaller portion of their income on rent, the area is not dominated by high incomes.

Secondly, we illustrate the household population segregated by income band and household size to determine those who are income qualified to reside in the Subject property.

Third, we combine the allowable income range with the income distribution analysis to determine the number of potential income qualified senior households. In those cases, the LIHTC income eligible band overlaps with

more than one census income range. In those cases, the prorated share of more than one census range will be calculated. This provides an estimate of the total number of households and the percentage of households that are income eligible.

The proposed LIHTC rents are to be set at 40 percent of the AMI. HUD establishes the maximum income level for the Subject based on household size. For demand calculation purposes, we will assume 2.0 persons per bedroom when establishing maximum income eligibility for all units. The regulations promulgated by TDHCA indicate that the minimum income level scenario should assume that a household is not paying more than 40 percent of its income on housing. The maximum and minimum eligible household income limits for the Subject's units are as follows.

INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50%		@60%		@80%	
1 person	\$28,980	\$38,650	\$37,260	\$46,380	\$59,580	\$61,840
2 person	\$31,050	\$44,150	\$37,260	\$52,980	\$59,580	\$70,640
3 person	-	-	\$44,670	\$59,580	\$59,580	\$79,440
4 person	-	-	\$44,670	\$66,180	\$59,580	\$88,240
5 person	-	-	-	-	-	-

Number of Appropriate Sized Households

In order to determine the number of appropriate sized households for each bedroom type, we first analyze the number of households in each income cohort by household size at the time of market entry, as detailed in the following table.

RENTER HOUSEHOLD INCOME BY HOUSEHOLD SIZE

Income Cohort	PMA Projected Mkt Entry June 2024				
	1	2	3	4	5+
\$0-9,999	409	98	34	20	17
\$10,000-19,999	403	117	38	49	30
\$20,000-29,999	484	121	143	43	103
\$30,000-39,999	680	135	77	55	124
\$40,000-49,999	752	265	201	83	13
\$50,000-59,999	745	299	166	60	22
\$60,000-74,999	1,100	625	256	79	103
\$75,000-99,999	762	1,048	330	368	73
\$100,000-124,999	561	892	453	189	69
\$125,000-149,999	369	572	122	45	61
\$150,000-199,999	287	500	276	260	91
\$200,000+	604	340	193	88	37
Total	7,155	5,012	2,290	1,339	743

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, January 2023

Calculation of Individual Unit Type Demand (By Income Cohort By Household Size)

To avoid double counting, we have illustrated the potential household demand by person for each set aside.

CALCULATION OF POTENTIAL HOUSEHOLD DEMAND BY INCOME COHORT BY PERSON

1 PERSON		@50%	@60%	@80%	LIHTC ONLY TOTAL	
Minimum Income Limit	1 PERSON	\$28,980	\$37,260	\$59,580	Eligible	Ineligible
Maximum Income Limit	Households	\$37,259	\$46,380	\$61,840		
\$0-\$9,999	409	0	0	0	0	409
\$10,000-\$19,999	403	0	0	0	0	403
\$20,000-\$29,999	484	49	0	0	49	434
\$30,000-\$39,999	680	494	186	0	680	0
\$40,000-\$49,999	752	0	480	0	480	272
\$50,000-\$59,999	745	0	0	31	31	714
\$60,000-\$74,999	1,100	0	0	135	135	965
\$75,000-\$99,999	762	0	0	0	0	762
\$100,000-\$124,999	561	0	0	0	0	561
\$125,000-\$149,999	369	0	0	0	0	369
\$150,000-\$199,999	287	0	0	0	0	287
\$200,000+	604	0	0	0	0	604
Subtotal	7,155	543	666	166	1,376	5,779

*Some numbers may appear off due to rounding

CALCULATION OF POTENTIAL HOUSEHOLD DEMAND BY INCOME COHORT BY PERSON

2 PERSON		@50%	@60%	@80%	LIHTC ONLY TOTAL	
Minimum Income Limit	2 PERSON	\$31,050	\$37,260	\$59,580	Eligible	Ineligible
Maximum Income Limit	Households	\$37,259	\$59,579	\$70,640		
\$0-\$9,999	98	0	0	0	0	98
\$10,000-\$19,999	117	0	0	0	0	117
\$20,000-\$29,999	121	0	0	0	0	121
\$30,000-\$39,999	135	84	37	0	121	14
\$40,000-\$49,999	265	0	265	0	265	0
\$50,000-\$59,999	299	0	287	13	299	0
\$60,000-\$74,999	625	0	0	443	443	181
\$75,000-\$99,999	1,048	0	0	0	0	1,048
\$100,000-\$124,999	892	0	0	0	0	892
\$125,000-\$149,999	572	0	0	0	0	572
\$150,000-\$199,999	500	0	0	0	0	500
\$200,000+	340	0	0	0	0	340
Subtotal	5,012	84	589	456	1,128	3,884

*Some numbers may appear off due to rounding

CALCULATION OF POTENTIAL HOUSEHOLD DEMAND BY INCOME COHORT BY PERSON

3 PERSON		@60%	@80%	LIHTC ONLY TOTAL	
Minimum Income Limit	3 PERSON	\$44,670	\$59,580	Eligible	Ineligible
Maximum Income Limit	Households	\$59,579	\$79,440		
\$0-\$9,999	34	0	0	0	34
\$10,000-\$19,999	38	0	0	0	38
\$20,000-\$29,999	143	0	0	0	143
\$30,000-\$39,999	77	0	0	0	77
\$40,000-\$49,999	201	107	0	107	94
\$50,000-\$59,999	166	159	7	166	0
\$60,000-\$74,999	256	0	256	256	0
\$75,000-\$99,999	330	0	59	59	272
\$100,000-\$124,999	453	0	0	0	453
\$125,000-\$149,999	122	0	0	0	122
\$150,000-\$199,999	276	0	0	0	276
\$200,000+	193	0	0	0	193
Subtotal	2,290	267	321	588	1,702

*Some numbers may appear off due to rounding

CALCULATION OF POTENTIAL HOUSEHOLD DEMAND BY INCOME COHORT BY PERSON

4 PERSON		@60%	@80%	LIHTC ONLY TOTAL	
Minimum Income Limit	4 PERSON	\$44,670	\$59,580	Eligible	Ineligible
Maximum Income Limit	Households	\$59,579	\$88,240		
\$0-\$9,999	20	0	0	0	20
\$10,000-\$19,999	49	0	0	0	49
\$20,000-\$29,999	43	0	0	0	43
\$30,000-\$39,999	55	0	0	0	55
\$40,000-\$49,999	83	44	0	44	39
\$50,000-\$59,999	60	57	3	60	0
\$60,000-\$74,999	79	0	79	79	0
\$75,000-\$99,999	368	0	195	195	173
\$100,000-\$124,999	189	0	0	0	189
\$125,000-\$149,999	45	0	0	0	45
\$150,000-\$199,999	260	0	0	0	260
\$200,000+	88	0	0	0	88
Subtotal	1,339	101	276	377	962

*Some numbers may appear off due to rounding

The following table illustrates the total income qualified renter households by AMI level and household size, which will be used to calculate individual unit capture rates.

DEMAND BY AMI LEVEL AND HOUSEHOLD SIZE

	1 Person	2 Person	3 Person	4 Person
@50%	543	84	0	0
@60%	666	589	267	101
@80%	166	456	321	276
Total LIHTC*	1,376	1,128	588	377

*Some numbers may appear off due to rounding

We made assumptions (consistent with TDHCA minimum and maximum estimates of persons per bedroom) based on the average household size in the market to estimate the distribution of households by unit type. Following are these assumptions.

HOUSEHOLD DISTRIBUTION MATRIX			
Bedrooms			
Household Size	OBR	1BR	2BR
1 person	20%	80%	0%
2 person	0%	50%	50%
3 person	0%	0%	100%
4 person	0%	0%	100%

Then we multiply the number of income eligible renter households by household size and bedroom type, as illustrated previously, by the estimated household distribution. The result is our calculation of demand for each bedroom type by AMI level.

CALCULATION OF GROSS DEMAND BY UNIT TYPE						
OBR @50%	1 Person	20.0%	*	543	=	109
	2 Person	0.0%	*	84	=	0
	3 Person	0.0%	*	0	=	0
	4 Person	0.0%	*	0	=	0
	Gross Demand	=				109
1BR @50%	1 Person	80.0%	*	543	=	434
	2 Person	50.0%	*	84	=	42
	3 Person	0.0%	*	0	=	0
	4 Person	0.0%	*	0	=	0
	Gross Demand	=				476
1BR @60%	1 Person	80.0%	*	666	=	533
	2 Person	50.0%	*	589	=	294
	3 Person	0.0%	*	267	=	0
	4 Person	0.0%	*	101	=	0
	Gross Demand	=				828
2BR @60%	1 Person	0.0%	*	666	=	0
	2 Person	50.0%	*	589	=	294
	3 Person	100.0%	*	267	=	267
	4 Person	100.0%	*	101	=	101
	Gross Demand	=				662
2BR @80%	1 Person	0.0%	*	166	=	0
	2 Person	50.0%	*	456	=	228
	3 Person	100.0%	*	321	=	321
	4 Person	100.0%	*	276	=	276
	Gross Demand	=				825

Per the TDHCA Market Study Guide, “If some households are eligible for more than one Unit Type due to overlapping eligible ranges for income or household size, Gross Demand should be adjusted to avoid including households more than once.” The following table calculates gross demand for the Subject. We have adjusted min/max incomes where necessary to avoid overlap.

GROSS DEMAND						
		@50%	@60%	@80%	LIHTC ONLY TOTAL	
Minimum Income Limit	Size-Appropriate	\$28,980	\$37,260	\$59,580	Eligible	Ineligible
Maximum Income Limit	Renter HH	\$37,259	\$59,579	\$88,240		
\$0-\$9,999	562	0	0	0	0	562
\$10,000-\$19,999	607	0	0	0	0	607
\$20,000-\$29,999	791	81	0	0	81	710
\$30,000-\$39,999	947	688	259	0	947	0
\$40,000-\$49,999	1,301	0	1,301	0	1,301	0
\$50,000-\$59,999	1,271	0	1,217	53	1,271	0
\$60,000-\$74,999	2,059	0	0	2,059	2,059	0
\$75,000-\$99,999	2,508	0	0	1,328	1,328	1,180
\$100,000-\$124,999	2,094	0	0	0	0	2,094
\$125,000-\$149,999	1,109	0	0	0	0	1,109
\$150,000-\$199,999	1,324	0	0	0	0	1,324
\$200,000+	1,224	0	0	0	0	1,224
Subtotal	15,796	768	2,778	3,441	6,987	8,810

*Some numbers may appear off due to rounding

RELEVANT SUPPLY

According to TDHCA, Relevant Supply includes:

- The proposed Subject units;
- Comparable Units in previously approved Developments in the PMA that have not achieved 90 percent occupancy for a minimum of 90 days, and;
- Proposed and Unstabilized Comparable Units that are located in close proximity to the subject PMA if they are likely to share eligible demand or if the PMAs have overlapping census tracts.

We have addressed each of the Relevant Supply criteria in the following manner:

- We have included the proposed Subject units as Relevant Supply;
- As was noted previously, we reviewed the TDHCA housing list to see if there have been any recently allocated, built, or under construction TDHCA-funded properties. According to TDHCA, there have been no competitive projects allocated tax credits within the PMA that have not achieved 90 percent occupancy for a minimum of 90 days, and as such, no units have been added to the Relevant Supply count, and;
- We are unaware of any proposed or unstabilized competitive units that are located in close proximity to the Subject's PMA that share eligible demand or have overlapping census tracts. As such, we have not included any competitive units located outside the PMA in the relevant supply.

INDIVIDUAL UNIT, AMGI BAND, AND GROSS CAPTURE RATES

For each unit type by number of bedrooms and AMI level, the Individual Unit Capture Rate is defined as the Relevant Supply divided by the eligible demand for that Unit. TDHCA defines the AMGI Band Capture Rate as the Relevant Supply divided by the Gross Demand for each AMGI level, and total Gross Demand as the Relevant Supply divided by the Gross Demand overall. We have evaluated the AMGI Band Capture Rate and total Gross Capture Rate for the Subject, as illustrated in the following table. Also illustrated are the individual unit capture rates.

INDIVIDUAL, AMGI BAND, AND GROSS CAPTURE RATES								
<i>Relevant Supply</i>								
	Subject Units	Comparable Units	Total Relevant Supply		Gross Demand	Gross Demand + External Demand *	=	Capture Rate
@50%								
OBR	40	0	40	/	109	119	=	33.6%
1BR	5	0	5	/	476	523	=	1.0%
AMGI Band Capture Rate	45	0	45	/	768	845	=	5.3%
@60%								
1BR	25	0	25	/	828	910	=	2.7%
2BR	2	0	2	/	662	728	=	0.3%
AMGI Band Capture Rate	27	0	27	/	2,778	3,056	=	0.9%
@80%								
2BR	18	0	18	/	825	907	=	2.0%
AMGI Band Capture Rate	18	0	18	/	3,441	3,785	=	0.5%
GROSS DEMAND (LIHTC UNITS)								
Gross Demand	90	0	90	/	6,987	7,685	=	1.2%

*Some numbers may appear off due to rounding

Dividing the Subject’s 90 total LIHTC units by the total demand of 7,685 households indicates a capture rate of 1.2 percent, 90 percent of which is drawing from the PMA and 10 percent of which is drawing from outside the PMA, per TDHCA guidelines. Additionally, individual capture rates are 33.6 percent or less for all unit types, meeting the TDHCA threshold of 65 percent or less. Further, the overall gross demand of 1.2 percent meets the threshold of 10 percent or less.

Demand Analysis Conclusions

The Demand Analysis illustrates demand for the Subject based on capture rates of size and income eligible households. When viewing total eligible households for the Subject’s 90 total LIHTC units, the calculation illustrates an overall gross capture rate of 1.2 percent for all units as proposed. The capture rates are considered excellent, and are indicative of strong demand for the Subject’s units.

VII. EFFECTIVE GROSS INCOME ANALYSIS

EFFECTIVE GROSS INCOME ANALYSIS

Potential Gross Income

In our search for properties comparable to the Subject, we concentrated on obtaining information on those projects considered similar to the Subject improvements on the basis of location, size, age, condition, design, quality of construction and overall appeal. In our previous comparable property analysis, we provided the results of our research regarding properties considered generally comparable or similar to the Subject.

The potential gross income of the Subject is the total annual income capable of being generated by all sources, including rental revenue and other income sources. The Subject's potential rental income is based upon the achievable LIHTC rents as derived in the Reasonable of Rents Section of this report, which are in line with the proposed LIHTC rents. It should be noted that we are providing an estimate based on the proposed post-renovation rents.

PROPOSED RENTS

Unit Type	Unit Size (SF)	# Units	Asking Rent	Utility Allowance*	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rent
				@50%			
OBR/1BA	550	40	\$915	\$51	\$966	\$966	\$1,092
1BR/1BA	793	5	\$973	\$62	\$1,035	\$1,035	\$1,236
				@60%			
1BR/1BA	793	25	\$1,180	\$62	\$1,242	\$1,242	\$1,236
2BR/1BA	1,030	2	\$1,416	\$73	\$1,489	\$1,489	\$1,451
				@80%			
2BR/1BA	1,030	18	\$1,913	\$73	\$1,986	\$1,986	\$1,451
Total		90					

*Source of Utility Allowance provided by the Developer

Other Income

Other income typically includes revenue generated for laundry fees, vending, late fees, utility reimbursements, damages, and cleaning fees, etc. We have estimated other income to be \$300 per unit annually, which appears reasonable based on the Subject's budget provided by the client.

Vacancy and Collection Loss

In developing an income forecast, a prudent investor would typically include a minimum vacancy and collection loss factor, typically three to seven percent. As previously discussed, we concluded to a vacancy factor of less than three percent in our analysis, which reflects physical vacancy.

Effective Gross Income

Provided below is a summary of Novogradac's estimate of Effective Gross Income for the Subject, which is projected to be \$1,285,708 in the first year of stabilization.

EFFECTIVE GROSS INCOME

	Number of Units	Per Unit	Total Annual Revenue
Total Potential Rental Income	90		\$1,298,472
Other Income (Per Unit)		\$300	\$27,000
Total Potential Revenue			\$1,325,472
Vacancy/Collection Loss (3.0%)			(\$39,764)
Effective Gross Income			\$1,285,708

VIII. CONCLUSIONS

CONCLUSIONS

Oak Hill Lofts (Subject) is the proposed new construction of a 90-unit affordable family development to be funded with tax-exempt bonds. The Subject site is a 1.84-acre parcel located at 7610 Old Bee Caves Road, Austin, Texas 78735. Upon completion, the Subject will consist of two elevator-serviced, midrise structures offering a total of 90 studio, one, and two-bedroom apartments. The Subject's units will be restricted to households earning 50, 60, and 80 percent of AMI, or less. Notable amenities will include carpeting, balconies/patios, complimentary internet, ceiling fans, central air conditioning, a courtyard, dishwashers, disposals, garages, intercom (buzzer), in-unit alarms, limited access, microwaves, on-site management, perimeter fencing, picnic areas, recreational areas, sport courts, video surveillance, washer/dryers, and common-area Wi-Fi. Construction is anticipated to begin June 2023 and be complete in May 2024.

PROPOSED RENTS

Unit Type	Unit Size (SF)	# Units	Asking Rent	Utility Allowance*	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rent
				@50%			
OBR/1BA	550	40	\$915	\$51	\$966	\$966	\$1,092
1BR/1BA	793	5	\$973	\$62	\$1,035	\$1,035	\$1,236
				@60%			
1BR/1BA	793	25	\$1,180	\$62	\$1,242	\$1,242	\$1,236
2BR/1BA	1,030	2	\$1,416	\$73	\$1,489	\$1,489	\$1,451
				@80%			
2BR/1BA	1,030	18	\$1,913	\$73	\$1,986	\$1,986	\$1,451
Total		90					

*Source of Utility Allowance provided by the Developer

With consideration given to the target population, the demographic trends, and the occupancy rates reported among the comparable properties, the Subject's unit mix is appropriate and market oriented.

As illustrated, the Subject's proposed LIHTC rents at 50, 60, and 80 percent of the AMI are set at the 2022 maximum allowable rent limits.

50 Percent AMI

LIHTC RENT COMPARISON @50%

Property Name	County	OBR	1BR	Max Rent?
Oak Hill Lofts	Travis	\$915	\$973	Yes
LIHTC Maximum Rent (Net)	Travis	\$915	\$973	-
Skyline Terrace	Travis	\$562	-	No
Southwest Trails	Travis	-	\$969	Yes
Average	-	\$562	\$969	-
Achievable LIHTC Rent	-	\$915	\$973	Yes

60 Percent AMI

LIHTC RENT COMPARISON @60%

Property Name	County	1BR	2BR	Max Rent?
Oak Hill Lofts	Travis	\$1,180	\$1,416	Yes
LIHTC Maximum Rent (Net)	Travis	\$1,180	\$1,416	-
Southpark Ranch	Travis	\$1,194	\$1,435	Yes
West Gate Ridge	Travis	\$1,200	\$1,439	Yes
Average	-	\$1,197	\$1,437	-
Achievable LIHTC Rent	-	\$1,180	\$1,416	Yes

Two of the four of the comparables offer units at the 50 percent AMI set aside and two of the four comparables offers units at the 60 percent AMI set aside. It should be noted that the discrepancy between the adjusted rents for the comparables and the applicable rent limits for the Subject is attributed to differing utility allowance schedules. Three of the comparables, Southwest Trails, Southpark Ranch, and West Gate Ridge,

reported achieving 2022 LIHTC maximum allowable rents. Management at Skyline Terrace reported that the property offers a mix of subsidized and unsubsidized units, and that rents are kept under maximum allowable levels to maintain affordability for tenants, many of whom are senior or very low-income households. Three of the four comparables maintain waiting lists. Management at West Gate Ridge reported the property does not currently maintain a waiting list as it is pre-leased through 2023. The comparables operate with an average vacancy rate of 0.8 percent. The Subject will offer slightly superior to superior condition relative to the comparables as new construction, and is similar to superior to the comparables in terms of location. Based on the performance of the comparables, we have concluded to achievable LIHTC rents at the 2022 maximum allowable levels for the Subject’s studios and one-bedroom units at 50 percent of the AMI and the Subject’s one and two-bedroom units at 60 percent of the AMI.

None of the comparables offer units set aside at the 80 percent AMI level. However, it should be noted potential income-qualified tenants for the Subject’s 60 percent AMI units may also qualify for the Subject’s 80 percent AMI units. Therefore, based on the performance of the comparable at the 60 percent AMI set aside, as well as the strong overall performance of the market rate comparables, we have concluded to achievable LIHTC rents at the 2022 maximum allowable levels for the Subject’s two-bedroom units at 80 percent of the AMI.

Based on the proposed rents, the Subject’s proposed LIHTC rental rates are below the achievable market rates for the PMA for all units set aside at the 50, 60 and 80 percent AMI levels. The following table illustrates the rent comparison for achievable market rents at the comparable properties and the proposed rents at the Subject.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Square Feet	Pro Forma Rent	Adjusted Min	Adjusted Max	Adjusted Average	Achievable Market Rent	Subject Rent Advantage
0BR/1BA	@50%	550	\$915	\$1,503	\$1,622	\$1,584	\$1,600	43%
1BR/1BA	@50%	793	\$973	\$1,812	\$1,958	\$1,869	\$1,850	47%
1BR/1BA	@60%	793	\$1,180	\$1,812	\$1,958	\$1,869	\$1,850	36%
2BR/1BA	@60%	1,030	\$1,416	\$1,902	\$2,224	\$2,047	\$2,100	33%
2BR/1BA	@80%	1,030	\$1,913	\$1,902	\$2,224	\$2,047	\$2,100	9%

The Subject will be in excellent condition as a newly constructed property and will offer relatively similar unit and property amenity packages, along with a similar location when compared to the majority of the market rate comparables. The market rate comparables will generally exhibit slightly inferior to similar conditions when compared to the Subject. The adjusted rents of all comparables were given consideration in our determination of achievable market rents. Overall, the Subject’s highest proposed affordable rents will offer an advantage to Novogradac’s estimated achievable market rents of approximately nine to 47 percent for all units set aside at the 50, 60, and 80 percent AMI levels.

Provided below is a summary of Novogradac’s estimate of Effective Gross Income for the Subject, which is projected to be \$1,285,708 in the first year of stabilization.

EFFECTIVE GROSS INCOME

	Number of Units	Per Unit	Total Annual Revenue
Total Potential Rental Income	90		\$1,298,472
Other Income (Per Unit)		\$300	\$27,000
Total Potential Revenue			\$1,325,472
Vacancy/Collection Loss (3.0%)			(\$39,764)
Effective Gross Income			\$1,285,708

TDHCA defines the Gross Capture Rate as the Relevant Supply divided by the Gross Demand. We have evaluated the Gross Capture Rate for the Subject as a whole and by number of bedrooms and rent restriction categories, as illustrated in the following table. Also illustrated are the individual unit capture rates.

INDIVIDUAL, AMGI BAND, AND GROSS CAPTURE RATES								
<i>Relevant Supply</i>								
	Subject Units	Comparable Units	Total Relevant Supply		Gross Demand	Gross Demand + External Demand*		Capture Rate
@50%								
OBR	40	0	40	/	109	119	=	33.6%
1BR	5	0	5	/	476	523	=	1.0%
AMGI Band Capture Rate	45	0	45	/	768	845	=	5.3%
@60%								
1BR	25	0	25	/	828	910	=	2.7%
2BR	2	0	2	/	662	728	=	0.3%
AMGI Band Capture Rate	27	0	27	/	2,778	3,056	=	0.9%
@80%								
2BR	18	0	18	/	825	907	=	2.0%
AMGI Band Capture Rate	18	0	18	/	3,441	3,785	=	0.5%
GROSS DEMAND (LIHTC UNITS)								
Gross Demand	90	0	90	/	6,987	7,685	=	1.2%

*Some numbers may appear off due to rounding

Dividing the Subject’s 90 total LIHTC units by the total demand of 7,685 households indicates a capture rate of 1.2 percent, 90 percent of which is drawing from the PMA and 10 percent of which is drawing from outside the PMA, per TDHCA guidelines. Additionally, individual capture rates are 33.6 percent or less for all unit types, meeting the TDHCA threshold of 65 percent or less. Further, the overall gross demand of 1.2 percent meets the threshold of 10 percent or less.

The following table details the nearest absorption comparables we were able to identify. One of the comparables, West Gate Ridge, was able to provide absorption data. Additionally, we obtained absorption data from other properties within a ten-mile radius of the Subject that have reported absorption information since 2018.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
The Oaks At Ben White	LIHTC	Family	Austin	2021	96	29	9.9 miles
Urbana At Goodnight Ranch	Market	Family	Austin	2019	151	9	9.5 miles
Anthem At Ledge Stone	Market	Family	Austin	2019	292	20	6.7 miles
West Gate Ridge*	LIHTC	Family	Austin	2018	140	14	4.5 miles
Sentral East Austin 1630	LIHTC	Family	Austin	2018	138	22	9.3 miles
Travis At The Lake	Market	Family	Austin	2018	312	25	9.4 miles
E6 Apartments	Market	Family	Austin	2018	208	9	9.8 miles
Average Affordable					125	22	
Average Market					241	16	
Overall Average					191	18	

*Comparable Property

As illustrated above, absorption at the comparable property, West Gate Ridge, was reported to be 14 units per month. The overall average reported by the surveyed affordable properties was 22 units per month. The overall average reported by all surveyed properties was 18 units per month. Based on this information, we estimate

that the Subject would achieve a stabilized occupancy rate of 95 percent at a rate of approximately 20 units per month, which equates to an absorption period of approximately four to five months.

The comparable properties reported vacancy rates ranging from zero to 5.9 percent, with an overall weighted average of 3.3 percent. Managers at three of the four LIHTC properties reported being fully occupied. The average vacancy rate reported by the LIHTC comparables was 0.8 percent. All of the market rate properties reported vacancy rates of 5.9 percent or less with an overall weighted average of 4.1 percent. We have taken into account elevated market vacancy in our determination of achievable market rents. Based on the performance of the comparables, we expect the Subject will operate with vacancy and collection losses of approximately three percent or less upon stabilization.

ADDENDUM A - CERTIFICATION

CERTIFICATION

The undersigned hereby certify that:

Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event; The assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

We have no present or contemplated future interest in the real estate that is the subject of this market study; the opinions expressed in this report are not based in whole or part upon race, color, or national origin of the current/prospective owners or occupants; We have no personal interest or bias with respect to the subject matter of this market study report or the parties involved.

We have read and understand the requirements of the TDHCA 2023 Real Estate Analysis Rules and Guidelines. We will not materially benefit from the Development in any other way than receiving a fee for performing the Market Analysis, and such fee is in no way contingent upon the outcome of the Market Analysis. All persons who have a property interest in this report hereby must acknowledge that TDHCA may publish the full report on the TDHCA's website, release this report in response to a request for public information and make other use of the report as authorized by law.

This consulting report sets forth all of the limiting conditions (imposed by the terms of this assignment or by the undersigned) affecting the analyses, opinions, and conclusions contained in this report; our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

Bryce Box has made a personal inspection of the property that is the subject of this report and comparable market data incorporated in this report and is competent to perform such analyses. Lindsey Sutton did not inspect the Subject or comparable data.

Novogradac certifies it is in good standing with the State of Texas as evidenced by being an approved service provider by the TDHCA.



Lindsey Sutton
Partner
Lindsey.Sutton@NOVOCO.com
(512) 349-3212



Ibrahim Alvi
Analyst
Ibrahim.Alvi@NOVOCO.com

ADDENDUM B - DEMOGRAPHIC REPORTS

ADDENDUM C - SUBJECT PROPERTY PHOTOGRAPHS

Old Bee Caves Road – Austin, TX
Source: Bryce Box, Junior Analyst
Date: 12/21/2022



SUBJECT SITE



SUBJECT SITE



SUBJECT SITE



SUBJECT SITE



SUBJECT SITE



SUBJECT SITE

Old Bee Caves Road – Austin, TX
Source: Bryce Box, Junior Analyst
Date: 12/21/2022



STREET VIEW NORTHWEST ON OLD BEE CAVES ROAD



STREET VIEW SOUTHEAST ON OLD BEE CAVES ROAD



MOBILE HOMES NORTH OF THE SUBJECT SITE



SINGLE-FAMILY HOMES NORTH OF THE SUBJECT SITE



SINGLE-FAMILY HOMES NORTH OF THE SUBJECT SITE



SINGLE-FAMILY HOMES NORTH OF THE SUBJECT SITE

Old Bee Caves Road – Austin, TX
Source: Bryce Box, Junior Analyst
Date: 12/21/2022



COMMERCIAL/RETAIL USES NORTHWEST OF SUBJECT SITE



COMMERCIAL/RETAIL USES NORTHWEST OF SUBJECT SITE



MULTIFAMILY USE NORTHWEST OF SUBJECT SITE



TOWNHOMES EAST OF SUBJECT SITE



PLACE OF WORSHIP SOUTH OF SUBJECT SITE



COMMERCIAL/RETAIL SOUTH OF SUBJECT SITE

Old Bee Caves Road – Austin, TX
Source: Bryce Box, Junior Analyst
Date: 12/21/2022



COMMERCIAL/RETAIL SOUTH OF SUBJECT SITE



COMMERCIAL/RETAIL SOUTH OF SUBJECT SITE



COMMERCIAL/RETAIL SOUTH OF SUBJECT SITE



COMMERCIAL/RETAIL SOUTH OF SUBJECT SITE



COMMERCIAL/RETAIL WEST OF SUBJECT SITE



COMMERCIAL/RETAIL WEST OF SUBJECT SITE

Old Bee Caves Road – Austin, TX
Source: Bryce Box, Junior Analyst
Date: 12/21/2022



COMMERCIAL/RETAIL WEST OF SUBJECT SITE



COMMERCIAL/RETAIL WEST OF SUBJECT SITE

ADDENDUM D - QUALIFICATIONS OF CONSULTANTS

STATEMENT OF PROFESSIONAL QUALIFICATIONS
LINDSEY SUTTON

EDUCATION

Texas State University, Bachelor of Business Administration in Finance

LICENSING AND AFFILIATIONS

Certified General Real Estate Appraiser – State of Texas (TX 1380684-G)
Certified General Real Estate Appraiser – State of Washington (1102489)
Certified General Real Estate Appraiser – State of Colorado (CG.200001730)
Certified General Real Estate Appraiser – State of Louisiana (G447)
Certified General Real Estate Appraiser – State of Florida (RZ4150)

Candidate for Designation in the Appraisal Institute
Member – Commercial Real Estate Women (CREW) Network

EXPERIENCE

Novogradac & Company LLP, Principal
Novogradac & Company LLP, Manager
Novogradac & Company LLP, Real Estate Analyst
Novogradac & Company LLP, Real Estate Researcher

PROFESSIONAL TRAINING

National USPAP and USPAP Updates
General Appraiser Report Writing and Case Studies
General Appraiser Sales Comparison Approach
General Appraiser Site Valuation Approach
Cost Approach Expert Witness for Commercial Appraisers
Commercial Appraisal Review
Real Estate Finance Statistics and Valuation Modeling
General Appraiser Income Approach Part II
General Appraiser Income Approach Part I
General Appraiser Market Analysis and Highest & Best Use
Basic Appraisal Procedures
Basic Appraisal Principles
Advanced Hotel Appraising – Full Service Hotels
Basic Hotel Appraising – Limited Service Hotels
Appraisal of Assisted Living Facilities
Divorce and Estate Appraisal Elements

REAL ESTATE ASSIGNMENTS

A representative sample of work on various types of projects:

- Managed and completed hundreds of market studies and appraisals for proposed new construction and existing Low Income Housing Tax Credit, USDA Rural Development, Section 8 and market rate multifamily and age-restricted developments. This included

property screenings, market and demographic analysis, comparable rent surveys, supply and demand analysis, determination of market rents, expense comparability analysis, and other general market analysis. Property types include proposed multifamily, acquisition with rehabilitation, historic rehabilitation, adaptive reuse, and single-family development.

- Complete agency and HUD appraisals using the cost approach, income capitalization approach, and sales comparison approach for Low Income Housing Tax Credit, USDA Rural Development, and Section 8 properties. Additional assignments also include partnership valuations and commercial land valuation.
- Prepared HUD Market-to-Market rent comparability studies for Section 8 multifamily developments.
- Perform valuations of General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Prepare Fair Market Value analyses for solar panel installations in connection with financing and structuring analyses performed for various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, these reports can be used in connection with application for the Federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and the ITC funding process.
- Perform market studies and appraisals for proposed and existing multifamily properties under the HUD MAP program. These reports meet the requirements outlined in Chapter 7 of the HUD MAP Guide for the 221(d)4, 223(f), and the LIHTC Pilot Program.
- Consult with lenders and developers and complete valuation assignments for developments converting under the RAD program.
- Prepare valuations for unique redevelopment sites with mixed uses including a variety of commercial, multifamily, and recreational uses. Further, performing analysis and valuations for assisted living facilities for potential acquisition, hold or trade purposes.
- Prepare and develop individual development models for forecasting and residual land value analysis for large-scale development sites

ADDENDUM E - DATA SOURCES

DATA SOURCES

Sources used in this study include data that is both written and oral, published and unpublished, and proprietary and non-proprietary. Real estate developers, housing officials, local housing, and planning authority employees, property managers and other housing industry participants were interviewed. In addition, we conducted a survey of existing, comparable properties.

This report incorporates published data supplied by various agencies and organizations including:

- U.S. Census Bureau
- Bureau of Labor Statistics
- Bureau of Justice Statistics
- City of Austin
- ESRI Demographics
- Ribbon Demographics
- Department of Housing and Urban Development (HUD)
- Housing Authority of the City of Austin
- TDHCA 2022 Market Study Requirements
- TDHCA List of Funded Projects
- www.realtytrac.com
- CoStar

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PROJECT INFORMATION
TAB 4.B - Good Neighbor Policy

GOOD NEIGHBOR POLICY

Oak Hill Lofts

5900 Balcones Dr. Suite 100, Austin, TX 78731-4298

CONTACT Brent Stoll

(512) 228-7443

brent@BroadwayHomes.com

COMMUNICATIONS PLAN FOR NEIGHBORHOOD ENGAGEMENT

Broadway Homes is committed to engaging with the neighborhood to discuss any details of the proposal as well as how it factors into the Oak Hill Parkway development. The team has utilized the City of Austin's Community Registry site to identify active organizations, as well as the Oak Hill Combined Neighborhood Plan to understand stakeholder initiatives.

5c. Oak Hill - Combined Neighborhood Plans.pdf

- 1) Neighborhood Contact: Broadway Homes has already reached out to the neighborhood organizations to share info on plans for the development of Oak Hill Lofts .
- 2) Neighborhood Notification – The organizations above were notified as part of the TDHCA notification earlier in 2023. The team will continue to communicate with the neighborhood and publicly engage, as a neighbor, on the plans for development of the site.
- 3) Neighborhood Engagement – At a future neighborhood meeting, Broadway Homes looks forward to presenting information about our company, plans for design of the building, the tenancy and services being offered, as well as strategies for our interaction with the substantial development at Oak Hill Parkway. After initial contact, meetings will be scheduled with any organization that desires to meet.
- 4) Implementation/Ongoing Relations – Neighborhood members will be invited to the ground breaking and ribbon cutting events to be held for the property, and all appropriate neighborhoods will be given recognition for their support. Broadway Homes will invite and educate neighborhood members on several ways to volunteer with the property and its tenants. The team also plans an open-door policy so that neighborhood members will feel comfortable communicating any concerns with either the on-site property management or the single point of contact.

