HOUSING DEVELOPMENT ASSISTANCE (RHDA/OHDA)

Application for Housing Development Financing

PLEASE NOTE: AHFC Reserves the right to fund projects at a lower amount than requested, and the right to deny applications that do not coincide with the Austin Strategic Housing Blueprint and policy direction from the Austin City Council.

Applicant Information

(If the developer involves multiple entities, is a partnership or joint venture, please provide the requisite information for each and identify the entity that will serve as the "lead" organization.)

Developer Name	Owner Name
DMA Development Company, LLC	Saltillo DMA Housing, LLC

Street Address

4101 Parkstone Heights Drive, Suite 310

City	State	Zip
Austin	TX	78746

Contact Name	Contact Telephone
Janine Sisak	512-328-3232 ext. 4505

Contact Email

JanineS@dmacompanies.com

Federal Tax ID Number	D-U-N-S Number (visit www.dnb.com for free DUNS#.)
74-2907408	78744055

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.*

Legal Name of Developer/Entity	Title of Authorized Officer
DMA Development Company, LLC	Senior Vice President/General Counsel

JSisak

Signature of Authorized Officer

04/25/2019

Date

INSTRUCTIONS: Applications will be reviewed on a quarterly basis. All applications submitted in the review period that achieve the minimum threshold score will be reviewed by an internal panel of NHCD staff. All awards will be made by the AHFC Board of Directors. To be considered for an award, please complete this application electronically, print, sign, and deliver to:

Department of Neighborhood
Housing and Community
1000 East 11th Street
Austin, Texas 78702
Attn: James May
Community Development Manager

City of Austin

APR 25 2019

NHCD / AHFC

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

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2. Project Summary Form

Project Summary Form

1) **Project Name**	2) **Project Type**	3) **New Construction or Rehabilitation**?
Talavera Lofts	Mixed-Income	New Construction

4) **Location Description** (Acreage, side of street, distance from intersection)	5) **Mobility Bond Corridor**
SEC corner of Navasota and East 5th Streets	

6) **Census Tract**	7) **Council District**	8) **Elementary School**	9) **Affordability Period**
9.02	District 3	SANCHEZ EL	40 years

10) **Type of Structure**	11) **Occupied?**	12) **How will funds be used?**
Multi-family	No	re-development and Constructio

13) Summary of **Rental Units by MFI Level**

Income Level	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four (+) Bedroom	Total
Up to 20% MFI						**0**
Up to 30% MFI	8	4	2	1		**15**
Up to 40% MFI						**0**
Up to 50% MFI	29	11	3	3		**46**
Up to 60% MFI	15	4	6	4		**29**
Up to 80% MFI						**0**
Up to 120% MFI						**0**
No Restrictions		1	1			**2**
Total Units	**52**	**20**	**12**	**8**	**0**	**92**

14) Summary of **Units for Sale at MFI Level**

Income Level	Efficiency	One	Two	Three	Four (+)	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	10	Continuum of Care Units	0
Accessible Units for Sensory Impairments	2		

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? Yes

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

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

19) The property has Healthy Food Access? Yes

20) **Estimated Sources and Uses of funds**

Sources		***Uses***	
Debt	2300000	Acquisition	25000
Third Party Equity	12961827	Off-Site	198000
Grant		Site Work	400400
Deferred Developer Fee	74377	Sit Amenities	218500
Other	522900	Building Costs	10536599
City of Austin	***3000000***	Contractor Fees	***1355000***
		Soft Costs	2532900
		Financing	1367705
		Developer Fees	2225000
Total	**$ 18,859,104**	***Total***	**$ 18,859,104**

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

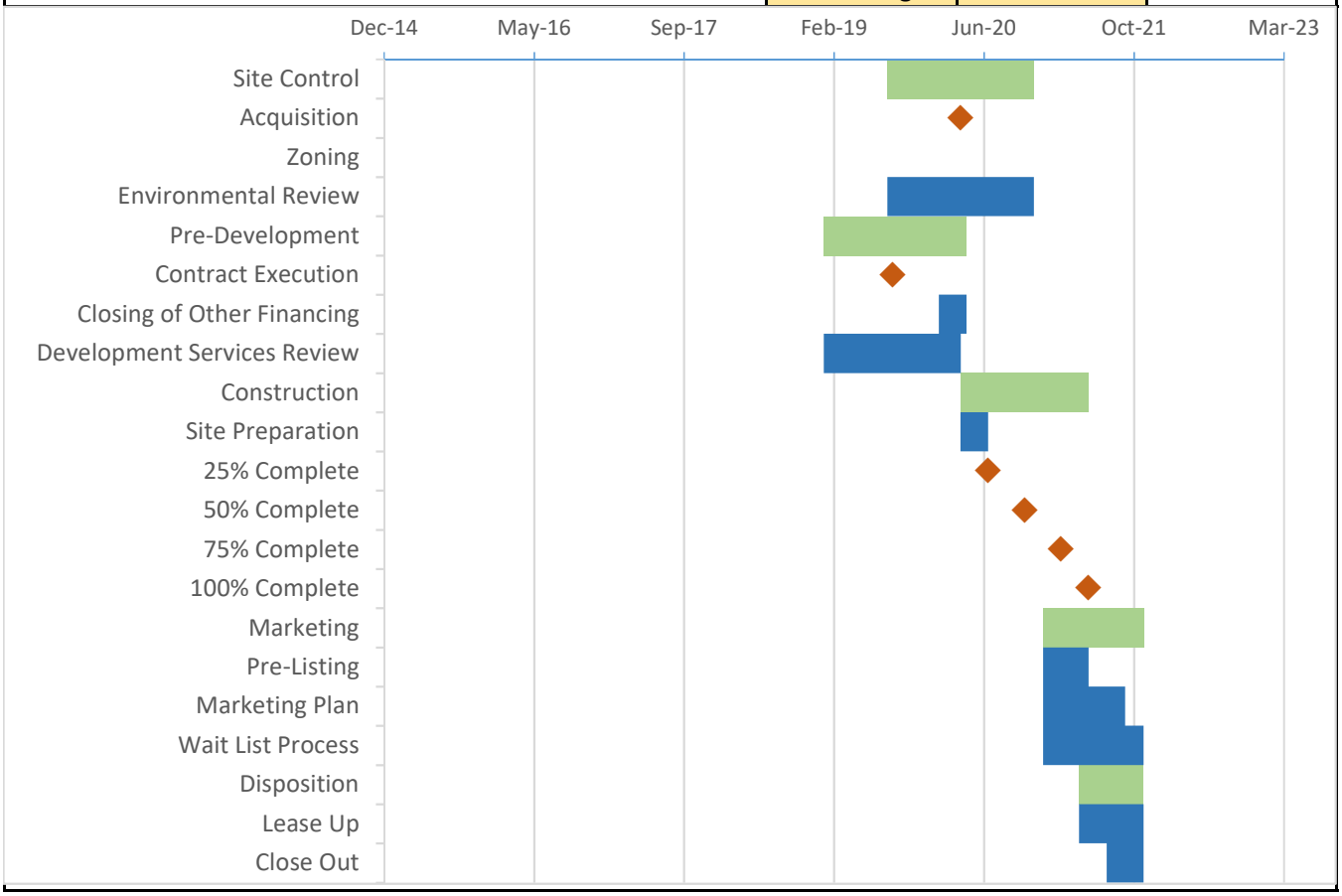
A u s t i n , T X

---

3. Development Schedule

Development Schedule

	Start Date	End Date
Site Control	Aug-19	Dec-20
Acquisition	Apr-20	
Zoning	N/A	N/A
Environmental Review	Aug-19	Dec-20
Pre-Development	Jan-19	Apr-20
Contract Execution	Aug-19	
Closing of Other Financing	Jan-20	Apr-20
Development Services Review	Jan-19	Apr-20
Construction	Apr-20	Jun-21
Site Preparation	Apr-20	Jul-20
25% Complete	Jul-20	
50% Complete	Nov-20	
75% Complete	Mar-21	
100% Complete	Jun-21	
Marketing	Jan-21	Dec-21
Pre-Listing	Jan-21	Jun-21
Marketing Plan	Jan-21	Oct-21
Wait List Process	Jan-21	Dec-21
Disposition	May-21	Dec-21
Lease Up	May-21	Dec-21
Close Out	Aug-21	Dec-21



RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

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4. Development Cost Schedule

Development Budget

	Total Project Cost	Requested AHFC Funds	Description
Pre-Development			
Appraisal	40,000		Appraisal and Market Study
Environmental Review	40,000		Phase I, Phase II, and Geotech
Engineering	500,000		
Survey	25,000		
Architectural	800,000		
Subtotal Pre-Development Cost	$1,405,000	$0	
Acquisition			
Site and/or Land			
Structures			
Other (specify)	25,000		Closing Costs and Legal Fees
Subtotal Acquisition Cost	$25,000	$0	
Construction			
Infrastructure	198,000	198000	Off-site concrete and paving
Site Work	618,900	618900	Includes Site Amenities
Demolition			
Concrete	885,500	885,500	Includes parking garage
Masonry	256,400		
Rough Carpentry	2,013,942	1,297,600	
Finish Carpentry			Included with Rough Carpentry
Waterproofing and Insulation	1,134,180		
Roofing and Sheet Metal	764,402		Roofing and Metals
Plumbing/Hot Water			Included with HVAC/Mechanical
HVAC/Mechanical	1,446,180		
Electrical	1,452,600		
Doors/Windows/Glass	303,500		
Lath and Plaster/Drywall and Acoustical	1,195,199		Finishes
Tiel Work			
Soft and Hard Floor			
Paint/Decorating/Blinds/Shades	270,200		FFE
Specialties/Special Equipment	520,120		Specialty Equipment and Elevator
Cabinetry/Appliances			Included with Specialties/Special Equipment
Carpet			
Other (specify)	1,355,000		Contractor Fees
Construction Contingency	600,000		
Subtotal Construction Cost	$13,014,123	$3,000,000	
Soft & Carrying Costs			
Legal	384,100		
Audit/Accounting	50,000		
Title/Recordin	107,500		
Architectural (Inspections)	105,000		
Construction Interest	272,000		
Construction Period Insurance	100,000		
Construction Period Taxes			
Relocation			
Marketing	50,000		
Davis-Bacon Monitoring			
Other (specify)	3,346,381		Permit Fees, Dev. Fee, Tax Credit, Misc
Subtotal Soft & Carrying Costs	$4,414,981	$0	
TOTAL PROJECT BUDGET	$18,859,104	$3,000,000	

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

---

5. 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	$951,552	$970,583	$989,995	$1,009,795	$1,029,990	$1,137,193	$1,255,553
Secondary Income	$5,520	$5,630	$5,743	$5,858	$5,975	$6,597	$7,284
POTENTIAL GROSS ANNUAL INCOME	$957,072	$976,213	$995,738	$1,015,652	$1,035,966	$1,143,790	$1,262,836
Provision for Vacancy & Collection Loss	-$71,780	-$73,216	-$74,680	-$76,174	-$77,697	-$85,784	-$94,713
Rental Concessions	$0	$0	$0	$0	$0	$0	$0
EFFECTIVE GROSS ANNUAL INCOME	$885,292	$902,997	$921,057	$939,479	$958,268	$1,058,005	$1,168,123
EXPENSES							
General & Administrative Expenses	$40,500	$41,715	$42,966	$44,255	$45,583	$52,843	$61,260
Management Fee	$53,117	$54,711	$56,352	$58,043	$59,784	$69,306	$80,345
Payroll, Payroll Tax & Employee Benefits	$120,000	$123,600	$127,308	$131,127	$135,061	$156,573	$181,511
Repairs & Maintenance	$52,000	$53,560	$55,167	$56,822	$58,526	$67,848	$78,655
Electric & Gas Utilities	$17,500	$18,025	$18,566	$19,123	$19,696	$22,834	$26,470
Water, Sewer & Trash Utilities	$53,000	$54,590	$56,228	$57,915	$59,652	$69,153	$80,167
Annual Property Insurance Premiums	$35,000	$36,050	$37,132	$38,245	$39,393	$45,667	$52,941
Property Tax	$74,569	$76,806	$79,110	$81,484	$83,928	$97,296	$112,792
Reserve for Replacements	$22,500	$23,175	$23,870	$24,586	$25,324	$29,357	$34,033
Other Expenses	$108,680	$111,940	$115,299	$118,758	$122,320	$141,803	$164,388
TOTAL ANNUAL EXPENSES	$576,866	$594,172	$611,998	$630,358	$649,268	$752,680	$872,562
NET OPERATING INCOME	$308,425	$308,825	$309,060	$309,121	$309,000	$305,325	$295,561
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	$247,570	$247,570	$247,570	$247,570	$247,570	$247,570	$247,570
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	$60,855	$61,255	$61,490	$61,551	$61,430	$57,756	$47,991
CUMULATIVE NET CASH FLOW	$60,855	$122,111	$183,601	$245,152	$306,582	$604,546	$868,914
Debt Coverage Ratio	1.25	1.25	1.25	1.25	1.25	1.23	1.19

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

---

6. Scoring Sheet

Project Name	Talavera Lofts	
Project Type	Mixed-Income	
Council District	District 3	
Census Tract	9.02	
AHFC Funding Request Amount	$3,000,000	
Estimated Total Project Cost	$18,859,104	
High Opportunity	No	
High Displacement Risk	YES	
High Frequency Transit	Yes	
Imagine Austin	Yes	
Mobility Bond Corridor	0	
SCORING ELEMENTS		Description
UNITS		
< 20% MFI	0	# of rental units at < 20% MFI
< 30% MFI	15	# of rental units at < 30% MFI
District Goal	2.38%	% of annual goal reached with units
High Opportunity	0.00%	% of annual goal reached with units
Displacement Risk	3.01%	% of annual goal reached with units
High Frequency Transit	11.41%	% of annual goal reached with units
Imagine Austin	11.41%	% of annual goal reached with units
Geographic Dispersion	0.00%	% of annual goal reached with units
Mobility Bond Corridor	0.00%	% of annual goal reached with units
SCORE	**6**	**% of Goals * 20**
< 40% MFI	0	# of rental units at < 40% MFI
< 50% MFI	46	# of rental units at < 50% MFI
District Goal	7.31%	% of annual goal reached with units
High Opportunity	0.00%	% of annual goal reached with units
Displacement Risk	9.24%	% of annual goal reached with units
High Frequency Transit	34.98%	% of annual goal reached with units
Imagine Austin	34.98%	% of annual goal reached with units
Geographic Dispersion	0.00%	% of annual goal reached with units
Mobility Bond Corridor	0.00%	% of annual goal reached with units
SCORE	**13**	**% of Goals * 15**
< 60% MFI	0	# of units for purchase at < 60% MFI
< 80% MFI	0	# of units for purchase at < 80% MFI
District Goal	0.00%	% of annual goal reached with units
High Opportunity	0.00%	% of annual goal reached with units
Displacement Risk	0.00%	% of annual goal reached with units
High Frequency Transit	0.00%	% of annual goal reached with units
Imagine Austin	0.00%	% of annual goal reached with units
Geographic Dispersion	0.00%	% of annual goal reached with units
Mobility Bond Corridor	0.00%	% of annual goal reached with units
SCORE	**0**	**% of Goals * 15**
Unit Score	**19**	**MAXIMUM SCORE = 350**
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	Yes	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	5	Total Affordable 2 Bedroom units
3 Bedroom Units	4	Total Affordable 3 Bedroom units
4 Bedroom Units	0	Total Affordable 4+ Bedroom units
Multi-Generational Housing Score	3	Multi-bedroom Unit/Total Units * 20
TEA Grade	78	Elementary School Rating from TEA
Multi-Generational Housing Weighted Score	1	Educational Attainment, Environment, Community Institutions, Social Cohesion, E
Accessible Units	12	mobiltiy 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	Yes	Within 3/4 mile of fixed route transit
Accessibility Weighted Score	2	Housing Stability, Health, Mobility, Community Institutions
Initiatives and Priorities Score	**9**	**MAXIMUM SCORE = 200**
UNDERWRITING		
AHFC Leverage	24%	% of total project cost funded through AHFC request
Leverage Score	**19**	**25 - (% leverage * 25)**
AHFC Per Unit Subsidy	$49,180.33	Amount of assistance per unit
Subsidy per unit score	**19**	**($200,000 - per unit subsidy)*25/$200,000**
AHFC Per Bedroom Subsidy	$40,540.54	Amount of assistance per bedroom
Subsidy per Bedroom Score	**20**	**($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	**24.813227**	**Minimum = 1.0; Maximum = 1.5; 1.25 = best score**
Underwriting Score	**83**	**MAXIMUM SCORE = 100**
APPLICANT		
FINAL QUANTITATIVE SCORE	110	**THRESHOLD SCORE = 50**
Previous Developments		
Compliance Score		
Proposal		
Supportive Services		
Development Team		
Management Team		
Notes		

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Attachment 1(a)

Applicant Entity Introduction

DMA Development Company is a well-respected developer of mixed-income communities utilizing the Housing Tax Credit program as its primary financing tool. Since 1998, DMA has developed 29 properties, totaling nearly 2,500 housing units, utilizing both the competitive 9% Tax Credit, as well as the 4% Tax Credit coupled with private activity bonds. As a boutique developer, we are known for our ability to take on the most challenging deals – be it high density, highly regulated developments, or those with complicated financial structuring.

In recent years, DMA has developed a singular reputation for the quality of its product and a track record of successfully developing mixed-income communities, both for working families and for seniors. Of particular note is Aldrich 51, a 240-unit workforce housing community at Mueller which opened in October 2017 and is now fully leased, and Wildflower Terrace, a 201-unit senior affordable housing community also at Mueller which opened in December 2011.

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Attachment 1(b)

Certificate of Status – Saltillo DMA Housing, LLC

This is a to-be-formed entity and so does not have a Certificate of Status.

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Attachment 1(c)

Corporate Profile

DMA COMPANIES

DMA Companies is a boutique real estate firm specializing in the development, consulting and management of multifamily properties. We bring affordable and special needs housing to communities nationwide by utilizing the various private, state and federal financing options. Our solid corporate structure enables us to provide the highest quality housing communities, while optimizing performance and achieving financial objectives.

We've made it our business to develop and manage top notch, mixed-income, mixed-use communities that provide affordable housing opportunities to working families and those 55+. We design with intent and put a lot of thought into our communities to ensure that the design is of the highest quality and offer amenities and services appropriate to the residents they serve. We see problems as opportunities and take advantage of possibilities to educate neighbors on the product we're building…quality homes for people of all incomes, living side-by-side.

DEVELOPMENT, FINANCIAL, AND PROPERTY MANAGEMENT SERVICES FOR MULTIFAMILY, AFFORDABLE AND SPECIAL NEEDS HOUSING.

- Housing Development
  - Multifamily
  - Senior
  - Workforce
  - Special Needs
- Consulting
  - Compliance
  - Development
  - Acquisition
  - Management
- Property Management
  - Property Operations
  - Financial Reporting
  - Leasing and Marketing
  - Policies/Procedures
  - Compliance

Website: www.dmacompanies.com
Facebook: /dmacompanies
Twitter: @DMADevCo

4101 Parkstone Heights Drive, Suite 310
Austin, TX 78746 USA

(512) 328-3232 | info@dmacompanies.com

DMA DEVELOPMENT

DMA DEVELOPMENT COMPANY, LLC (DDC) is an Austin-based real estate development company with more than a quarter of a century of experience in multifamily housing development and is widely recognized in Texas as the “go to” firm for creative, sustainable living communities. DMA has developed more than 30 properties in two states (Texas and Georgia) and in the District of Columbia, and currently has a portfolio of nearly 2,500 units which it self-manages. In recent years, DMA has developed a singular reputation for the quality of its product and a track record of successfully developing mixed-use developments. Recently, DMA was awarded the Urban Land Institute’s Jack Kemp Award for Excellence for its Wildflower Terrace development, a 201-unit senior community at the Mueller Redevelopment in Austin.

DMA is 100% owned by Diana McIver and certified as a Historically Underutilized Business.