City of Austin Good Neighbor Checklist

The Neighborhood Housing and Community Development Office (NHCD) offers a Good Neighbor Policy to standardize process and identify expectations for all projects funded through the City of Austin's Rental Housing Development Assistance (RHDA) and Acquisition and Development (A&D) programs. Applicants of these programs are required to prepare and begin implementing a community engagement plan, including neighborhood notification activities. The community engagement plan is required whether the application is for funding for new construction or renovation of an existing building, regardless of whether there is a change in ownership.

A successful community engagement plan leads to open, ongoing two-way communication between developers and neighbors. This requires good-faith efforts and cooperation by developers, City officials and residents. A positive, open dialogue between housing developers and neighbors can prevent misunderstandings, facilitate prompt resolution of any inadvertent misunderstandings, and provide a fair, thoughtful, dependable means of resolving differences.

The following checklist of items is required of all applicants for funding:

(1) Preliminary Research

- Review the Neighborhood Plan (if applicable)

(2) Neighborhood Notification

- Notify property owners within at least 500 feet of the site and registered neighborhood organizations with boundaries included in the proposed development site, using a written notice, letter or flyer.

(3) Pre-Application Engagement

- Contact neighborhood organizations to provide current information about the project, including any neighborhood association whose boundaries are included in the proposed development site and Neighborhood Planning Contact Team (if applicable). *(see full City of Austin Good Neighbor Guidelines for more detailed information on what kind of information may be appropriate to share)*
- Appoint a Single-Point-of-Contact (SPOC) to serve as the liaison for exchanging information.

(4) Application requirements

- Provide communications plan
- Provide documentation showing the content of the notice, and proof of delivery
- Provide signed copy of this checklist.

I have reviewed and completed all of the above checklist items required by the City of Austin's Good Neighbor Guidelines.

DocuSigned by:

36913C6EB033488...

Signed

Gregory Stoll, Principal
printed name

8/1/2024

date

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PROJECT INFORMATION
TAB 4.D - MOU with ECHO

Not Applicable

OAK HILL LOFTS by BROADWAY HOMES

AUSTIN, TX

ATTACHMENT TABS

PROJECT INFORMATION

TAB 4.E - Resident Services

PROJECT INFORMATION

TAB 4.E - Resident Services

The applicant has a history of providing General Residential Services at each of the corresponding market rate developments. Residential Services at Oak Hill Lofts will be largely determined by the make-up of the tenants and their corresponding demands. Each of the Property Management companies currently being interviewed have demonstrated numerous strategies for community engagement as well as recurring Residential Services to be determined by the needs of the ultimate tenant mix.

Should the city request particular Residential Services that are expected to be of value to Oak Hill residents, please reach out to the applicant to discuss. The applicant is extremely interested in providing high-quality units combined with necessary Residential Services, and would like the City of Austin's input regarding the most valuable services to tenants.

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PROPERTY INFORMATION

TAB 5.A - Appraisals (Phase I only & Phases I & II)



The insight you need. The independence you trust.

Oak Hill Lofts, Phase I (1.84 AC)

7610 Old Bee Caves Road
Austin, Texas 78735

BBG File #0124005605

Prepared For

Texas Department of Housing and Community Affairs and
Mr. Greg Stoll
Broadway Homes, LLC
5900 Balcones Drive
Austin, TX 78731-4257

Report Date

April 18, 2024

Prepared By

BBG, Inc., Austin Office
507 Pressler Street, Suite 1000
Austin, TX 78703
512-391-0850

Client Manager: Ryan Wegman
rwegman@bbgres.com

BBG Website

bbgres.com

"Any person signing this Report acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law." As client and intended user, "The Department is granted full authority to rely on the findings of the report."



April 18, 2024

Texas Department of Housing and Community Affairs and
Mr. Greg Stoll
Broadway Homes, LLC
5900 Balcones Drive
Austin, TX 78731-4257

Re: Appraisal of Real Property
Oak Hill Lofts, Phase I (1.84 AC)
7610 Old Bee Caves Road
Austin, Texas 78735
BBG File #0124005605

Dear Mr. Stoll:

In accordance with your authorization (per the engagement letter found in the *Addenda* of this report), an Appraisal of the above-referenced property has been prepared. Specifically, we have provided a fee simple market value opinion for the subject on an As Is basis.

The subject involves 1.84 acres of land located along the east line of Old Bee Caves Road between Landscape Drive and Steep Cactus Trail, in the Southwest Austin submarket of the Austin metro. The land is currently zoned General Commercial Services-Neighborhood Plan by the city of Austin. Utilities are available to the site, and the site falls within Zone X (unshaded) floodplain.

According to the owner, the property was purchased on March 9, 2021 by Broadway Urban Homes LLC from Shelley James Michael out of an estate in an unmarketed transaction. BBG research indicated a sale price of \$553,038 or \$6,145 per unit based on the developer’s plans for 90 multifamily units on the site, although said price was not confirmed by the owner.

This Appraisal Report was prepared to conform with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). This report has been written in accordance with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. In addition, this report is intended to be in compliance with additional reporting requirements of Broadway Homes, LLC (client) and TDHCA. This report is intended to be used only by the intended user(s) named herein; no other party may rely upon the opinions presented in this report.

The report preparer has read and understood the requirements of the program (Section 11.304 of the 2024 Qualified Allocation Plan). The appraiser(s) is aware of the Department program rules and guidelines (Section 11.304 of the 2024 Qualified Allocation Plan) and the appraisal includes analysis of any impact to the subject's value. The person preparing the appraisal is a disinterested party and will not materially benefit from the Development in any other way than receiving a fee for performing the appraisal and the fee is in no way contingent upon the outcome of the appraisal.

EXTRAORDINARY ASSUMPTION(S) AND HYPOTHETICAL CONDITION(S)

The values presented within this appraisal report are subject to the extraordinary assumptions and hypothetical conditions listed below. Pursuant to the requirement within Uniform Standards of Professional Appraisal Practice Standards, it is stated here that the use of any extraordinary assumptions and/or hypothetical conditions might have affected the assignment results.

- Extraordinary Assumption(s)** This appraisal employs no extraordinary assumptions.
- Hypothetical Condition(s)** This appraisal employs no hypothetical conditions.



Mr. Gregg
April 18, 2024
Page 2

Based on the analysis undertaken, the following value opinion(s) has been developed.

MARKET VALUE CONCLUSION(S)			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value - As Is	Fee Simple	April 5, 2024	\$2,700,000

This letter must remain attached to the report, which should be transmitted in its entirety, in order for the value opinion(s) set forth above to be relied upon by the intended user(s).

BBG, Inc. appreciates the opportunity to have performed this appraisal assignment on your behalf. If we may be of further service, please contact the Client Manager.

Sincerely,



Ryan Wegman, MAI
TX Certified General Appraiser
License #: TX-1380301-G
214-739-0700
rwegman@bbgres.com



Nancy Lewallen
TX Certified General Appraiser
License #: TX-1336568-G
512-413-8699
nlewallen@bbgres.com



Kehle Maney
TX Appraiser Trainee
License #: TX-1341931-Trainee
512-289-2692
kmaney@bbgres.com

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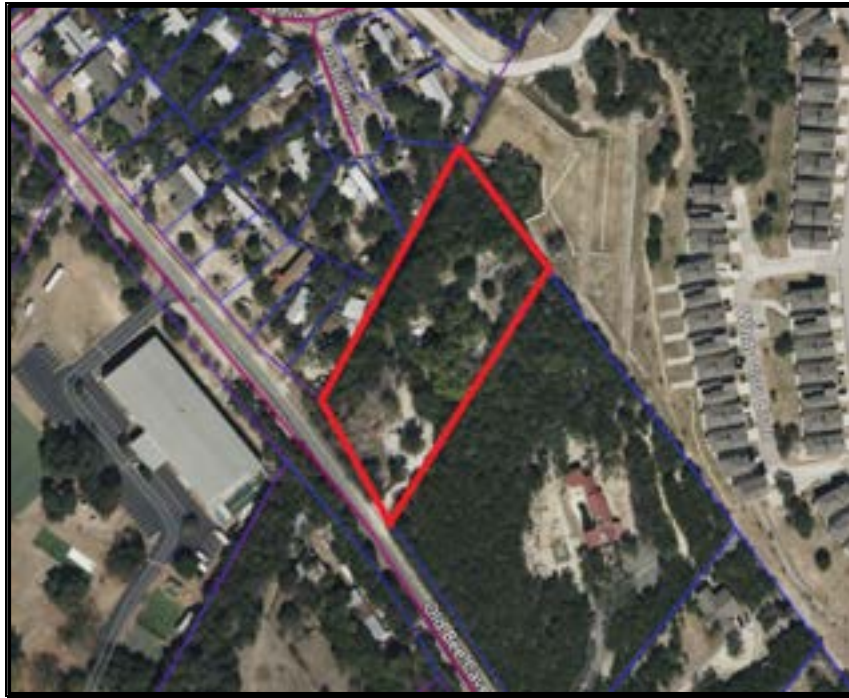
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SUBJECT PROPERTY



AERIAL



SUMMARY OF SALIENT FACTS

APPRAISAL INFORMATION

Client	Broadway Homes, LLC 5900 Balcones Drive, Suite 100 Austin, TX 78731-4257
Intended User(s)	Broadway Homes, LLC, Texas Department of Housing and Community Affairs (TDHCA), HUD, and potential lenders
Intended Use	This appraisal is to be used for Submission to TDHCA.
Premise Summary	As Is Market Value - April 5, 2024
Date of Inspection	April 5, 2024
Marketing Time (Months)	12
Exposure Time (Months)	12
Owner of Record	Broadway Urban Homes LLC
Property Contact(s)	Greg Stoll
Highest and Best Use	
If Vacant	Multifamily development

PROPERTY IDENTIFICATION

Property Name	Oak Hill Lofts, Phase I (1.84 AC)
Address	7610 Old Bee Caves Road Austin, Texas 78735
Location	The property is located along the east line of Old Bee Caves Road, between Landscape Drive and Steep Cactus Trail
Property Use Description	Multifamily
Parcel Number	306342
Census Tract No.	19.2
Legal Description	ABS 114 SUR 91 BOND A J ACR 1.84

PROPERTY DATA

Property Name	Oak Hill Lofts, Phase I (1.84 AC)		
Address	7610 Old Bee Caves Road Austin, Texas 78735		
Location	The property is located along the east line of Old Bee Caves Road, between Landscape Drive and Steep Cactus Trail		
Property Description	Multifamily		
Parcel Number	306342		
Census Tract No.	19.2		
Legal Description	ABS 114 SUR 91 BOND A J ACR 1.84		
Site Area			
Primary Site	80,150 square feet	(1.84 acres)	
Zoning	CS-NP; General Commercial Services-Neighborhood Plan		
Flood Zone/Map Number/Date	Zone X (Unshaded)	48453C0560J	January 22, 2020
Year Built	2026		
Total Number of Units (Proposed)	90		

RISK SUMMARY

Advantages	- The subject property benefits from its proximity to SH 71 and US 290, both major thoroughfares in the market area providing significant traffic counts and accessibility to other market areas.
Challenges	<ul style="list-style-type: none"> - While the Federal Reserve is anticipated to lower interest rates in the coming months, there remains uncertainty as to the magnitude and number of potential reductions. This has resulted in cautious optimism in the market. - Inflation remains a significant concern among investors. - The rising cost of construction is a chief concern for developers.

VALUE INDICATIONS

As Is as of April 5, 2024

Cost Approach	Not Developed		
Sales Comparison Approach	\$2,700,000	\$30,000	Per Dwelling Unit
Income Capitalization Approach	Not Developed		
Approach Reliance	Sales Comparison Approach		
Value Conclusion - As Is	\$2,700,000	\$30,000	Per Dwelling Unit
Exposure Time (Months)	12		
Marketing Time (Months)	12		

PROPERTY TRANSACTION HISTORY

PROPERTY HISTORY	
Recent Transaction	
Sale Date	March 9, 2021
Deed Book/Page	2021050256
Sale Price	\$553,038
per Unit	\$6,145
per SF	\$6.90
Grantor	Shelley James Michael
Grantee	Broadway Urban Homes LLC
Comments	<p>According to public records and BBG research, the current owner purchased this Phase I tract in March 2021 for \$553,038, and plans to build 90 LIHTC units on it. This results in a per unit price of \$6,145. According to public records, as of January 1 of the year of purchase (2021), the site was improved with a 956 SF improvement constructed in 1950 that according to the owner has since been demolished. The owner did not confirm/share the purchase price for the site, but reported that the site was purchased in an off-market transaction out of an estate, and the previous home had already been demolished at the time of purchase. The current owner has negotiated for entitlements for 90 LIHTC units on the site and is currently in off-market negotiations with the adjacent property for Phase II of the development with 160 additional units planned. The owner also noted that they have been contacted by parties who are potentially interested in purchasing both sites (Phases I and II) in anticipation of the property qualifying for a QCT or DDA boost, though no firm offer figures were provided.</p>

SCOPE OF WORK

The scope of work best defines the needs of the client(s) and intended user(s) of the report and dictates what factors an appraiser considered during the valuation process. The scope of work summarized below has been deemed acceptable as it meets or exceeds both the expectations of parties who are regularly intended users for similar assignments and what an appraiser's peers' actions would be in performing the same or a similar assignment. As such, the scope of work summarized below is deemed appropriate for this assignment based on its parameters and will produce credible assignment results. Additional scope details are included in appropriate sections of this report.

SCOPE OF THE INVESTIGATION	
General and Market Data Analyzed	<ul style="list-style-type: none"> ▪ Regional economic data and trends ▪ Market analysis data specific to the subject property type ▪ Published survey data ▪ Market area demographic data ▪ Comparable cost, sale, rental, expense, and capitalization rate data, as applicable. ▪ Floodplain status ▪ Zoning information ▪ Assessor's information ▪ Interviewed professionals knowledgeable about the subject's property type and market. ▪ Nancy Lewallen inspected the subject property. Parker Lewallen researched the subject and comparables, and Nancy Lewallen and Kehle Maney analyzed the data to form a value indication via the Sales Comparison Approach; Nancy Lewallen then prepared a written report supporting the analysis and value opinion.
Inspection Details	A thorough inspection of the property was made along with the general and immediate market areas.
Property Specific Data Requested and Received	PROPERTY DATA RECEIVED
	Schematic Design Set (MHA 2.9.24) Site plan (MHA 2.9.24) Offering memorandum/listing brochure Survey (LandPoint 08/25/2022)
Data Requested, but not Provided	DATA REQUESTED, BUT NOT PROVIDED
	None

Data Sources

DATA SOURCES	
Site Size	Survey
Tax Data	TCAD
Zoning Information	Planning Dept
Flood Status	FEMA
Demographics Reports	Claritas
Comparable Land Sales	BBG files, CoStar, phone verification

VALUATION METHODOLOGY**Most Probable Buyer**

To apply the most relevant valuation methods and data, the appraiser must first determine the most probable buyer of the subject property. Based on the analyses presented, the most probable buyer of the subject property is an investor/developer.

Valuation Methods Utilized

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Since no improvements exist on site, the Cost Approach is not relevant. The property generates no income and is not typically marketed, purchased or sold on the basis of anticipated lease income; thus, the Income Capitalization Approach was precluded; this exclusion does not affect the credibility of the assignment results herein.

DEFINITIONS

Pertinent definitions, including the definition of market value, are included in the glossary, located in the *Addenda* of this report. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States:

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.^[1]

LEVEL OF REPORTING DETAIL

Standards Rule 2-2 (Real Property Appraisal, Reporting) contained in USPAP requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report.

This report is prepared as an **Appraisal Report**. An Appraisal Report must at a minimum summarize the appraiser's analysis and the rationale for the conclusions.

^[1] (Interagency Appraisal and Evaluation Guidelines; December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

OVERVIEW

Environmental, Social and Governance (ESG) has become a standard criterion in the global real estate sector, excepting the United States. The European Union has adopted specific, conduct-based directives on ESG. In the US, while there has been a scattering of ESG regulations within specific markets there has been no industry wide or politically enacted regulations. Nevertheless, market participants are increasingly concerned with environmental risks, sustainable construction, carbon neutrality, social responsibilities, and governance of their companies, partners, and vendors.

Principles for Responsible Investment (PRI) provides the following summary of approaches to responsible investment for direct and indirect real estate investors.



Furthermore, PRI provides examples of how these issues may affect property valuations.

ADDITIONAL CAPITAL EXPENDITURES	Equipment upgrades to improve energy performance
INCREASED COSTS	Higher insurance premiums due to physical risk factors
FUTURE INCOME UNCERTAINTY	Tenant and leasing disruption due to extreme weatherevents
OBSOLESCENCE RISK	Buildings that do not meet minimum energy performancestandards set by legislation

ENVIRONMENTAL

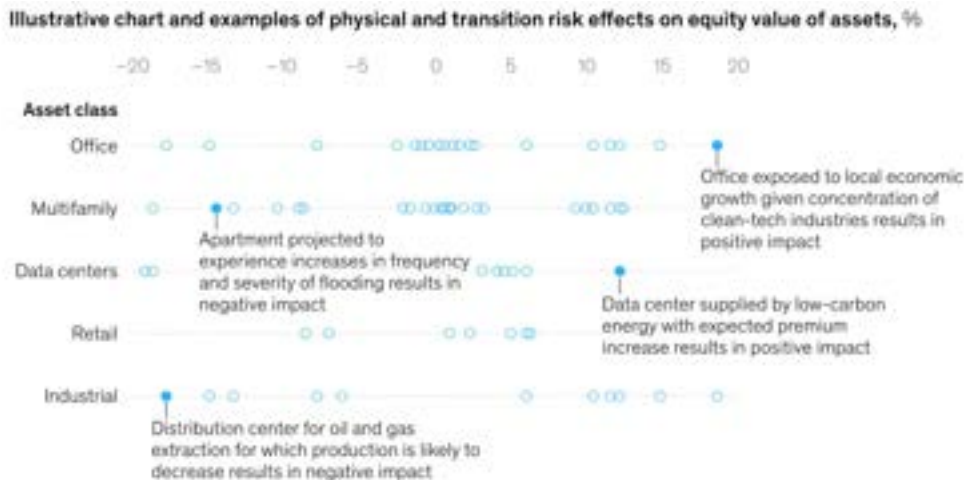
Both physical and transition risks must be analyzed for each property and market. Physical risks are hazards caused by changing climate such as floods, fires, rising temperatures, and rising sea levels. Transition risks involve the responses to climate change by humans and society. An example of transition risk is New York’s Local Law 97 which requires most buildings over 25,000 square feet to meet energy and greenhouse gas emissions by 2024 with additional requirements in 2030. Transition risks are regulatory, economic and social changes that could affect asset values.

According to *Climate Risk and the Opportunity for Real Estate* by McKinsey & Company,

The combination of this economic transition and the physical risks of climate change has created a significant risk of mispricing real estate across markets and asset classes. For example, a major North American bank conducted analysis that found dozens of assets in its real-estate portfolio that would likely be exposed to significant devaluations within the next ten years due to factors including increased rates of flooding and job losses due to the climate transition. Additionally, a study of a diversified equity portfolio found that, absent mitigating actions, climate risks could reduce annual returns toward the end of the decade by as much as 40 percent. Leading real-estate players will figure out which of their assets are mispriced and in what direction and use this insight to inform their investment, asset management, and disposition choices. They will also decarbonize their assets, attracting the trillions of dollars of capital that has been committed to net zero and the thousands of tenants that have made similar commitments. They will then create new revenue sources related to the climate transition.

Building climate intelligence is central to value creation and strategic differentiation in the real-estate industry. But the reverse is also true: real estate is central to global climate change mitigation efforts. Real estate drives approximately 39 percent of total global emissions. Approximately 11 percent of these emissions are generated by manufacturing materials used in buildings (including steel and cement), while the rest is emitted from buildings themselves and by generating the energy that powers buildings. Real-estate owners and investors will need to improve their climate intelligence to understand the potential impact of revenue, operating costs, capital costs, and capitalization rate on assets. This includes developing the analytical capabilities to consistently assess both physical and transition risks. Analyses should encompass both direct effects on assets and indirect effects on the markets, systems, and societies with which assets interact.

The following chart from McKinsey & Co. shows examples of physical and transition risks, and their potential effects on value.



SOCIAL

According to *ESG Real Estate Insights* by Deloitte,

Recently, the “S” in ESG has received growing attention as the COVID-19 pandemic put greater emphasis on the social factor. Since real estate companies have a significant social impact, they should consider the “S” as a value driver. Social aspects in real estate include, for example, participation in the rehabilitation of public spaces, affordable housing, social housing or care centers as well as ensuring security in buildings and assuring human rights. From an internal perspective, social elements may also comprise ensuring workplace safety, fostering high standards in labor practices, responsible marketing, and promoting diversity across the company. Incorporating social considerations can increase companies’ ability to attract talent – especially among millennials. The risk of neglecting social elements can lead to a lack of reputation, lost work, higher employee turnover, increased operating costs, and may threaten the ability to operate.

GOVERNANCE

The “G” in ESG and how it pertains to commercial real estate is convoluted. Governance in commercial real estate has little to do with individual assets or portfolios, and more to do with how a commercial real estate company is structured, led, and how decisions are made. Governance concerns itself with how an ESG focused entity approaches risk management and longer-term planning. It may also concern itself with how individuals who manage properties make decisions to build tenant and community trust.

From a bigger picture, the “G” truly focuses on the boardroom and according to *ESG Real Estate Insights* by Deloitte,

Regarding the “G” in ESG, governance scrutiny is central to companies’ ability to continue business operations. While promoting corporate governance can present an opportunity for real estate companies in order to drive long-term value, not addressing governance considerations carries high risks – reaching from penalties and fines to a loss of reputation and market penetration.

Governance elements include, among others, compliance with governance rules and guidelines, ensuring adequate and transparent remuneration, promoting transparent disclosure of governance issues, taking action against corruption, fostering diversity in management and governing bodies, as well as establishing and communicating organizational values. A corporate culture of ethics, compliance, and integrity is the foundation to create a positive long-term impact.

Relevance to Subject Property

Based on research of the subject property and its market area, it is our opinion that the property was not inequitably impacted by ESG issues as of the date of this report. Furthermore, the subject is not an aberration to similar assets in the local market and, as such, any impact ESG issues may have on value are believed to be incorporated within our analysis of the property.

REGIONAL ANALYSIS

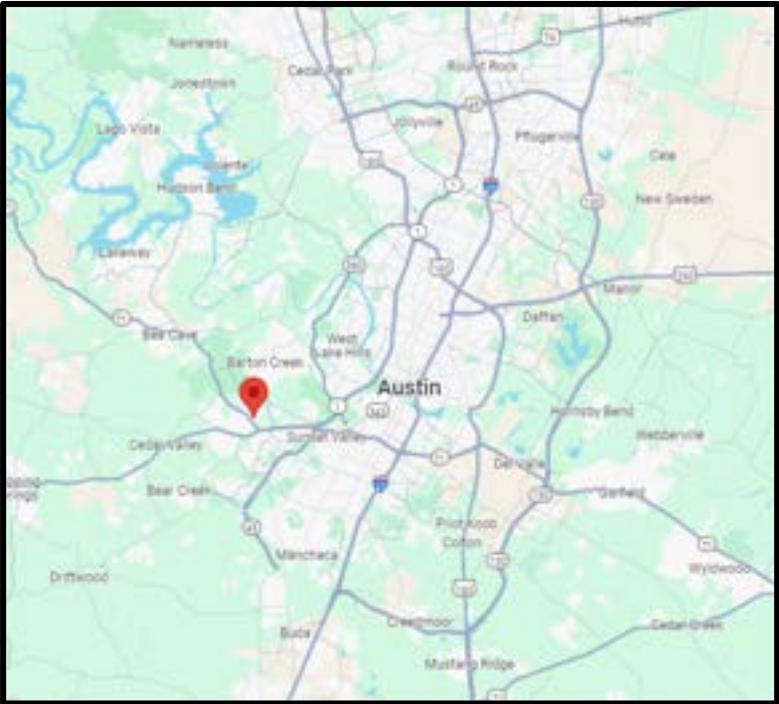
AREA OVERVIEW

The subject is located in the Austin-Round Rock MSA. The Austin-Round Rock MSA is a metropolitan region of over two million people with a highly-trained workforce, renowned quality of life, moderate cost environment, and vast experience in technology, manufacturing, and research and development. Austin is the State Capital of Texas and the seat of Travis County, and is home to The University of Texas at Austin, one of the largest universities in the nation. The city supports a politically-charged and culturally-rich environment. The region is known for its Hill Country scenery and laid-back lifestyle.

GEOGRAPHIC FORCES

The region is located in the east-central part of Texas in the five-county Austin-Round Rock MSA that includes Bastrop, Caldwell, Hays, Travis, and Williamson counties. Austin’s strategic location provides its residents convenient access to Houston and the Dallas/Fort Worth Metroplex (each within 200 miles of Austin), as well as San Antonio (75 miles southwest). The metro area is located along the eastern edge of the Texas Hill Country which, combined with the Highland Lakes chain, makes for dramatic terrain.

REGIONAL MAP



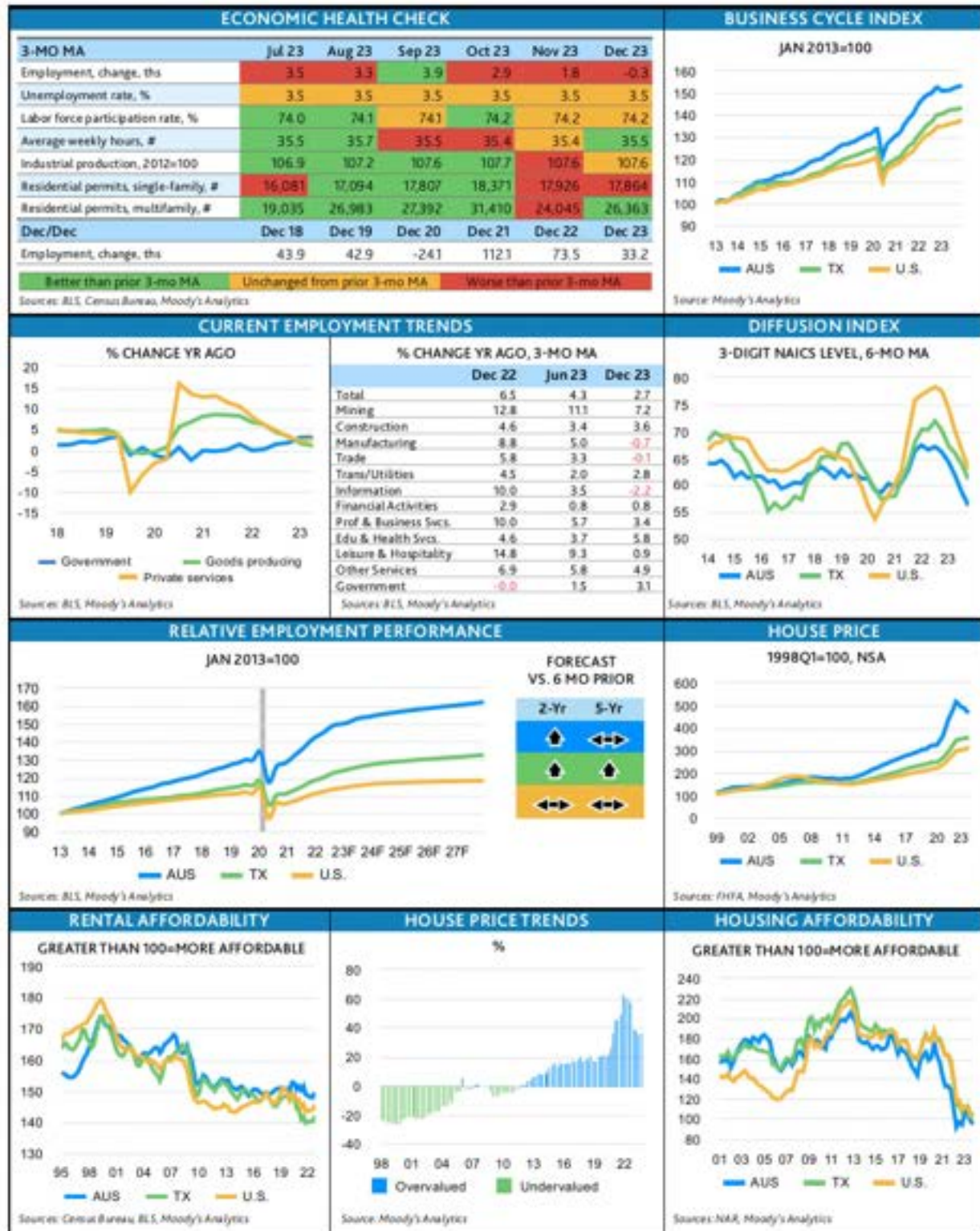
MOODY’S ECONOMY.COM METRO SUMMARY

The following profile of the Austin-Round Rock MSA was provided by Economy.com, a leading provider of economic, financial, and industry information.

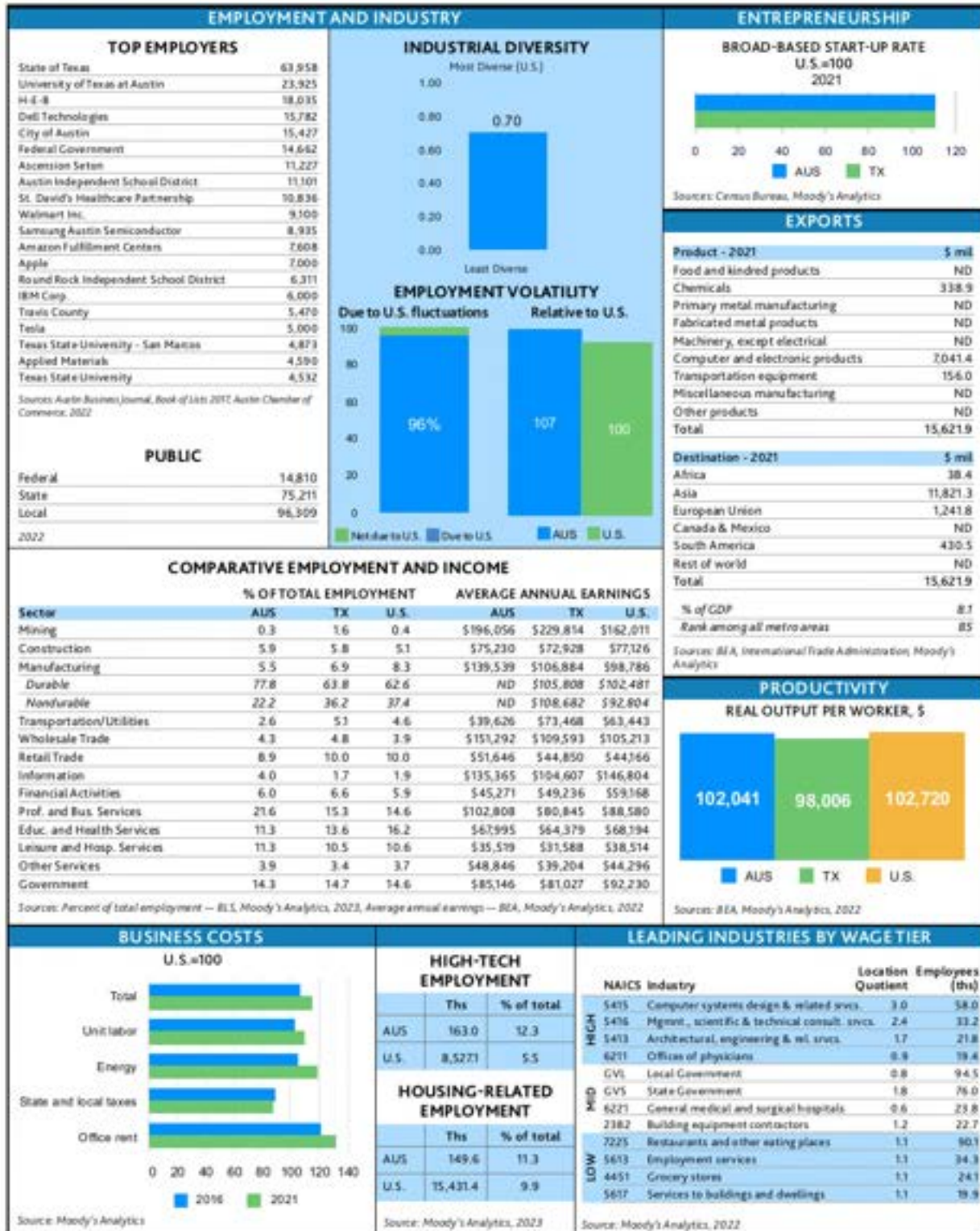


MOODY'S ANALYTICS / Prices® U.S. Metro / February 2024

PRÉCIS® U.S. METRO • Austin-Round Rock TX



PRÉCIS® U.S. METRO • Austin-Round Rock TX

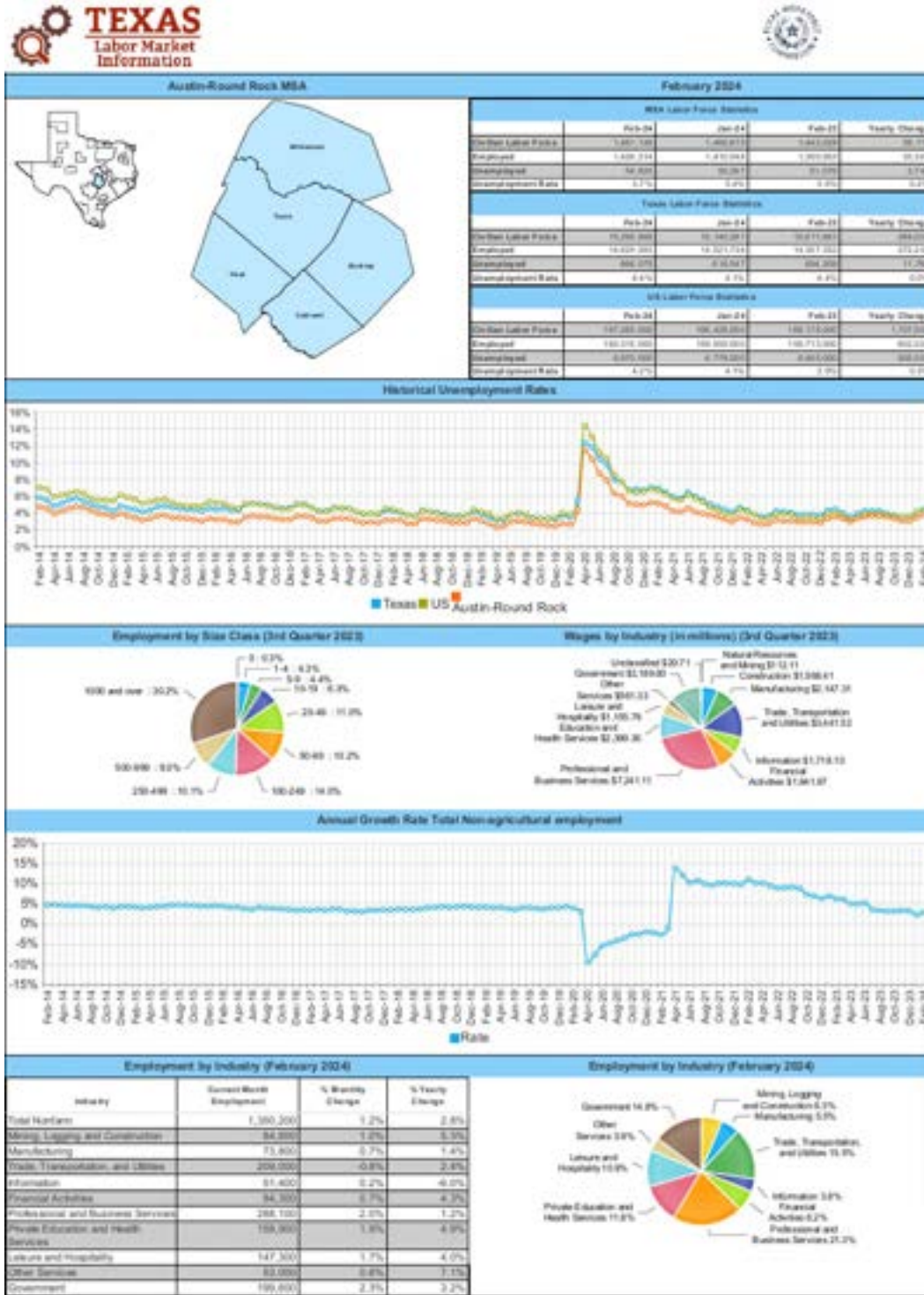


PRÉCIS® U.S. METRO • Austin-Round Rock TX



LABOR FORCE

The following tables show a recent snapshot of labor statistics for the Austin-Round Rock MSA.