Developments Completed: 31 Units Completed: 2,497

- Workforce Properties: 16
- Senior Properties: 15
- Supportive Housing Properties: 1

<u>Developments Under Construction</u>

The Nightingale at Goodnight Ranch – 174 units for seniors in Austin, TX

Travis Flats - 140 units of work force housing in Austin , TX

RBJ Phase I - 279 units for seniors in Austin, TX

Talavera Lofts - 92 units of workforce housing in Austin, TX

MIXED USE/HIGH DENSITY SPOTLIGHT

ALDRICH 51, Austin, TX

RBJ Phase I, Austin, TX

TRAVIS FLATS, Austin, TX

DMA has developed several high-density, vertical mixed-use, mixed-income properties and our success in this area has set us apart from other affordable housing developers. Our flagship developments, Aldrich 51 and Wildflower Terrace, part of the award-winning Mueller Airport Redevelopment—both achieve density of more than 70 units per acre and include ground floor retail and structured parking. Aldrich 51 won National Association of Local Housing Finance Agencies prestigious Multifamily Excellence Award in 2019 and Wildflower Terrace won the Urban Land Institute's prestigious Jack Kemp Excellence in Affordable and Workforce Housing Award in 2017.

WORKFORCE HOUSING DEVELOPMENTS SPOTLIGHT

ALTURA HEIGHTS, Houston, TX

SUNCHASE SQUARE, Lockhart, TX

BAILEY SQUARE, Cuero, TX

DMA Development Company has developed and now manages 16 communities for families in Texas. These communities are designed with the resident population in mind, so all include recreational amenities for the residents, such as children's activity rooms, computer centers, playscapes and in some cases swimming pools. Our management company also provides a full slate of supportive services at all of our properties, including youth mentoring, budget counseling and financial fitness, and resume and job interview skills training.

SENIOR DEVELOPMENTS SPOTLIGHT

TERRACE AT MIDTOWNE – Midlothian, TX

CAMBRIDGE CROSSING– Corsicana, TX

TRAILS AT CARMEL CREEK – Hutto, TX

DMA Development Company has perfected its senior independent living design in recent years. The typical DMA senior community consists of one two- or three-story elevator structure surrounded by single story cottages. The elevator structure is attractive to seniors who want the security of proximity to the onsite staff and amenities, while the single story cottages, which often have integrated carports, are attractive to independent residents who are perhaps downsizing from single family homes.

FINANCING STRUCTURE FOR DEVELOPED PROPERTIES

PROPERTY NAME	CITY	FINANCING
Sandia Crossing	Luling, TX	Housing Tax Credits
The Oaks at Winding Way	Gonzales, TX	Housing Tax Credits
Mariposa Gardens	Mathis, TX	Housing Tax Credits
Legend Oaks	Llano, TX	Housing Tax Credits/Housing Trust Funds
Eden Place	Seguin, TX	Housing Tax Credits/Housing Trust Funds
Mission Oaks	Refugio, TX	Housing Tax Credits/Housing Trust Funds
The Pines at Willowbrook	Hinesville, GA	Housing Tax Credits
Prairie Commons	Dallas, TX	Housing Tax Credits
Grove Park Terrace	Waxahachie, TX	Housing Tax Credits
Westview Ranch	Pearsall, TX	Housing Tax Credits
The Village at Morningstar	Texas City, TX	Housing Tax Credits/Housing Trust Funds/Federal Home Loan Bank
Seton Home Center for Teen Moms	San Antonio, TX	Housing Tax Credits/City of San Antonio HOME Funds
The Arbors at Rose Park	Abilene, TX	Housing Tax Credits/Housing Trust Funds/City of Abilene HOME Funds
Prospect Point	Jasper, TX	Housing Tax Credits
Morningstar Villas	Texas City, TX	Housing Tax Credits
The Bluestone	Mabank, TX	Housing Tax Credits
The Grove at Brushy Creek	Bowie, TX	Housing Tax Credits/TCAP
Shady Oaks	Georgetown, TX	Housing Tax Credits
Sunchase Square	Lockhart, TX	HUD 221(d)(4) Mortgage Insurance Program
Cambridge Crossing	Corsicana, TX	TDHCA Exchange/TDHCA HOME Funds
Heritage Crossing	Santa Fe, TX	TDHCA Exchange/TDHCA HOME Funds
Wildflower Terrace	Austin, TX	Housing Tax Credits/City of Austin GO Bonds
Samuel J. Simmons NCBA Estates	Washington, DC	Multifamily Housing Revenue Bonds/4% Tax Credits
The Terrace at MidTowne	Midlothian, TX	Housing Tax Credits/TDHCA HOME Funds
The Overlook at Plum Creek	Kyle, TX	Housing Tax Credits/TDHCA HOME Funds
Bailey Square	Cuero, TX	Housing Tax Credits/TDHCA HOME Funds
The Trails at Carmel Creek	Hutto, TX	Housing Tax Credits/TDHCA HOME Funds
Prairie Gardens	Abilene, TX	Housing Tax Credits
Aldrich 51	Austin, TX	Multifamily Housing Revenue Bonds/4% Tax Credits
Altura Heights	Houston, TX	Housing Tax Credits/TDHCA Loan Funds
Reserve at Dry Creek	Hewitt, TX	Housing Tax Credits/TDHCA Loan Funds
The Nightingale at Goodnight Ranch	Austin, TX	Multifamily Revenue Bonds/4%Tax Credits/TDHCA Loan Funds

DMA PROPERTIES

DMA Properties, LLC (DP) was formed in March 2002 for the purpose of providing property management services to multifamily rental communities developed by DMA Development Company, LLC (DMA) and currently provides management and asset management services for nearly 2,400 units of affordable and market rate housing, in addition to providing services for residents of DMA's communities. The company is 100% owned by Diana McIver, and is certified by the Texas Building and Procurement Commission as a Historically Underutilized Business.

DMA PROPERTY ADVISORS

DMA is able to provide third party management services through DMA Property Advisors, LLC. As a one- stop shop, DMA Property Advisors offer our clients a comprehensive suite of services. From talent management to asset management, we do it all. We perform due diligence. We coordinate takeover and transition processes. We provide robust back office support in accounting, compliance, marketing, technology, and procurement.

RESIDENT SERVICES

Programming is tailored to the specific needs of the resident population and to each properties LURA.

In 2011, DMA Companies created Camile Pahwa Scholarship Fund to provide training, education and camp scholarships for children living at any of the affordable housing communities owned by DMA and its affiliates.

TALENT MANAGEMENT

DMA Properties recognizes that the overall success of our communities is related to the expertise of our staff. Each community benefits from a team, including a Regional Director, on-site staff and corporate support staff with more than 100 years of combined experience in the industry.

TRAINING

We encourage our team members to grow and expand their professional skillset by participating in industry-related certificate programs and taking advantage of continuing education. Many of our team members hold industry credentials and certifications and continue their education through in-house training and supplementary seminars and educational programs.

COMPLIANCE

Our Compliance Department effectively monitors the communities we manage to ensure DMA meets all state and federal requirements related to LIHTC, HUD or Section 8. In addition, the compliance team manages all investor, lender and agency reporting requirements. The compliance staff processes all applications and recertifications and ensures all LIHTC project files are properly documented.

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Attachment 1(d)

Statement of Confidence – Not Applicable

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Attachment 1(e)

Financial Capacity, For-Profit Developer

DMA brings vast experience in working with the City of Austin's financing programs such as HOME and GO Bonds, as well as the City's S.M.A.R.T. Housing ™. Since the City of Austin implemented S.M.A.R.T. Housing™ in April 2000, DMA has developed or consulted on 13 affordable multifamily projects participating in the program. These include the Nightingale at Goodnight Ranch, Aldrich 51, Wildflower Terrace, La Vista de Guadalupe, Franklin Gardens, Lyons Gardens, Oak Springs Villas, Manor House Apartments, Benjamin Todd Apartments, Mary Lee Flagship, Mary Lee Charles Place, and Guadalupe I & II Apartments.

On all projects, DMA worked closely with the development team to coordinate with Neighborhood Housing & Community Development staff in order that these projects receive available fee waivers, specialized development review of site plans, subdivision and building permit applications, and in one instance access to city-owned land. DMA has also been retained by the City of Austin to assist with housing and planning studies. Several years ago, the City of Austin contracted with DMA to develop the Affordable Housing Component of the Transit Oriented District Plan and to staff the City's Affordable Housing Incentives Task Force.

Financial information can be provided upon request.

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Attachment 2

List of Development Team & HUB Certificates

Development Team Members

The requested information on all known Development Team members must be provided. In addition to the categories listed below, the "Other" category should be used to list all known Development Team members that are included in the "Development Cost Schedule." If the team member that will be utilized is not yet known, indicate "TBD." If it is anticipated that the Development Team category will not be utilized, indicate "N/A."

**** If there is a direct or indirect, financial, or other interest with Applicant or other team members, provide an attachment behind this form in the Application that explains the relationship(s).***

Developer:

DMA Development Company, LLC	Diana McIver	(512) 328-3232
	Contact Name	Phone
DianaM@dmacompanies.com	15% of eligible basis	74-2907408
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?	Yes
This is a direct or indirect, financial, or other interest with Applicant or other team members*	Yes

Housing General Contractor:

Carleton Construction, Ltd.	Steve Sivells	(972) 980-9810
	Contact Name	Phone
ssivells@carletonrp.com	6% of hard costs	75-2569799
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?	Yes
This is a direct or indirect, financial, or other interest with Applicant or other team members*	No

Infrastructure General Contractor:

Carleton Construction, Ltd.	see above	
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?	
This is a direct or indirect, financial, or other interest with Applicant or other team members*	

Cost Estimator:

Carleton Construction, Ltd.	see above	
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?	
This is a direct or indirect, financial, or other interest with Applicant or other team members*	

Architect:

Nelsen Partners, LLC	Phil Crisara	(512) 457-8400
	Contact Name	Phone
pcrisara@nelsenpartners.com	$880,000.00	20-58119672
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?	No
This is a direct or indirect, financial, or other interest with Applicant or other team members*	No

Engineer:

N/A		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?

This is a direct or indirect, financial, or other interest with Applicant or other team members*

Civil Engineer:

Stantec Consulting Services, Inc.	Dwayne Shoppa	(512) 469-5364
	Contact Name	Phone
Dwayne.Shoppa@stantec.com	$250,000.00	11-2167170
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? No

This is a direct or indirect, financial, or other interest with Applicant or other team members* No

Market Analyst:

Affordable Housing Analysts	Bob Coe	(281) 387-7552
	Contact Name	Phone
robertcoe2@gmail.com	$7,500.00	SSN Confidential
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? No

This is a direct or indirect, financial, or other interest with Applicant or other team members* No

Appraiser:

N/A		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?

This is a direct or indirect, financial, or other interest with Applicant or other team members*

Attorney:

Coats Rose Yale Ryman & Lee	Scott Marks	(512) 684-3843
	Contact Name	Phone
smarks@coatsrose.com	$150,000.00	76-0294490
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? No

This is a direct or indirect, financial, or other interest with Applicant or other team members* No

Accountant:

Novogradac & Company, LLP	George Littlejohn	(512) 340-0420
	Contact Name	Phone
george.littlejohn@novoco.com	$50,000.00	953108253.00
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? No

This is a direct or indirect, financial, or other interest with Applicant or other team members* No

Property Manager:

DMA Properties, LLC	Sergio Amaya	(512) 328-3232
	Contact Name	Phone
SergioA@dmacompanies.com	6% of EGI	02-0556727
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? Yes

This is a direct or indirect, financial, or other interest with Applicant or other team members* Yes

Originator of Underwriter:

Chase Bank, N.A.	David Saling	(512) 479-2218
	Contact Name	Phone
david.h.saling@chase.com	1% of loan amount	13-4994650
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? No

This is a direct or indirect, financial, or other interest with Applicant or other team members* No

Bond Issuer:

N/A		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?

This is a direct or indirect, financial, or other interest with Applicant or other team members*

Syndicator:

RBC Capital Markets	Dan Kierce	(216) 875-6043
	Contact Name	Phone
daniel.kierce@rbc.com	N/A	31-1549450
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? No

This is a direct or indirect, financial, or other interest with Applicant or other team members* No

Supportive Services Provider:

TBD		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?

This is a direct or indirect, financial, or other interest with Applicant or other team members*

Supportive Services Provider:

TBD		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?

This is a direct or indirect, financial, or other interest with Applicant or other team members*

Title Company

Capstone Title, LLC	Billy Mullens	(512) 270-4755
	Contact Name	Phone
billym@capstonetitletx.com	N/A	46-3701181
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? No

This is a direct or indirect, financial, or other interest with Applicant or other team members* No

Application Consultant:

N/A		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?

This is a direct or indirect, financial, or other interest with Applicant or other team members*

ESA Provider:

Terracon	Rhonda Alford	(512) 442-1122
	Contact Name	Phone
Rhonda.Alford@terracon.com	$10,000.00	42-1249917
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? No

This is a direct or indirect, financial, or other interest with Applicant or other team members* No

PCA Provider:

N/A		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?

This is a direct or indirect, financial, or other interest with Applicant or other team members*

Other:

JSA Development Company II, LLC	Janine Sisak	(512) 328-3232
	Contact Name	Phone
JanineS@dmacompanies.com	11% of Dev. fee	TBD
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB? No

This is a direct or indirect, financial, or other interest with Applicant or other team members* Yes

Other:

	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)

Certified Texas HUB?

This is a direct or indirect, financial, or other interest with Applicant or other team members*

The Texas Comptroller of Public Accounts (CPA) administers the Statewide Historically Underutilized Business (HUB) Program for the State of Texas, which includes certifying minority, woman, and service disabled veteran-owned businesses as HUBs and facilitates the use of HUBs in state procurement and provides them with information on the state's procurement process.

We are pleased to inform you that your application for certification/re-certification as a HUB has been approved. Your company's profile is listed in the State of Texas HUB Directory and may be viewed online at https://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp. Provided that your company continues to meet HUB eligibility requirements, the attached HUB certificate is valid for the time period specified.

You must notify the HUB Program in writing of any changes affecting your company's compliance with the HUB eligibility requirements, including changes in ownership, day-to-day management, control and/or principal place of business. *Note: Any changes made to your company's information may require the HUB Program to re-evaluate your company's eligibility.*

Please visit our website at http://comptroller.texas.gov/procurement/prog/hub/ and reference our publications (i.e. Grow Your Business pamphlet, HUB Brochure and Vendor Guide) providing addition information on state procurement resources that can increase your company's chances of doing business with the state.

Thank you for your participation in the HUB Program! If you have any questions, you may contact a HUB Program representative at 512-463-5872 or toll-free in Texas at 1-888-863-5881.

Texas Historically Underutilized Business (HUB) Certificate

HUB
Statewide Historically Underutilized Business Program

Certificate/VID Number:	**1742907408500**
File/Vendor Number:	**084663**
Approval Date:	**06-SEP-2018**
Scheduled Expiration Date:	**06-SEP-2022**

The Texas Comptroller of Public Accounts (CPA), hereby certifies that

DMA DEVELOPMENT COMPANY, LLC

has successfully met the established requirements of the State of Texas Historically Underutilized Business (HUB) Program to be recognized as a HUB. This certificate printed 07-SEP-2018, supersedes any registration and certificate previously issued by the HUB Program. If there are any changes regarding the information (i.e., business structure, ownership, day-to-day management, operational control, business location) provided in the submission of the business' application for registration/certification as a HUB, you must immediately (within 30 days of such changes) notify the HUB Program in writing. The CPA reserves the right to conduct a compliance review at any time to confirm HUB eligibility. HUB certification may be suspended or revoked upon findings of ineligibility.

Laura Cagle-Hinojosa, Statewide HUB Program Manager
Statewide Support Services Division

Note: In order for State agencies and institutions of higher education (universities) to be credited for utilizing this business as a HUB, they must award payment under the Certificate/VID Number identified above. Agencies, universities and prime contractors are encouraged to verify the company's HUB certification prior to issuing a notice of award by accessing the Internet (**https://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp**) or by contacting the HUB Program at **512-463-5872** or toll-free in Texas at **1-888-863-5881**.

Rev. 06/16

The Texas Comptroller of Public Accounts (CPA) administers the Statewide Historically Underutilized Business (HUB) Program for the State of Texas, which includes certifying minority, woman, and service disabled veteran-owned businesses as HUBs and facilitates the use of HUBs in state procurement and provides them with information on the state's procurement process.

We are pleased to inform you that your application for certification/re-certification as a HUB has been approved. Your company's profile is listed in the State of Texas HUB Directory and may be viewed online at https://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp. Provided that your company continues to meet HUB eligibility requirements, the attached HUB certificate is valid for the time period specified.

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Please visit our website at http://comptroller.texas.gov/procurement/prog/hub/ and reference our publications (i.e. Grow Your Business pamphlet, HUB Brochure and Vendor Guide) providing addition information on state procurement resources that can increase your company's chances of doing business with the state.

Thank you for your participation in the HUB Program! If you have any questions, you may contact a HUB Program representative at 512-463-5872 or toll-free in Texas at 1-888-863-5881.

Texas Historically Underutilized Business (HUB) Certificate

HUB
Statewide Historically Underutilized Business Program

Certificate/VID Number:	**1743025022900**
File/Vendor Number:	**035261**
Approval Date:	**31-JAN-2019**
Scheduled Expiration Date:	**31-JAN-2023**

The Texas Comptroller of Public Accounts (CPA), hereby certifies that

DMA COMMUNITY VENTURES LLC

has successfully met the established requirements of the State of Texas Historically Underutilized Business (HUB) Program to be recognized as a HUB. This certificate printed 01-FEB-2019, supersedes any registration and certificate previously issued by the HUB Program. If there are any changes regarding the information (i.e., business structure, ownership, day-to-day management, operational control, business location) provided in the submission of the business' application for registration/certification as a HUB, you must immediately (within 30 days of such changes) notify the HUB Program in writing. The CPA reserves the right to conduct a compliance review at any time to confirm HUB eligibility. HUB certification may be suspended or revoked upon findings of ineligibility.

Laura Cagle-Hinojosa, Statewide HUB Program Manager
Statewide Support Services Division

Note: In order for State agencies and institutions of higher education (universities) to be credited for utilizing this business as a HUB, they must award payment under the Certificate/VID Number identified above. Agencies, universities and prime contractors are encouraged to verify the company's HUB certification prior to issuing a notice of award by accessing the Internet (**https://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp**) or by contacting the HUB Program at **512-463-5872** or toll-free in Texas at **1-888-863-5881**.

Rev. 06/16

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Attachment 3

Property Management Team

DMA PROPERTIES

DMA Properties, LLC (DP) was formed in March 2002 for the purpose of providing property management services to multifamily rental communities developed by DMA Development Company, LLC (DMA) and currently provides management and asset management services for nearly 2,000 units of affordable and market rate housing, in addition to providing services for residents of DMA's communities. The company is 100% owned by Diana McIver, a licensed Texas Real Estate Broker, and is certified by the Texas Building and Procurement Commission as a Historically Underutilized Business.

As a proven leader in managing affordable and special needs communities, we take an active, hands-on approach and employ new and innovative management techniques. Our experience, our expertise, and our stellar reputation have resulted in opportunities for asset management and future growth for our company.

At DMA, we provide our clients and partners with individualized attention. This one-to-one communication style, along with our mission-oriented goals, is the reason why we are often sought after by communities, master developers, and municipalities for special development projects.

As part of our corporate philosophy, we are governed by nine core commitments:

- Customer Service – provide the best possible service to residents, owners, investors and lenders
- Financial Strength – reinforce our fiduciary responsibility to partners and asset managers through efficient property management
- Quality – provide attention to detail in daily tasks, reach goals and maintain our competitive advantage
- Consistency – perform at the highest level, day-in and day-out
- Excellence and Teamwork – work together to produce high quality results, maximize our collective intellectual capacity
- Reward and Credit – recognize and reward individual and team contributions to our success
- Employee Development – provide group and individual training and job development for all employees
- Diversity – recognize and value every individual's unique skills and perspectives
- Honesty and Integrity – maintain highest ethical standards

We care about people and the work that they do…at every level. We are positive, supportive, and our work environment fosters a team spirit. When you work with DMA Companies, it becomes very apparent that we put "heart" into everything we do.

DMA PROPERTY ADVISORS

DMA is able to provide third party management services through DMA Property Advisors, LLC. As a one-stop shop, DMA Property Advisors offer our clients a comprehensive suite of services.

From talent management to asset management, we do it all. We perform due diligence. We coordinate takeover and transition processes. We provide robust back office support in accounting, compliance, marketing, technology, and procurement. And because we develop and manage our owned portfolio, we put our skills and best practices to work for our third-party clients. We create value through real estate.