CONCLUSION

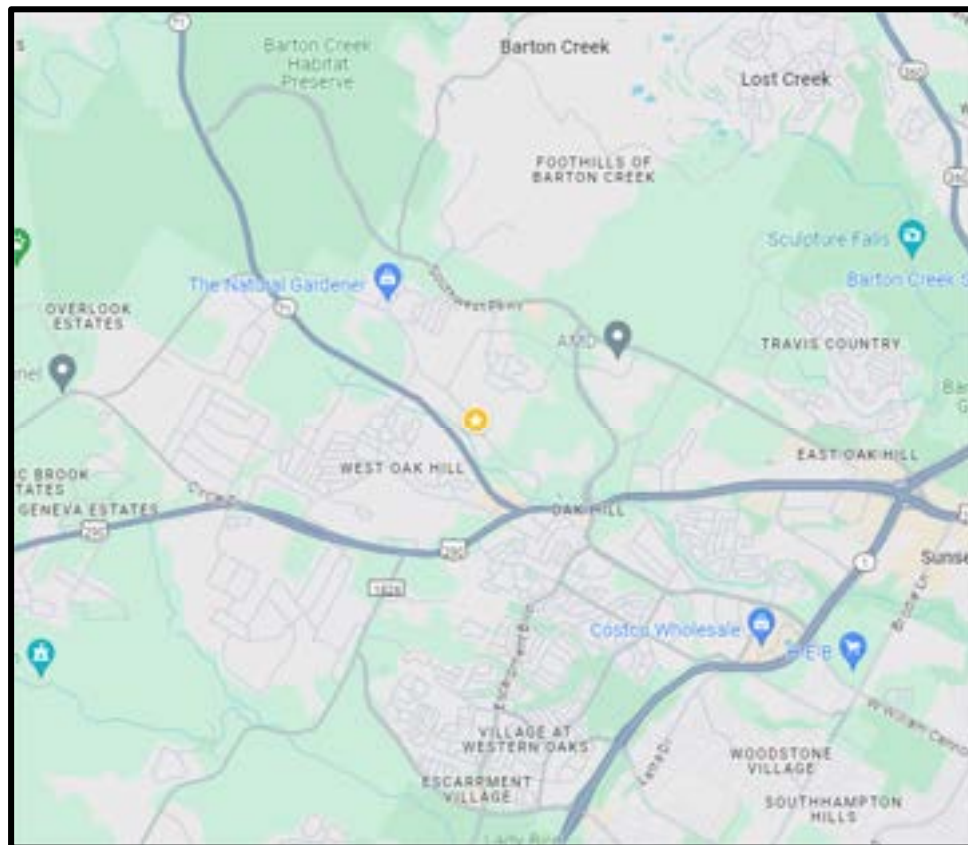
Austin is a city whose residents are young and well educated. The mainstay of the economy has been The University of Texas at Austin and state government; and government and education are expected to remain stable in coming years, along with the technology and manufacturing sectors. However, trade and professional services sectors have contributed more jobs to the economic base since the mid-2010s. And, while unemployment spiked in early 2020 due to COVID-19, most sectors of the local economy returned to a healthy state by end of said year, with the exception of the Leisure & Hospitality sector which returned to pre-pandemic levels in the second half of 2022.

Businesses are attracted to Austin as a result of its geographically central location, favorable tax climate, and large, productive, and well-educated workforce. Job growth in Austin has historically been healthy to robust and such has had a positive impact on real estate in the local market within the recent past. But the general consensus is that Austin is challenged by both increasing traffic congestion and housing affordability, factors that will ultimately mitigate businesses migrating to the area.

PRIMARY MARKET AREA OVERVIEW

GENERAL DESCRIPTION

The neighborhood is located in southwest Austin and is defined as the area being generally bounded by Southwest Parkway to the north, Texas Loop 1 to the east, West Slaughter Lane to the south, and Slaughter Creek, Circle Drive, and Thomas Springs Road to the west. These boundaries have been defined because the properties within them tend to exhibit similar characteristics, physical features, price desirability, and they are affected by similar physical, economic, governmental, and social forces. The subject property is located approximately 10-miles southwest of the Austin Central Business District (CBD). The neighborhood is generally known as Oak Hill and is characterized by mostly hilly terrain. Limestone rimrock structures are commonplace in Oak Hill. The community is located above the Edwards and Trinity aquifers, resulting in the abundance of caves, sinkholes, karst features, and springs, which allow for recharge and discharge of groundwater. In addition, Barton, Slaughter, and Williamson creeks, which all lead to the nearby Colorado River, flow through Oak Hill.



Market Area Map (Subject denoted with star)

ACCESS

Texas Loop 1 (MoPac Expressway), US 290, and State Highway 71 represent major arteries in Austin and provide easy access to the neighborhood. Loop 1 (MoPac Expressway), which extends from State Highway 45 S/FM 1826 in southwest Austin to State Highway 45 N in southern Round Rock, provides access to the market area from the Central Business District of Austin, which is approximately ten miles northeast.

US 290 W/SH 71 extends through the southern sector of Austin. This arterial is an eight-lane divided expressway that provides linkage to the neighborhood from southeast and southwest sectors of Austin. It also provides linkage from Capital of Texas Highway (Loop 360) in the northwest portion of the market area. Noteworthy is that Ben White Boulevard is one of only three primary east-west traffic carriers in the neighborhood that link Interstate Highway 35 on the east with Loop 1 (MoPac Expressway) on the west, the other two being William Cannon Drive and Slaughter Lane. Future plans include the extension of State Highway 45 from Interstate Highway 35 westward to Loop 1.

After decades of development and evaluation, the Oak Hill Parkway project received approval by the Transportation Policy Board in January 2019. Construction of the \$426 million 12-lane elevated highway at the congested intersection of US 290 and SH 71 began in 2020 and was planned to take approximately 4 years to complete. The project was given a jump start in 2018 when the Texas Department of Transportation Commission gave \$224 million under the condition that it move forward without tolls. Construction is ongoing.

Other significant roadways in the neighborhood include Barton Creek Boulevard, Bee Cave Road, Southwest Parkway, W William Cannon Drive, Thomas Springs Road, Circle Drive, Escarpment Boulevard, W Slaughter Lane, and Davis Lane.

This network of primary thoroughfares coupled with a complete and extensive network of secondary and residential traffic carriers enhances the accessibility throughout the market area.

LAND USE PATTERNS

The neighborhood is approximately 85% developed as a large portion, located in the northern portion of the neighborhood is designated as Barton Creek Wilderness Park. Land use patterns follow traditional development trends. The more intense commercial and retail uses are along major carriers and at major intersections while most residential uses are away from the major thoroughfares in the interior sections. The exception is multifamily uses, which are found along the primary arterials as well as piecemeal throughout the neighborhood.

Most non-residential development in the area is concentrated US 290/State Highway 71, Loop 1 and Southwest Parkway, as well as along primary arterials and at primary intersections within the neighborhood. Commercial development includes various retail facilities, restaurants and suburban office buildings.

There are several retail nodes that are located along US 290 which includes Oak Hill Plaza and consists of tenants like Pluckers Wing Bar, Dollar Tree, AutoZone, Wells Fargo, Goodwill Central Texas, Firestone, Petco, and Advanced Auto Parts. Additional smaller retail centers are located along W William Cannon Drive and US 290 and Loop 1 and W William Cannon Drive. Sunset Valley Homestead at the southeast corner of US 290/SH 71 and Brodie Lane; and Sunset Valley Village along the east line of Brodie Lane south of US 290/SH 71. These centers include a host of national, regional and local retailers including TJ Maxx, Michael's, Ross, Barnes and Noble, World Market, Old Navy, Total Wine, Petco, Nordstrom Rack, Kohl's, DSW, etc. And, further south of these centers along the west line of Brodie Lane, Home Depot, Lowe's and Academy have stores.

Circle C Ranch is a master planned community located in the southwest portion of the neighborhood that consists of over 5,000 existing homes and new construction areas. Residents have access to a community center with meeting rooms, kitchens, pool, basketball sport court, sand volleyball court, and parks. In addition to the community center pool, there are neighborhood pools located throughout the development. The area also boasts local attractions including Alamo Drafthouse Cinema, Circle C Metropolitan Park, Slaughter Creek Trails, and the LBJ Wildflower Center. Shopping for Circle C is available at Escarpment Village (HEB, Waterloo Icehouse, Wells Fargo, etc.), Parkside Village (Alamo Drafthouse, various restaurants, etc.), and extensive retail at the W William Cannon/S MoPac intersection (Costco, Whole Foods, 24 Hour Fitness, Cheddar's, Panera, Chuy's, etc.). Development of this community extends south from Slaughter Lane, with the most recent construction near the MoPac/SH 45 intersection near Greyrock Golf and Tennis Club.

PUBLIC SERVICES

The market area is adequately served by all public utilities and services. Those that serve the area around the subject are summarized in the following table.

UTILITY/SERVICE PROVIDERS	
Water/Sewer	City of Austin
Internet/Cable	Various Providers
Electricity	Austin Energy
Gas	Texas Gas Service
Police/Fire	City of Austin
Education	Austin ISD

LIFE STAGES AND TRENDS

The neighborhood, as part of the Austin-Round Rock MSA, is considered to be average. Its reputation as a desirable place to reside is evident from its stable growth over the recent past. Residential, industrial and commercial improvements in the area are in average to good condition, and the overall appearance of the neighborhood is average. The neighborhood has a good reputation with respect to most types of real estate. The neighborhood, like the rest of Austin, experienced increasing property values and rental rates in all types of real estate during the 1980s and 1990s due to the employment growth that occurred through said decades. After a downturn in the late 1990s and early 2000s, the local economy once again flourished and real estate in both the city and neighborhood experienced healthy demand. However, the national credit crises proved detrimental to continued accelerated growth. Yet, the resilient Austin economy has improved once again and, as such, this area is presently experiencing stable growth. Given such, at present, life stage of the neighborhood is one of measured growth for the foreseeable future.

DEMOGRAPHICS

The data below summarizes the neighborhood area demographics for the 1, 3, and 5-mile radii from the address of the subject, as provided by Claritas.

COMPARATIVE DEMOGRAPHIC ANALYSIS FOR PRIMARY TRADE AREA			
Description	7610 Old Bee Caves Rd - 1 mi.	7610 Old Bee Caves Rd - 3 mi.	7610 Old Bee Caves Rd - 5 mi.
	Totals	Totals	Totals
Population			
2029 Projection	10,371	55,547	130,007
2024 Estimate	9,584	53,660	126,345
2020 Census	8,913	52,229	123,583
2010 Census	6,057	44,939	106,406
2024 Est. Median Age	36.44	38.46	39.06
2024 Est. Average Age	37.70	39.28	39.52
Households			
2029 Projection	4,353	23,538	53,476
2024 Estimate	3,977	22,593	51,635
2020 Census	3,656	21,843	50,182
2010 Census	2,431	18,635	43,088
2024 Est. Average Household Size	2.30	2.33	2.40
2024 Est. Households by Household Income (%)			
Household Income < \$15,000	7.7	5.8	4.9
Household Income \$15,000 - \$24,999	3.9	3.0	2.6
Household Income \$25,000 - \$34,999	1.9	3.0	3.6
Household Income \$35,000 - \$49,999	6.6	6.6	6.5
Household Income \$50,000 - \$74,999	19.9	12.2	12.1
Household Income \$75,000 - \$99,999	12.2	12.1	11.6
Household Income \$100,000 - \$124,999	8.9	10.2	10.1
Household Income \$125,000 - \$149,999	10.2	9.8	9.0
Household Income \$150,000 - \$199,999	11.9	13.8	12.6
Household Income \$200,000 - \$249,999	6.1	7.4	7.0
Household Income \$250,000 - \$499,999	7.4	10.3	11.3
Household Income \$500,000+	3.5	6.0	8.7
2024 Est. Average Household Income	\$131,008	\$157,840	\$171,800
2024 Est. Median Household Income	\$94,868	\$118,029	\$121,468
2024 Est. Tenure of Occupied Housing Units (%)			
Owner Occupied	46.3	54.2	58.9
Renter Occupied	53.7	45.8	41.1
2024 Est. Median All Owner-Occupied Housing Value	\$564,926	\$614,495	\$646,034

Source: 2024 Claritas, Inc.

CONCLUSION

The neighborhood is conveniently located proximate to Austin’s Central Business District, neighborhood shopping facilities, centers of employment and recreational facilities. Property values have been reflective of trends noted in other portions of the city. After analyzing the various factors affecting the surrounding areas, it appears that trends will be stable to positive for the foreseeable future. Obviously, future trends in growth and development for the area will be influenced by the overall Austin economy.

SITE PLAN



GENERAL SITE DESCRIPTION OVERVIEW							
Location	The property is located along the east line of Old Bee Caves Road, between Landscape Drive and Steep Cactus Trail						
Parcel Number	306342						
Legal Description	ABS 114 SUR 91 BOND A J ACR 1.84						
Census Tract No.	19.2						
Latitude, Longitude	30.244596, -97.878804						
Site Area							
Primary Site	80,150 square feet (1.84 acres)						
Configuration	Generally Rectangular						
Topography	Heavily sloping						
Drainage	Appears adequate						
Utilities/Municipal Services	All available to site.						
Flood Zone(s)	<table border="1"> <thead> <tr> <th><u>Zone</u></th> <th><u>Map</u></th> <th><u>Date</u></th> </tr> </thead> <tbody> <tr> <td>Zone X (Unshaded)</td> <td>48453C0560J</td> <td>January 22, 2020</td> </tr> </tbody> </table> <p>Zone X (Unshaded) is a Non-Special Flood Hazard Area (NSFHA) of minimal flood hazard, usually depicted on Flood Insurance Rate Maps (FIRM) as above the 500-year flood level. This is an area in a low to moderate risk flood zone that is not in any immediate danger from flooding caused by overflowing rivers or hard rains. In communities that participate in the National Flood Insurance Program (NFIP), flood insurance is available to all property owners and renters in this zone.</p>	<u>Zone</u>	<u>Map</u>	<u>Date</u>	Zone X (Unshaded)	48453C0560J	January 22, 2020
<u>Zone</u>	<u>Map</u>	<u>Date</u>					
Zone X (Unshaded)	48453C0560J	January 22, 2020					
Soil/Subsoil Conditions	We did not receive nor review a soil report. However, we assume that the soil's load-bearing capacity is sufficient to support proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property.						
Environmental Concerns	The inspecting appraiser did not observe any environmental issues and for the purpose of this appraisal, it is specifically assumed that none exist. No independent environmental studies were provided. This appraisal assignment was engaged to determine the market value of the property, independent of any potential environmental issues. In the event the property is determined to be impacted by environmental concerns, it could affect our appraisal conclusions.						
Off-Site Improvements	None						
Easements/Restrictions	None detrimental known						
Hazards/Nuisances	None noted						
Frontage	Old Bee Caves Road						
Access	Old Bee Caves Road						
Visibility	Average						
Surrounding Land Uses	Vacant land and SFR to the north; SFR to the south; vacant land and SFR to the east; Old Bee Caves Road followed by commercial/light industrial to the west						
Opportunity Zone	No						
Enterprise Zone	No						
Transportation Facilities	Private vehicular transportation is typical.						
Comments	The site is located in the Oak Hill Center Activity Center for Redevelopment in Sensitive Environmental Areas as designated by the Imagine Austin Comprehensive Plan.						

ZONING

General

Property Jurisdiction	City of Austin
Zoning Classification	CS-NP
Description	General Commercial Services-Neighborhood Plan
Date of Ordinance	March 22, 2024
Zoning Intent/Purpose	General commercial services (CS) district is the designation for a commercial or industrial use of a service nature that has operating characteristics or traffic service requirements that are incompatible with residential environments. The purpose of a neighborhood plan (NP) combining district is to allow infill development by implementing a neighborhood plan that has been adopted by the council as an amendment to the comprehensive plan.
Special Permitting/Conditions	Site plan approval required prior to development.
Compliance Conclusion	The subject is vacant and currently complies with zoning. The owner expects entitlements for the development of 90 LIHTC units under the city of Austin's Affordability Unlocked program.

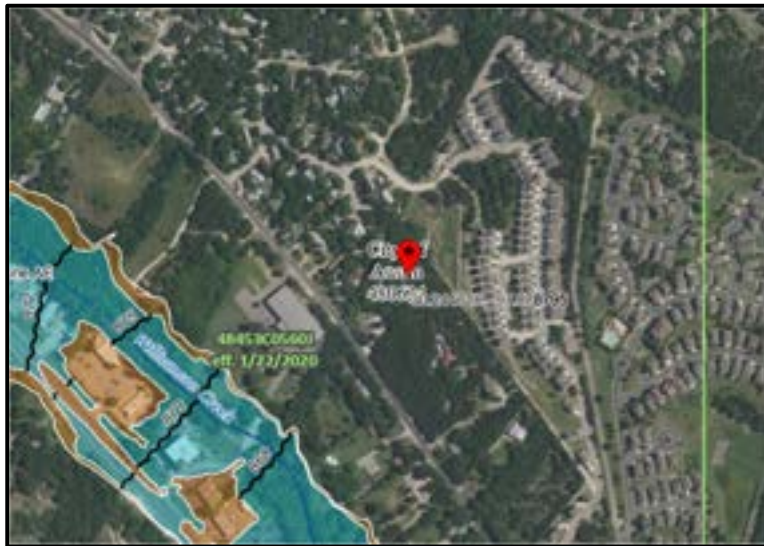
PARCEL MAP



ZONING MAP



FLOOD MAP



PROPERTY ASSESSMENT AND TAX ANALYSIS

PROPERTY ASSESSMENT AND TAX DATA

Assessment and real estate tax information was provided by the Travis Central Appraisal District. In the state of Texas, properties are assessed at 100.00% of market value as of January 1st of each year, as estimated by the appraisal district. The subject is identified as parcel number(s): 306342. The jurisdictions that tax the subject and their respective 2023 tax rates (most recent available) are summarized in the following table.

TAX LEVY (PER \$100)		
Taxing Authority	Assessment Ratio	2023 Rate
Austin ISD	100%	0.859500
City of Austin	100%	0.445800
Travis County	100%	0.304655
Travis Cty Healthcare District	100%	0.100692
ACC District	100%	0.098600
Total		1.809247

Following is a summary of the recent and current property assessments. The assessments for 2023 are the most current as of the date of value. These taxes reflect land only (no improvements or site improvements) in 2022 and 2023, while 2021 is reflective of land plus improvements. We note that, per county records, there are no outstanding or delinquent taxes in association with the subject's tax parcel.

REAL ESTATE ASSESSMENT AND TAXES			
	2021	2022	2023
Assessor's Appraised Value	\$224,374	\$200,376	\$200,376
Assessed Value	\$224,374	\$200,376	\$200,376
Taxable Value	\$224,374	\$200,376	\$200,376
Effective Tax Rate (per \$100)	<u>2.1767</u>	<u>1.974923</u>	<u>1.809247</u>
Property Taxes	\$4,884	\$3,957	\$3,625
Special Assessments	-	-	-
Total Property Taxes	\$4,884	\$3,957	\$3,625
per Unit	\$54	\$44	\$40

MARKET ANALYSIS

AUSTIN MULTI-FAMILY MARKET

CoStar is the source for the following data. The data reflects conditions of 2023 Q4, the most recent data available. The initial discussion provides information on the overall Austin Multi-Family market, followed by the subject's submarket. The subject is located within the Southwest Austin submarket, which will be discussed later in this report.

KEY INDICATORS AT A GLANCE

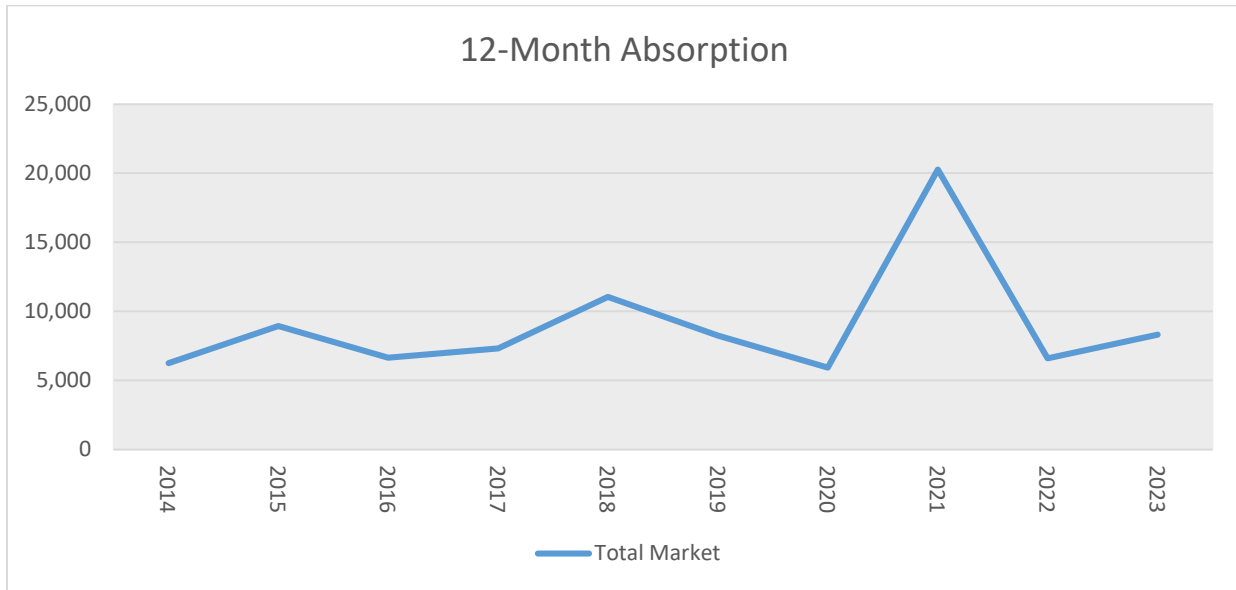
	PRIOR QUARTER	CURRENT QUARTER	COMPARISON
Vacancy (%)	12.07%	13.08%	increased 101 Basis Points
Absorption (Units)	1,358	1,595	increased 237 Units
Quoted Rental Rates (\$/Unit/Month)	\$1,625	\$1,590	decreased \$35 Per Unit
Inventory (Units)	281,195	286,309	increased 5,114 Units
Net Deliveries (Units)	6,674	5,114	decreased 1,560 Units
Under Construction (Units)	44,970	41,863	decreased 3,107 Units
Overall Comparison	<i>Vacancy increased 101 bps and rental rates decreased \$35/unit as 5,114 units were added to the market.</i>		

AUSTIN MULTI-FAMILY MARKET STATISTICS

PERIOD	EXISTING INVENTORY (UNITS)	VACANCY %	NET ABSORPTION (UNITS)	NET COMPLETIONS (UNITS)	UNDER CONST. (UNITS)	QUOTED RATES (\$/UNIT/MONTH)
2023 Q4	286,309	13.08%	1,595	5,114	41,863	\$1,590
2023 Q3	281,195	12.07%	1,358	6,674	44,970	\$1,625
2023 Q2	274,521	10.43%	3,503	5,967	49,583	\$1,682
2023 Q1	268,554	9.74%	1,852	3,216	53,373	\$1,683
2023	286,309	13.08%	8,308	20,971	41,863	\$1,590
2022	265,338	9.35%	6,589	14,896	49,805	\$1,674
2021	250,442	6.59%	20,259	11,939	30,869	\$1,635
2020	238,503	10.40%	5,929	12,366	20,706	\$1,405
2019	226,137	8.12%	8,232	9,716	20,048	\$1,413
2018	216,421	7.80%	11,052	7,269	13,263	\$1,368
2017	209,152	9.88%	7,319	10,481	10,310	\$1,325
2016	198,671	8.81%	6,634	10,656	11,442	\$1,306
2015	188,015	7.16%	8,945	8,906	10,936	\$1,281

The Austin Multi-Family market ended the fourth quarter with a vacancy rate of 13.08%. The vacancy rate increased over the previous quarter, with net absorption totaling 1,595 units in the fourth quarter. Rental rates decreased compared to the previous quarter, ending fourth quarter at \$1,590. There were 5,114 units delivered to the market, with 41,863 units under construction at the end of the quarter.

ABSORPTION



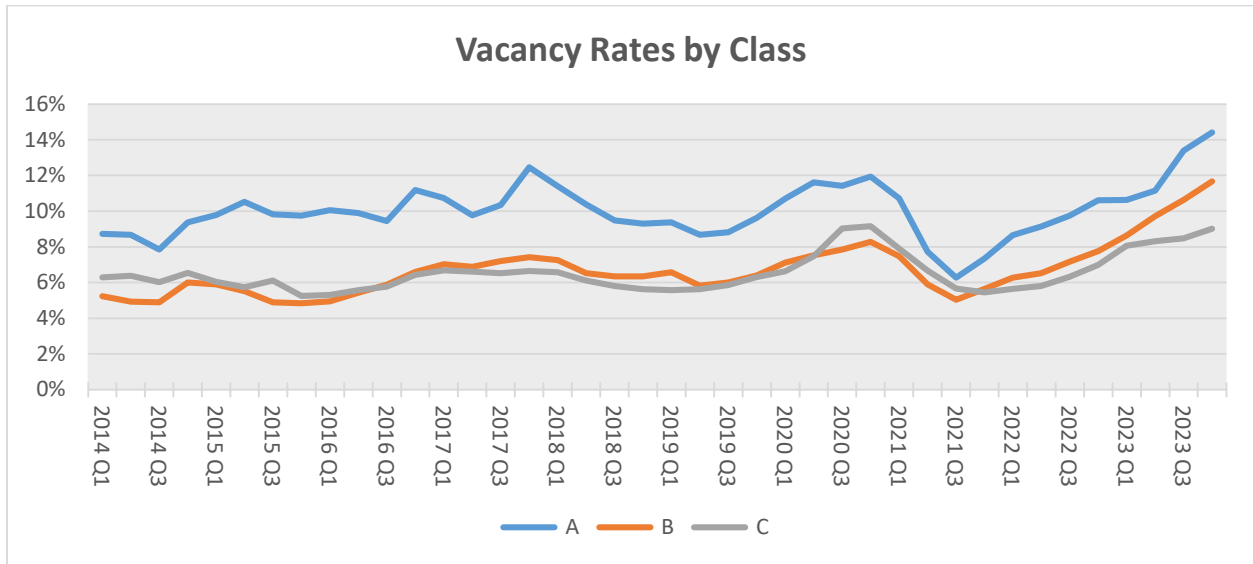
Net absorption for the overall Austin Multi-Family market was 1,595 units in the fourth quarter 2023. That compares to 1,358 units in the third quarter 2023, 3,503 units in the second quarter 2023, and 1,852 units in the first quarter 2023. Net absorption in the market over the prior 12 months totaled 8,308 units.

The Class A (4 & 5 Star) Multi-Family market recorded net absorption of 1,775 units in the fourth quarter 2023, compared to 1,564 units in the third quarter 2023, 3,012 units in the second quarter 2023, and 2,013 units in the first quarter 2023.

The Class B (3 Star) Multi-Family market recorded net absorption of -42 units in the fourth quarter 2023, compared to -165 units in the third quarter 2023, 436 units in the second quarter 2023, and 104 units in the first quarter 2023.

The Class C (1 & 2 Star) Multi-Family market recorded net absorption of -138 units in the fourth quarter 2023, compared to -42 units in the third quarter 2023, 55 units in the second quarter 2023, and -266 units in the first quarter 2023.

VACANCY



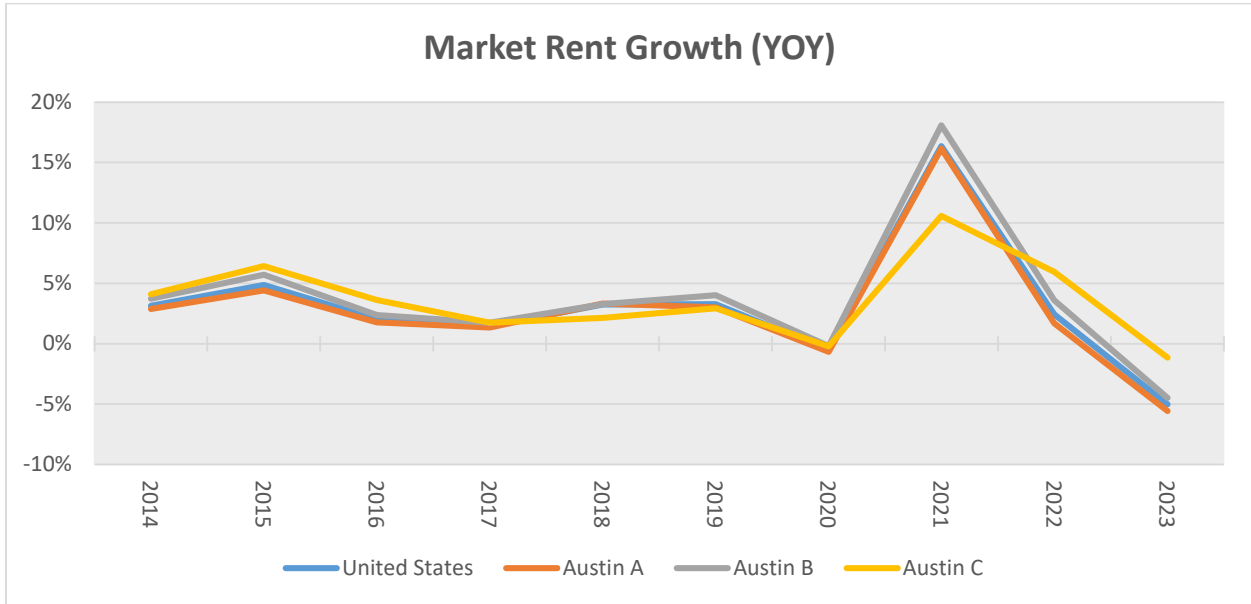
Vacancy for the overall Austin Multi-Family market increased to 13.08% in the fourth quarter 2023. That compares to 12.07% in the third quarter 2023, 10.43% in the second quarter 2023, and 9.74% in the first quarter 2023. These rates are inclusive of newly constructed properties in lease-up, which may artificially increase vacancy.

Class A (4 & 5 Star) projects reported a vacancy rate of 14.41% at the end of the fourth quarter 2023, 13.38% at the end of the third quarter 2023, 11.14% at the end of the second quarter 2023, and 10.62% at the end of the first quarter 2023.

Class B (3 Star) projects reported a vacancy rate of 11.68% at the end of the fourth quarter 2023, 10.62% at the end of the third quarter 2023, 9.72% at the end of the second quarter 2023, and 8.63% at the end of the first quarter 2023.

Class C (1 & 2 Star) projects reported a vacancy rate of 9.02% at the end of the fourth quarter 2023, 8.47% at the end of the third quarter 2023, 8.31% at the end of the second quarter 2023, and 8.06% at the end of the first quarter 2023.

RENTAL RATES



The average asking rental rate for available Multi-Family units, all classes, was \$1,590 per unit per month at the end of the fourth quarter 2023 in the Austin market area. This represented a 2.2% decrease in quoted rental rates from the end of the third quarter 2023, when rents were reported at \$1,625 per unit.

The average quoted rate within the Class A (4 & 5 Star) sector was \$1,719 at the end of the fourth quarter 2023, while Class B (3 Star) rates stood at \$1,415, and Class C (1 & 2 Star) rates at \$1,235. At the end of the third quarter 2023, Class A (4 & 5 Star) rates were \$1,761 per unit, Class-B (3 Star) rates were \$1,442, and Class C (1 & 2 Star) rates were \$1,244.

INVENTORY & CONSTRUCTION

During the fourth quarter 2023, there were 5,114 units completed in the Austin market area. This compares to a total of 6,674 units completed in the third quarter 2023, a total of 5,967 units completed in the second quarter 2023, and 3,216 units completed in the first quarter 2023.

There were 41,863 units under construction at the end of the fourth quarter 2023.

SUBTYPE	EXISTING INVENTORY (UNITS)	NET DELIVERIES (12 MONTHS)	UNDER CONSTRUCTION (UNITS)
Class A (4 & 5 Star)	171,422	16,658	30,713
Class B (3 Star)	90,051	4,185	11,150
Class C (1 & 2 Star)	24,836	128	0
Total	286,309	20,971	41,863

MARKET OUTLOOK

The Austin Multi-Family market ended the fourth quarter with a vacancy rate of 13.08%. The vacancy rate increased over the previous quarter, with net absorption totaling 1,595 units in the fourth quarter. Rental rates decreased compared to the previous quarter, ending fourth quarter at \$1,590. There were 5,114 units delivered to the market, with 41,863 units still under construction at the end of the quarter.

Per CoStar as of April 2024: “A strong demand rebound in 23Q4 shows that Austin's apartment market continues to recover from sluggish occupancies in late 2022. The resurgence has been fueled by improving consumer sentiment, cooling inflation, and subsiding recessionary fears, ultimately boosting household formation and continued domestic migration into the Austin metro. A robust labor market is also supporting this trend, with job growth outpacing most major markets nationally. As a result, the 10,000 units absorbed over the past year surpassed the prepandemic, five-year average of 8,400 units.

The metro's demographic shifts are a further tailwind for demand. Austin is one of the youngest cities in the country, among peer markets, and consequently, has one of the largest shares of working-age populations. Residents aged 25 to 34 represent the largest segment of Austin's population, a prime age for renters.

Despite improving demand, units continue to deliver at a rapid pace, leading to a sharp rise in the market's vacancy rate over the past year. At 26,000 units, the trailing 12-month net deliveries are at historical levels for the market and are the second-highest total in the U.S. Compared to 10,000 units absorbed during the same period, the supply/demand imbalance pushed the vacancy rate up to 14.3% from 9.8% in 23Q1.

Another substantial wave of completions is forecast for the first half of 2024, leading to the vacancy rate expanding even further to 15% in 24Q2, the anticipated peak for the market's vacancy rate. With a 70% decline in construction starts, year over year, deliveries are projected to taper beginning in the second half of 2024. Given this trend, it's possible that the market could achieve a supply/demand balance and the vacancy rate slowly begin moving down.

Given the surplus of units in the market, rents face significant downward pressure, due to more options for renters. The market's asking rent growth is the lowest in the U.S. among the largest 50 multifamily markets at -5.7% and is expected to remain the lowest throughout 2024. The trend is more pronounced among 4 & 5 Star properties, where average rents are down -6.0% on the year, as this property rating accounts for 75% of completions over the past year.