RESIDENT SERVICES

While each community's Resident Services Program is structured to comply with the requirements of the LURA (Land Use Restriction Agreement), our management team takes our programs to an entirely new level. Programming is tailored to the specific needs of the resident population. For our family communities, we primarily offer services for working adults and families with children such as educational services- scholastic tutoring, ESL, GED preparation - financial planning, income tax assistance, homebuyer education classes, job placement and resume assistance services, and information and referral. At our senior communities programming includes Health & Wellness education, financial planning, transportation services, and food pantry resources.

In 2011, DMA Companies created Camile Pahwa Scholarship Fund to provide training, education and camp scholarships for children living at any of the affordable housing communities owned by DMA and its affiliates.

TALENT MANAGEMENT

DMA Properties recognizes that the overall success of our communities is related to the expertise of our staff. DMA Properties employs over 70 people directly involved in the management of our portfolio and third party properties. Each community benefits from a team, including a Regional Director, on-site staff and corporate support staff with more than 100 years of combined experience in the industry.

TRAINING

Other than in the real estate itself, our greatest investment is in our employees. We encourage our team members to grow and expand their professional skillset by participating in industry-related certificate programs and taking advantage of continuing education. Many of our team members hold industry credentials and certifications that include but are not limited to:

- HCCP-Housing Credit Certified Personnel
- SHCM-Specialist in Housing Credit Management
- COS-Certified Occupancy Specialist
- QTCM-Qualified Tax Credit Manager
- CPO-Certified Professional Occupancy
- CPA-Certified Property Accountant
- LIHTC Certified Property Manager

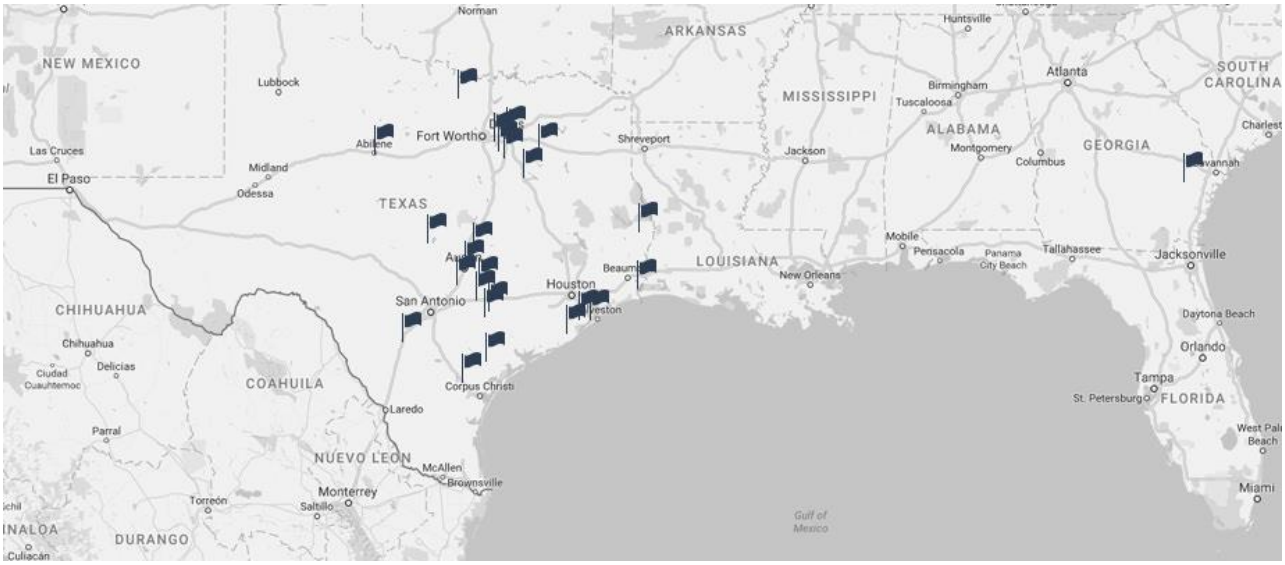
DMA Properties offers a combination of in-house training and supplementary seminars and educational programs. In-house training includes courses in Leasing and Marketing techniques, Property Operations, Real Page, Compliance training as well as Continuing Education.

This huge focus on training ensures that we stay on top of everything…from the latest in marketing and retention trends to any new updates in file management and recertification procedures.

COMPLIANCE

Our Compliance Department effectively monitors the communities we manage to ensure DMA meets all state and federal requirements related to LIHTC, HUD or Section 8. In addition, the compliance team manages all investor, lender and agency reporting requirements. The compliance staff processes all applications and recertifications and ensures all LIHTC project files are properly documented. A strong, ethical compliance department is our key to long-term project viability.

As head of this department, our Compliance Director provides training and support to all communities and oversees the implementation of each program through periodic reviews and auditing. The Compliance Department also ensures timely state and partner reporting and assists owners as necessary or upon request.



RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Attachment 4(a)

Project Proposal

Talavera Lofts

Proposed Workforce Housing – TDHCA
Southeast corner of East 5th and Navasota Streets, Austin, TX

About Talavera Lofts

Talavera Lofts is a proposed mixed-income development that is part of the much larger redevelopment of the Saltillo area in central east Austin, led by Endeavor Real Estate Group as the master developer. DMA has been selected to develop a 92-unit five-story building on the block located on the southeast corner of East 5th and Navasota Streets, right next to Saltillo Plaza.

What is proposed?

Talavera Lofts will include 92 apartments in a mix of studios, one-bedroom, two-bedroom and three-bedroom apartments. Ten units will be made accessible for persons with mobility impairments, and 2 units will be made accessible for persons with sensory impairments. Of the total units, 15 will have rents affordable to households with incomes at or below 30% Area Median Income (AMI), 46 will have rents affordable to households with incomes at or below 50% AMI, and 29 units for households at 60% of AMI. Two units will be set aside as market rate units. Although these income limits are updated annually, currently the income ranges are:

30% AMI: $18,060 for one-person household to $25,800 for four-person household
50% AMI: $30,100 for one-person household to $43,000 for four-person household
60% AMI: $36,120 for one-person household to $51,600 for four-person household

- Summary of Funding
  - Financing sources and uses as stated on Project Summary Form.

- Land Development Code
  - This site is within the East Cesar Chavez Neighborhood Planning Area (NPA) and complies with the current Neighborhood Plan. For the past three years, DMA has regularly met with the East Cesar Chavez Neighborhood Planning Team (ECCNPT) to design a project that meets their expectations and desires for neighborhood development. DMA has the full support of the ECCNPT for Talavera Lofts, and will continue to engage them as valuable stakeholders.
  - This site is also within the Plaza Saltillo Transit Oriented Development District, passed and approved by the City of Austin on December 11, 2008, Ordinance No. 20081211-082. Regulations within this district are based on the TOD Subdistrict applicable to the property and the roadway classifications abutting the property. This property is within the TOD Mixed Use Subdistrict. East 5th Street is classified as a TOD Pedestrian Priority Street and Navasota Street is classified as a TOD Local Street. Multifamily uses are permitted within the TOD Mixed Use Subdistrict. All requirements for development within this TOD Subdistrict will be met.

- Development Amenities
  - Community room, fitness center, and roof terrace.
  - Apartment homes with 9 foot ceilings, full appliance packages, washer/dryer hookups, ceiling fans, and energy efficient features;
  - Garage Parking, along with bicycle storage and parking.

- Community Assets within 1-mile radius
    - Public Transportation – bus stop within quarter mile of the site providing regular bus service, Metro Rail stop at Saltillo Plaza;
    - Downtown Austin, with employment opportunities, restaurants, retail stores;
    - City of Austin Public Library, Terrazas Branch;
    - Other: Coffee shops, museums, churches, indoor recreation.

Who makes up our market?

- Young families, working couples, single parents, and older adults on fixed incomes;
- People earning approximately $9.00 to $20.00 per hour, depending on household size, including retail and service industry employees, county employees, and public safety employees such as first responders, firefighters, and emergency personnel;
- Employees of existing neighborhood businesses in the area, such as restaurants, government and financial institutions, and retail establishments;

Why is this development important?

Benefits to the City/County/Neighborhood:

- First year economic impact in terms of construction related activity and ripple effect of spending income;
- Ongoing, annual effect of occupied units in terms of income and property and sales tax;
- Diversity of quality housing stock located nearby existing employers, who benefit from increased productivity through reduced recidivism and absenteeism.

Benefits to the Residents:

- Stable, high quality and affordable multifamily, near employment opportunities, amenities, and quality schools.
- Access to job training, credit counseling, and other supportive services that ensure employment stability and/or upward career mobility.
- Step-up to homeownership for Austin's younger residents who are just entering the workforce.

Neighborhood Involvement

DMA regularly met with the East Cesar Chavez Neighborhood Association throughout the pre-development stages of this project to seek community input, engagement, and support. Efforts were made to maintain compatibility with current neighborhood plans, and significant consideration was given to help achieve the goals and objectives of the each neighborhood planning area our site is within, which includes the Plaza Saltillo TOD Station Area Plan and Homestead Preservation Reinvestment Zone No.1. In addition, the location of our site adjacent to the Plaza Saltillo Station has provided us the unique opportunity to work with CapMetro on possible design options for shared spaces and public/private connections along the site boundary.

Attachment 4(c) includes copies of notification letters that were sent to the neighborhood associations, as well as a letter of support from the East Cesar Chavez Neighborhood Association.

Talavera Lofts has also received S.M.A.R.T. Housing certification, and will continue to comply with the program requirements – S.M.A.R.T. Housing letter included as attachment 4(d).