Sales volume decelerated by over 50% from 2022 levels, with more sellers unwilling to transact at lower prices, putting the valuation gap between buyers and sellers into focus. Private buyers continued to be the dominant purchaser, driving 45% of all sales, but it is a downshift from the three-year, pre-pandemic average of 55%. With an average occupancy rate of 91%, these buyers focused on high-quality, well-performing assets, given their consistent cash flow. River Rock Capital, a New York-based developer, purchased the 4 Star Bluebonnet Preserve in Pflugerville for \$72.2 million, which was 94% occupied at the time of sale.”

SOUTHWEST AUSTIN MULTI-FAMILY MARKET



KEY INDICATORS AT A GLANCE

	PRIOR QUARTER	CURRENT QUARTER	COMPARISON
Vacancy (%)	10.38%	11.52%	increased 114 Basis Points
Absorption (Units)	-11	146	increased 157 Units
Quoted Rental Rates (\$/Unit/Month)	\$1,759	\$1,686	decreased \$73 Per Unit
Inventory (Units)	12,764	13,094	increased 330 Units
Net Deliveries (Units)	182	330	increased 148 Units
Under Construction (Units)	704	374	decreased 330 Units
Overall Comparison	<i>Vacancy increased 114 bps and rental rates decreased \$73/unit as 330 units were added to the submarket.</i>		

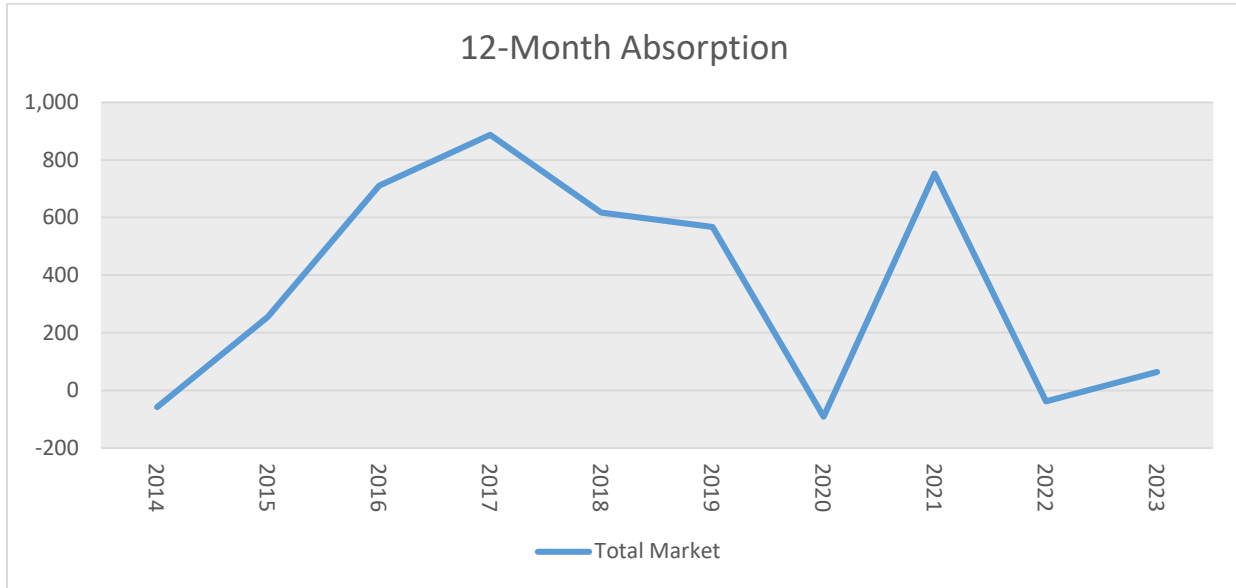
SOUTHWEST AUSTIN MULTI-FAMILY MARKET STATISTICS

PERIOD	EXISTING INVENTORY (UNITS)	VACANCY %	NET ABSORPTION (UNITS)	NET COMPLETIONS (UNITS)	UNDER CONST. (UNITS)	QUOTED RATES (\$/UNIT/MONTH)
2023 Q4	13,094	11.52%	146	330	374	\$1,686
2023 Q3	12,764	10.38%	-11	182	704	\$1,759
2023 Q2	12,582	9.01%	-24	0	886	\$1,828
2023 Q1	12,582	8.81%	-47	349	886	\$1,828
2023	13,094	11.52%	64	861	374	\$1,686
2022	12,233	5.82%	-39	0	1,235	\$1,802
2021	12,233	5.50%	753	286	861	\$1,813
2020	11,947	9.55%	-91	300	286	\$1,459

2019	11,647	6.43%	567	240	300	\$1,516
2018	11,407	9.42%	617	767	240	\$1,447
2017	10,640	8.70%	888	489	767	\$1,405
2016	10,151	12.94%	710	1,200	590	\$1,376
2015	8,951	9.13%	255	615	892	\$1,405

The Southwest Austin Multi-Family market ended the fourth quarter with a vacancy rate of 11.52%. The vacancy rate increased over the previous quarter, with net absorption totaling 146 units in the fourth quarter. Rental rates decreased compared to the previous quarter, ending fourth quarter at \$1,686. There were 330 units delivered to the market, with 374 units under construction at the end of the quarter.

ABSORPTION



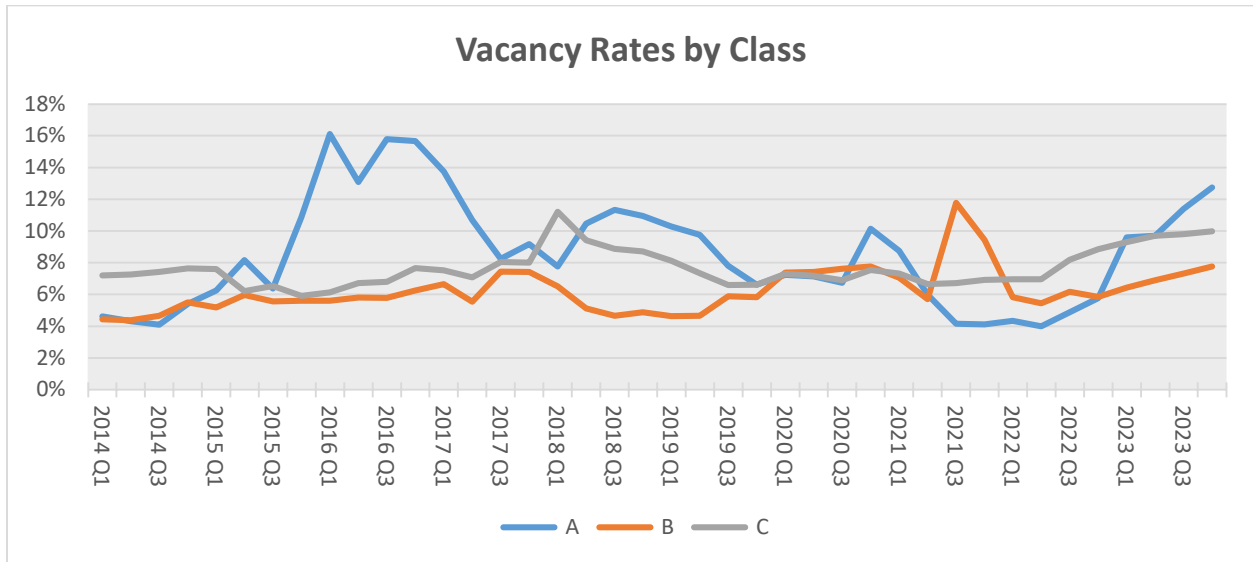
Net absorption for the overall Southwest Austin Multi-Family market was 146 units in fourth quarter 2023. That compares to -11 units in third quarter 2023, -24 units in second quarter 2023, and -47 units in first quarter 2023. Net absorption in the market over the prior 12 months totaled 64 units.

The Class A (4 & 5 Star) Multi-Family market recorded net absorption of 160 units in the fourth quarter 2023, compared to 2 units in the third quarter 2023, -9 units in the second quarter 2023, and -28 units in the first quarter 2023.

The Class B (3 Star) Multi-Family market recorded net absorption of -14 units in the fourth quarter 2023, compared to -13 units in the third quarter 2023, -14 units in the second quarter 2023, and -18 units in the first quarter 2023.

The Class C (1 & 2 Star) Multi-Family market recorded net absorption of no units in the fourth quarter 2023, compared to no units in the third quarter 2023, -1 unit in the second quarter 2023, and -1 unit in the first quarter 2023.

VACANCY



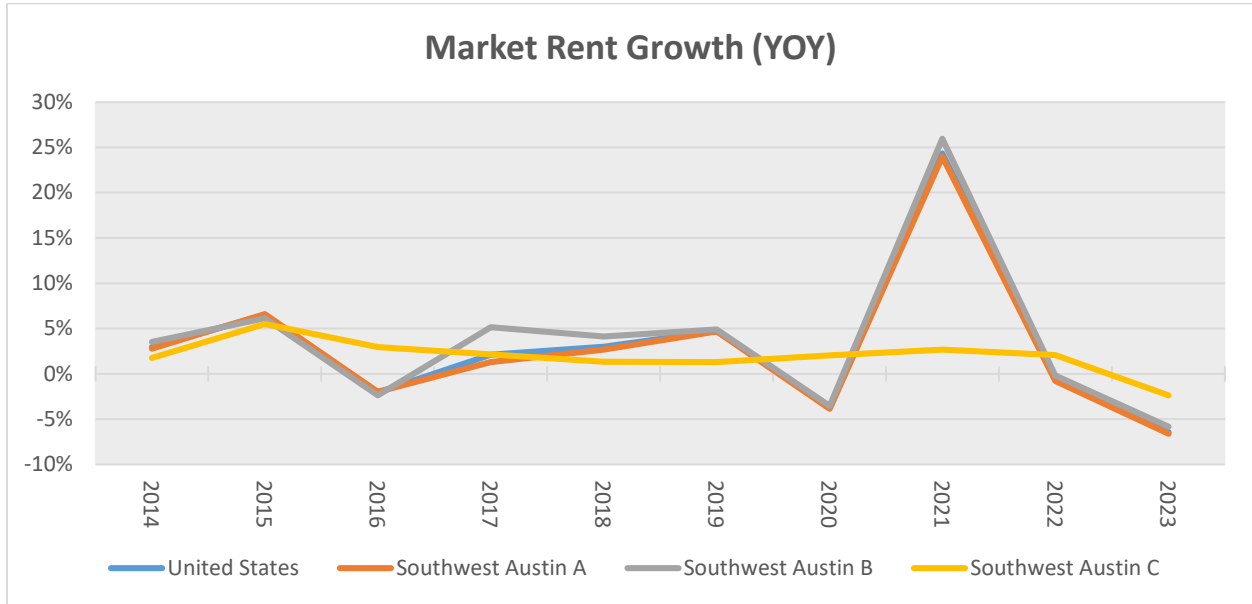
Vacancy for the overall Southwest Austin Multi-Family market increased to 11.52% in the fourth quarter 2023. That compares to 10.38% in the third quarter 2023, 9.01% in the second quarter 2023, and 8.81% in the first quarter 2023. This includes recently completed properties still in lease-up, which may artificially increase vacancy temporarily.

Class A (4 & 5 Star) projects reported a vacancy rate of 12.74% at the end of the fourth quarter 2023, 11.39% at the end of the third quarter 2023, 9.70% at the end of the second quarter 2023, and 9.60% at the end of the first quarter 2023.

Class B (3 Star) projects reported a vacancy rate of 7.76% at the end of the fourth quarter 2023, 7.32% at the end of the third quarter 2023, 6.90% at the end of the second quarter 2023, and 6.44% at the end of the first quarter 2023.

Class C (1 & 2 Star) projects reported a vacancy rate of 9.97% at the end of the fourth quarter 2023, 9.80% at the end of the third quarter 2023, 9.69% at the end of the second quarter 2023, and 9.29% at the end of the first quarter 2023.

RENTAL RATES



The average asking rental rate for available Multi-Family units, all classes, was \$1,686 per unit per month at the end of the fourth quarter 2023 in the Southwest Austin market area. This represented a 4.1% decrease in quoted rental rates from the end of the third quarter 2023, when rents were reported at \$1,759 per unit.

The average quoted rate within the Class A (4 & 5 Star) sector was \$1,714 at the end of the fourth quarter 2023, while Class B (3 Star) rates stood at \$1,601, and Class C (1 & 2 Star) rates at \$1,650. At the end of the third quarter 2023, Class A (4 & 5 Star) rates were \$1,790 per unit, Class-B (3 Star) rates were \$1,663, and Class C (1 & 2 Star) rates were \$1,704.

INVENTORY & CONSTRUCTION

During the fourth quarter 2023, there were 330 units completed in the Southwest Austin market area. This compares to a total of 182 units completed in the third quarter 2023, no units completed in the second quarter 2023, and 349 units completed in the first quarter 2023.

There were 374 units under construction at the end of the fourth quarter 2023.

SUBTYPE	EXISTING INVENTORY (UNITS)	NET DELIVERIES (12 MONTHS)	UNDER CONSTRUCTION (UNITS)
Class A (4 & 5 Star)	9,837	861	0
Class B (3 Star)	3,111	0	374
Class C (1 & 2 Star)	146	0	0
Total	13,094	861	374

SOUTHWEST AUSTIN MARKET OUTLOOK

The Southwest Austin Multi-Family market ended the fourth quarter with a vacancy rate of 11.52%. The vacancy rate increased over the previous quarter, with net absorption totaling 146 units in the fourth quarter. Rental rates decreased compared to the previous quarter, ending fourth quarter at \$1,686. There were 330 units delivered to the market, with 374 units under construction at the end of the quarter.

Per CoStar as of April 2024: "Southwest Austin is experiencing softening market fundamentals, with wavering demand contributing to a rising vacancy rate that is approaching a five-year high. Annual net absorption measures 280 units, below the five-year pre-pandemic average of 600 units, as competition from comparable suburban locales and slowing household formation weighed on leasing activity over the past year. The weakened demand also coincides with a period of expanding supply, which is on par with the long-term average. As a result, the supply/demand imbalance has translated into an expanding vacancy rate, which has increased by 1.4% over the past year to reach 10.2%. A consistent influx of new units expected in 2024 is anticipated to increase the vacancy rate even further, potentially peaking at 12.2% in 24Q2.

Despite softened demand in recent quarters, several factors will support the rebound in apartment demand in the coming year. Proximity to corporate offices like NXP Semiconductors, Abbott Labs, and Dimensional Fund Advisors; reputable schools; and a family-friendly environment will help annual net absorption reach 540 units in 24Q4. Additionally, the affluent population of Southwest Austin tends to opt for ownership, making apartments more attainable for renters looking for access to the submarket's amenities. The area's picturesque settings also offer renters access to the outdoors while still being a short drive to downtown, which will help generate a recovery in leasing activity in 2024.

Southwest Austin is a midsize submarket with a comparable number of units in inventory to Northeast or South Central Austin. It is situated at the edge of the Texas Hill Country and includes some of Austin's wealthiest suburbs. But unlike these comparably sized submarkets, Southwest offers a much wider array of 4 & 5 Star properties, which accounts for three-quarters of total inventory, 20 percentage points above the market average. As such, average asking rents tend to be higher, averaging \$130/month more than the market average of \$1,590/month. The submarket's higher concentration of 4 & 5 Star properties has been the biggest contributor to rent growth, registering -6.0% year-over-year. The trend is mostly attributed to the significant influx of new 4 & 5 Star buildings throughout the Austin metro, expanding the choices available to prospective renters.

After reaching a five-year high for units under construction at the end of 2022, construction levels have declined to 370 units as a restrictive lending environment halted new projects from breaking ground. The relatively constrained development environment has allowed the submarket's vacancy rate, while increasing, to remain 140 basis points below the market average. As the pace of deliveries subsides in the second half of 2024, the submarket should see market fundamentals rebalance and vacancy rates revert to their long-term average."

HIGHEST AND BEST USE

INTRODUCTION

The highest and best use is the reasonable, probable, and legal use of vacant land or an improved property that is physically possible, legally permissible, appropriately supported, financially feasible and that results in the highest value. These criteria are often considered sequentially. The tests of legal permissibility and physical possibility must be applied before the remaining tests of financial feasibility and maximal productivity. A financially feasible use is precluded if it is legally prohibited or physically impossible. If a reasonable possibility exists that one of the prior, unacceptable conditions can be changed, is it appropriate to proceed with the analysis with such an assumption.

HIGHEST AND BEST USE CRITERIA

The site’s highest and best use is analyzed both as vacant and as improved, and if improvements are proposed then an as proposed analysis is required. In all cases, the property’s highest and best use must meet four criteria: (1) legally permissible; (2) physically possible; (3) financially feasible; and (4) maximally productive.

HIGHEST AND BEST USE

LEGALLY PERMISSIBLE

Legal restrictions include deed restrictions, CC&R’s, lease encumbrances, zoning requirements, building codes, historic district controls and environmental regulations, and were previously analyzed to determine legally permitted uses. Legally, the subject has been zoned CS-NP, General Commercial Services-Neighborhood Plan by the city of Austin and has received entitlements for development of 90 units. As such, multifamily development is legally permissible. No other legal restrictions have been identified that would limit development of the property beyond the development standards stipulated by municipal code.

PHYSICALLY POSSIBLE

Size, shape, topography, soil condition, availability of utilities, transportation access, surrounding uses, and locational characteristics were previously analyzed to determine which legal land uses are physically possible and which are best to conform to the physical and locational aspects of the site and its setting with respect to the neighborhood and community. Overall, the physical site attributes result in adequate utility, and the property could be developed with a variety of legally-conforming uses. Given the surrounding uses and location, the site is best suited for medium to high density residential use.

FINANCIALLY FEASIBLE

Financial feasibility is determined by the relationship of supply and demand for the legally probable land uses versus the cost to create them. The market analysis section reveals that multifamily uses in the subject’s market are generally stabilized, and, per CoStar, overall vacancy in the subject’s Southwest Austin submarket is expected to decrease from 10.1% to 8.2% by 4Q 2024 as new projects stabilize. Recent and planned multifamily developments in the market area serve as direct evidence that new multifamily development is financially feasible, with 861 units delivered in 2023 and 374 units expected for 2024 in the subject’s submarket. Comparisons of rental rates, operating expenses and construction costs indicate the property is capable of providing an adequate return on investment to warrant new multifamily development in the current market. Therefore, multifamily use is considered financially feasible.

MAXIMALLY PRODUCTIVE

The final test of highest and best use of the site as vacant is that the use be maximally productive, yielding the highest return to the land. Among financially feasible uses, the use that provides the highest rate of return or value (given a constant rate of return) is the highest and best use. Given the legally permissible, physically possible and financially feasible discussions set forth above, development of an apartment community on the site is considered its highest and best use. The maximal productivity of the site is for development consistent with the developer's plan for approximately 90 units, as such reflects density that is within market levels for recently completed communities in the submarket.

CONCLUSION

The ideal improvement is a new multifamily development that conforms to market standards; thus, the most likely purchaser of the subject is a developer or a speculative investor.

VALUATION PROCESS

Valuation in the appraisal process generally involves three techniques, including the Cost Approach, Sales Comparison Approach and the Income Capitalization Approach.

These three valuation methods are defined in the following table:

VALUATION METHODS	DEFINITION
Cost Approach	In this approach, value is based on adding the contributing value of any improvements (after deductions for accrued depreciation) to the value of the land as if it were vacant based on its highest and best use. If the interest appraised is other than fee simple, additional adjustments may be necessary for non-realty interest and/or the impact of existing leases or contracts.
Sales Comparison Approach	In this approach, recent sales of similar properties in the marketplace are compared directly to the subject property. This comparison is typically accomplished by extracting "units of comparison", for example, price per square foot, and then analyzing these units of comparison for differences between each comparable and the subject. The reliability of an indication found by this method depends on the quality of the comparable data found in the marketplace.
Income Capitalization Approach	In this approach, a property is viewed through the eyes of a typical investor, whose primary objective is to earn a profit on the investment principally through the receipt of expected income generated from operations and the ultimate resale of the property at the end of a holding period.

VALUATION METHODS UTILIZED

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Since no improvements exist on site, the Cost Approach is not relevant. The property generates no income and is not typically marketed, purchased or sold on the basis of anticipated lease income; thus, the Income Capitalization Approach was precluded; this exclusion does not affect the credibility of the assignment results herein.

The valuation process is concluded by analyzing each approach to value used in the appraisal. When more than one approach is used, each approach is judged based on its applicability, reliability, and the quantity and quality of its data. A final value opinion is chosen that either corresponds to one of the approaches to value, or is a correlation of all the approaches used in the appraisal.

LAND VALUATION

METHODOLOGY

The Sales Comparison Approach is employed to develop an opinion of land value. In the Sales Comparison Approach, we developed an opinion of value by comparing similar, recently sold sites in the surrounding or competing area to the subject property. In order to determine the value of the subject property, these comparable sales and/or listings are then evaluated and adjusted based on their differences when compared to the subject property. Inherent in this approach is the principle of substitution, which states that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution.

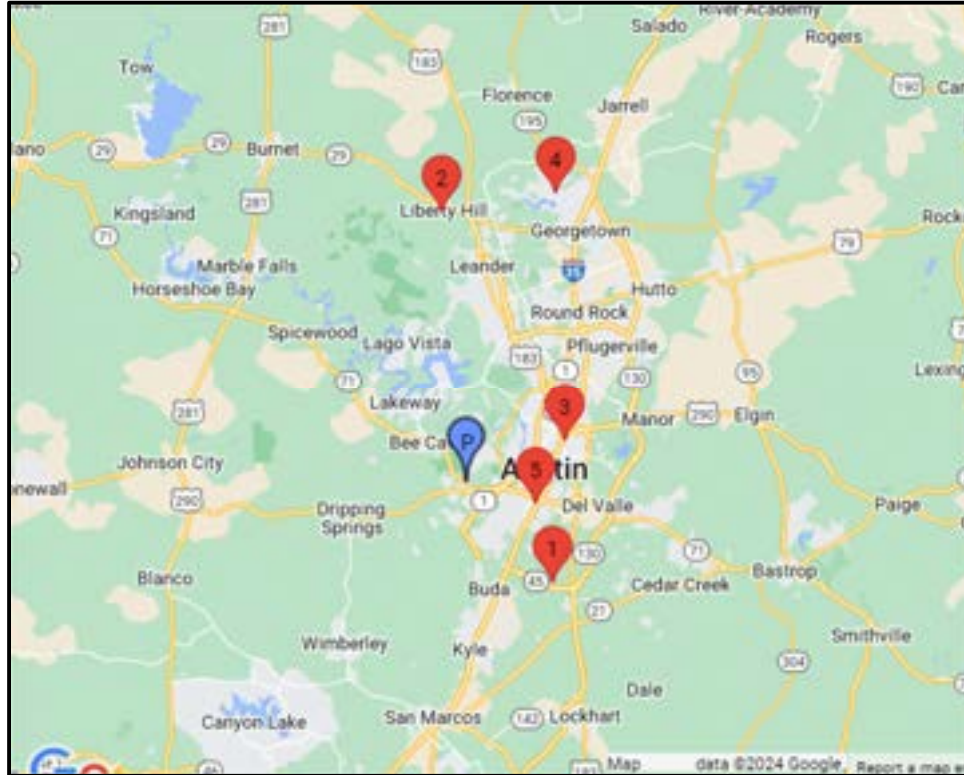
The Sales Comparison Approach to value requires the following sequential steps:

Unit of Comparison	A unit of comparison (i.e. price per square foot, price per acre, price per dwelling unit) must be selected for comparable analysis of the sales and the subject. The selected unit of comparison must be consistent with market behavior.
Search for Sales	Research must be done to locate comparable sales, listings and contracts of sites that are similar to the subject. Similarities may include size, utility, zoning, physical characteristics, location and the date of the sale.
Confirmation	All sales must be confirmed to verify that the data used is accurate, and that all of the sales, listings or contracts represent arm's-length transactions.
Comparison	Each of the sales that is chosen for this valuation is considered generally similar to the subject. Therefore, each difference between the comparables and the subject must be identified, and then adjusted for the various differences. All adjustments are made to the comparables as they relate to the subject property.
Reconciliation	Once the comparables have been adjusted, a value must be concluded based on the indications produced from the analysis of the comparables.

COMPARABLE LAND SALES

In completing this assignment, we originally focused on obtaining multifamily land sales and/or contracts and listings of similar tracts which sold within 12 months of the effective date of appraisal in the subject's immediate market. We found few sales meeting these criteria and, as such, broadened our search to include less recent sales of other tracts that were purchased for multifamily use/development in similar areas of the Austin MSA. We have used the most recent sales that are as similar to the subject as possible in regard to locational attributes and intended use for which we were able to confirm the sales prices. We also included a contract for purchase of similar land in Creedmoor. The data used for analysis are summarized below, with complete descriptions presented in the Addenda.

COMPARABLE LAND SALES MAP



COMPARABLE LAND SALES SUMMARY

SUMMARY OF LAND SALES									
No.	Property / Location	Date of Sale / Status	Site Size (Net Acres)	Zoning	Units	Density (Units/Ac)	Sale Price	Price per SF (Net)	Price per Unit
1	16.93 Acres of Land 5107 Farm to Market Road 1327 Creedmoor, TX	--- Contract	16.93	ETJ; City of Creedmoor Extraterritorial Jurisdiction	300	17.7	\$9,250,000	\$12.54	\$30,833
2	Land for 351-Unit MF RM 1869 Liberty Hill, TX	Jan-24 Closed	14.38	PUD; Planned Unit Development	351	24.4	\$9,088,900	\$14.51	\$25,894
3	0.4470 Acres of Land 5111, 5113, 5115 Lancaster Court Austin, TX	May-23 Closed	0.45	MF-3-NP; Multi-Family Residence - Medium Density	60	134.2	\$2,100,000	\$107.85	\$35,000
4	Proposed Senior Housing 4775 Williams Drive Georgetown, TX	Mar-23 Closed	9.29	C-1; Local Commercial	214	23.0	\$3,650,000	\$9.02	\$17,056
5	3.04 Acres of Land South of Shelby Lane, between Colonial and Weidemar Lane Austin, TX	Dec-22 Closed	3.04	MF-6-CO-NP; Multifamily Residence Highest Density-Conditional Overlay-Neighborhood Plan	165	54.3	\$6,800,000	\$51.36	\$41,212
Subj.	7610 Old Bee Caves Road Austin, Texas	---	1.84	CS-NP, General Commercial Services- Neighborhood Plan	90	48.9	---	---	---

COMPARABLE LAND SALES ADJUSTMENT GRID

LAND SALE ADJUSTMENT GRID – per Dwelling Unit						
Property / Location	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
	7610 Old Bee Caves Road Austin, Texas	16.93 Acres of Land 5107 Farm to Market Road 1327 Creedmoor, TX	Land for 351-Unit MF RM 1869 Liberty Hill, TX	0.4470 Acres of Land 5111, 5113, 5115 Lancaster Court Austin, TX	Proposed Senior Housing 4775 Williams Drive Georgetown, TX	3.04 Acres of Land South of Shelby Lane, between Colonial and Weidemar Lane Austin, TX
Date of Sale / Status	---	---	Jan-24	May-23	Mar-23	Dec-22
Site Size (Acres)	1.84	16.93	14.38	0.45	9.29	3.04
Site Size (SF)	80,150	737,471	626,175	19,471	404,672	132,394
Units	90	300	351	60	214	165
Sale Price	---	\$9,250,000	\$9,088,900	\$2,100,000	\$3,650,000	\$6,800,000
Zoning	CS-NP	ETJ	PUD	MF-3-NP	C-1	MF-6-CO-NP
Property Use	Land	Land	Land	Land	Land	Land
Unadjusted Price per Unit		\$30,833	\$25,894	\$35,000	\$17,056	\$41,212
Transactional Adjustments						
Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		0%	0%	0%	0%	0%
<i>Subtotal</i>		\$30,833	\$25,894	\$35,000	\$17,056	\$41,212
Financing Terms		0%	0%	0%	0%	0%
Adjustment		0%	0%	0%	0%	0%
<i>Subtotal</i>		\$30,833	\$25,894	\$35,000	\$17,056	\$41,212
Conditions of Sale		0%	0%	0%	0%	0%
Adjustment		0%	0%	0%	0%	0%
<i>Subtotal</i>		\$30,833	\$25,894	\$35,000	\$17,056	\$41,212
Expenditures Immed After Sale		0%	0%	0%	0%	0%
Adjustment		0%	0%	0%	0%	0%
<i>Subtotal</i>		\$30,833	\$25,894	\$35,000	\$17,056	\$41,212
Market Conditions	Apr-24	Sep-23	Jan-24	May-23	Mar-23	Dec-22
Adjustment		1%	0%	2%	2%	3%
<i>Subtotal</i>		\$31,142	\$25,894	\$35,700	\$17,397	\$42,448
Total Transactional Adjustments		1%	0%	2%	2%	3%
Adjusted Price per Unit		\$31,142	\$25,894	\$35,700	\$17,397	\$42,448
Property Adjustments						
Location		10%	5%	0%	5%	5%
Zoning / Intended Use	CS-NP	ETJ	PUD	MF-3-NP	C-1	MF-6-CO-NP
Density (Units/Ac)	48.9	17.7	24.4	134.2	23.0	54.3
Frontage/Proximity to Services	Old Bee Caves Road	Farm to Market Road 1327	RM 1869	Lancaster Court	Williams Drive	Approximately 370 feet along Shelby Lane
Shape / Configuration		0%	0%	0%	0%	0%
Utilities / Infrastructure		All available to site.	All available to site.	All Available to site.	All available to site	All Available to site.
Project Size	90	300	351	60	214	165
Total Property Adjustments		10%	5%	0%	0%	-5%
Indication for Subject per Unit		\$34,256	\$27,189	\$35,700	\$17,397	\$40,326

ADJUSTMENT PROCESS

The sales that we have utilized represent the best available information that could be compared to the subject property. The major elements of comparison for an analysis of this type include the property rights conveyed, the financial terms incorporated into a particular transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its physical traits and the economic characteristics of the property.

TRANSACTIONAL ADJUSTMENTS

PROPERTY RIGHTS CONVEYED

All the sales involved the transfer of the fee simple interest; therefore, no adjustments were required.

FINANCIAL TERMS

To the best of our knowledge, all of the sales utilized in this analysis were accomplished with cash or market-oriented financing; therefore, no adjustments were required.

CONDITIONS OF SALE

Adjustments for conditions of sale typically reflect various motivations of the buyer and/or seller. In many situations, the conditions of sale may significantly affect transaction prices. However, all sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. Therefore, no adjustments were required.

EXPENDITURES IMMEDIATELY AFTER SALE

None of the sales had capital costs expended subsequent to sale, so no adjustments were warranted.

MARKET CONDITIONS

Sales 2-5 closed between December 2022 and January 2024, while Sale 1 represents a contract that was signed in September 2023. Demand and pricing for well-located sites in the metro has increased over this time period as demand for residential development has increased. We have adjusted the comparables upward 2.0% annually from the contract date or date of sale to the effective date of value.

LOCATION

The subject is located on the western fringe of the city of Austin in the Oak Hill neighborhood. None of the sales are located in the subject's immediate area, but Sales 1, 3, and 5 are most proximate, being located in Creedmoor, northeast Austin, and south Austin, respectively. However, Sales 1 and 5 were considered inferior to the subject for location, while Sale 3 was considered generally similar. Sales 2 and 4 are located in Liberty Hill and Georgetown and were considered inferior to the subject's southwest Austin location considering proximity to the Austin area. Each sale was adjusted based on the average market rent in its submarket compared with that of the subject, which resulted in upward adjustments for Sales 1, 2, 4, and 5 and no adjustment for Sale 3.

ZONING/INTENDED USE

All the sales were purchased for multifamily development and were zoned to accommodate such. As such, all the sales were considered similar to the subject and were not adjusted.

DENSITY

The subject is planned for 90 units on 1.84 acres, resulting in density of 48.9 units per acre, while the data accommodate densities of 17.7 to 134.2 units per acre, the upper end of which is an infill location in northeast Austin. Sale 5 was considered generally similar for density of 54.3 units per acre and did not require adjustment. Sale 3 was adjusted upward for inferior/higher density of 134.2 upa in comparison to the subject, and the remaining sales were adjusted downward for superior/lower densities of 17.7 to 24.4 upa.

FRONTAGE/PROXIMITY TO SERVICES

Sales 1-2 were considered inferior to the subject with regard to frontage and proximity to services from FM 1327 in Creedmoor and RM 1869 in Liberty Hill and required downward adjustments. Sales 3 and 5 were considered superior for their locations proximate to the Mueller and St. Elmo developments, respectively. Sale 4 was considered generally similar to the subject for frontage/proximity and did not require adjustment.

SHAPE/CONFIGURATION

All of the data are configured to accommodate typical multifamily development and did not require adjustment for this attribute.

UTILITIES

Infrastructure adjustments may reflect differences in utility availability/capacity, developmental plans or other outside influences. All of the comparables were reported to have water and sewer service. It is noted that pending Sale 1 will be accommodated by a private water well and wastewater treatment plant on the adjacent lot as part of the Creedmoor 43 Subdivision; as such, all the data were considered similar and did not require adjustment in this regard.

PROJECT SIZE

This adjustment considers the relationship between unit price and project size. In this instance, the sales were purchased to construct multifamily communities that involve single-phase projects ranging in size from 60 to 351 units and, as such, none of the prices reflect holding or carrying cost necessary to accommodate future phases. Therefore, none of the data was adjusted for project size in the following grid.

LAND VALUE CONCLUSION

SALES SUMMARY	UNADJUSTED	ADJUSTED
Minimum	\$17,056	\$17,397
Maximum	\$41,212	\$40,326
Average	\$29,999	\$30,974
Median	\$30,833	\$34,256
Standard Deviation	\$8,195	\$7,990

The adjustments applied to the data resulted in a lower standard deviation as compared to the unadjusted sales, dropping from \$8,195 before adjustment to \$7,990 after. Sale 1 required the most net adjustment and is representative of a pending contract, while the remaining sales required minimal or no adjustment. Sale 4 appears to be a low outlier, and, as such, was considered to provide a less reliable value indication for the subject than the remaining sales. Sale 2 is the most recent closed sale, having closed in January 2024. Considering these factors, weight was given primarily to Sale 2 while also considering the adjusted average of Sales 2, 3 and 5 in concluding to a value opinion for the subject, as indicated below.

LAND VALUE CONCLUSION	
Indicated Value per Unit	\$30,000
Units	90
Indicated Value	\$2,700,000
Rounded to nearest \$50,000	\$2,700,000
Per Unit	\$30,000

This results in a value of \$30,000 per unit which is well supported by the adjusted and unadjusted indications of the comparables. According to BBG research, the property was purchased in 2021 for \$553,038 or \$6,145 per unit, in an off-market purchase out of an estate. Furthermore, the owner has secured entitlements for the development since the time of purchase. As such, comparison of the value conclusion with the prior sale is not reasonable.

FINAL OPINION(S) OF VALUE

Based on inspection of the property and the investigation and analysis undertaken, we have developed the following value opinion(s).

MARKET VALUE CONCLUSION(S)			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value - As Is	Fee Simple	April 5, 2024	\$2,700,000

MARKETING PERIOD AND EXPOSURE TIME

Per the Appraisal Standards Board (ASB) of the Appraisal Foundation, “reasonable marketing time” is an estimate of the amount of time it might take to sell a property interest at the estimated Market Value during the period immediately after the effective date of the appraisal. It is not intended to be a prediction of a specific date of sale and, therefore, may be expressed as a range.