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Attachment 4(b)

Market Assessment

APPRAISAL REPORT
C19-AHA-139
INVOLVING AN APARTMENT MARKET ANALYSIS
FOR A HOUSING TAX CREDIT (HTC) DEVELOPMENT

OF

TDHCA #19239
TALAVERA LOFTS
A 92-UNIT PROPOSED GENERAL POPULATION HTC MIXED-INCOME APARTMENT DEVELOPMENT. THE SUBJECT PROPERTY IS LOCATED AT THE SOUTHWEST CORNER OF EAST 5TH STREET AND ONION STREET, WITH ADDITIONAL FRONTAGE ON NAVASOTA STREET AND THE ALLEY IN AUSTIN, TRAVIS COUNTY, TEXAS 78702

PREPARED FOR

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
AUTHORIZED BY
MS. JANINE SISAK
SALTILLO DMA HOUSING, LLC
4101 PARKSTONE HEIGHTS DRIVE, SUITE 310
AUSTIN, TEXAS 78746

BY

AFFORDABLE HOUSING ANALYSTS
***3912* AVENUE O**
GALVESTON, TEXAS, 77550

EFFECTIVE DATE OF THE MARKET ANALYSIS
FEBRUARY 5, 2019

DATE OF THE REPORT
MARCH 26, 2019

AFFORDABLE HOUSING ANALYSTS

Appraisers/Market Analyst/Consultants

March 26, 2019

Ms. Janine Sisak
Saltillo DMA Housing, LLC
4101 Parkstone Heights Drive, Suite 310
Austin, Texas 78746

Reference: Talavera Lofts: A 92-unit General Population development proposed to be constructed and operated as a Housing Tax Credit (HTC) mixed-income apartment project. The subject property is located at the southwest corner of East 5th Street and Onion Street, with additional frontage on Navasota Street and the alley in Austin, Travis County, Texas 78702.

Greetings:

At your request, I have completed an Appraisal Report (TDHCA-compliant Market Study) for the purpose of providing a market analysis for the above-referenced property. Elements of this study, such as determination of Market Rent, classify this document as an appraisal report. However, I have not determined Market Value for the property. The effective date of the study is February 5, 2019. The date of the report is March 26, 2019. Robert O. Coe, II visited the subject site on February 5, 2019.

The analyses provided herein are subject to the assumptions and contingent and limiting conditions contained within both the body of this report and the addenda section. Based on my analysis of the subject property's primary market area, there is sufficient demand to successfully construct and absorb the proposed Talavera Lofts as of February 5, 2019.

No one provided significant real property appraisal assistance to the person(s) signing this report.

I am not qualified to detect or identify hazardous substances, which may, or may not, be present on, in, or near this property. The presence of hazardous materials may negatively affect feasibility. I have analyzed the subject property as though free of hazardous materials. I urge the user of this report to obtain the services of specialists for the purpose of conducting an environmental audit to ensure that the subject property is free of hazardous materials.

3912 Avenue O, Galveston, TX 77550 Robertocoe2@Gmail.com 281 387-7552

Texas Department of Housing and Community Affairs
Saltillo DMA Housing, LLC
Ms. Janine Sisak

*I certify that I have read and understood the 2019 Qualified Allocation Plan **11.303 and 11.304**. I certify that I consider the services provided conform to the Department's Market Analysis Rules and Guidelines, described in Section 11.303 of the Uniform Multifamily Rules in effect for the application round (2019) in which the Market Analysis may be submitted.*

I certify that I have no interest, present or proposed, in the subject property, that the conclusion contained herein has been reached after a careful study, investigation, analysis, and interpretation of the pertinent data, and that my fee is in no way contingent upon the conclusion. I certify that I am a disinterested party and will not materially benefit from the development in any other way than receiving a fee for the Market Analysis, and that the fee is in no way contingent upon the outcome of the Market Analysis. I am neither part of the development team, owner of the subject property, nor affiliated with any member of the development team engaged in the development of the property. This market analysis is prepared subject to my current assumptions and limiting conditions. Your attention is directed to the following report and accompanying data, which form, in part, the basis of my conclusions.

All persons who have a property interest in this report hereby acknowledge 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 the law.

The above statement is required by underwriting rules. It is added under duress. I cannot acknowledge for another person or entity. Additionally, it is unnecessary because the developer acknowledges the same right in the application. Furthermore, I researched the term "property interest in" in legal terminology, the TDHCA, appraisal terminology, and on the internet. There is no definition for this term.

I do not have an issue with the Department publishing or releasing my reports, and have added the following acknowledgement

Any person signing this report hereby 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 the law.

All occupancy levels cited throughout this report refer only to physical occupancy unless otherwise specified in the text.

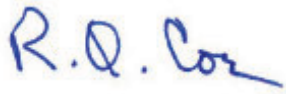
The Texas Department of Housing and Community Affairs is granted full authority to rely on the findings and conclusions of this report.

3912 Avenue O, Galveston, TX 77550 Robertocoe2@Gmail.com 281 387-7552

Texas Department of Housing and Community Affairs
Saltillo DMA Housing, LLC
Ms. Janine Sisak

Respectfully,

Affordable Housing Analysts



Robert O. (Bob) Coe, II, MAI
TX-1333157-G
State Certified General Real Estate Appraiser

TABLE OF CONTENTS

SUMMARY AND CONCLUSIONS **11**

EXECUTIVE SUMMARY **12**

IDENTIFICATION OF PROPERTY *15*

STATEMENT OF OWNERSHIP *17*

PURPOSE OF APPRAISAL REPORT *18*

SCOPE OF APPRAISAL ASSIGNMENT *19*

EFFECTIVE DATE OF THE ASSIGNMENT *19*

PRIMARY MARKET AREA DEFINED **31**

NEIGHBORHOOD TRENDS **38**

AREA DEVELOPMENT AND GROWTH TRENDS *40*

ECONOMIC VIABILITY *42*

COMPARABLE PROPERTY ANALYSIS **43**

RENT MAP **49**

RENT COMPARABLES *51*

CONCLUDED MARKET RENT SUMMARY *71*

RESTRICTED-RENT ANALYSIS *72*

DEMAND ANALYSIS **73**

ENVIRONICS ANALYTICS DEMOGRAPHICS CAPTURE ANALYSIS **74**

ELIGIBLE RENTER ANALYSIS - RENT-RESTRICTED UNITS *74*

HISTA DEMOGRAPHICS CAPTURE ANALYSIS **75**

CONCLUSIONS OF MARKET ANALYSIS **84**

EVALUATION OF SUBJECT PROPERTY *85*

INCOME ANALYSIS *87*

CAPTURE RATE CONCLUSION *88*

CERTIFICATION OF APPRAISAL ASSIGNMENT **95**

MARKET ANALYSIS SUMMARY

Provider: Affordable Housing Analysts Date: 3/26/2019
Contact: Bob Coe Phone: 281-387-7552

Development: Talavera Lofts Target Population: general

Definition of Elderly Age:

Site Location: SW/C of East 5th Street and Onion Street with additonal frontage on Navasota Street and the alley City: Austin County: Travis

Site Coordinates: Latitude N30.262654 Longitude W97.728560 (decimal degree format)

Primary Market Area (PMA) page __32__

9.734 Square Miles

CENSUS TRACTS

48453000401	48453000604	48453000804	48453001200		
48453000402	48453000700	48453000901			
48453000500	48453000801	48453000902			
48453000601	48453000802	48453001000			
48453000603	48453000803	48453001100			

ELIGIBLE HOUSEHOLDS BY INCOME page __74___

HH Size		1	2	3	4	5	6	7+
30% AMGI	Min	$14,490	$14,490	$17,400	$17,400	$20,100	$20,100	
	Max	$18,060	$20,640	$23,220	$25,800	$27,870	$29,940	
50% AMGI	Min	$24,180	$24,180	$29,010	$29,010	$33,540	$33,540	
	Max	$30,100	$34,400	$38,700	$43,000	$46,450	$49,900	
60% AMGI	Min	$29,010	$29,010	$34,830	$34,830	$40,230	$40,230	
	Max	$36,120	$41,280	$46,440	$51,600	$55,740	$59,880	

AFFORDABLE HOUSING INVENTORY in PMA page __44___

	# Developments	Total Units	Avg Occupancy
All Operating LIHTC Developments	6	493	99.6%

Proposed, Under Construction, and Unstabilized Comparable Developments in PMA

TDHCA #	Development	Status	Type	Target Population	Comp Units	Total Units	Occupancy
18401	Pathways at Chalmers Courts South	under const	new const	general	82	86	0%
18081	Pathways at Chalmers Courts East	approved	new const	general	5	156	0%

Other Affordable Developments in PMA

TDHCA #	Development	Status	Type	Target Population	Comp Units	Total Units	Occupancy	*
09130	M Station	in service	new const	general	n/a	150	99%	
10400	Elm Ridge Apartments	in service	new const	general	n/a	130	100%	
17427	Housing First Oak Springs	under const	new const	SRO	n/a	50	0%	
91108	Scattered Coop Infill Housing	in service	new const	general	n/a	26	100%	
060101	La Vista de Guadalupe	in service	new const	general	n/a	22	100%	
04003	Villas on Sixth Street	in service	new const	general	n/a	160	100%	
12300	Capital Studios	in service	new const	SRO	n/a	135	100%	
Sect 8	Marshall Apartments	in service	new const	senior	n/a	100	100%	
Sect 8	Mt Carmel Village Apartments	in service	new const	senior	n/a	100	100%	
Sect 8	RBJ Tower Apartments	in service	new const	senior	n/a	181	100%	
Sect 8	Rosewood Senior Gardens	in service	new const	senior	n/a	54	100%	

*Check box if this development is included in the calculation of the average physical occupancy to qualify for the 15% GCR for Tax-Exempt Bond Developments per §10.302(i)(1). 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. %

Note: For developments targeting Seniors, fill in Population and Household data for <u>both</u> the General population <u>and</u> the Senior population

PMA DEMOGRAPHIC DATA

	GENERAL			SENIORS		
	current year	place-in-service	five year	current year	place-in-service	five year
	2019	**2021**	**2024**	**2019**	**2021**	**2024**
Population p. 40	77,897	80,139	83,501			
Households p. 40						
Total HH	32,248	33,734	35,220			
Renter HH	22,696	23,728	24,759			
Homeowner HH	9,552	10,006	10,461			

DEMAND CALCULATION p. 73

Total Households 32,248

	Program Only Restricted Units	Assisted Units
Subject Units	90	0
Unstabilized Comparable Units	87	
RELEVANT SUPPLY	177	0

* See footnote 2

	Program Only Restricted Units	Assisted Units
Min Income	$ 13,530	
Max Income	$ 59,880	
Potential Demand	7,914	
10% External Demand	791	
Other Demand		
GROSS DEMAND	8,705	

RELEVANT SUPPLY / GROSS DEMAND = GROSS CAPTURE RATE **2.03%**

CAPTURE RATE BY AMGI BAND p. 82

* include program only restricted units

AMGI Band Capture Rates	Demand	10% External Demand	Subject Units	Comp Units	Capture Rate
30% AMGI	2,406	241	15	0	0.57%
50% AMGI	946	95	46	0	4.42%
60% AMGI	4,562	456	29	87	2.31%