Exposure time is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at Market Value on the effective date of appraisal.

Based on exposure times of comparable sales and interviews with active participants in the local market, the above Market Value conclusion(s) could be achieved with an exposure time of 12 months. Furthermore, it is our opinion that a sale could be consummated at the Market Value conclusion(s) stated herein within a 12 month marketing period of the effective date of appraisal.

CERTIFICATION

We certify that, to the best of our knowledge and belief:

- 1 The statements of fact contained in this report are true and correct.
 - 2 The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
 - 3 We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved with this assignment.
 - 4 We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
 - 5 Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
 - 6 Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
 - 7 This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
 - 8 Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the state of Texas.
 - 9 The reported analyses, opinions, and Value Indications were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics, the Standards of Professional Practice of the Appraisal Institute.
 - 10 The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
 - 11 The racial/ethnic composition of the neighborhood surrounding the project in no way affected the appraisal determination.
 - 12 As of the date of this report, Ryan Wegman, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
 - 13 As of the date of this report, AI Practicing Affiliate Nancy Lewallen has completed the Standards and Ethics Education Requirements/education program for Practicing Affiliates of the Appraisal Institute.
 - 14 Ryan Wegman, MAI has not and Nancy Lewallen has and Kehle Maney has not made a personal inspection of the property that is the subject of this report.
 - 15 Parker Lewallen provided assistance to the person(s) signing this certification through his research efforts.
 - 16 Ryan Wegman, MAI has not and Nancy Lewallen has not and Kehle Maney has not provided services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment. It is noted, however, that BBG was engaged to complete an appraisal of proposed improvements on the property in 2022; but the assignment was canceled prior to completion.
-



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STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions:

- 1) Notwithstanding that Appraiser may comment on, analyze or assume certain conditions in the appraisal, BBG, Inc. shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations and standards; (c) building permits and planning approvals for improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations or other hazardous conditions affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise. Accordingly:
 - a) The Appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the Appraiser or the Appraiser's staff or was obtained or taken from referenced sources and is considered reliable. The Appraiser and BBG, Inc. shall not be monetarily liable or responsible for or assume the costs of preparation or arrangement of geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
 - b) Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment. Further, unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Further, unless otherwise stated, it is assumed that there are no rights associated with extraction or exploration of such elements considered. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
 - c) Any legal description or plats reported in the appraisal are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. BBG, Inc. has made no survey of the property and assumes no monetary liability or responsibility in connection with such matters.
 - d) Title is assumed to be good and marketable, and in fee simple, unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated. Further, BBG, Inc. assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.
 - e) The appraisal report is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the appraisal report; additionally, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the appraisal report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value opinion. Moreover, unless otherwise stated herein, it is assumed that there are no encroachments or violations of any zoning or other regulations affecting the subject property, that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there are no trespasses or encroachments.

- f) The American Disabilities Act (ADA) became effective January 26, 1992. The Appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the Appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
 - g) No monetary liability or responsibility is assumed for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.
 - h) It is assumed the subject property is not adversely affected by the potential of floods; unless otherwise stated herein. Further, it is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
 - i) Unless otherwise stated within the appraisal report, the depiction of the physical condition of the improvements described therein is based on visual inspection. No monetary liability or responsibility is assumed for (a) the soundness of structural members since no engineering tests were conducted; (b) the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made; and (c) hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during the Appraiser's inspection.
 - j) If building improvements are present on the site, it is assumed that no significant evidence of termite damage or infestation was observed during physical inspection, unless so stated in the appraisal report. Further, unless so stated in the appraisal report, no termite inspection report was available. No monetary liability or responsibility is assumed for hidden damages or infestation.
 - k) Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No monetary liability or responsibility is assumed for such conditions or for engineering which may be required to discover them.
 - l) BBG, Inc., excepting employees of BBG Assessment, Inc., and the appraiser(s) are not experts in determining the presence or absence of hazardous substances toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. BBG, Inc. and the appraiser(s) assume no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. The Client is free to retain an expert on such matters in this field; however, Client retains such expert at Client's own discretion, and any costs and/or expenses associated with such retention are the responsibility of Client.
 - m) BBG, Inc. is not an expert in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. BBG, Inc. assumes no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The Appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions contained within the appraisal report based upon any subsequent endangered species impact studies, research, and investigation that may be provided. However, it is assumed that no environmental impact studies were either requested or made in conjunction with this analysis, unless otherwise stated within the appraisal report.
- 2) If the Client instructions to the Appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the

inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.

- 3) If provided, the estimated insurable value is included at the request of the Client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value purposes. The Appraiser is not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The Appraiser is not a cost expert in cost estimating for insurance purposes.
- 4) The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the United States Dollar as of the effective date of value. This appraisal is based on market conditions existing as of the date of this appraisal.
- 5) The value opinions reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value opinions, unless such proration or division of interests is set forth in the report. Any division of the land and improvement values stated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
- 6) Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are BBG, Inc.'s best estimate of current market thinking of what future trends will be. No warranty or representation is made that such projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
- 7) The Appraiser assumes no monetary liability or responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.
- 8) Any proposed or incomplete improvements included in the appraisal report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
- 9) If the appraisal report has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the Appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
- 10) Although the Appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the Appraiser either by the Client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the Appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or opinions of value.

- 11) The right is reserved by the Appraiser to make adjustments to the analyses, opinions, and conclusions set forth in the appraisal report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the Appraiser. The Appraiser shall have no monetary liability or responsibility for any unauthorized change(s) to the report.
- 12) The submission of the appraisal report constitutes completion of the services authorized and agreed upon. Such appraisal report is submitted on the condition the Client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, or judicial or administrative proceedings. In the event the Appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the Client immediately. The Client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files, and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the opinion of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the Client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.
- 13) Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (a) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (b) any third party service provider (including rating agencies and auditors) using the Appraisal Report in the course of providing services for the sole benefit of an Intended User, or (c) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, the receipt of an Appraisal Report by such party shall not confer any right upon such party to use or rely upon such report, and Appraiser shall have no liability for such unauthorized use or reliance upon such report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.

Overview

BBG OVERVIEW

BBG is one of the nation's largest real estate due diligence firms with more than 45 offices across the country serving more than 3,000 clients. We deliver best-in-class valuation, advisory and assessment services with a singular focus of meeting our clients' needs.

Our professional team offers broad industry expertise and deep market knowledge to help clients meet their objectives throughout the real estate life cycle.

BBG clients include commercial real estate professionals, investors, lenders, attorneys, accountants and corporations.

THE BBG DIFFERENCE

National Footprint. BBG is one of only two national firms offering in-house valuation and environmental and property condition assessment services for all commercial property types.

Customer-focused Growth. BBG is one of the largest national due diligence firms because we deliver best-in-class work product and provide excellent customer care.

Qualified Team. Over 50 percent of BBG appraisers are MAI designated and offer deep industry expertise gained through real-world experience.

Unbiased Independence. By focusing exclusively on due diligence services, BBG guarantees an independent perspective free from potential conflicts of interest.

Innovative Technology. BBG has made significant analytics and IT investments to continually improve our data and report quality.

SERVICES

Valuation

- + Single Asset Valuation
- + Portfolio Valuation
- + Institutional Asset Valuation
- + Appraisal Review
- + Appraisal Management
- + Lease and Cost Analysis
- + Insurance Valuation
- + Arbitration & Consulting
- + Feasibility Studies
- + Highest and Best Use Studies
- + Evaluation
- + Investment analysis
- + Tax appeals
- + Litigation Support
- + Manufactured Housing and Campgrounds

Advisory

- + ASC 805 Business combinations
- + ASC 840 Leases
- + Purchase Price Allocations
- + Portfolio Valuations for reporting net asset values (NAV)
- + Public and non-traded REIT valuations
- + Valuations for litigation and litigation support
- + Sale-leaseback valuation analysis
- + Valuations for bankruptcy/fresh start accounting
- + Cost segregation analysis

Assessment

- + Environmental due diligence
- + Property condition consulting
- + Small loan services
- + Energy consulting
- + Environmental consulting
- + Zoning
- + ALTA Surveys

COMPARABLE LAND SALES

Sale Comparable #1
16.93 Acres of Land
 5107 Farm to Market Road 1327
 Creedmoor, TX 78610
 Travis County
 BBG Property #793703



Property Data			
Property Type/Use	Land Multifamily	Lat/Long	30.090494 / -97.7275
Parcel ID #	963243	Census Tract	0024.34
Opportunity Zone	No	Frontage	Farm to Market Road 1327
Gross Land Area	737,471 SF 16.93 Acres	Net Land Area	737,471 SF 16.93 Acres
Flood Designation	Zone X (Unshaded)	Flood Panel	48453C0705K Dated January 22, 2020
Utilities	Typical utilities and municipal services available to site.	Terrain / Topography	Generally level
Easements / Encroachments	There are no known detrimental easements, encroachments or other restrictions that would adversely affect the site's use or marketability.	Zoning	ETJ City of Creedmoor Extraterritorial Jurisdiction

Sale Transaction Data for BBG Event #927676 on 9/20/2023					Net Area	Gross Area
Transaction Date	9/20/2023	Consideration	\$9,250,000	Price PSF	\$12.54	\$12.54
Sale Status	Contract	Adjustments	\$0	Price Per Acre	\$546,367	\$546,367
		Cash Equivalent Price	\$9,250,000			
Property Rights	Fee Simple					
Transaction Component	Real Estate					
Tenancy	Vacant					
Grantor	5107 FM 1327 LTD					
Grantee	Streamline Advisory Partners LLC					
Comments	Purchaser intends to construct 300 multifamily units on the site.					
Verification	9/20/2023					
	Buyer					

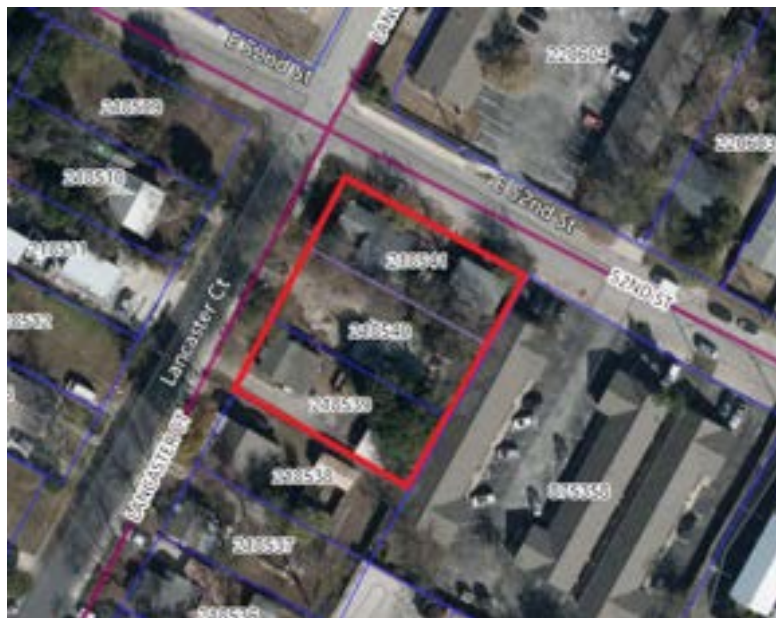
Sale Comparable #2
Land for 351-Unit MF
 RM 1869
 Liberty Hill, TX 78642
 Williamson County
 BBG Property #802837



Property Data			
Property Type/Use	Land Multifamily	Lat/Long	30.662356 / -97.9255
Parcel ID #	R626778	Census Tract	0203.29
Opportunity Zone	No	Frontage	
Gross Land Area	626,175 SF 14.38 Acres	Net Land Area	626,175 SF 14.38 Acres
Flood Designation	Zone X (Unshaded)	Flood Panel	48491C0245F Dated October 20, 2019
Utilities	All available to site.	Terrain / Topography	Rolling
Easements / Encroachments	None detrimental known	Zoning	PUD Planned Unit Development

Sale Transaction Data for BBG Event #939683 on 1/31/2024					Net Area	Gross Area
Transaction Date	1/31/2024	Consideration	\$9,088,900	Price PSF	\$14.51	\$14.51
Sale Status	Closed	Adjustments	\$0	Price Per Acre	\$632,271	\$632,271
		Cash Equivalent Price	\$9,088,900			
Property Rights	Fee Simple					
Transaction Component	Real Estate					
Tenancy	Vacant					
Grantor	P & L INVESTOR GROUP LP					
Grantee	Liberty Hill MF 1 LLC					
Comments	Buyer plans to build 351 units. The sale price equates to \$25,894 per unit.					
Verification	10/30/2023					
	Internal data					

Sale Comparable #3
0.4470 Acres of Land
 5111, 5113, 5115 Lancaster Court
 Austin, TX 78723
 Travis County
 BBG Property #532619



Property Data

Property Type/Use	Land Multifamily	Lat/Long	30.308230 / -97.7056
Parcel ID #	218539, 218540, 218541	Census Tract	0021.05
Opportunity Zone	No	Frontage	Lancaster Court
Gross Land Area	19,471 SF 0.45 Acres	Net Land Area	19,471 SF 0.45 Acres
Flood Designation	Zone X (Unshaded)	Flood Panel	48453C0465K Dated January 22, 2020
Utilities	All available to site.	Terrain / Topography	Generally level
Easements / Encroachments	None detrimental known	Zoning	MF-3-NP Multi-Family Residence - Medium Density

Sale Transaction Data for BBG Event #694900 on 5/19/2023

				Net Area	Gross Area
Transaction Date	5/19/2023	Consideration	\$2,100,000	Price PSF	\$107.85
Sale Status	Closed	Adjustments	\$0	Price Per Acre	\$4,698,064
		Cash Equivalent Price	\$2,100,000		\$4,698,064
Property Rights	Fee Simple				
Grantor	Plancaster Court LLC, Semizi LLC, Fayez Kazi				
Grantee	The Safe Alliance				
Record Info	202200146				
Comments	The property was vacant land at the time of sale. The subject was acquired in three separate transactions totaling \$1,559,000 spanning from May 2020 through February 2022, and was purchased by The Safe Alliance in 2023 for a total of \$2,100,000				
Verification	3/1/2022				
	Closing Statement				

Sale Comparable #4
Proposed Senior Housing
 4775 Williams Drive
 Georgetown, TX 78633-2201
 Williamson County
 BBG Property #683633

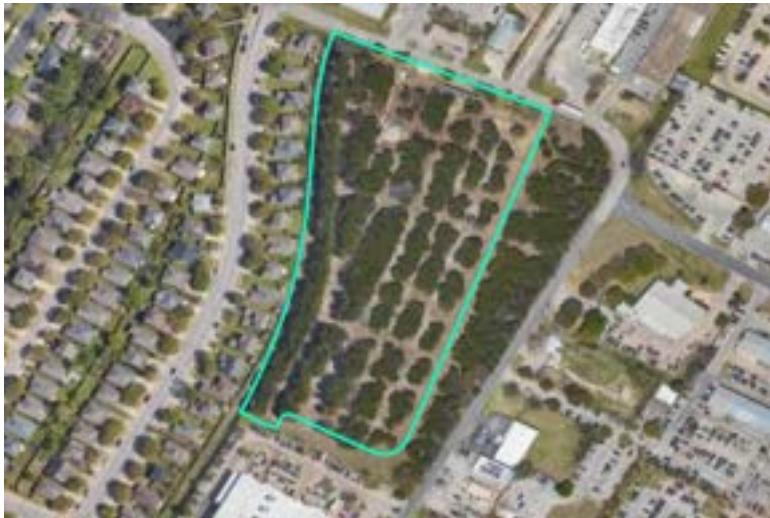


Property Data			
Property Type/Use	Land Multifamily	Lat/Long	30.689687 / -97.7225
Parcel ID #	R655904	Census Tract	0201.15
Opportunity Zone	No	Frontage	Williams Drive
Gross Land Area	404,672 SF 9.29 Acres	Net Land Area	404,672 SF 9.29 Acres
Flood Designation	Zone X (Unshaded)	Flood Panel	48491C0280E Dated September 26, 2008
Utilities	All available to site.	Terrain / Topography	Generally level
Easements / Encroachments		Zoning	C-1 Local Commercial
Comments	Generally Rectangular		

Sale Transaction Data for BBG Event #984494 on 3/17/2023					Net Area	Gross Area
Transaction Date	3/17/2023	Consideration	\$3,650,000	Price PSF	\$9.02	\$9.02
Sale Status	Closed	Adjustments	\$0	Price Per Acre	\$392,896	\$392,896
		Cash Equivalent Price	\$3,650,000			
Property Rights	Fee Simple					
Transaction Component	Real Estate					
Tenancy	Multiple					
Grantor	Unknown					
Grantee	NOVAK WILLIAMS SENIOR LIVING LLC					
Comments	Property sold for \$3,650,000 on 3/17/2023					
Verification	3/25/2024					
	Confidential					

Sale Comparable #5
3.04 Acres of Land

South of Shelby Lane, between Colonial and Weidemar Lane
 Austin, TX 78745
 Travis County
 BBG Property #626840



Property Data			
Property Type/Use	Land Multifamily	Lat/Long	30.211643 / -97.7598
Parcel ID #	947879	Census Tract	0024.03
Opportunity Zone	No	Frontage	Approximately 370 feet along Shelby Lane
Gross Land Area	132,394 SF 3.04 Acres	Net Land Area	132,394 SF 3.04 Acres
Flood Designation	Zone X (Unshaded)	Flood Panel	48453C0585H Dated September 26, 2008
Utilities	All available to site.	Terrain / Topography	Generally level
Easements / Encroachments	None detrimental known	Zoning	MF-6-CO-NP Multifamily Residence Highest Density- Conditional Overlay-Neighborhood Plan
Comments	The site appears adequate for a variety of legally permissible uses including multifamily. The site was rezoned from CS-CO-NP to MF-6-CO-NP per Ordinance 20220324-090 on March 24, 2022. The subject site is part of a larger 8.00 acre parcel		

Sale Transaction Data for BBG Event #856546 on 12/21/2022				Net Area	Gross Area
Transaction Date	12/21/2022	Consideration	\$6,800,000	Price PSF	\$51.36
Sale Status	Closed	Adjustments	\$0	Price Per Acre	\$2,237,322
		Cash Equivalent Price	\$6,800,000		\$2,237,322
Property Rights	Fee Simple				
Transaction Component	Real Estate				
Tenancy	Vacant				
Grantor	SHELBY LANE DEVELOPMENT LLC				
Grantee	DCH 140 ST ELMO LP				
Record Info	2022195805				
Comments	<p>Subject site sold December 21, 2022 for \$6,800,000 or \$51.36/SF. The subject will be developed with a proposed 165 unit multifamily property. The site was rezoned to MF-6-CO-NP (Ordinance No. 20220324-090) on March 24, 2022 to accommodate high density multifamily. The subject is part of a larger 8.00 acre tract. According to the buyer, Ledgestone was part of a group that purchased the larger 8-acre development site, which includes the subject property, approximately two years ago. At that time, they carved out 5 of the 8 total acres and got it under contract to sell to Trammel Crow Residential. Ledgestone was planning on developing the subject site. However, the development partner backed out, but agreed to sell the subject property to Ledgestone for the same price per acre that Trammel Crow negotiated back in 2020. In addition, Ledgestone has also subsequently successfully rezoned the property to permit a much higher density on the land that when it was originally purchased.</p> <p>Additionally, the property sold at \$41,212/buildable unit.</p>				
Verification	<p>5/19/2023 Public sources and listing broker.</p>				



The insight you need. The independence you trust.

Oak Hill Lofts, Phases I & II (6.14 AC)

7610 and 7512 Old Bee Caves Road
Austin, Texas 78735

BBG File #0124005607

Prepared For

Texas Department of Housing and Community Affairs and
Mr. Greg Stoll
Broadway Homes, LLC
5900 Balcones Drive
Austin, TX 78731-4257

Report Date

April 18, 2024

Prepared By

BBG, Inc., Austin Office
507 Pressler Street, Suite 1000
Austin, TX 78703
512-391-0850

Client Manager: Ryan Wegman
rwegman@bbgres.com

BBG Website

bbgres.com

"Any person signing this Report acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law." As client and intended user, "The Department is granted full authority to rely on the findings of the report."



April 18, 2024

Texas Department of Housing and Community Affairs and
Mr. Greg Stoll
Broadway Homes, LLC
5900 Balcones Drive
Austin, TX 78731-4257

Re: Appraisal of Real Property
Oak Hill Lofts, Phases I & II (6.14 AC)
7610 and 7512 Old Bee Caves Road
Austin, Texas 78735
BBG File #0124005607

Dear Mr. Stoll:

In accordance with your authorization (per the engagement letter found in the *Addenda* of this report), an Appraisal of the above-referenced property has been prepared. Specifically, we have provided a fee simple market value opinion for the subject on an As Is basis.

The subject involves 6.14 acres of land located along the east line of Old Bee Caves Road between Landscape Drive and Steep Cactus Trail, in the Southwest Austin submarket of the Austin metro. The land is currently zoned General Commercial Services-Neighborhood Plan; Limited Office-Neighborhood Plan by the city of Austin. Utilities are available to the site, and the site falls within Zone X (unshaded) floodplain.

According to the owner, the northern portion of the property (Phase I) was purchased on March 9, 2021 by Broadway Urban Homes LLC from Shelley James Michael out of an estate in an unmarketed transaction. BBG research indicated a sale price of \$553,038 or \$6,145 per unit based on the developer’s plans for 90 multifamily units on the Phase I site, although said price was not confirmed by the owner. The owner is in off-market negotiations for the southern portion for Phase II of the development.

This Appraisal Report was prepared to conform with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). This report has been written in accordance with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. In addition, this report is intended to be in compliance with additional reporting requirements of Broadway Homes, LLC (client) and TDHCA. This report is intended to be used only by the intended user(s) named herein; no other party may rely upon the opinions presented in this report.

The report preparer has read and understood the requirements of the program (Section 11.304 of the 2024 Qualified Allocation Plan). The appraiser(s) is aware of the Department program rules and guidelines (Section 11.304 of the 2024 Qualified Allocation Plan) and the appraisal includes analysis of any impact to the subject's value. The person preparing the appraisal is a disinterested party and will not materially benefit from the Development in any other way than receiving a fee for performing the appraisal and the fee is in no way contingent upon the outcome of the appraisal.

EXTRAORDINARY ASSUMPTION(S) AND HYPOTHETICAL CONDITION(S)

The values presented within this appraisal report are subject to the extraordinary assumptions and hypothetical conditions listed below. Pursuant to the requirement within Uniform Standards of Professional Appraisal Practice Standards, it is stated here that the use of any extraordinary assumptions and/or hypothetical conditions might have affected the assignment results.

Extraordinary Assumption(s) This appraisal employs no extraordinary assumptions.

Hypothetical Condition(s) This appraisal employs no hypothetical conditions.



Mr. Gregg
April 18, 2024
Page 2

Based on the analysis undertaken, the following value opinion(s) has been developed.

MARKET VALUE CONCLUSION(S)			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value - As Is	Fee Simple	April 5, 2024	\$7,650,000

This letter must remain attached to the report, which should be transmitted in its entirety, in order for the value opinion(s) set forth above to be relied upon by the intended user(s).

BBG, Inc. appreciates the opportunity to have performed this appraisal assignment on your behalf. If we may be of further service, please contact the Client Manager.

Sincerely,



Ryan Wegman, MAI
TX Certified General Appraiser
License #: TX-1380301-G
214-739-0700
rwegman@bbgres.com



Nancy Lewallen
TX Certified General Appraiser
License #: TX-1336568-G
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nlewallen@bbgres.com



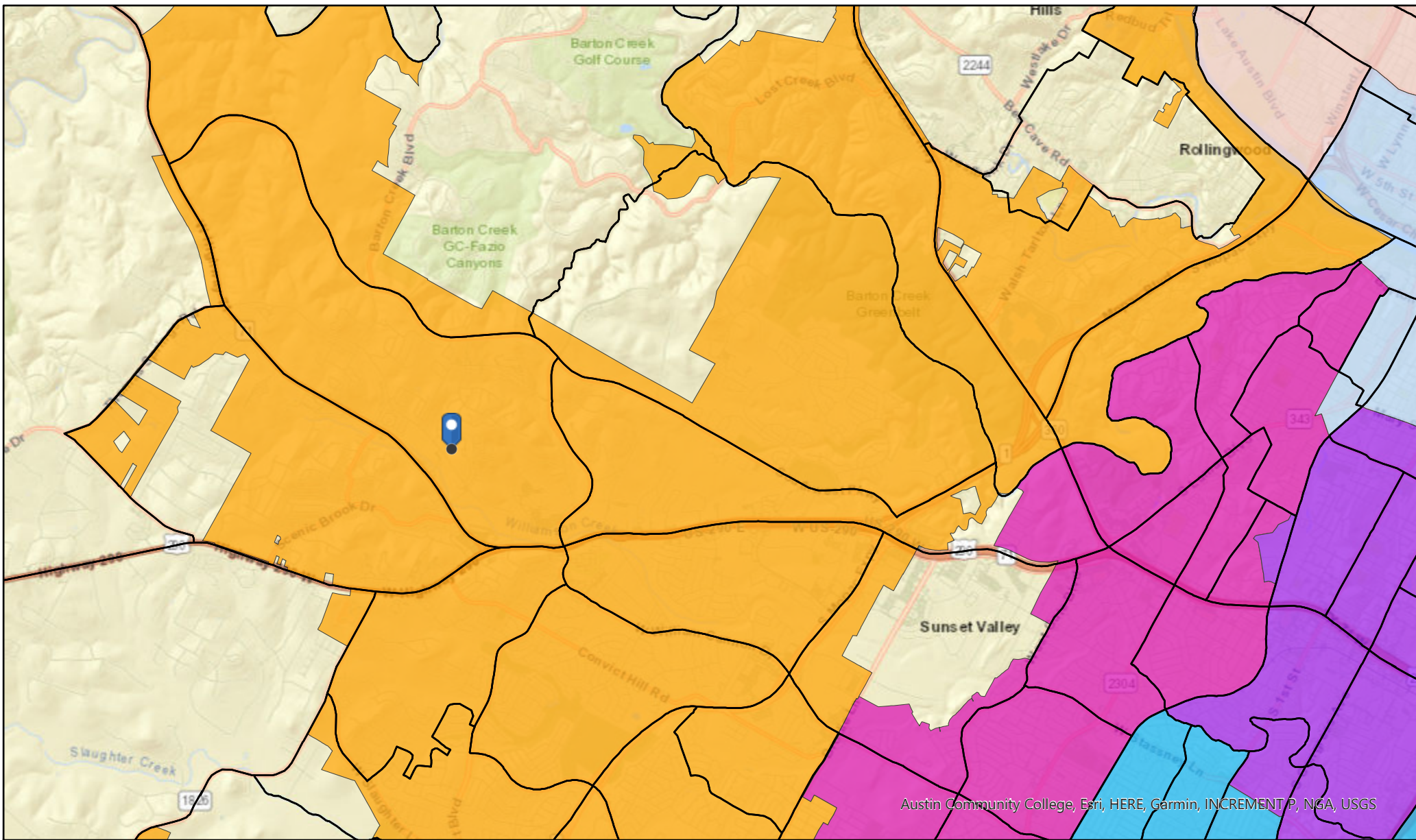
Kehle Maney
TX Appraiser Trainee
License #: TX-1341931-Trainee
512-289-2692
kmaney@bbgres.com

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PROPERTY INFORMATION

TAB 5.B - Property Maps

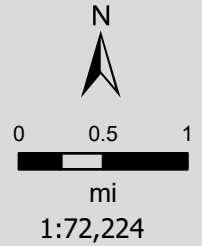


Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS

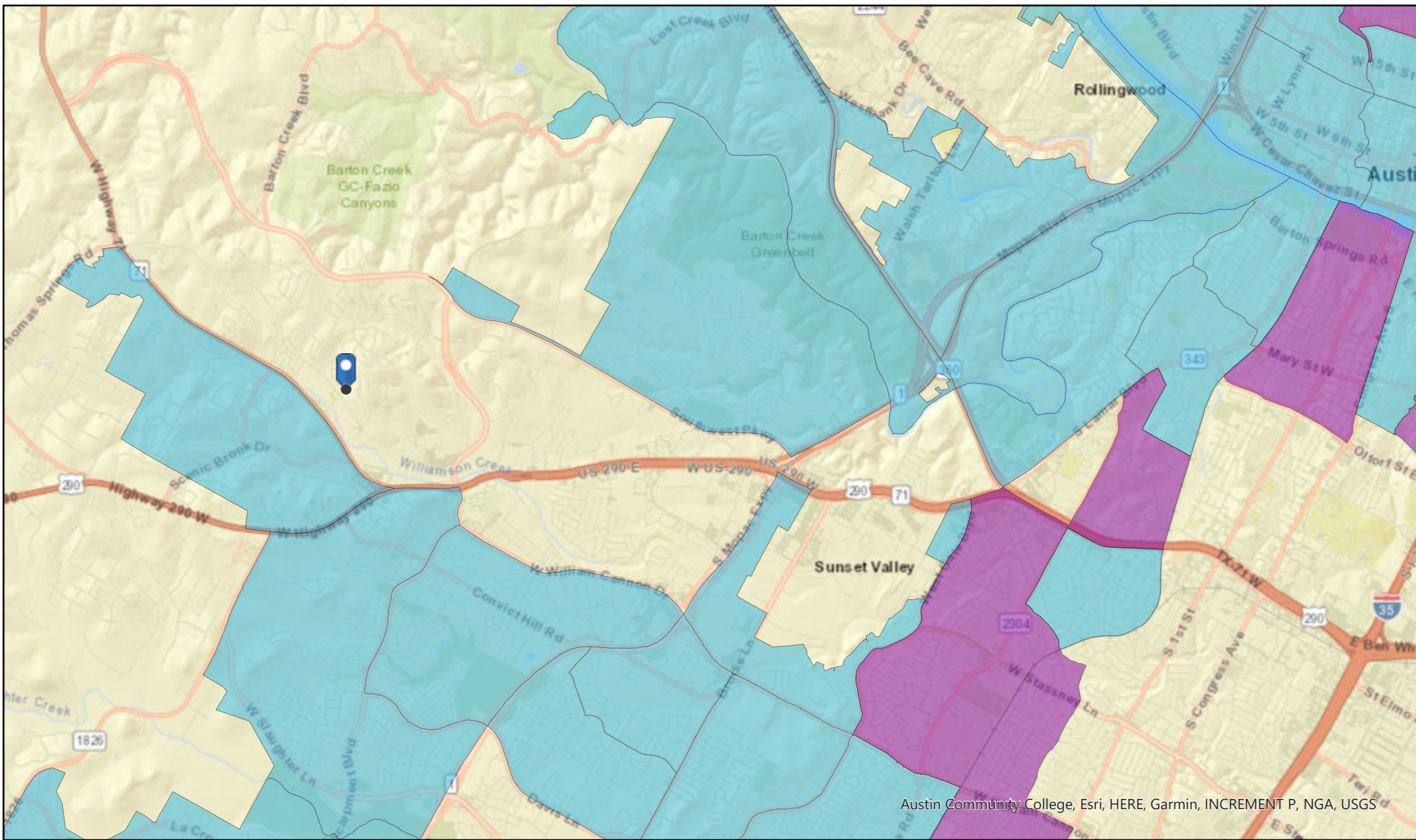


Council Districts and Census Tracts

02 November 2023



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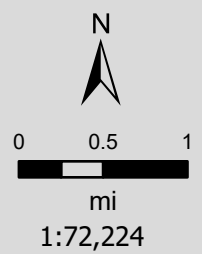


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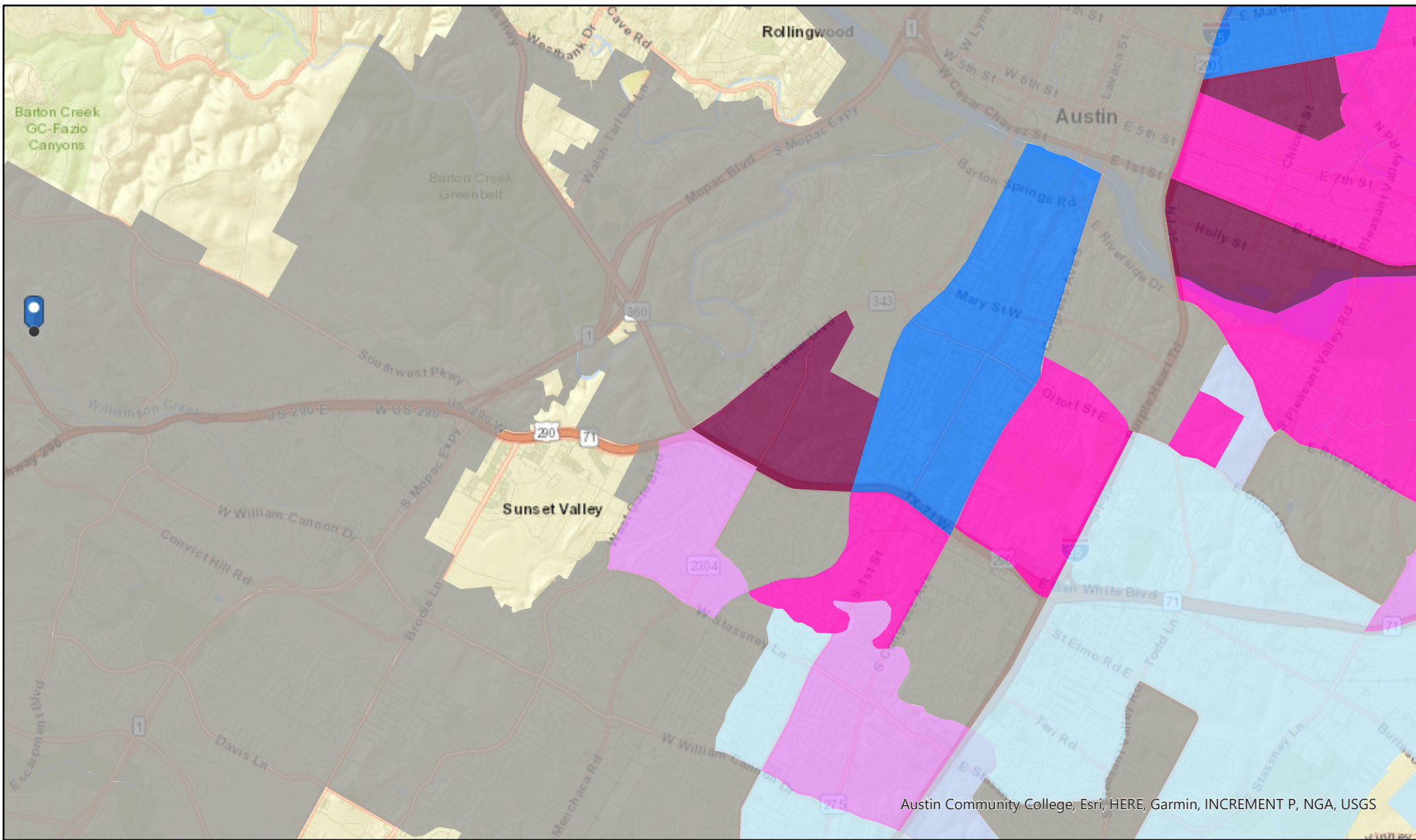


COA - Opportunity Values - Oak Hill Lofts

02 November 2023



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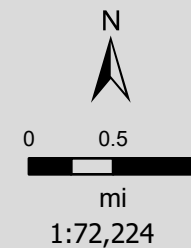


Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS

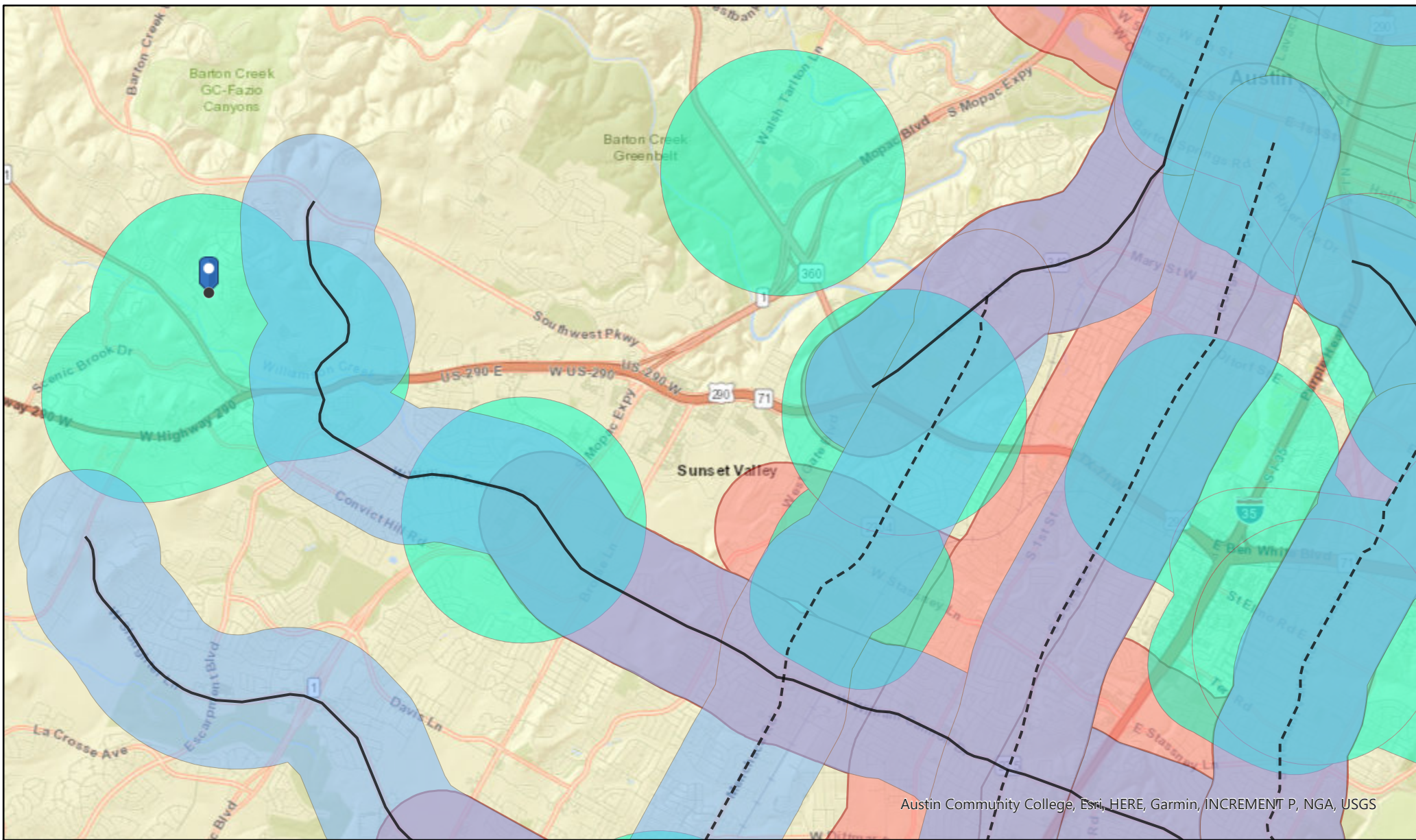


COA - Gentrification Values - Oak Hill Lofts

02 November 2023



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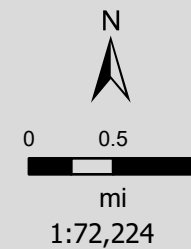


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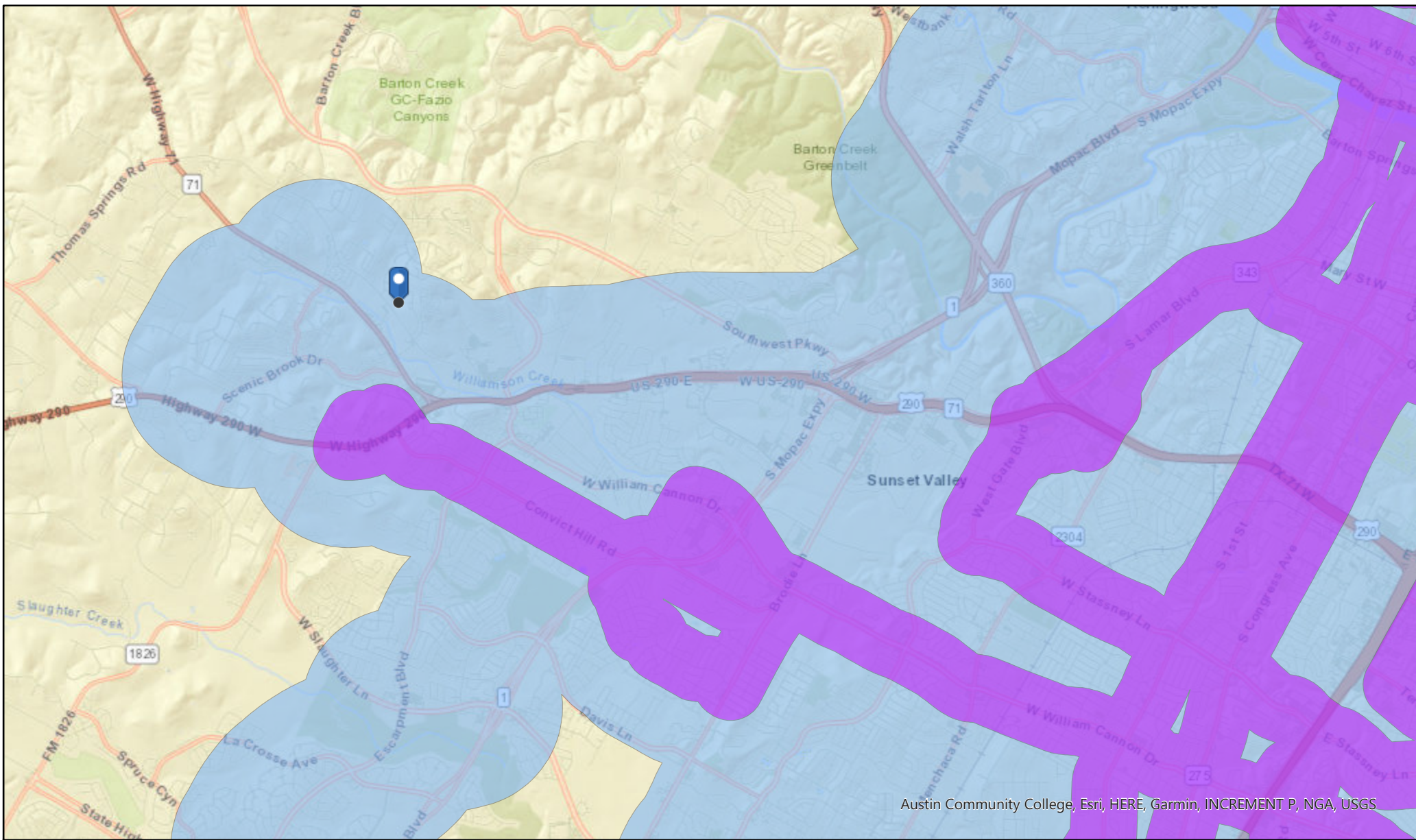


COA - Imagine Austin & Mobility Corridors - Oak Hill Lofts

02 November 2023

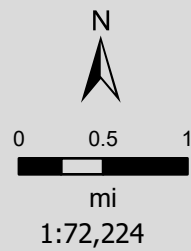


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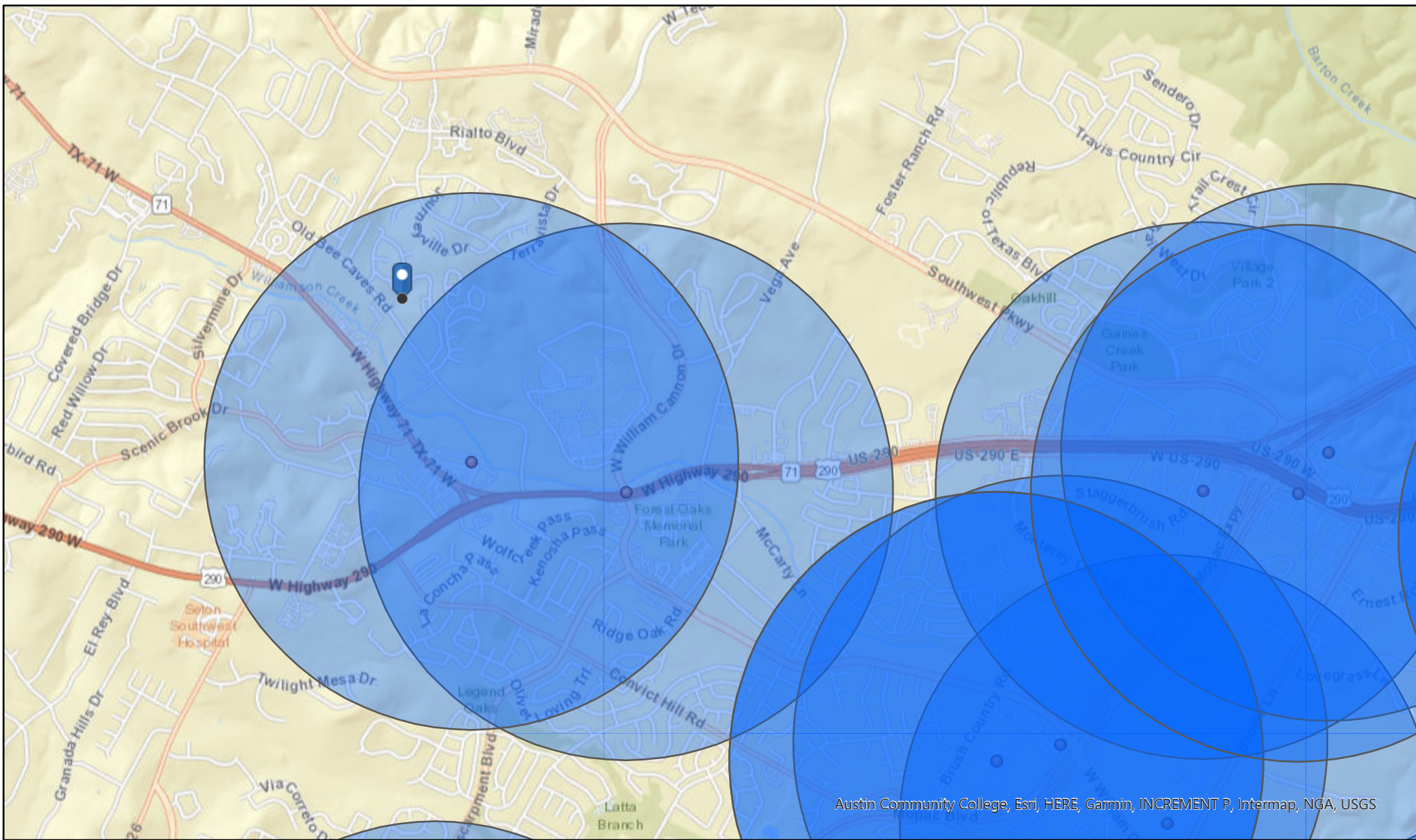


02 November 2023

COA - Transit - Oak Hill Lofts



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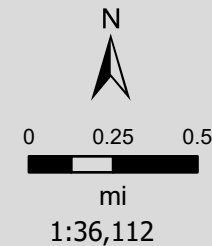


Austin Community College, Esri, HERE, Garmin, INCREMENT P, Intermap, NGA, USGS

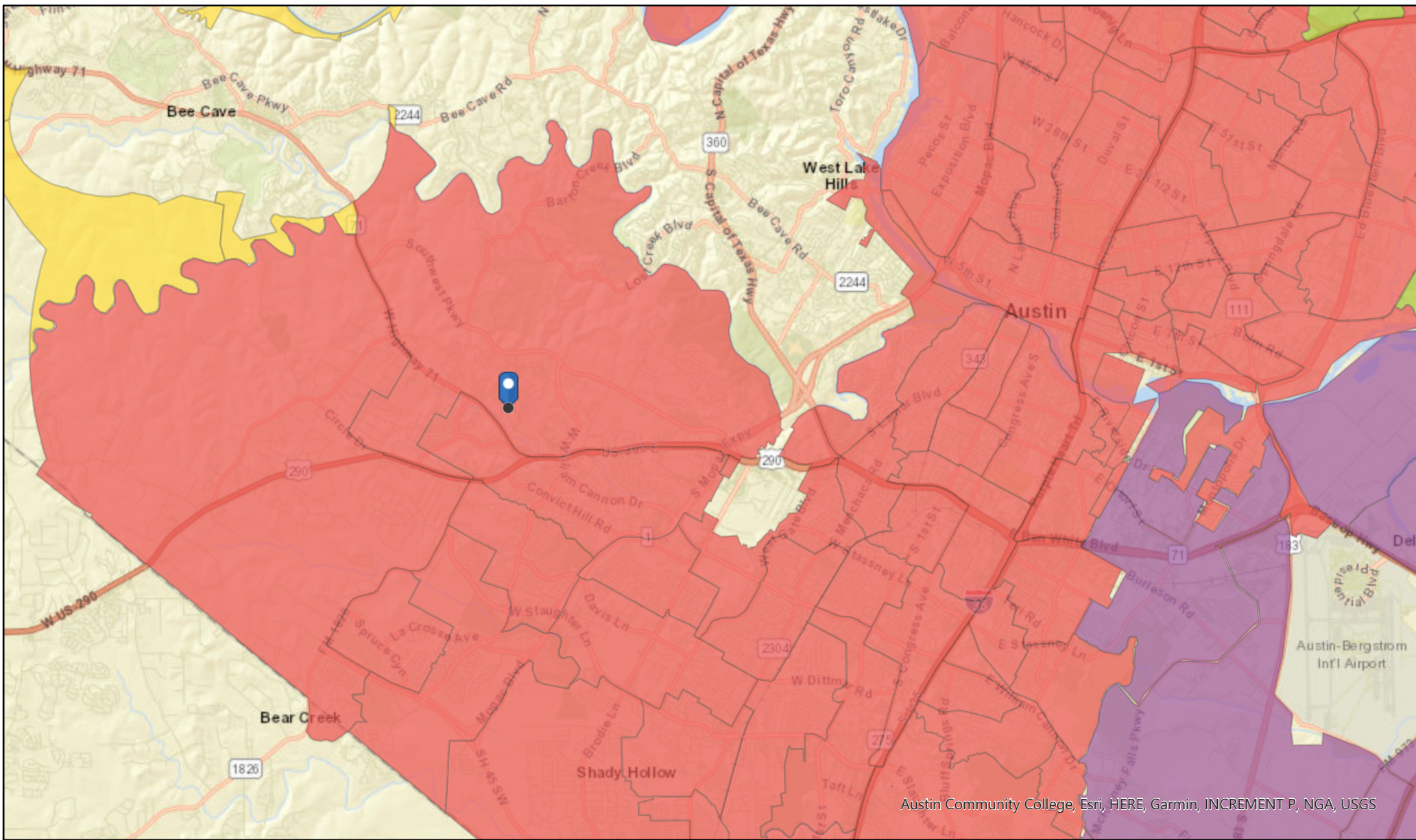


COA - Healthy Food - Oak Hill Lofts

02 November 2023

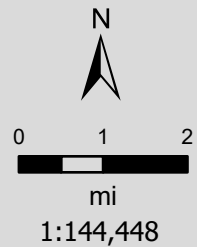


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COA - Elementary Schools - Oak Hill Lofts

02 November 2023



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OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PROPERTY INFORMATION

TAB 5.C - Zoning Verification Letter

PROPERTY INFORMATION

TAB 5.C - Zoning Verification Letter

Oak Hill Lofts - Phase I has already executed the Affordability Unlocked LURA, which will permit the proposed use in the current CS-NP zone via an administrative zoning change. As mentioned, the proposed development is also an acceptable use in the [Future Land Use Map](#) of the [Oak Hill Combined Neighborhood Plan](#).

Affordability Unlocked is also contingent upon receipt of a S.M.A.R.T. Housing Certification, which is still an active application and attached in Section 4c.



AFFORDABILITY UNLOCKED LAND USE AND RESTRICTIONS AGREEMENT

This agreement is made this 31st day of July, 2024, by and between the City of Austin (the “City”), a Texas home-rule municipal corporation, acting by and through the Housing Department (the “Department”) and Broadway Homes, LLC, a Texas limited liability company (the “Owner”).

RECITALS

WHEREAS, the Owner is the record owner of that certain real property located at what will be commonly known as **7610 Old Bee Caves Road, 78735** in the City of Austin, County of Travis, State of Texas (the “Property”), and whose legal description is set forth in Exhibit “A”, which is attached hereto and incorporated herein by this reference; and

WHEREAS, the Owner intends to develop, rehabilitate, or construct approximately **90** units on the Property; and

WHEREAS, in connection therewith, the Owner sought and has or will receive one or more Land Use Incentives from the City’s Affordability Unlocked Bonus Program (“Program”), which was adopted by ordinance and codified in the Land Development Code of the Austin City Code; and

WHEREAS, as a condition to receive the Land Use Incentives provided by the Program, the Owner agrees to set aside a certain percentage of Affordable Unit(s) at the Qualifying Development for rent to income Eligible Households so as to provide affordable housing opportunities to low- and moderate-income households; and

WHEREAS, the Department administers, coordinates, and implements various local, state, and federal public funding sources to promote the production of affordable housing citywide; and

WHEREAS, the Owner agrees that the Land Use Incentives received because of the Program benefit the Property, the Owner, and the future Owners; and

WHEREAS, it is the intent of the parties that the Affordable Unit(s) herein, shall be continuously held, and may only be rented subject to this Agreement for the benefit of Eligible Households; and

WHEREAS, it is the desire of the City and Owner to enter into this Agreement to ensure that such requirement or condition, whereby the Owner agrees to offer units for rental to Eligible Households, is fully complied with and to provide for the terms and conditions for the rental of Affordable Unit(s); and



WHEREAS, these provisions are for the purpose of enabling only Eligible Households to rent the Affordable Unit(s) at the Property.

NOW THEREFORE, in consideration of Land Use Incentives, mutual covenants, and representations herein contained, the parties enter into the following specific agreements and restrictions listed below.

SPECIFIC AGREEMENTS AND RESTRICTIONS

1. DEFINITIONS

- (A) Affordable Unit means a dwelling unit or sleeping unit provided for rent to an Eligible Household.
- (B) Agreement means this “Affordability Unlocked Land Use and Restrictions Agreement” between the City and the Owner.
- (C) Buyer means the entity or person who intends to hold a record ownership interest or receives a record ownership interest in the Property after the Effective Date of this Agreement.
- (D) Compliant Year means a continuous 12-month period where affordability requirements were met.
- (E) Duly Authorized Agent means a property manager, property management entity, and their agents.
- (F) Eligible Household means a household whose annual income does not exceed the applicable Median Family Income.
- (G) Funding Program means a local, state, or federal program with identical or more restrictive affordability requirements or procedures and forms that apply to the Qualifying Development, including the federal low-income housing tax credit program (“LIHTC”).
- (H) Land Use Incentives mean the waivers, bonuses, modifications, or increases authorized by the Program.
- (I) Maximum Rent means the maximum rental rate which may be required to be paid by the tenant from time to time for an Affordable Unit, by bedroom count, published by the Department. If the Qualifying Development is participating in the LIHTC program, the maximum rental rate, by bedroom count, shall be 30% of the annual income limit for an Eligible Household, minus tenant paid utilities.
- (J) Median Family Income (MFI) means the median family income for the Austin statistical metropolitan area as determined by the director of the City's Housing and Planning Department. If the Qualifying Development is participating in the LIHTC program, Median Family Income (MFI) means the median family income for the Austin statistical metropolitan area adjusted for family size, as published from time to time by the United States Department of Housing and Urban Development (“HUD”).
- (K) Minimum Affordability Period means the minimum number of years the Affordable Unit(s) must be available to Eligible Households.
- (L) Property means the land described in **Exhibit A**.



- (M) The Owner means each person or entity holding a record ownership interest in the Property, their successors and assignees, transferees, heirs, executors, administrators, or duly authorized agents. The Owner shall not include persons or entities who/which hold an interest merely as security for the performance of an obligation. Except for Section 2(E)(ii), the Owner shall not include persons or entities after they have ceased to hold a record ownership interest in the Property.
- (N) Qualifying Development means **7610 Old Bee Caves Road, Austin, Texas 78735**, a development accessing waivers and modifications of development regulations granted under a **Type 2 level of affordability**.

2. GENERAL REQUIREMENTS

- (A) Recitals. The recitals set forth above are incorporated into this Agreement for all purposes.
- (B) Runs with the Property.
- (i) This Agreement shall run with the Property for the Minimum Affordability Period.
 - (ii) The Department shall record this Agreement in the official real property records of Travis County, Texas, when the first certificate of occupancy for the Qualifying Development is issued by the City.
 - (iii) If this Agreement is amended or terminated, the Department shall record the amendment or termination.
- (C) Term of the Agreement.
- (i) This Agreement shall remain in effect for the Minimum Affordability Period unless the City, its successor or assigns, executes an amendment or a termination to this Agreement.
 - (ii) The Minimum Affordability Period is 40 Compliant Years from the date the last certificate of occupancy is issued for the Qualifying Development.
 - (iii) In addition to the equitable remedies described in Section 4, if the Department is unable to confirm, for any reason, that the affordability requirements were met during any 12-month period, such 12-month period is a noncompliant year and may not be used to satisfy the Minimum Affordability Period.
- (D) Binds the Owner's Successors and Assigns.
- (i) This Agreement shall be binding upon the Owner and the Owner's heirs, successors, and assigns in ownership of the Property or any portion thereof and shall be binding upon and inure to the benefit of the City and its successors and assigns.
 - (ii) The City reserves the right to designate another public agency to perform the City's obligations or to exercise the City's rights under this Agreement.
 - (iii) This Agreement is enforceable against a Buyer even if the Owner fails to notify the Buyer of this Agreement.
- (E) Assignment and Assumption & Amended and Restated.
- (i) In the event of any sale, re-sale, or other transfer of the Property prior to the expiration of the term of this Agreement, as a condition of close of escrow or, if transferred without a closing, at the time of transfer:



- (a) the Owner shall require the Buyer to execute an Assignment and Assumption Agreement (“Assignment”) or an Amended and Restated Agreement (“Amended and Restated”) on a form approved by the City Attorney; and
 - (b) the Owner shall provide the Department with a copy of the Assignment or Amended and Restated, as applicable, as set forth in Section 5(E).
 - (ii) If the Owner fails to assign or the Buyer fails to assume this Agreement before or at the transfer of the Property, this Agreement:
 - (a) remains binding upon the Owner until the Assignment is signed by both the Owner and the Buyer; and
 - (b) is binding upon the Buyer.
- (F) Affordable Unit(s).
- (i) The Owner shall set aside a minimum of **75%** of the total units as Affordable Unit(s) in the Qualifying Development.
 - (ii) The Owner shall set aside the following percentage of unit(s) for the following MFI:
 - (a) **20%** of the total units at or below **50% MFI**
 - (b) The remaining Affordable Units must satisfy the income, rent and other requirements imposed by the Affordability Unlocked program
 - (iii) The Owner shall ensure that at least **25%** of the Affordable Units include two or more bedrooms.
 - (iv) The Owner shall ensure that rent levels for the Affordable Units are affordable to households whose incomes average **60% MFI** or below.
 - (v) The Affordable Units may be floating or fixed as long as the unit mix continues to meet the requirements under the Affordability Unlocked Program.
- (G) Minimum Set-Aside Requirement. The Owner shall ensure that the minimum percentage of Affordable Unit(s) is maintained throughout the term of this Agreement.
- (H) Rent Limits. The Owner shall not charge more than the Maximum Rent for an Affordable Unit based on the MFI limitation stipulated in this Agreement.
- (I) Verification/Income Eligibility.
- (i) The Owner shall verify household income eligibility at the time of initial application and upon execution of each renewal.
 - (ii) Owner shall collect and maintain the documentation necessary to determine income eligibility of the applicant(s) for a rental unit.
 - (iii) The Owner shall require the applicant to declare all sources of regular continuing income for all adult household members.
 - (iv) Whenever household income must be verified, the Owner shall use the income verification forms made available by the Department.
 - (v) The Owner shall provide the Department with income verification forms when requested by the Department or the Department’s agent.
- (J) Monitoring. The Owner shall cooperate in the monitoring process and shall comply with requests for information from the Department or the Department’s agent.
- (K) Tenant File. The Owner shall maintain a tenant file for each required Affordable Unit. The file, at a minimum, must contain the following and be retained on-site for a period of no less than 4 years after the date the lease has expired:



- (i) rental application;
 - (ii) current lease and subsequent lease renewals;
 - (iii) income eligibility/verification forms, including source documentation and household income calculation;
 - (iv) annual, lease renewal income recertification, including income eligibility/verification forms, income source documentation and household income calculation;
 - (v) Department-approved Household Income Documentation Forms, which for the purposes of this Agreement shall be deemed to include such forms as are required or permitted to be used under the LIHTC program;
 - (vi) HUD Median Family Income (MFI) Chart for original determination and subsequent renewals; and
 - (vii) chart showing Maximum Rent, which was used for establishing original base rent and subsequent renewals
- (L) Affordable Unit Leases.
- (i) The Owner shall include the lease addendum and provisions attached to this Agreement as Exhibit “B” in the Owner’s lease or rental agreements, unless the development of the Property is also financed with Rental Housing Development Assistance (“RHDA”) funds from the Austin Housing Finance Corporation, in which event, Owner shall utilize the lease addendum and/or provisions required by the RHDA program
 - (ii) To comply with the City’s affordability requirements, the term of each lease or rental agreement must be a minimum of 12 months.
 - (iii) The Owner shall include the following requirements in each lease or rental agreement:
 - (a) provisions(s) that inform the applicant/tenant that the Owner relied on the income certification and supporting documents provided by the applicant/tenant that establish their eligibility for occupancy in one of the Affordable Unit(s);
 - (b) a statement that informs the applicant/tenant that any material misstatement in such certification (whether intentional or not) may be cause for immediate termination of the lease if the misstatement cannot be corrected and substantiated; and
 - (c) a statement that informs the applicant/tenant that their occupancy in one of the Affordable Unit(s) is subject to annual recertification.
- (M) Compliance with Fair Housing and Equal Opportunity Laws.
- (i) The Owner shall comply with applicable federal, state, and local fair housing and anti-discrimination laws in the marketing and provision of housing.
 - (ii) Occupants of Affordable Unit(s) shall have access to all on-site amenities available to market-rate units, including the same access to common areas and facilities provided to occupants of market-rate units.
 - (iii) The Owner may not discriminate on the basis of an individual’s source of income, which means lawful, regular, and verifiable income including, but not limited to, housing vouchers and other subsidies provided by government or non-



governmental entities, child support, or spousal maintenance, but does not include future gifts.

- (N) Affirmative Marketing of the Property. For purposes of initial rental of each Affordable Unit and for purposes of re-rental each time any Affordable Unit(s) becomes vacant, the Owner shall advertise and market the Property to Eligible Households and encourage their participation in applying for and occupying an Affordable Unit. The Owner complies with this provision if the Owner follows any written guidance provided by the Department.

3. PROCESSES

- (A) Unless the Qualifying Development is also subject to a Funding Program, the Owner shall use the procedures and forms promulgated by the Department to accomplish the following:
 - (i) determine household eligibility;
 - (ii) calculate income;
 - (iii) document and verify income for rental housing; and
 - (iv) comply with monitoring processes.
- (B) If the Qualifying Development is subject to a Funding Program, the Owner shall comply with the Funding Program to accomplish the following:
 - (i) determine household eligibility;
 - (ii) calculate income;
 - (iii) document and verify income for rental housing; and
 - (iv) comply with monitoring processes.
- (C) Remedial Actions.
 - (i) If the Department determines that the Owner has not met the Minimum Set-Aside Requirement or complied with this Section, the Owner will be given an opportunity to demonstrate compliance using facts and data.
 - (ii) If the Owner fails to demonstrate compliance, the Owner shall be required to take any corrective or remedial action within the timeframes specified by the Department. The actions required and timeframes specified will be provided in writing by the Department.

4. EQUITABLE REMEDIES FOR BREACH

- (A) The Owner acknowledges and agrees that:
 - (i) the Affordable Unit(s) provided under this Agreement are of a unique and special character;
 - (ii) the affordability restrictions are reasonable in scope and necessary to protect the City's legitimate interests; and
 - (iii) a breach or threatened breach by the Owner of any of its obligations under this Agreement would give rise to irreparable harm to the City for which monetary damages would not be an adequate remedy.
- (B) The Owner acknowledges and agrees that if a breach or a threatened breach by the Owner of any such obligations occurs:



- (i) the City will, in addition to any and all other rights and remedies that may be available to it at law, at equity or otherwise in respect to such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, and any other relief that may be available from a court of competent jurisdiction, without any requirement to post a bond or other security, or prove actual damages or that monetary damages will not afford an adequate remedy; and
 - (ii) the Owner will not oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in each case, consistent with the terms of this Section.
- (C) The Owner acknowledges and agrees:
- (i) that the failure to enforce any provision of this Agreement at any time does not constitute a waiver of the right thereafter to enforce this Agreement; and
 - (ii) not to oppose or otherwise challenge the City's right to enforce this Agreement even if the City failed to enforce this Agreement previously.

5. GENERAL PROVISIONS

- (A) Land Use Incentives.
- (i) This Agreement allows the Owner to utilize, for the Qualifying Development, one or more of the Land Use Incentives found in the following City Code sections:
 - (a) 25-2-518 (*Qualifying Development*);
 - (b) 25-2-534 (*Qualifying Development Exceptions*); and
 - (c) 25-6-471(J) (*Off-Street Parking Facility Required*)
 - (ii) A copy of the City Code sections, as they existed on the date of this Agreement, are attached to this Agreement as Exhibit "C" and describe the Land Use Incentives applicable to the Qualifying Development.
- (B) Notice of Duty Authorized Agent. The Owner shall provide notice as set forth in Section 5(E) within three business days from the date the Owner:
- (i) contracts with a property management entity, and
 - (ii) designates an individual as the property manager.
- (C) Notice and Opportunity to Cure. If the Department determines the Owner is out of compliance this Agreement, the Department will send a Notice of Default and Opportunity to Cure ("Cure Notice") to the Owner as set forth in Section 5(E). The Cure Notice will require the Owner to cure default within a specified period of time beginning from the date on the Cure Notice.
- (D) This Agreement shall not be construed as creating an employer/employee relationship, a partnership, joint enterprise, or joint venture between the parties.
- (E) Notices. All notices required under this Agreement shall be in writing, which include email, sent to the Owner and the City at the address(es) set forth below.

For the Department:

Housing Department
Attn: Real Estate Division Manager
P.O. Box 1088
Austin, TX 78767



With Copy to: City of Austin Law Department
P.O. Box 1088
Austin, TX 78767

For the Owner: Broadway Homes, LLC
5900 Balcones Dr. Ste. 100
Austin, TX 78731-4298

- (F) Authority. Each party to this Agreement hereby represents and warrants that each person executing this Agreement on behalf of a party has the right, power, legal capacity, and authority to enter into and perform under the Agreement, that no approval or consent of any other persons are necessary and that the Agreement constitutes a valid and binding obligation of such party, enforceable against such party.
- (G) Amendments. This Agreement may be modified only by a writing properly executed by each of the parties. Any modification or amendment of this Agreement shall not be binding on the parties unless made in writing and properly executed by each of the parties.
- (H) Governing Law and Venue.
 - (i) This Agreement is made under and shall be governed by the laws of the State of Texas, without regard to conflicts of laws principles which would apply the law of any other jurisdiction.
 - (ii) Venue for any dispute arising out of or concerning this Agreement, either administrative or judicial, shall be proper and lie exclusively in Travis County, Texas.
- (I) Severability. If a court of competent jurisdiction determines that a term or provision of this Agreement is void or unenforceable, the remainder of this Agreement remains effective to the extent permitted by law.
- (J) Effective Date. This Agreement shall commence on the date of execution by the last of the parties to sign this Agreement.
- (K) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and when the parties hereto have signed this Agreement shall be one and the same instrument.

{signatures follow}





OWNER:

BROADWAY HOMES, LLC,
a Texas limited liability company

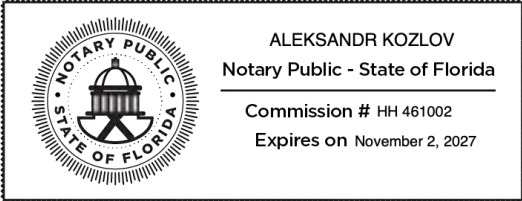
By: Gregory Scott Stoll
Gregory Stoll
Managing Member



ACKNOWLEDGMENT

THE STATE OF ~~TEXAS~~ Florida 
COUNTY OF ~~TRAVIS~~ Nassau 

The foregoing instrument was acknowledged before me on this the 31st day of July 2024, by Gregory Stoll, Managing Member of Broadway Homes, LLC, a Texas limited liability company, on behalf of said limited liability company.
ID produced: DRIVER LICENSE

Given under my hand and seal of office on 31st July, 2024.




NOTARY PUBLIC, State of ~~Texas~~ Florida 

Notarized remotely online using communication technology via Proof.

{Additional signatures pages to follow}



THE CITY:

THE CITY OF AUSTIN, TEXAS
a Texas home-rule municipal corporation

By: _____
Mandy DeMayo
Interim Director
Housing Department

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The foregoing instrument was acknowledged before me on this the _____ day of _____ 2024, by Mandy DeMayo, Interim Director of the Housing Department of the City of Austin, a Texas home-rule municipal corporation, on behalf of the municipal corporation.

NOTARY PUBLIC, State of Texas

APPROVED AS TO FORM:

By: M. Shannon Kackley
M. Shannon Kackley
Assistant City Attorney
City of Austin Law Department

AFTER RECORDING RETURN TO:
Housing Department
1000 East 11th Street, Suite 200
Austin, TX 78702
Attn: Real Estate Division Manager



EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

1.841 ACRES OF LAND, OUT OF THE A. J. BOND SURVEY, A-114, DESCRIBED IN DEED TO BROADWAY URBAN HOMES, LIMITED LIABILITY COMPANY, A TEXAS LIMITED LIABILITY COMPANY RECORDED IN DOCUMENT NO. 2021050256 R.P.R.T.C.T., MORE PARTICULARLY DESCRIBED AS:

~~A 1.84 acre tract situated in the A.J. Bond Survey, A-114, Travis County, Texas, being the same called 2.00 acre tract described in Volume 13217, Page 2660, Official Public Records of Travis County, Texas, and being more particularly described by metes and bounds as follows:~~

~~Beginning at a ½ inch iron rod found in the northeast right-of-way line of Old Bee Caves Road, for the south corner of Lot 1, Block C, Oak County Estates and for the west corner of the herein described tract;~~

~~Thence with the southeast line of Oak County Estates, N 28°03'11" E a distance of 415.75 feet to a 1 inch iron pipe found for the east corner of Lot 18, Block C, Oak County Estates, for the west corner of a called 19.979 acre tract described in Document No. 2016044019, Official Public Records of Travis County, Texas and for the north corner of the herein described tract;~~

~~Thence with the southwest line of said 19.979 acre tract, S 37°21'39" E a distance of 223.02 feet to a ½ inch iron rod found for the north corner of a called 4.302 acre tract described in Document No. 2016043438, Official Public Records of Travis County, Texas and for the east corner of the herein described tract;~~

~~Thence with the northwest line of said 4.302 acre tract, S 32°38'00" W a distance of 431.72 feet to a ½ inch iron rod found in said northeast right-of-way line of Old Bee Caves Road, for the west corner of said 4.302 acre tract and for the south corner of the herein described tract;~~

~~Thence with said northeast right-of-way line of Old Bee Caves Road, N 29°24'35" W a distance of 199.66 feet to the POINT OF BEGINNING, containing 1.84 acres.~~

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PROPERTY INFORMATION
TAB 5.D - Proof of Site Control



Dana DeBeauvoir

Dana DeBeauvoir, County Clerk
Travis County, Texas

Mar 10, 2021 08:26 AM Fee: \$38.00

2021050256

Electronically Recorded

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

GENERAL WARRANTY DEED WITH VENDOR'S LIEN

GRANTOR(s):	OSCAR B. JACKSON, III, APPOINTED RECEIVER IN THE CASE OF CHERYL M. BARLOW, ET.AL VERSUS CHRIS SHELLEY, ET.AL, CAUSE NO. D-1-GN-17-004476, IN THE 353RD JUDICIAL DISTRICT COURT IN TRAVIS COUNTY, TEXAS.	
GRANTEE(s):	BROADWAY URBAN HOMES, LIMITED LIABILITY COMPANY, A TEXAS LIMITED LIABILITY COMPANY	
ADDRESS:	6900 FINKLEA COVE, AUSTIN, TEXAS 78730	57/FILE #20210137-BM
LENDER:	R BANK	
ADDRESS:	3103 BEE CAVES ROAD, SUITE 110 AUSTIN, TRAVIS COUNTY, TEXAS 78746	
TRUSTEE:	MIKE SHAW	
ADDRESS:	3103 BEE CAVES ROAD, SUITE 110 AUSTIN, TRAVIS COUNTY, TEXAS 78746	

IN CONSIDERATION of the sum of Ten Dollars (\$10.00), and the further consideration of the execution and delivery by Grantee(s) of a promissory note (the "Note") payable to the order of Lender, in the principal amount of **Three Hundred Thirty-One Thousand Eight Hundred Dollars and No Cents (\$331,800.00)**, secured by a vendor's lien retained herein and additionally secured by a Deed of Trust executed by Grantee(s) to Trustee, as Trustee for the benefit of Lender and covering, among other things, the Property (as defined below), the receipt and sufficiency of which are acknowledged, Grantor(s) has GRANTED, SOLD and CONVEYED and does GRANT, SELL and CONVEY to Grantee(s) the following real property (the "Property"):

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances to it in any way belonging, to Grantee, its heirs, executors, administrators, successors, and/or assigns forever, and Grantor binds itself, its heirs, executors, administrators, successors, and/or assigns to WARRANT AND FOREVER DEFEND all and singular the title to the Property to Grantee, its heirs, executors, administrators, successors, and/or assigns against any person lawfully claiming or to claim the same or any part of it, subject to the Permitted Exceptions (defined below).

This General Warranty Deed with Vendor's Lien and the conveyances above are executed by Grantor(s) and accepted by Grantee(s) subject to any and all encumbrances, restrictions, easements, mineral reservations, and other matters of record, to the extent they are all validly existing and applicable to the Property (collectively, the "Permitted Exceptions"). Current ad valorem taxes on the Property having been prorated, the payment thereof is assumed by Grantee(s).

It is expressly agreed that the vendor's lien, as well as the superior title in and to the Property, is retained against the Property in favor of Grantor(s), its successors, and/or assigns until the entire principal balance of the Note and all interest are fully paid according to its terms when this General Warranty Deed with Vendor's Lien will become absolute. In consideration of the cash payment to Grantor(s), Grantor(s) assigns, without recourse, the vendor's lien and superior title to the Property to Lender, its successors and/or assigns, as security for Grantee(s)'s Note to Lender.

{Signature Page to Follow}

Executed March 9, 2021 by Grantor(s).

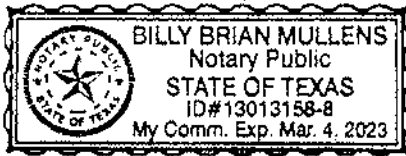
Oscar B. Jackson III, Court Appointed Receiver

OSCAR B. JACKSON, III, APPOINTED RECEIVER IN THE CASE OF CHERYL M. BARLOW, ET.AL VERSUS CHRIS SHELLEY, ET.AL, CAUSE NO. D-1-GN-17-004476, IN THE 353RD JUDICIAL DISTRICT COURT IN TRAVIS COUNTY, TEXAS.

STATE OF TEXAS §
COUNTY OF TRAVIS §

Before me, the undersigned Notary Public, on this day personally appeared OSCAR B. JACKSON, III, APPOINTED RECEIVER IN THE CASE OF CHERYL M. BARLOW, ET.AL VERSUS CHRIS SHELLEY, ET.AL, CAUSE NO. D-1-GN-17-004476, IN THE 353RD JUDICIAL DISTRICT COURT IN TRAVIS COUNTY, TEXAS., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed it for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE ON 9 MARCH, 2021.



[Signature]
NOTARY PUBLIC, STATE OF _____

AFTER RECORDING PLEASE RETURN TO:
CAPSTONE TITLE
901 S. MOPAC EXPRESSWAY
BLDG II, STE 150
AUSTIN, TEXAS 78746
GF# 20210137

EXHIBIT "A"
LEGAL DESCRIPTION

A 1.84 acre tract situated in the A.J. Bond Survey, A-114, Travis County, Texas, being the same called 2.00 acre tract described in Volume 13217, Page 2660, Official Public Records of Travis County, Texas, and being more particularly described by metes and bounds as follows:

Beginning at a ½ inch iron rod found in the northeast right-of-way line of Old Bee Caves Road, for the south corner of Lot 1, Block C, Oak County Estates and for the west corner of the herein described tract;

Thence with the southeast line of Oak County Estates, N 28°03'11" E a distance of 415.75 feet to a 1 inch iron pipe found for the east corner of Lot 18, Block C, Oak County Estates, for the west corner of a called 19.979 acre tract described in Document No. 2016044019, Official Public Records of Travis County, Texas and for the north corner of the herein described tract;

Thence with the southwest line of said 19.979 acre tract, S 37°21'39" E a distance of 223.02 feet to a ½ inch iron rod found for the north corner of a called 4.302 acre tract described in Document No. 2016043438, Official Public Records of Travis County, Texas and for the east corner of the herein described tract;

Thence with the northwest line of said 4.302 acre tract, S 32°38'00" W a distance of 431.72 feet to a ½ inch iron rod found in said northeast right-of-way line of Old Bee Caves Road, for the west corner of said 4.302 acre tract and for the south corner of the herein described tract;

Thence with said northeast right-of-way line of Old Bee Caves Road, N 29°24'35" W a distance of 199.66 feet to the POINT OF BEGINNING, containing 1.84 acres.

Note: The Company is prohibited from insuring the area or quantity of land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for information and/or identification purposes and does not override Item 2 of Schedule B hereof.



**RELEASE OF LIEN FOR CLEARANCE OF PROPERTY
THE STATE OF TEXAS §
COUNTY OF TRAVIS §**

WHEREAS, on **December 04, 2000**, the Director of Austin Code Department of the City of Austin caused to be recorded a privileged lien upon and against that certain real property described as follows:

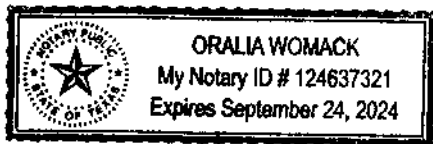
The property located at **7610 Old Bee Caves Road**, in the City of Austin, Travis County, Texas, City Tax Parcel **4-0438-0309**, described as **Abs.114, Sur. 91, AJ Bond Acr. 2.00**, Austin, Texas.

Which lien is of record in **2000191908** of the Real Property Records of Travis County, Texas to which record reference is here made; and

WHEREAS, the Director of Finance of the City of Austin has received the sum of **\$6,606.82**, which sum is the amount for which the owner was liable under the laws of the State of Texas, for the clearance of brush, weeds and debris from the above-described property;

NOW THEREFORE, in consideration of the premises, the City of Austin, acting by and through Jose G. Roig, Director of Austin Code Department, has released and relinquished and does by these presents release and relinquish unto **James Micheal Shelly**, their heirs and assigns, the above described lien, upon the above described property hereinafter existing.

WITNESS MY HAND this 26th day of September, 2022.



[Signature]
Shiqi (Gigi) Mao, Finance Manager II
Austin Code Department
City of Austin, Texas

SWORN AND SUBSCRIBED before me on this 26th day of September, 2022.

Oralia Womack
Notary Public In and For the State of Texas

Return to: City of Austin
Austin Code Department
P.O. Box 1088
Austin, TX 78767-1088
ATTN: ACD Finance

Bill No. 278166



**FILED AND RECORDED
OFFICIAL PUBLIC RECORDS**

[Signature]
Rebecca Guerrero, County Clerk
Travis County, Texas

2022158495

Sep 27, 2022 11:20 AM
Fee: \$26.00 GUERREROJ



**RELEASE OF LIEN FOR CLEARANCE OF PROPERTY
THE STATE OF TEXAS §
COUNTY OF TRAVIS §**

WHEREAS, on **August 03, 2001**, the Director of Austin Code Department of the City of Austin caused to be recorded a privileged lien upon and against that certain real property described as follows:

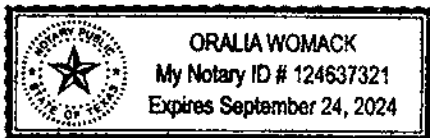
The property located at **7610 Old Bee Cavex Road**, in the City of Austin, Travis County, Texas, City Tax Parcel **04-04338-0309**, described as **ABS 114 Sur 91, Bond A J ACR 2. 00**

Which lien is of record in **2001129504** of the Real Property Records of Travis County, Texas to which record reference is here made; and

WHEREAS, the Director of Finance of the City of Austin has received the sum of **\$1165.06**, which sum is the amount for which the owner was liable under the laws of the State of Texas, for the clearance of brush, weeds and debris from the above-described property;

NOW THEREFORE, in consideration of the premises, the City of Austin, acting by and through Jose G. Roig, Director of Austin Code Department, has released and relinquished and does by these presents release and relinquish unto **James Shelly**, their heirs and assigns, the above described lien, upon the above described property hereinafter existing.

WITNESS MY HAND this 26th day of September, 2022.



[Signature]
Shih (Gigi) Mao, Finance Manager II
Austin Code Department
City of Austin, Texas

SWORN AND SUBSCRIBED before me on this 26th day of September, 2022.

Oralia Womack
Notary Public In and For the State of Texas

Return to: City of Austin
Austin Code Department
P.O. Box 1088
Austin, TX 78767-1088
ATTN: ACD Finance

Bill No. 278512

CC#: «CC»



**FILED AND RECORDED
OFFICIAL PUBLIC RECORDS**

[Signature]
Rebecca Guerrero, County Clerk
Travis County, Texas

2022158496

Sep 27, 2022 11:20 AM
Fee: \$26.00 GUERREROJ

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PROPERTY INFORMATION
TAB 5.E - Phase I ESA & City of Austin ERI

Phase I Environmental Site Assessment

Oak Hill Lofts Project

7610 Old Bee Caves Road

Austin, Travis County, TX

March 24, 2022

Terracon Project No. 96227079



Prepared for:

Broadway Homes, LLC

Austin, Texas

Prepared by:

Terracon Consultants, Inc.

Austin, Texas

terracon.com

Terracon

Environmental



Facilities



Geotechnical



Materials



March 24, 2022

Broadway Homes, LLC
5900 Balcones Drive, Suite 100
Austin, TX 78731

Attn: Mr. Greg Stoll
P: (512) 228-7443
E: greg@broadwayhomes.com

Re: Phase I Environmental Site Assessment
Oak Hill Lofts Project
7610 Old Bee Caves Road
Austin, Travis County, Texas 78735
Terracon Project No. 96227079

Dear Mr. Stoll:

Terracon Consultants, Inc. (Terracon) is pleased to submit the enclosed Phase I Environmental Site Assessment (ESA) report for the above-referenced site. This assessment was performed in accordance with Terracon Proposal No. P96227079 dated January 26, 2022. This report has been prepared for Broadway Homes, LLC and Texas Department of Housing and Community Affairs (TDHCA). We understand the reliance that TDHCA and Broadway Homes, LLC place on the information in this report.

We appreciate the opportunity to be of service to you on this project. In addition to Phase I services, our professionals provide geotechnical, environmental, construction materials, and facilities services on a wide variety of projects locally, regionally and nationally. For more detailed information on all of Terracon's services please visit our website at www.terracon.com. If there are any questions regarding this report or if we may be of further assistance, please do not hesitate to contact us.

Sincerely,
Terracon Consultants, Inc.

Sarah R. Schwerdfeger
Project Manager



Hilary D. Johns, P.G.
Authorized Project Reviewer/
Environmental Professional

Attachments

Terracon Consultants Inc. 5307 Industrial Oaks Blvd Ste 160 Austin, TX 78735-8821

P 512-442-1122 F 512-442-1181 terracon.com

Environmental

Facilities

Geotechnical

Materials

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APPENDICES

APPENDIX A	Exhibit 1 - Exhibit 1 - Topographic Map, Exhibit 2 - Site Diagram, FIRMette Map, Site Surveys
APPENDIX B	Site Photographs
APPENDIX C	Historical Documentation and User Questionnaire
APPENDIX D	Environmental Database Information
APPENDIX E	Credentials
APPENDIX F	Description of Terms and Acronyms

EXECUTIVE SUMMARY

This Phase I Environmental Site Assessment (ESA) was performed in accordance with Terracon Proposal No. P96227079 dated January 26, 2022, and was conducted consistent with the procedures included in ASTM E1527-13, *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process*. This ESA was also conducted in accordance with the **§10.305. Environmental Site Assessment Rules and Guidelines** of the Texas Department of Housing and Community Affairs' (TDHCA) 2022 Real Estate Analysis Rules and Guidelines. The ESA was conducted under the supervision or responsible charge of Hilary D. Johns, P.G., Environmental Professional. Ms. Sarah R. Schwerdfeger, the preparer of this report, has read and understands the requirements of **§10.305. Environmental Site Assessment Rules and Guidelines** of the Texas Department of Housing and Community Affairs' (TDHCA) 2022 Real Estate Analysis Rules and Guidelines. Please note that the person or company (Terracon) that prepared the ESA report will not materially benefit from the Development in any other way than receiving a fee for performing the ESA and that this fee is in no way contingent upon the outcome of the assessment. Ms. Schwerdfeger performed the site reconnaissance on March 3, 2022.

Findings and Opinions

A summary of findings is provided below. It should be recognized that details were not included or fully developed in this section, and the report must be read in its entirety for a comprehensive understanding of the items contained herein.

Site Description and Use

The site is an approximate 1.84-acre tract of land located at 7610 Old Bee Caves Road in Austin, Travis County, Texas. The site is mostly vacant land that is improved with an old paved driveway/access drive and dilapidated shed structures.

Historical Information

Based on a review of historical information, the site was vacant, undeveloped land from at least the early 1940s until the early 1970s when an apparent residence and associated outbuildings were evident on the site. According to an interview with Mr. Greg Stoll, current site owner, he was unaware if a residence was located on the site; however, Mr. Stoll indicated that the site appeared to be used as a vehicle junk yard at the time of his acquisition. If any impacted media associated with the on-site vehicle storage is identified during site redevelopment activities, it should be characterized, removed, and disposed of in accordance with applicable regulations. Please see Section 3.6 for the full historical interview with Mr. Stoll.

The property to the north of the site was vacant, undeveloped land from at least the early 1940s until land clearing was evident in 2016. By 2018, the present day stormwater quality feature and residential development farther north/northeast of the site were evident. The property to the east

Phase I Environmental Site Assessment

Oak Hill Lofts Project ■ Austin, TX

March 24, 2022 ■ Terracon Project No. 96227079



of the site was vacant, undeveloped land from at least the early 1940s and remains relatively unchanged through the present day. An apparent residence and associated access drive was evident farther east of the site by the late 1950s and remains through the present day. The property to the south of the site was Old Bee Caves Road, evident from at least the early 1940s through the present day, followed by vacant, undeveloped/agricultural land from at least the early 1940s until 1995. By the late 1950s, apparent residence structures were evident farther south of the site and remain through the present day. The present day commercial building was evident by the early-to-mid 2000s. The property to the west of the site was vacant, undeveloped land from at least the early 1940s until the present day residences were evident by the early 1970s.

Records Review

A review of available regulatory database information was conducted for specified federal and state agencies. Review of the regulatory databases did not identify any regulated facilities within the specified search distances.

Site Reconnaissance

Based on the site reconnaissance, RECs were not identified associated with the current site operations.

Adjoining Properties

The property to the north of the site is a stormwater quality feature (SWQF) followed by single-family residences. The property to the east of the site is vacant land. The property to the south of the site is Old Bee Caves Road followed by single-family residences and a commercial building. The property to the west of the site is single-family residences. No indications of RECs were identified with the adjoining properties.

Additional Services

Please see Section 7.0 for additional services required by TDHCA.

Significant Data Gaps

No significant data gaps were identified.

Conclusions

We have performed a Phase I ESA consistent with the procedures included in ASTM Practice E 1527-13 at 7610 Old Bee Caves Road, Austin, Travis County, Texas, the site. Recognized Environmental Conditions (RECs) or Controlled RECs (CRECs) were not identified in connection with the site.

Recommendations

Based on the scope of services, limitations, and conclusions of this assessment, Terracon did not identify RECs or CRECs. As such, no additional investigation is warranted at this time.

1.0 INTRODUCTION

1.1 Site Description

Site Name	Oak Hill Lofts Project
Site Location/Address	7610 Old Bee Caves Road, Austin, Travis County, Texas
Land Area	Approximately 1.84-acres
Site Improvements	Paved driveway/access drive and dilapidated shed structures
Anticipated Future Site Use	Approximate 100-unit LIHTC development
Purpose of the ESA	LIHTC proposal with Texas Department of Housing & Community Affairs (TDHCA) along with an additional financing request to Austin Housing Finance Corporation (AHFC)

The location of the site is depicted on Exhibit 1 of Appendix A, which was reproduced from a portion of the USGS 7.5-minute series topographic map. The site and adjoining properties are depicted on the Site Diagram, which is included as Exhibit 2 of Appendix A. Acronyms and terms used in this report are described in Appendix F.

1.2 Scope of Services

This Phase I ESA was performed in accordance with Terracon Proposal No. P96227079 dated January 26, 2022, and was conducted consistent with the procedures included in ASTM E1527-13, *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process*. This ESA was also conducted in accordance with the **§10.305. Environmental Site Assessment Rules and Guidelines** of the Texas Department of Housing and Community Affairs' (TDHCA) proposed 2022 Real Estate Analysis Rules. The purpose of this ESA was to assist the client in developing information to identify RECs in connection with the site as reflected by the scope of this report. This purpose was undertaken through user-provided information, a regulatory database review, historical and physical records review, interviews, including local government inquiries, as applicable, and a visual noninvasive reconnaissance of the site and adjoining properties. Limitations, ASTM deviations, and significant data gaps (if identified) are noted in the applicable sections of the report.

ASTM E1527-13 contains a new definition of "migrate/migration," which refers to "the movement of hazardous substances or petroleum products in any form, including, for example, solid and liquid at the surface or subsurface, and vapor in the subsurface." By including this explicit reference to migration in ASTM E1527-13, the Standard clarifies that the potential for vapor migration should be addressed as part of a Phase I ESA. This Phase I ESA has considered vapor migration in evaluation of RECs associated with the site. Please see Section 7.0 for additional services required by TDHCA.

1.3 Standard of Care

This ESA was performed in accordance with generally accepted practices of this profession, undertaken in similar studies at the same time and in the same geographical area. We have endeavored to meet this standard of care, but may be limited by conditions encountered during performance, a client-driven scope of work, or inability to review information not received by the report date. Where appropriate, these limitations are discussed in the text of the report, and an evaluation of their significance with respect to our findings has been conducted.

Phase I ESAs, such as the one performed at this site, are of limited scope, are noninvasive, and cannot eliminate the potential that hazardous, toxic, or petroleum substances are present or have been released at the site beyond what is identified by the limited scope of this ESA. In conducting the limited scope of services described herein, certain sources of information and public records were not reviewed. It should be recognized that environmental concerns may be documented in public records that were not reviewed. No ESA can wholly eliminate uncertainty regarding the potential for RECs in connection with a property. Performance of this practice is intended to reduce, but not eliminate, uncertainty regarding the potential for RECs. No warranties, express or implied, are intended or made. The limitations herein must be considered when the user of this report formulates opinions as to risks associated with the site or otherwise uses the report for any other purpose. These risks may be further evaluated – but not eliminated – through additional research or assessment. We will, upon request, advise you of additional research or assessment options that may be available and associated costs.

1.4 Additional Scope Limitations, ASTM Deviations and Data Gaps

Based upon the agreed-on scope of services, this ESA did not include subsurface or other invasive assessments, vapor intrusion assessments or indoor air quality assessments (i.e. evaluation of the presence of vapors within a building structure), business environmental risk evaluations, or other services not particularly identified and discussed herein. Credentials of the company (Statement of Qualifications) have not been included in this report but are available upon request. Pertinent documents are referred to in the text of this report, and a separate reference section has not been included. Reasonable attempts were made to obtain information within the scope and time constraints set forth by the client; however, in some instances, information requested is not, or was not, received by the issuance date of the report. Information obtained for this ESA was received from several sources that we believe to be reliable; nonetheless, the authenticity or reliability of these sources cannot and is not warranted hereunder. This ESA was further limited by the following:

- A written request was submitted to the local government agency regarding documented RECs on the site. Records were not requested for off-site properties.

An evaluation of the significance of limitations and missing information with respect to our findings has been conducted, and where appropriate, significant data gaps are identified and

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discussed in the text of the report. However, it should be recognized that an evaluation of significant data gaps is based on the information available at the time of report issuance, and an evaluation of information received after the report issuance date may result in an alteration of our conclusions, recommendations, or opinions. We have no obligation to provide information obtained or discovered by us after the issuance date of the report, or to perform any additional services, regardless of whether the information would affect any conclusions, recommendations, or opinions in the report. This disclaimer specifically applies to any information that has not been provided by the client.

This report represents our service to you as of the report date and constitutes our final document; its text may not be altered after final issuance. Findings in this report are based upon the site's current utilization, information derived from the most recent reconnaissance and from other activities described herein; such information is subject to change. Certain indicators of the presence of hazardous substances or petroleum products may have been latent, inaccessible, unobservable, or not present during the most recent reconnaissance and may subsequently become observable (such as after site renovation or development). Further, these services are not to be construed as legal interpretation or advice.

1.5 Reliance

This ESA report is prepared for the exclusive use and reliance of Broadway Homes, LLC, Texas Department of Housing & Community Affairs (TDHCA), and Austin Housing Finance Corporation (AHFC). Use or reliance by any other party is prohibited without the written authorization of Broadway Homes, LLC and Terracon Consultants, Inc. (Terracon).

Reliance on the ESA by the client and all authorized parties will be subject to the terms, conditions and limitations stated in the proposal, ESA report, and Terracon's Agreement for Services. The limitation of liability defined in the Agreement for Services is the aggregate limit of Terracon's liability to the client and all relying parties.

Continued viability of this report is subject to ASTM E1527-13 Sections 4.6 and 4.8. If the ESA will be used by a different user (third party) than the user for whom the ESA was originally prepared, the third party must also satisfy the user's responsibilities in Section 6 of ASTM E1527-13.

1.6 Client Provided Information

Prior to the site visit, Mr. Greg Stoll, client's representative, provided the following user questionnaire information as described in ASTM E1527-13 Section 6.

Client Questionnaire Responses

Client Questionnaire Item	Client Did Not Respond	Client's Response	
		Yes	No
Specialized Knowledge or Experience that is material to a REC in connection with the site.			X
Actual Knowledge of Environmental Liens or Activity Use Limitations (AULs) that may encumber the site.			X
Actual Knowledge of a Lower Purchase Price because contamination is known or believed to be present at the site.			X
Commonly Known or Reasonably Ascertainable Information that is material to a REC in connection with the site.		X	
Obvious Indicators of Contamination at the site.			X

Terracon's consideration of the client provided information did not identify RECs. According to Mr. Stoll, "The only ascertainable information about the site is regarding impervious cover limitations relating to this site belonging to the Barton Springs Zone and subject to the Save Our Springs initiative. Complete Feasibility Study completed prior to site acquisition is attached." A copy of the questionnaire is included in Appendix C. Further discussion of the aforementioned Feasibility Study is located in Section 3.7.

2.0 PHYSICAL SETTING

Physical Setting Information		Source
Topography		
Site Elevation	Approximately 890 to 930 feet above sea level	USGS Topographic Map, Signal Hill, Texas Quadrangle, 2019
Topographic Gradient	Sloping towards the southwest	
Closest Surface Water	Williamson Creek, approximately 570 feet southwest of the site	
Soil Characteristics		
Soil Type	Brackett-Rock outcrop complex, 1 to 12 percent slopes (BID)	Travis County, TX USDA, Soil Conservation Services Soil Survey issued 1974
Description	This soil type occupies gently undulating to rolling topography, generally on benches that are separated by outcrops of the underlying limestone and marl. Permeability ranges from 0.2 to 0.63 inches per hour, available water	

Physical Setting Information		Source
	capacity is low, and this soil type has a high risk of corrosion to uncoated steel.	
Geology/Hydrogeology		
Formation	Upper Glen Rose Limestone (Kgru) and Alluvium (Qal)	"Austin Sheet," Geologic Atlas of Texas, Bureau of Economic Geology, The University of Texas at Austin, 1974
Description	<p>Kgru- Limestone, dolomite, and marl in alternating resistance and recessive beds forming stairstep topography; limestone, aphanitic to fine-grained, hard to soft and marly, light-gray to yellowish-gray; dolomite, fine-grained, porous, yellowish-brown; marine megafossiles include molluscan steinkems, rudistids, oysters, and echinoids; upper part relatively thinner bedded, more dolomitic and less fossiliferous than lower part, thickness about 220 feet.</p> <p>Qal- Sand, silt, clay, and gravel, tan to light gray</p>	
Estimated Depth to First Occurrence of Groundwater	Approximately 25 to 30 feet below ground surface (bgs)	Terracon's Experience
Primary Aquifer	Trinity Group and Edwards Aquifer (Within the Edwards Aquifer Contributing zone)	Groundwater Quality of Texas – An Overview of Natural and Man-Affected Conditions, Texas Water Commission, 1989
*Hydrogeologic Gradient	Not known - may be inferred to be parallel to topographic gradient (primarily to the southwest)	

* The groundwater flow direction and the depth to shallow, unconfined groundwater, if present, would likely vary depending upon seasonal variations in rainfall and other hydrogeological features. Without the benefit of on-site groundwater monitoring wells surveyed to a datum, groundwater depth and flow direction beneath the site cannot be directly ascertained.

3.0 HISTORICAL USE INFORMATION

Terracon reviewed the following historical sources to develop a history of the previous uses of the site and surrounding area, in order to help identify RECs associated with past uses. Copies of selected historical documents are included in Appendix C.

3.1 Historical Topographic Maps, Aerial Photographs, Sanborn Maps

Readily available historical USGS topographic maps and selected historical aerial photographs (at approximately 10 to 15 year intervals) were reviewed to evaluate land development and

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obtain information concerning the history of development on and near the site. Reviewed historical topographic maps and aerial photographs are summarized below.

Historical fire insurance maps produced by the Sanborn Map Company were requested from ERIS to evaluate past uses and relevant characteristics of the site and surrounding properties. Based upon inquiries to the above-listed Sanborn provider, Sanborn maps were not available for the site.

- Aerial photograph: Agricultural Stabilization and Conservation Service (ASCS), **1940**, 1"=500'
- Aerial photograph: United States Geologic Survey (USGS), **1952**, 1"=500'
- Topographic map: Buda, Texas Quadrangle, published in **1958**, 1"=2,000'
- Aerial photograph: United States Air Force (USAF), **1958**, 1"=500'
- Topographic map: Signal Hill and Bee Cave, Texas Quadrangles, published in **1968**, 1"=2,000'
- Aerial photograph: USGS, **1966**, 1"=500'
- Topographic map: Signal Hill, Bee Cave, and Austin West, Texas Quadrangles, published in **1973**, 1"=2,000'
- Aerial photograph: USGS, **1973**, 1"=500'
- Aerial photograph: USGS, **1981**, 1"=500'
- Topographic map: Signal Hill and Bee Cave, Texas Quadrangles, published in **1986**, 1"=2,000'
- Aerial photograph: Texas Department of Transportation (TXDOT), **1988**, 1"=500'
- Aerial photograph: USGS, **1995**, 1"=500'
- Aerial photograph: United States Department of Agriculture (USDA), **2005**, **2008**, **2012**, and **2014**, 1"=500'
- Topographic map: Signal Hill, Bee Cave, and Austin West, Texas Quadrangles, published in **2016**, 1"=2,000'
- Aerial photograph: USDA, **2016**, **2018**, and **2020**, 1"=500'

Historical Maps and Aerial Photographs

Direction	Description
Site	Vacant, undeveloped land (1940-1966); apparent access drive (1952-2020); apparent residence structures and associated outbuildings (1973-2020)
North	Vacant, undeveloped land (1940-2014); land clearing (2016); apparent stormwater quality feature (2018-2020); residential development farther north and northeast of the site (2018-2020)
East	Vacant, undeveloped land (1940-2020); apparent access drive and residence farther east of the site (1958-2020)
South	Old Bee Caves Road (1940-2020); across Old Bee Caves Road, vacant, undeveloped/agricultural land (1940-1995); apparent access drive and residence structures farther south of the site (1958-2020); commercial building (2005-2020)

Direction	Description
West	Vacant, undeveloped land (1940-1966); residential development (1973-2020)

3.2 Historical City Directories

The Cole and Polk city directories and Digital Business Directory used in this study were made available through ERIS (selected years reviewed: 1924-2020) and were reviewed at approximate five-year intervals, if readily available. Street listings were not available prior to 1980. The current street address for the site was identified as 7610 Old Bee Caves Road.

Historical City Directories

Direction	Description
Site	7610 Old Bee Caves Road: individual listed (1980); No Listing (2001-02); individual listed (2005-2011); Multi-Tenant Residential (2014); Southwest Home Repair Painters (2014); individual listed (2016-2020)
North	No listings
East	7512 Old Bee Caves Road: individual listed (1980-1990); Multi-Tenant Residential (1994-95); No Listing (2001-02); individual listed (2005-2014)
South	7611 Old Bee Caves Road: individual listed (1980-2020); Greyhound Rescue Association (2001-2014); Camino Viejo Equine Clinic (2005-2020) 7701 Old Bee Caves Road: No listings
West	7704 Old Bee Caves Road: individual listed (1984-85); No Listing (1989-95); individual listed (2001-02); No Listing (2005-2011); individual listed (2014) 7710 Old Bee Caves Road: individual listed (1984-85); No Listing (1989-95); individual listed (2001-2016); A Euro - Ventyc Windows (2014-2020) 6203 Iguana Circle: individual listed (2001-05); No Current Listing (2011) 6204 Iguana Circle: individual listed (2001-2020) 6205 Iguana Circle: individual listed (2001-05); No Current Listing (2011-2014)

3.3 Site Ownership

Based on a review of information obtained from the Travis Central Appraisal District website, the current site owner is listed as Broadway Urban Homes, LLC. In addition, previous owners identified included Chris Shelley & Cheryl Barlow, James Michael Shelley, Lonnie Cooper, and Minnie May Teague.

3.4 Title Search

At the direction of the client, a title search was not included as part of the scope of services. Unless notified otherwise, we assume that the client is evaluating this information outside the scope of this report.

3.5 Environmental Liens and Activity and Use Limitations

The ERIS regulatory database report included a review of both Federal and State Engineering Control (EC) and Institutional Control (IC) databases. Based on a review of the database report, the site was not listed on the EC or IC databases. Please note that in addition to these federal and state listings, AULs can be recorded at the county and municipal level that may not be listed in the regulatory database report. Environmental lien and activity and use limitation records recorded against the site were not provided by the client. At the direction of the client, performance of a review of these records was not included as part of the scope of services and unless notified otherwise, we assume that the client is evaluating this information outside the scope of this report.

3.6 Interviews Regarding Current and Historical Site Uses

The following individuals were interviewed regarding the current and historical use of the site.

Interviews

Interviewer	Name / Phone #	Title	Date/Time
Sarah R. Schwerdfeger	Mr. Greg Stoll/ (512)228-7443	Current Site Owner	March 24, 2022/10:15am

Terracon interviewed Mr. Greg Stoll, current site owner, via telephone following the site reconnaissance. According to Mr. Stoll, he has owned the site for approximately 12 months and was purchased from an estate after the previous owner passed away. Mr. Stoll noted that it was likely that the site was owned by the previous owner for numerous years. According to Mr. Stoll, several vehicles were stored on the site but were removed by the time of his acquisition and currently, the site is vacant. Mr. Stoll was unaware of any aboveground or underground storage tanks, water or groundwater monitoring wells, irrigation systems, or landfill, quarrying, or hazardous waste activities on the site. Mr. Stoll was unaware of any hazardous substance spills on the site other than the potential for vehicle fluid leaks from the stored vehicles. If any impacted media is identified during site redevelopment activities, it should be characterized, removed, and disposed of in accordance with applicable regulations. Mr. Stoll provided a Feasibility Report that was conducted for the site in 2021 and is further discussed in Section 3.7 (below). Mr. Stoll was unaware of any pending, threatened, or past litigation, administrative proceeding, or notice of environmental law violations relevant to hazardous substances or petroleum products in, on, or from the site.

3.7 Prior Report Review

Terracon requested the client provide any previous environmental reports they are aware of for the site. The following previous report was provided by the client to Terracon for review:

- Feasibility Report
7610 Old Bee Caves Road, Austin, Texas
Dated: January 24, 2021
Prepared by: Dunaway
For: Broadway Urban Homes, LLC

The property assessed was an approximate two-acre tract of land located at 7610 Old Bee Caves Road in Austin, Texas (the site). The site was improved with a single-family dwelling. The Feasibility Report noted that the site was located in the Williamson Creek Watershed in the Barton Springs Zone for the City of Austin and Edwards Aquifer Contributing Zone. Portions of the site were sloping more than 15 percent and would require an Environmental Resource Inventory (ERI) study or waiver. The report noted that a tree survey would be required to classify the existing trees and determine the precise limited they impose on the site layout, and that the site was located within the Wildland Urban Interface and will need to comply with certain fire prevention regulations. The report concluded that several development challenges were present on the site. Impervious cover was limited to 25 percent net site area and a zone change would be required.

4.0 RECORDS REVIEW

Regulatory database information was provided by ERIS, a contract information services company. The purpose of the records review was to identify RECs in connection with the site. Information in this section is subject to the accuracy of the data provided by the information services company and the date at which the information is updated. The scope herein did not include confirmation of facilities listed as "unmappable" by regulatory databases.

In some of the following subsections, the words up-gradient, cross-gradient and down-gradient refer to the topographic gradient in relation to the site. As stated previously, the groundwater flow direction and the depth to shallow groundwater, if present, would likely vary depending upon seasonal variations in rainfall and the depth to the soil/bedrock interface. Without the benefit of on-site groundwater monitoring wells surveyed to a datum, groundwater depth and flow direction beneath the site cannot be directly ascertained.