CAPTURE RATE BY UNIT p. 82

* include program only restricted units

SUBJECT UNIT MIX				PROPOSED RENT		p. 71	DEMAND by UNIT TYPE p. 82				
AMGI Level	Beds	Baths	AVG Size (sqft)	Gross	Net	MARKET RENT	Demand	10% External Demand	Subject Units	Comp Units	Unit Capture Rate
30%	0	1	555	$451	$405	$1,150	116	12	8	0	6.3%
50%	0	1	551	$752	$706	$1,150	176	18	29	0	14.9%
60%	0	1	551	$903	$857	$1,150	169	17	15	49	34.4%
30%	1	1	712	$483	$429	$1,200	453	45	4	0	0.8%
50%	1	1	718	$806	$752	$1,200	412	41	11	0	2.4%
60%	1	1	711	$967	$913	$1,200	527	53	4	32	6.2%
30%	2	2	1,037	$580	$504	$1,900	343	34	2	0	0.5%
50%	2	2	1,040	$967	$891	$1,900	350	35	3	0	0.8%
60%	2	2	1,102	$1,161	$1,085	$1,963	389	39	6	6	2.8%
30%	3	2	1,244	$670	$572	$2,450	343	34	1	0	0.3%
50%	3	2	1,244	$1,118	$1,020	$2,450	350	35	3	0	0.8%
60%	3	2	1,328	$1,341	$1,243	$2,535	389	39	4	0	0.9%
Mkt	1	1	718	$1,350	$1,350	$1,200	5,781		1	20	0.36%
Mkt	2	2	1,141	$1,500	$1,500	$2,005	3,280		1	1	0.06%

Footnotes:

1 This is only required for developments that will utilize the 15% GCR for Tax-Exempt Bond Developments rule §10.302(i)(1).

2 Program only restricted units include HTC and MDL restricted units. Assisted units include any unit that has a RAD, Section 8, PHU, or PBV associated with them.

ASSUMPTIONS AND LIMITING CONDITIONS

This report is subject to the following assumptions and limiting conditions:

1) Any legal description or plats reported herein are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings, or other exhibits are included only to assist the intended users to better understand and visualize the subject property the environs, and the competitive data. I have made no survey of the subject property and assume no responsibility associated with such matters.

2) The value assumes responsible ownership and competent management. The subject property is assumed to be free and clear of all liens, except as may be otherwise herein described. No responsibility is assumed by the appraiser(s) for matters legal in character, nor is any opinion on the title rendered, which is assumed to be good and marketable.

3) The information contained herein has been gathered from sources deemed to be reliable, but I assume no responsibility for its accuracy. The value/opinions rendered herein are based on preliminary analyses of the subject and market area.

4) Any leases, agreements or other written or verbal representations and/or communications and information received by the appraiser(s) have been reasonably relied upon in good faith but have not been analyzed for their legal implications. I urge and caution the user of this report to obtain legal counsel of his/her own choice to review the legal and factual matters, and to verify and analyze the underlying facts and merits of any investment decision in a reasonably prudent manner.

5) I assume no responsibility for any hidden agreements known as "side reports", which may or may not exist relative to this property, which have not been made known to us, unless specifically acknowledged within this report.

6) This report is to be used in whole, and not in part. Any separate valuation for land and improvements shall not be used in conjunction with any other valuation and is invalid if so used. Possession of this report or any copy thereof does not carry with it the right of publication nor may the same be used for any purpose by anyone but the client without the previous written consent of the appraiser(s), and in any event, only in its entirety.

7) I, by reason of this report, am not required to give testimony in court with reference to the property unless notice and proper arrangements have been previously made therefore.

8) Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media without prior written consent and approval of the author.

Assumptions and Limiting Conditions – Continued

9) No subsoil data or analysis based on engineering core borings or other tests were furnished to me. I have assumed that there are no subsoil defects present that would impair development of the land to its maximum permitted use, or would render it more or less valuable.

10) No responsibility is assumed for hidden defects or 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 this report.

11) The construction and physical condition of the improvements described herein are based on a site visit. No liability is assumed by us for the soundness of structural members since no engineering tests were conducted. No liability is assumed for the condition or adequacy of mechanical equipment, plumbing or electrical components. No responsibility is assumed for engineering, which might be required to discover such factors. I urge the user of this report to retain an expert in this field.

12) Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present in or on the property, or other environmental conditions were not called to my attention nor did I become aware of such during my site visit. I have no knowledge of the existence of such materials on or in the property unless otherwise stated. I, however, am not qualified to test such substances or conditions. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to detect or discover them. I urge the user of this report to retain an expert in the field of environmental impacts on real estate if so desired.

13) The projections of income, expenses, terminal values or future sales prices are not predictions of the future; rather, they are the best estimate of current market thinking of what future trends will be. I assume no responsibility for any changes in economic or physical conditions which occur following the effective date of this report that would influence or potentially affect the analyses, opinions, or conditions in the report. Any subsequent changes are beyond the scope of this report. No warranty or representation is made that these projections will materialize.

14) The client or user of this report agrees to notify the appraiser(s) of any error, omission or inaccurate data contained in the report within 15 days of receipt, and return the report and all copies thereof to the appraiser(s) for correction prior to any use.

15) The acceptance of this report, and its subsequent use by the client or any other party in any manner whatsoever for any purpose, is acknowledgment by the user that the report has been read and understood, specifically agrees that the data and analyses, to their knowledge, are correct and acceptable.

Assumptions and Limiting Conditions – Continued

16) This assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

17) This report has been prepared in a "non-disclosure" state. Real estate prices and other data, such as rents, prices, and financing are not a matter of public record. 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, I may have relied on verification obtained and reported to us by persons outside my 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. It is suggested that the client consider independent verification as a prerequisite to any transaction involving sale, lease or other significant commitment of funds to the subject property.

18) The Americans With Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more requirements of the act. If so, this fact could have a negative impact upon the value of the property. However, since I have no direct evidence relating to the issue of compliance, I did not consider possible noncompliance with requirements of ADA in forming an opinion of the value of the property.

19) Acceptance or use of this report constitutes agreement by the client and any other users that any liability for errors, omissions or judgment is limited to the amount of the fee charged for this report. Use of this report constitutes acknowledgement and acceptance of the general assumptions and limiting conditions, special assumptions (in any), extraordinary assumptions (if any), and hypothetical conditions (in any) on which this report is based.

ENVIRONMENTAL ASSUMPTIONS

This report is subject to the following environmental assumptions:

1) There is a safe, lead-free, adequate supply of drinking water.
2) The subject property is free of soil contamination.
3) There is no uncontained friable asbestos or other hazardous asbestos material on the property. The appraiser is not qualified to detect such substances.
4) There are no uncontained PCB's on or near the property.
5) The radon level is at or below EPA recommended levels.
6) Any functioning underground storage tanks (UST's) are not leaking and are properly registered; any abandoned UST's are free from contamination and were properly drained, filled and sealed.
7) There are no hazardous waste sites on or near the subject property that negatively affect the value and/or safety of the property.
8) There is no significant urea formaldehyde (UFFI) insulation or other urea formaldehyde material on the property.
9) There is no flaking or peeling of lead-based paint on the property.
10) The property is free of air pollution.
11) There are no wetlands/flood plains on the property (unless otherwise stated in the report).
12) There are no other miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site (excess noise, radiation, light pollution, magnetic radiation, acid mine drainage, agricultural pollution, waste heat, miscellaneous chemical, infectious medical wastes, pesticides, herbicides, and the like).

SUMMARY AND CONCLUSIONS

EXECUTIVE SUMMARY

Disclosure of Competency: *Affordable Housing Analysts* is a professional real estate appraisal and consulting firm, providing service to a variety of corporate, institutional, governmental, and private clientele. In the past 12 months, I have completed numerous assignments involving similar properties. I am a State Certified General Real Estate Appraiser with the State of Texas, and have prepared/reviewed numerous market studies and appraisal assignments of properties similar to this assignment.

Identification of Property: The subject property is located at the southwest corner of East 5th Street and Onion Street, with additional frontage on Navasota Street and the alley, in Austin, Travis County, Texas 78702. The subject site contains ±0.8174 acres (±35,606 square feet), and appears to be relatively flat in topography. The subject is proposed to be developed and operated as a 92-unit HTC mixed-income General Population apartment development.

Primary Market: The subject's primary market is generally defined as that area contained within census tracts 48453000401, 48453000402, 48453000500, 48453000601, 48453000603, 48453000604, 48453000700, 48453000801, 48453000802, 48453000803, 48453000804, 48453000901, 48453000902, 48453001000, 48453001100, and 48453001200. This area is contained in all or a portion of the following zip codes 78701, 78702, 78703, 78705, 78712, and 78722. The area is generally bound by East 38 1/2 Street, East 38th Street, Guadalupe Street, and 29th Street to the north; Shoal Creek, 12th Street, and MOPAC to the west; Town Lake to the south; and Springdale Road, the railroad tracks, and Airport Boulevard to the east. The average rental rate for apartments in the subject's primary market area is reported at $1.99 per square foot per month. The average rent and occupancies in this submarket are skewed downward somewhat due to a number of older projects with a modest level of amenities. The average physical occupancy in the subject's market area was reported at 90.46%. Occupancy rates and rental rates in this primary market area have remained strong over the past few years, with overall stable rental rates.

Comparable Properties: The selected comparable apartments surveyed in the primary market area of the subject generally exhibited strong occupancy rates, with an average occupancy level of 94% and an average rental rate of ±$1.88 per square foot per month. According to my research (including contacting the local HUD offices), there are 10 existing HUD or HTC projects with 10 units or higher in the subject's primary market area in which the rents are based on income or otherwise restricted: 4 HUD project(s) and 6 HTC project(s). There are also 3 additional HTC properties approved or under construction: Housing First Oak Springs (50-unit Supportive Housing), Pathways at Chalmers Court South (mixed income General with 82 comparably restricted units and 86 total units) and Pathways at Chalmers Court East (mixed-income General complex with 156 total units, 5 of which are comparably restricted).

MStation and Villas on 6th are newer Family HTC properties in the subject PMA. MStation contains 150 units of which 135 are rent restricted. MStation reported a current occupancy of 99%. Villas on 6th is a 160-unit Family HTC with 136 units rent restricted. Villas on 6th reported 100% occupancy.