4.1 Federal and State/Tribal Databases

Listed below are the facility listings identified on federal and state/tribal databases within the ASTM-required search distances from the approximate site boundaries. Database definition, descriptions, and the database search report are included in Appendix D.

Federal Databases

Database	Description	Distance (miles)	Listings
NPL	National Priorities List	1.0	0
PROPOSED NPL	Proposed National Priorities List	1.0	0
DELETED NPL	Deleted National Priorities List	1.0	0
RCRA CORRACTS	Resource Conservation & Recovery Act - Corrective Action Facilities	1.0	0
RCRA TSD	Resource Conservation & Recovery Act - Treatment Storage & Disposal Facilities	0.5	0
NLRRCRAT	No Longer Regulated RCRA Non-CORRACTS TSD Facilities	0.5	0
SEMS	Superfund Enforcement Management System (formerly CERCLIS)	0.5	0
SEMS ARCHIVE	Superfund Enforcement Management System Archive (formerly CERCLIS NFRAP)	0.5	0
FED BROWNFIELDS	Brownfields Management System	0.5	0
LUCIS	Land Use Control Information System	0.5	0
RCRA	RCRA Generator Facilities, including RCRA Non-Generator and No Longer Regulated RCRA Generator facilities.	0.1	0
FED ENG / FED INST	Federal Engineering and Institutional Control Sites	Site	0
ERNS	Emergency Response Notification System	Site	0
FINDS/FRS	Facility Registry Service	Site	0

State/Tribal Databases

Database	Description	Distance (miles)	Listings
SUPERFUND	State Superfund	1.0	0
IHW CORR ACTION	Industrial and Hazardous Waste Corrective Action Sites	1.0	1
VCP	Voluntary Cleanup Program	0.5	0
PRIORITY CLEAN	Dry Cleaner Remediation Program Sites	0.5	0
LPST	Leaking Petroleum Storage Tanks	0.5	1
INDIAN LUST	Leaking Underground Storage Tanks on Tribal Lands (Region 6 States)	0.5	0
APAR	Affected Property Assessment Reports	0.5	0
BROWNFIELDS	Brownfields Site Assessments	0.5	0
SWF/LF	Municipal Solid Waste Landfill Sites	0.5	0
CLI	Closed & Abandoned Landfill Inventory	0.5	0
DRYCLEANERS	Dry Cleaner Registration Database	0.25	0

Database	Description	Distance (miles)	Listings
DELISTED DRYCLEANERS	Delisted Drycleaning Facility List	0.25	0
IOP	Innocent Owner / Operator Database	0.25	0
PST / AST / UST	Petroleum Storage Tanks, Aboveground Storage Tanks, Underground Petroleum Storage Tanks	0.1	0
IHW	Industrial and Hazardous Waste Sites	0.1	0
MSD	Municipal Setting Designations	Site	0
GWCC	Groundwater Contamination Cases	Site	0
LIENS	TCEQ Liens	Site	0
AUL	State Institutional/Engineering Control Sites	Site	0
SPILLS	Spills Listing	Site	0

In addition to the above ASTM-required listings, Terracon reviewed other federal, state, local, and proprietary databases provided by the database firm. A list of the additional reviewed databases is included in the regulatory database report included in Appendix D.

A review of available regulatory database information was conducted for specified federal and state agencies. Review of the regulatory databases did not identify any regulated facilities within the specified search distances.

Unmapped facilities are those that do not contain sufficient address or location information to evaluate the facility listing locations relative to the site. The report did not list facilities in the unmapped section.

4.2 Local Agency Inquiries

Agency Contacted/ Contact Method	Response
Texas Department of State Health Services / email	A response from the DSHS stated, "There are no records in response to this request."
City of Austin / Online Open Records Request	A response from the City of Austin provided Electrical and Mechanical Permits for the site, a Watershed Protection Department Work List Incident Report regarding sewage seepage from a manhole during heavy rains near the site, and several Austin Code Department Complaints pertaining to trash/debris material from the site. No other documents were provided by the City of Austin.

4.3 Local Area Knowledge

4.3.1 Fire Department

The Austin Fire Department (AFD) Hazardous Materials Alarm and Storage Location Databases were reviewed for records of hazardous substances or spills incidents on the site. A review of the databases did not identify incidents at the site.

4.3.2 City of Austin Watershed Protection Department

The COA-WPD keeps records pertaining to USTs and reported spills and releases within the city of Austin, Texas. A review of the COA-WPD UST list did not identify any UST facilities within the 0.1-mile search distance.

4.3.3 City of Austin Historical Landfills

A summary of area landfills prepared in 1984 by Underground Resource Management (URM) for the City of Austin Historical Commission and a 2004 Supplemental Assessment of Landfills in the Vicinity of Austin, Texas prepared by Geomatrix Consultants Inc. were reviewed for this report. Additionally, the Closed Landfill Inventory (CLI) for Travis County, available on the Capital Area Council of Government website (www.capcog.org), was reviewed to identify unauthorized/unpermitted landfills within the general site vicinity. No historical landfills were identified within one-half mile of the site.

4.3.4 City of Austin – Historical Underground Storage Tanks

In early 2008, a review of City Council minutes was undertaken by the City of Austin for records of old underground storage tanks following the removal of a long-forgotten underground storage tank containing oil that was discovered in the downtown area. On March 28, 2008, the Austin American Statesman published an article titled “Under City, 1,000 Old Tanks Hiding?” Based on a review of this article, approximately 1,000 storage tanks were reportedly approved by the City Council for installation between 1909 and 1965. The current status of these tanks is generally unknown as some tanks may have been approved and not installed, some may have been removed, while others may remain in place (empty or not). The results of the City Council minutes search were compiled and are now available online (http://www.ci.austin.tx.us/watershed/ust_web.htm). No historical underground storage tanks were identified on the site or adjoining properties.

4.3.5 Building Department Records

A search was conducted for building permits on the City of Austin website. No permits of potential environmental concern were identified for the site.

4.3.6 Zoning/Land Use Records

According to the City of Austin online Development Web Map, the site is zoned as General Commercial Services-Neighborhood Planning Combining District (CS-NP).

4.3.7 Water Development Board

Terracon reviewed the on-line Texas Water Development Board interactive water data map to identify registered water wells on or adjacent to the site. Based on a review of the on-line records, no wells were identified on the site or adjoining properties.

5.0 SITE RECONNAISSANCE

5.1 General Site Information

Information contained in this section is based on a visual reconnaissance conducted while walking through the site and the accessible interior areas of structures, if any, located on the site. The site and adjoining properties are depicted on the Site Diagram, which is included in Exhibit 2 of Appendix A. Photo documentation of the site at the time of the visual reconnaissance is provided in Appendix B. Credentials of the individuals planning and conducting the site visit are included in Appendix E.

General Site Information

Site Reconnaissance				
Field Personnel	Sarah R. Schwerdfeger			
Reconnaissance Date	March 3, 2022			
Weather Conditions	Sunny and Cool			
Site Contact/Title	Mr. Greg Stoll/Client Representative			
Building Description				
Building Identification	Building Use	Approx. Construction Date	Number of Stories	Approx. Size (ft ²)
Dilapidated Shed Structures	Dilapidated	Unknown	1	Varies
Site Utilities				
Drinking Water	City of Austin			
Wastewater				
Electric	Austin Energy			
Natural Gas	Texas Gas Service			

5.2 Overview of Current Site Occupants

The site is currently unoccupied.

5.3 Overview of Current Site Operations

The site is currently vacant with dilapidated shed structures.

5.4 Site Observations

The following table summarizes site observations and interviews. Affirmative responses (designated by an “X”) are discussed in more detail following the table.

Site Characteristics

Category	Item or Feature	Observed or Identified
Site Operations, Processes, and Equipment	Emergency generators	
	Elevators	
	Air compressors	
	Hydraulic lifts	
	Dry cleaning	
	Photo processing	
	Ventilation hoods and/or incinerators	
	Waste treatment systems and/or water treatment systems	
	Heating and/or cooling systems	
	Paint booths	
	Sub-grade mechanic pits	
	Wash-down areas or carwashes	
	Pesticide/herbicide production or storage	
	Printing operations	
	Metal finishing (e.g., electroplating, chrome plating, galvanizing, etc.)	
	Salvage operations	
Oil, gas or mineral production		
Other processes or equipment		
Aboveground Chemical or Waste Storage	Aboveground storage tanks	
	Drums, barrels and/or containers ≥ 5 gallons	
	MSDS or SDS	

Category	Item or Feature	Observed or Identified
Underground Chemical or Waste Storage, Drainage or Collection Systems	Underground storage tanks or ancillary UST equipment	
	Sumps, cisterns, French drains, catch basins and/or dry wells	
	Grease traps	
	Septic tanks and/or leach fields	
	Oil/water separators, clarifiers, sand traps, triple traps, interceptors	
	Pipeline markers	
	Interior floor drains	
Electrical Transformers/PCBs	Transformers and/or capacitors	
	Other equipment	
Releases or Potential Releases	Stressed vegetation	
	Stained soil	
	Stained pavement or similar surface	
	Leachate and/or waste seeps	
	Trash, debris and/or other waste materials	X
	Dumping or disposal areas	
	Construction/demolition debris and/or dumped fill dirt	
	Surface water discoloration, odor, sheen, and/or free floating product	
	Strong, pungent or noxious odors	
	Exterior pipe discharges and/or other effluent discharges	
Other Notable Site Features	Surface water bodies	
	Quarries or pits	
	Wastewater lagoons	
	Wells	

Releases or Potential Releases

Trash, debris and/or other waste materials

At the time of the site reconnaissance, miscellaneous household trash and debris material was observed throughout the site predominately in the vicinity of the on-site shed structures. No evidence of spills, releases, staining, noxious odors, distressed vegetation, or hazardous chemicals/waste was observed in the vicinity of the trash/debris at the time of the site reconnaissance. The trash/debris should be removed during site redevelopment activities and disposed of at an authorized facility.

6.0 ADJOINING PROPERTY RECONNAISSANCE

Visual observations of adjoining properties (from site boundaries) are summarized below.

Adjoining Properties

Direction	Description
North	Stormwater quality feature (SWQF) followed by single-family residences
East	Vacant land
South	Old Bee Caves Road followed by single-family residences and a commercial building
West	Single-family residences

RECs were not observed with the adjoining properties.

7.0 ADDITIONAL SERVICES

The following discussion relates to Broadway Homes, LLC's Housing Tax Credit application and services to meet the additional rules and guidelines that the Texas Department of Housing and Community Affairs (TDHCA) requires of this ESA report.

7.1 Noise Study

The Noise Guidebook, published in March 2009 by the U.S. Department of Housing and Urban Development, considers the following sources of noise: all civilian and military airports within 15 miles of the site, all significant roads within 1,000 feet and all railroads within 3,000 feet of the site. Terracon did not identify significant roads within 1,000 feet of the site or railroads within 3,000 feet of the site. The Austin-Bergstrom International Airport (ABIA) was identified approximately 11.9 miles east of the site and Lakeway Airpark located approximately 10 miles northwest of the site. Based on noise contour maps for ABIA provided by the City of Austin, the 65 decibel (dB) contour extends less than one-mile north and south of the airport. Based on aircraft and operation information provided by the U.S. Department of Transportation FAA, operations at the Lakeway Airpark are well below the HUD thresholds and therefore it is assumed that the noise attributed to the airplanes will not extend beyond the boundaries of the airport. Based on this information, a noise study does not appear to be necessary for the site at this time.

7.2 Current Survey

Terracon was provided with a 2021 site survey (copy provided in Appendix A) that displays the current site boundaries. In addition, a site diagram depicting observations made at the time of the site reconnaissance is provided as Exhibit 2 in Appendix A.

7.3 FEMA Flood Insurance Rate Map Review

Terracon obtained a copy of the FEMA Flood Insurance Rate Map (FIRM) from the official FEMA website (see FIRM in Appendix A). The site appears to be located on FEMA FIRM No. 48453C0560J, dated January 22, 2020. The FIRMETTE Map indicates the site to be within areas determined to be outside the 0.2% annual chance floodplain (Zone X – Unshaded).

7.4 Visual Observations for Asbestos

The site is currently unoccupied and is improved with a paved access drive and dilapidated shed structures with miscellaneous household trash, debris materials, and building materials from former on-site structures. The trash, debris, and building materials did not appear to be hazardous in nature but should be removed and disposed of in accordance with applicable regulations at the time of site development. Please note, some of the observed buildings materials and debris may potentially contain asbestos; hence, these items may have special disposal requirements.

7.5 Visual Observations for Lead-based Paint

The site is currently unoccupied; however, according to historical photograph, building structures were previously located on the site. During the site reconnaissance, dilapidated shed structures were evident on the site. A lead-based paint survey would need to be conducted prior to site development to determine if the remains of the on-site structures contained lead-based paint.

7.6 Lead in Drinking Water Records Review

Lead is a toxic heavy metal that could be present in drinking water. Natural water usually contains very little lead. Contamination generally occurs in the water distribution system or in the supply pipes of the building. Because of this, the EPA has established an action level for lead concentrations in drinking water of 15 µg/L. The action level is defined as the concentration of lead in water, which if exceeded, triggers treatment or other requirements that a water system must follow.

Pursuant to the client's request, Terracon reviewed the most recent water quality report from the public drinking water supplier to evaluate if water quality meets the applicable lead standard. No water sampling was included in this scope of service. The site will likely rely on drinking water provided by the City of Austin, the local municipal water supplier. Based on a review of the 2020 Water Quality Report, the City of Austin's drinking water comes from three water treatment plants that pump surface water from the Lower Colorado River. In addition, the water quality report indicated that the City of Austin's drinking water meets the 90% compliance level for lead in drinking water. Based on this information, Terracon does not recommend testing for lead in the drinking water at the site.

7.7 Radon Records Review

Radon is a naturally occurring radioactive gas that cannot be seen, smelled, or tasted, and comes from the radioactive decay of uranium. High concentrations of radon can be found in soils and rocks containing uranium, granite, shale, phosphate, and pitchblende. Outdoors, radon is diluted to such low concentrations that it usually does not become a health concern, but radon can accumulate inside an enclosed space to concentrations that may pose risks to human health. Indoor radon levels depend on building construction and the concentration of radon in the underlying soil. An increased risk of developing lung cancer is the only known health effect associated with exposure to elevated levels of radon. Generally, the risk increases as the level of radon and the duration of exposure increases.

According to *The Final Report of the Texas Indoor Radon Survey 1994*, prepared by the TDH, Bureau of Radiation Control, four areas in Texas have geologic conditions supportive of elevated radon potential: the High Plains, the Big Bend area, the Llano Uplift in Central Texas and several counties in Southeast Texas overlying Tertiary sands in the vicinity of some commercial mining activities. The site is not located near these areas and is, therefore, not considered to be affected by high levels of radon gas.

According to the survey, the mean residential radon measurement for Travis County is 1.3 picoCuries of radon per liter of air (pCi/L), and the maximum identified level was 7.0 pCi/L. The EPA recommends a guideline “action level” of 4.0 pCi/L for annual average indoor radon concentration. According to the survey, 7.3 percent of the homes tested in Travis County exceeded this action level. Based on this information, the site is considered to have a low potential for elevated levels of radon gas. Note, however, testing would be required to confirm specific site concentrations of radon gas.

7.8 Explosive and Flammable Operations

Terracon reviewed aerial photographs, topographic maps, and Google Earth to assess the presence of oil, gas or chemical pipelines, processing facilities, storage facilities or other potentially hazardous explosive activities on-site or in the general area of the site that could potentially adversely impact the site. No evidence of these types of facilities were identified on the site or in the vicinity of the site during the site/area reconnaissance and/or during the aerial photography review. Please note that natural gas distribution lines are likely located within the utility easements along the adjacent roadways, which may connect to the site improvements upon site development.

7.9 ASTM E 2600-15 Vapor Encroachment Screening

Terracon conducted a Tier 1 Vapor Encroachment Screening (VES), in general accordance with the procedures included in ASTM E 2600-15, *Standard Guide for Vapor Encroachment Screening on Property Involved in Real Estate Transactions*. The purpose of the Tier 1 VES is to evaluate whether a vapor encroachment condition (VEC) may be present at the site. A VEC

is defined by ASTM as the “presence or likely presence of chemical(s) of concern (COC) vapors in the subsurface of the target property caused by the release of vapors from contaminated soil or groundwater or both either on or near the target property as identified by the Tier I procedures in the *Guide*.”

This purpose was pursued through use of information collected in conjunction with the ESA, including existing/planned use of the site, type of structures located on the site, surrounding property description, user information, historical and physical records review, regulatory database review, manmade or natural conduits, as applicable, and a visual noninvasive reconnaissance of the site and adjoining properties. Limitations, ASTM deviations, and significant gaps (if identified) are evident from reviewing the applicable scope of services and the Phase I report text.

The scope of work for the Tier 1 VES does not include regulatory file reviews (other than those performed as part of the Phase I ESA) or subsurface investigations to evaluate soil, soil gas, or groundwater quality, nor does it evaluate the potential for vapor intrusion into on-site structures or assess indoor air quality.

7.9.1 Existing / Planned Use of the Site/Structures

The site is an approximately 1.84-acre property that is mostly vacant, undeveloped land and improved with a paved access drive and dilapidated shed structures. Future planned use of the site is to construct a multi-family/apartment community, which will be comprised of approximately 100 units and parking. A copy of the proposed construction plans are included in Appendix A.

7.9.2 Surrounding Area Description

Please refer to Section 6.0.

7.9.3 User Specialized Knowledge

Please refer to Section 1.6.

7.9.4 Historical Records

Please refer to Section 3.0.

Based on review of the historical information, historical site uses of potential concern included vehicle storage/junk yard. No off-site facilities of potential environmental concern were identified during the historical records review. Based on Terracon’s review of the historical records, potential VECs were not identified on the site or in the site vicinity; however, if impacted media is identified during site redevelopment activities associated with the former vehicle storage/junk

yard on the site, it should be characterized, removed, and disposed of in accordance with applicable regulations.

7.9.5 Regulatory Records

Terracon reviewed the regulatory database (see Section 4.0) for facilities potentially utilizing petroleum hydrocarbons within one-tenth of a mile of the site and facilities potentially using other volatile chemicals of concern within one-third of a mile of the site. Based on Terracon's review of the regulatory records and the specified search distances, potential VECs were not identified on the site or in the site vicinity.

7.9.6 Physical Setting Characteristics

The site is located within the Great Plain Physiographic Province, characterized by unconsolidated sands silts and clays deposited in the Pleistocene age. Shallow soils are identified by the NRCS as Brackett-Rock outcrop complex, 1 to 12 percent slopes (BID). The depth to groundwater is estimated to be 25 to 30 feet, and the direction of ground water flow is estimated to be southwest, toward Williamson Creek, based on the observed topographic gradient.

7.9.7 Natural or Man-made Conduits

The site is located in a developed area of the city containing utilities along the adjacent rights of way. Based on the presence of potential identified vapor sources in the site vicinity it is likely that man-made conduits, such as utility corridors, provide a potential path for vapor migration. Additionally, natural conduits, such as karst terrain/features, are not known to exist in the site vicinity.


7.9.8 Conclusions

The Tier 1 VES results are summarized herein, and the conclusion from the Tier I screening is presented below.

Based on the review of historical and regulatory information and site/area reconnaissance observations, VECs are not likely to exist at the site. It should be noted, if any impacted media regarding the former on-site vehicle storage/junk yard operations on the site are identified during site redevelopment activities, it should be characterized, removed, and disposed of in accordance with applicable regulations.

8.0 DECLARATION

I, Hilary D. Johns, P.G., declare that, to the best of my professional knowledge and belief, I meet the definition of Environmental Professional as defined in Section 312.10 of 40 CFR 312; and I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the site. I have developed and performed the All Appropriate Inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.



Hilary D. Johns, P.G.
Environmental Professional

City of Austin (COA) Environmental Resource Inventory (ERI)

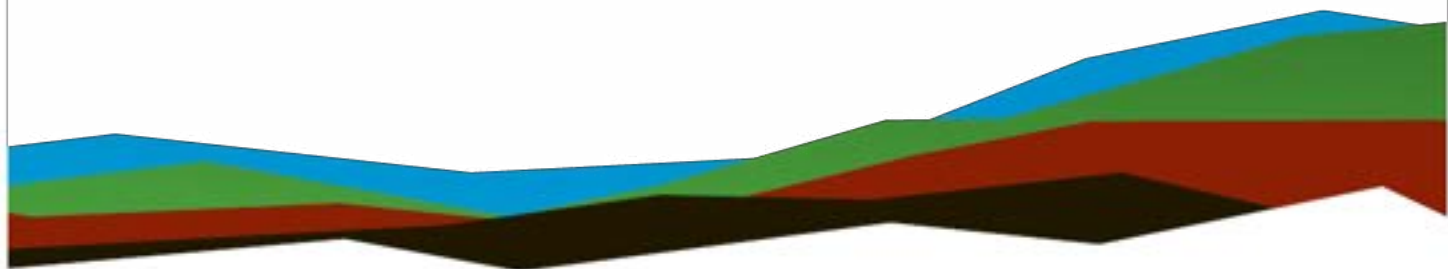
Oak Hill Lofts

Austin, Travis County, Texas

May 22, 2024 | Report Number: 96237060A

Prepared for:

Broadway Homes LLC
5900 Balcones Drive, Suite 100
Austin, TX 78731



Nationwide
Terracon.com

- Facilities
- Environmental
- Geotechnical
- Materials



May 22, 2024

Mr. Greg Stoll
Broadway Homes LLC
5900 Balcones Drive, Suite 100
Austin, TX 78731

Telephone: (512) 228-7443
E-mail: greg@broadwayhomes.com

RE: City of Austin (COA) Environmental Resource Inventory (ERI)
Oak Hill Lofts
7610 Old Bee Caves Road
Austin, Travis County, Texas
Terracon Project No. 96237060A

Dear Mr. Stoll:

Terracon Consultants, Inc. (Terracon) is pleased to submit this City of Austin (COA) Environmental Resource Inventory (ERI) report addressing COA compliance requirements as they may affect the above-referenced project site in accordance with Terracon Proposal No. P96237060 dated February 2, 2023 and the supplemental agreement for services authorized on April 12, 2024.

The results of this report are based on the professional opinion of Terracon and site conditions observed during the field reconnaissance. It should be noted that some critical environmental features (CEFs) may be seasonal or ephemeral, indicating that their presence/absence and condition are dependent on various weather conditions (including rainfall) and other changes to the surrounding ecosystem.

Terracon is not liable for ephemeral and/or seasonal CEFs that are exposed or created after Terracon's field assessment. Additionally, Terracon's opinion is based on current COA regulations; therefore, changes in regulations may require a re-evaluation of the findings of this report.

It is recommended this report be promptly submitted to the COA, otherwise an updated report (based on an additional field assessment) may be required to evaluate ephemeral and/or seasonal CEFs.

It should be noted that the COA has the ultimate authority for CEF classifications.

We appreciate the opportunity to provide this report. If you have questions regarding the content of this report, please feel free to contact Bridgette Zapalac at (512) 358-9935 or bridgette.zapalac@terracon.com

City of Austin (COA) Environmental Resource Inventory (ERI)

Oak Hill Lofts | Austin, Texas

May 22, 2024 | Terracon Report No. 96237060A



Sincerely,
Terracon Consultants, Inc.

Approved by:

Bridgette Zapalac

Bridgette S. Zapalac
Senior Staff Scientist

S. Elizabeth Valenzuela

S. Elizabeth Valenzuela
Authorized Project Reviewer

**ENVIRONMENTAL RESOURCE INVENTORY FORM
FOR THE CITY OF AUSTIN
RELATED TO LDC 25-8-121, CITY CODE 30-5-121, ECM 1.3.0 & 1.10.0**

APPENDICES

APPENDIX A – ADDITIONAL DISCUSSION

APPENDIX B – EXHIBITS AND TREE SURVEY

APPENDIX C – SITE PHOTOGRAPHS

APPENDIX D – CREDENTIALS

APPENDIX E – GENERAL COMMENTS

Environmental Resource Inventory

For the City of Austin
 Related to LDC 25-8-121, City Code 30-5-121, ECM 1.3.0 & 1.10.0

The ERI is required for projects that meet one or more of the criteria listed in LDC 25-8-121(A), City Code 30-5-121(A).

1. SITE/PROJECT NAME: Oak Hill Lofts
2. COUNTY APPRAISAL DISTRICT PROPERTY ID (#'s): 306342
3. ADDRESS/LOCATION OF PROJECT: 7610 Old Bee Caves Rd
4. WATERSHED: Williamson Creek

5. THIS SITE IS WITHIN THE *(Check all that apply)*
- | | | |
|--|---|--|
| Edwards Aquifer Recharge Zone* <i>(See note below)</i> | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> No |
| Edwards Aquifer Contributing Zone* | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> No |
| Edwards Aquifer 1500 ft Verification Zone* | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> No |
| Barton Spring Zone* | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> No |
- *(as defined by the City of Austin – LDC 25-8-2 or City Code 30-5-2)*

Note: If the property is over the Edwards Aquifer Recharge zone, the Hydrogeologic Report and karst surveys must be completed and signed by a Professional Geoscientist Licensed in the State of Texas.

6. DOES THIS PROJECT PROPOSE FLOODPLAIN MODIFICATION?..... YES** NO
- If yes, then check all that apply:
- (1) The floodplain modifications proposed are necessary to protect the public health and safety;
 - (2) The floodplain modifications proposed would provide a significant, demonstrable environmental benefit, as determined by a **functional assessment** of floodplain health as prescribed by the Environmental Criteria Manual (ECM), or
 - (3) The floodplain modifications proposed are necessary for development allowed in the critical water **quality zone under LDC 25-8-261 or 25-8-262, City Code 30-5-261 or 30-5-262.**
 - (4) The floodplain modifications proposed are outside of the Critical Water Quality Zone in an area determined to be in poor or fair condition by a **functional assessment** of floodplain health.

**** If yes, then a functional assessment must be completed and attached to the ERI (see ECM 1.7 and Appendix X for forms and guidance) unless conditions 1 or 3 above apply.**

7. IF THE SITE IS WITHIN AN URBAN OR SUBURBAN WATERSHED, DOES THIS PROJECT PROPOSE A UTILITY LINE PARALLEL TO AND WITHIN THE CRITICAL WATER QUALITY ZONE? YES*** NO

*****If yes, then riparian restoration is required by LDC 25-8-261(E) or City Code 30-5-261(E) and a functional assessment must be completed and attached to the ERI (see ECM1.5 and Appendix X for forms and guidance).**

8. There is a total of 0 (#s) Critical Environmental Feature(s)(CEFs) on or within 150 feet of the project site. If CEF(s) are present, attach a detailed **DESCRIPTION** of the CEF(s), color **PHOTOGRAPHS**, the **CEF WORKSHEET** and provide **DESCRIPTIONS** of the proposed CEF buffer(s) and/or wetland mitigation. Provide the number of each type of CEFs on or within 150 feet of the site *(Please provide the number of CEFs)*:

_____ (#'s) Spring(s)/Seep(s) _____ (#'s) Point Recharge Feature(s) _____ (#'s) Bluff(s)
 _____ (#'s) Canyon Rimrock(s) _____ (#'s) Wetland(s)

Note: Standard buffers for CEFs are 150 feet, with a maximum of 300 feet for point recharge features. Except for wetlands, if the standard buffer is not provided, you must provide a written request for an administrative variance from LDC 25-8-281(C)(1) and provide written findings of fact to support your request. Request forms for administrative variances from requirements stated in LDC 25-8-281 are available from Watershed Protection Department.

9. The following site maps are attached at the end of this report (Check all that apply and provide):

All ERI reports must include:

- Site Specific Geologic Map with 2-ft Topography
- Historic Aerial Photo of the Site
- Site Soil Map
- Critical Environmental Features and Well Location Map on current Aerial Photo with 2-ft Topography

Only if present on site (Maps can be combined):

- Edwards Aquifer Recharge Zone with the 1500-ft Verification Zone
(Only if site is over or within 1500 feet the recharge zone)
- Edwards Aquifer Contributing Zone
- Water Quality Transition Zone (WQTZ)
- Critical Water Quality Zone (CWQZ)
- City of Austin Fully Developed Floodplains for all water courses with up to 64-acres of drainage

Exhibit 1.0 demonstrates the geology and topography. Exhibit 2.0 demonstrates the aerial imagery and CEFs. Exhibit 3.0 demonstrates the USDA site soils. Exhibit 4.0 demonstrates the topography and presence of TPWD wells.

Exhibit 6.0 in Appendix B demonstrates the presence or absence of the listed zones. Exhibit 5.0 in Appendix B demonstrates the presence or absence of the FEMA Floodplain Zones. Exhibit 5.1 in Appendix B demonstrates the presence or absence of the COA Fully Developed Floodplain Zones.

10. **HYDROGEOLOGIC REPORT** – Provide a description of site soils, topography, and site specific geology below (Attach additional sheets if needed):

Surface Soils on the project site is summarized in the table below and uses the SCS Hydrologic Soil Groups*. If there is more than one soil unit on the project site, show each soil unit on the site soils map.

Soil Series Unit Names, Infiltration Characteristics & Thickness		
Soil Series Unit Name & Subgroup**	Group*	Thickness (feet)
BID - (Appendix A for name)	D	0-5'

***Soil Hydrologic Groups Definitions (Abbreviated)**

A. Soils having a high infiltration rate when thoroughly wetted.

B. Soils having a moderate infiltration rate when thoroughly wetted.

C. Soils having a slow infiltration rate when thoroughly wetted.

D. Soils having a very slow infiltration rate when thoroughly wetted.

**Subgroup Classification – See Classification of Soil Series Table in County Soil Survey.

Description of Site Topography and Drainage *(Attach additional sheets if needed):*

The U.S. Geological Survey (USGS) 7.5-Minute Topographic Map (Oak Hill, Texas Quadrangle) of the project site was reviewed. Based on the review of the USGS map and the City of Austin 2-foot Topographic Contour GIS dataset, site elevation is depicted to be approximately 892-932 feet above mean sea level, with the site sloping down to the south-southwest toward an unnamed tributary traversing the western side of the property. The 1987 USGS map does not depict other surface waterbodies within 150 feet of the site boundary.

Continued in Appendix A...

List surface geologic units below:

Geologic Units Exposed at Surface		
Group	Formation	Member
N/A	Alluvium (Qal)	N/A
Trinity	Upper Glen Rose Formation (Kgru)	N/A

Brief description of site geology *(Attach additional sheets if needed):*

The site is not located within the Edwards Aquifer Recharge, Transition Zone, however, is mapped within Edwards Aquifer Contributing Zone according to the COA Property Profile Tool. According to the Geologic Map of the Austin Area, Texas, the site is underlain by Alluvium (Qal) and Upper Glen Rose Limestone (Kgru) as illustrated on Exhibit 1.0 in Appendix B. Alluvium is characterized as floodplain deposits, including indistinct low terrace deposits; including clay, silt, sand, and gravel; calcareous to surface, dark gray to dark brown. Upper Glen Rose is characterized as limestone, dolomite, and marl in alternating resistant and recessive beds forming stairstep topography. The limestone is described as aphanitic to fine-grained, hard to soft and marly, light-gray to yellowish-gray. The dolomite is described as fine-grained, porous, yellowish-brown. Marine megafossils found in this formation include molluscan steinkerns, rudistids, oysters, and echinoids. The upper part is relatively thinner bedded, more dolomitic and less fossiliferous than the lower part with a thickness of about 220 feet.

Continued in Appendix A.

Wells – Identify all recorded and unrecorded wells on site (test holes, monitoring, water, oil, unplugged, capped and/or abandoned wells, etc.):

There are 0 (#) wells present on the project site and the locations are shown and labeled

 (#s) The wells are not in use and have been properly abandoned.

 (#s) The wells are not in use and will be properly abandoned.

 (#s) The wells are in use and comply with 16 TAC Chapter 76.

There are 0 (#s) wells that are off-site and within 150 feet of this site.

11. **THE VEGETATION REPORT** – Provide the information requested below:

Brief description of site plant communities (Attach additional sheets if needed):

The Texas Parks and Wildlife Department's (TPWD) Ecological Mapping Systems, Omernik Ecoregions Level III, of the project site was reviewed. Based on a review of the TPWD ecological mapping, the site is located in the Edwards Plateau. TPWD describes the Edwards Plateau as dominated by Ashe juniper, oaks, and honey mesquite.

Continued in Appendix A...

There is woodland community on site YES NO (Check one).
 If yes, list the dominant species below:

Woodland species	
Common Name	Scientific Name
hackberry	<i>Celtis laevigata</i>
ashe juniper	<i>Juniperus ashei</i>
southern live oak	<i>Quercus virginiana</i>
glossy privet	<i>Ligustrum lucidum</i>
Texas persimmon	<i>Diospyros texana</i>

There is grassland/prairie/savanna on site..... YES NO (Check one).
 If yes, list the dominant species below:

Grassland/prairie/savanna species	
Common Name	Scientific Name
silverleaf nightshade	<i>Solanum elaeagnifolium</i>
Virginia plantain	<i>Plantago virginica</i>
perennial ryegrass	<i>Lolium perenne</i>
Johnson grass	<i>Sorghum halepense</i>
mustang grapevine	<i>Vitis mustangensis</i>
prickly lettuce	<i>Lactuca serriola</i>
prairie coneflower	<i>Ratibida columnifera</i>

There is hydrophytic vegetation on site YES NO (Check one).
 If yes, list the dominant species in table below (next page):

Hydrophytic plant species		
Common Name	Scientific Name	Wetland Indicator Status

A tree survey of all trees with a diameter of at least eight inches measured four and one-half feet above natural grade level has been completed on the site.

YES NO (Check one). Please see Appendix B

12. WASTEWATER REPORT– Provide the information requested below.

Wastewater for the site will be treated by (Check of that Apply):

- On-site system(s)
- City of Austin Centralized sewage collection system
- Other Centralized collection system

Note: All sites that receive water or wastewater service from the Austin Water Utility must comply with City Code Chapter 15-12 and wells must be registered with the City of Austin

The site sewage collection system is designed and will be constructed to in accordance to all State, County and City standard specifications.

YES NO (Check one).

Calculations of the size of the drainfield or wastewater irrigation area(s) are attached at the end of this report or shown on the site plan.

YES NO Not Applicable (Check one).

Wastewater lines are proposed within the Critical Water Quality Zone?

YES NO (Check one). If yes, then provide justification below:

Is the project site is over the Edwards Aquifer?

YES NO (Check one).

If yes, then describe the wastewater disposal systems proposed for the site, its treatment level and effects on receiving watercourses or the Edwards Aquifer.

13. One (1) hard copy and one (1) electronic copy of the completed assessment have been provided.

Date(s) ERI Field Assessment was performed: May 1, 2024
Date(s)

My signature certifies that to the best of my knowledge, the responses on this form accurately reflect all information requested.

Bridgette Zapalac

512.358.9935

Print Name

Telephone

Bridgette Zapalac

Bridgette.Zapalac@terracon.com

Signature

Email Address

Terracon Consultants, Inc.

May 22, 2024

Name of Company

Date

For project sites within the Edwards Aquifer Recharge Zone, my signature and seal also certifies that I am a licensed Professional Geoscientist in the State of Texas as defined by ECM 1.12.3(A).

P.G.
Seal

OAK HILL LOFTS by BROADWAY HOMES
AUSTIN, TX

ATTACHMENT TABS

PROPERTY INFORMATION

TAB 5.F - SHPO

Not Applicable