Demand: The primary market area for the subject property had an estimated 32,248 households in 2019 and is projected to have 35,220 households by 2024. Approximately 70.38% of these families were renter households in 2019. The population growth in the primary market area between 2000 and 2010 was 13.36%, between 2010 and 2019 was 19.35% and between 2019 and 2024 is projected to be 7.19%. The population is growing within the primary market area.

Evaluation of Subject Property: The subject property will have efficiency to three-bedroom units. The subject property is proposed to have 56.52% in efficiency units, 21.74% in one-bedroom units, 13.04% in two-bedroom units, and 8.70% in three-bedroom units, and 0.00% in four-bedroom units. Because the average household size in the primary market area is 1.98 persons, and approximately 95.16% of the households consist of 1 to 4 person households, having approximately 91.30% of the unit mix in one to two-bedroom units is considered appropriate. Based on discussions with leasing agents, and my own analysis of the selected comparables in the primary market, the unit mix is appropriate for a General Population project, and will complement the local affordable housing market.

The subject property has a projected per unit development cost that is within the typical range for projects of this type and caliber. Development of the project is the maximally productive use of the site and I consider it to be an acceptable location for this development.

Rental Rates: The client's reported rents, averaging ± $1.085 per square foot (rent-restricted and market), are considered very competitive for a project in this market.

Income: Based on the developer's provided rent schedule, gross potential annual revenue for the subject property, including $5.00 per unit "other revenue" totals $867,768. Other revenue (primary sources are laundry, etc.) estimated by the developer appears low, but reasonable based on information in my files and discussions with apartment developers and management companies which are active in the Austin Region.

Need for Affordable Housing: Occupancies of the affordable housing projects are high, with some maintaining waiting lists. Therefore, the subject property need only achieve moderate penetration to be feasible. This is a realistic scenario considering the limited supply of quality affordable General Population housing in the subject's primary market area.

Capture Rate: Based on my research, there is one comparable Family project under construction (Pathways at Chalmers Court South) comparable to the subject within the PMA, one approved (Pathways at Chalmers Court East), no proposed, and none unstabilized in the primary market area. There are no other active applications on the bond list. Pathways at Chalmers Court East has 5 units comparably restricted and Pathways @ Chalmers Court South has 82 comparably restricted units. There are no market rate General Population complexes that were recently built, and none proposed with comparably priced units. Per TDHCA guidelines, all of the subject's restricted units should be included in the capture calculations. The subject contains 92 units, of which 90 will be rent-restricted. Therefore, a total of 334 units require absorption, of which 177 units will be comparably rent-restricted. There are approximately 8,705 (HISTA) potential households (relevant to the rent restricted units) based on income eligibility, household size, and housing preference in the subject's primary market.

HISTA Gross Capture Rate for 177 Affordable General Population Units	**2.03%**
HISTA Capture Rate for 23 Market General Population Units	**0.25%**
Capture Rate Whole	**1.88%**

THE CAPTURE RATE ABOVE IS OVERSTATED. I HAVE NOT INCLUDED DEMAND FROM SECTION 8 AND OTHER DEMAND SOURCES. BECAUSE THE CAPTURE RATE WAS WITHIN TDHCA'S GUIDELINES WITHOUT THE INCLUSION OF THESE DEMAND SOURCES, THAT DEMAND WAS NOT QUANTIFIED IN THIS REPORT.

Absorption: I was able to locate only one Family HTC development which has been completed and stabilized within the past 24 months within or near the subject PMA, Capital Studios, which is a 135-unit SRO Supportive Housing project which was completed in November 2014 and attained stabilized occupancy in January 2015, which equates to an average absorption of approximately 34 units per month. Eleven is a 257-unit conventional project within the subject PMA which is was reportedly completed in July 2014, and attained stabilized occupancy in October 2014, which equates to an average absorption of approximately 58 units per month. Elan East is a 251-unit conventional complex located within the subject PMA which was completed in April 2015 and attained stabilized occupancy within 1 month of completion. Corazon is a 256-unit conventional complex located within the subject PMA which was completed in June 2015 and reportedly attained stabilized occupancy in September 2016, which equates to an average absorption of approximately 18 units per month. Waters @ Willow Run is a 242-unit (all restricted) Family 4% project which began leasing in August 2016, construction was completed in October 2017, and the property was stabilized in March 2017, which equates to an average absorption of approximately 44 units per month from completion. Point at Ben White is 250-unit (all units rent-restricted) Family 4% HTC/PAB property (located south of the subject PMA) which reportedly began leasing in November 2014 and reached stabilized occupancy within 4 months, which equates to an average absorption of approximately 62 units per month. I estimate absorption at 15 to 25 units a month and the property should stabilize within 3 to 6 months of opening.

Effect of Subject Property on Existing Apartment Market: Based on the high occupancy levels of the existing properties in the market, the subject's stabilized occupancy, and the lack of good quality affordable housing, along with the recent strong absorption history, I project that the subject property will have minimal sustained negative impact upon the existing apartment market. Any negative impact from the subject property should be of reasonable scope and limited duration.

Certification of Interest: The individuals performing this study do not have any interest or prospective interest in the development of the subject property.

IDENTIFICATION OF PROPERTY

The subject property is located at the southwest corner of East 5th Street and Onion Street, with additional frontage on Navasota Street and the alley, in Austin, Travis County, Texas 78702. The subject site is an irregularly-shaped tract (two tracts separated by Navasota Street) containing a total of ±0.8174 acres (±35,606 square feet), appears to have relatively flat topography, and appears to have adequate slope for drainage purposes. The subject site is currently vacant and is proposed to be improved with a 92-unit General Population HTC mixed-income apartment development. The property is identified as all or a portion of account number(s) 191916 and 191855 by the Travis County Appraisal District.

Description of Subject Property

Talavera Lofts is a 92-unit General Population apartment development proposed to be constructed and operated as a Housing Tax Credit property that will be separately-metered for electricity (tenant pays), and master-metered for water/sewer (landlord pays), with the landlord paying for trash pickup. The units will be contained in a four-story over podium, elevator-served building. The common areas will include fitness center, business center with computers and internet access, leasing office, and a community room. The development will also offer barbecue/picnic areas, and controlled access to the building. The property is anticipated to be of good quality construction, comparable to Multiple Residences Class B structures as defined by Marshall Valuation Service. The property will be a Housing Tax Credit (HTC) mixed-income complex with 97.83% of the units to be set aside for households earning at or below 60% of the Area Median Gross Income (AMGI), adjusted for family size (16.30% at 30% AMGI, 50.00% at 50% AMGI, 31.52% at 60% AMGI, and 2.17% at market levels). A visit to the subject site was performed by Robert O. Coe, II on February 5, 2019. The following table exhibits the unit mix for the proposed project, as supplied by the client.

SUBJECT UNIT MIX

No. Units	Type	Size (SF)	Total Area
44	0 BR / 1 BA	551	24,244
4	0 BR / 1 BA	559	2,236
4	0 BR / 1 BA	550	2,200
15	1 BR / 1 BA	718	10,770
3	1 BR / 1 BA	709	2,127
2	1 BR / 1 BA	706	1,412
4	2 BR / 2 BA	1,037	4,148
4	2 BR / 2 BA	1,141	4,564
3	2 BR / 2 BA	1,045	3,135
1	2 BR / 2 BA	1,098	1,098
4	3 BR / 2 BA	1,244	4,976
4	3 BR / 2 BA	1,328	5,312
92		**720**	**66,222**
	Total Net Rentable Area (SF):		**66,222**

The net rentable area of the subject project is reported to be ±66,222 square feet and the gross building area is reported to be ±78,931. The following is a description of the various

improvement construction components (based on the site visit and conversations with the developer).

Foundation: Reinforced concrete slab

Building Type: Four-story over podium, elevator-served building

Exterior Walls: Masonry and metal veneer

Roofing: Flat, built-up roof

Unit Finish: Partitions between units will be wood studs with painted sheetrock panels. Floor coverings will be vinyl plank flooring and carpet. Ceilings will be textured sheetrock. Kitchen packages will include a refrigerator, oven/ranges, dishwasher, microwave, disposal and rangehood and fan.

Unit Configuration: Accommodation for each unit will comprise a living area, kitchen, efficiency to three-bedrooms with closets, and one to two bathrooms.

Unit Amenities: Units will feature closets, kitchen packages, ceiling fans, and miniblinds.

Fixtures: Plumbing and light fixtures are assumed to be adequate for an apartment complex in the subject area.

Water Heaters: Hot water will be provided by electric water heaters.

Insulation: Adequacy not known; assumed adequate.

Heating/Cooling: Individual HVAC units with individually controlled thermostats.

Parking: The subject will have adequate open parking, as well as spaces under the podium.

Landscaping: The landscaping is expected to be attractive and well-presented upon completion.

Exterior Amenities: Community meeting room, clubhouse, fitness center, business center, and central laundry.

Fence: No

Access Gates: No, but controlled access to building

Laundry: Washer/dryer hookups, and central laundry facility.

Building Area: 66,222 SF (NRA)

Total GBA: 78,931 SF

Land/Bldg. Ratio: 0.54:1 (NRA)

Units/Acre Ratio: ±112.55:1

Elevators/Stairs: Yes/Yes

Occupancy: ±92.5% (stabilized)

Year Built: Proposed

Condition: The complex will be in new condition when completed. The building is estimated to have a useful life of 55 years.

Functional Utility: The subject improvements are anticipated to be adequately functional when compared with competing properties in the neighborhood.

Plaza Saltillo District

The subject site is located within the Plaza Saltillo District adjacent to the Plaza Saltillo light rail station. The 10 acres of the Plaza Saltillo District will include approximately 800 apartments, of which at least 15% will be deeply affordable, 110,000 square feet of retail, 140,000 square feet of office space, 1.4 acres of open space and public art.

The Plaza Saltillo District will feature one of the region's most diverse mobility infrastructure programs, including the established MetroRail station, plus pedestrian paseos, extension of San Marcos Street, new below and above ground parking garage, electric vehicle stations, reserved Car2Go spaces, a B-Cycle station and an extension of the Lance Armstrong Bikeway. One of the primary goals of redeveloping this area is to increase rail and bus ridership, and they anticipate that will occur with more than 1,700 people estimated to live and/or work there.

Statement of Ownership

Based on Travis County Appraisal District records and discussions with a representative of the owner, the subject property is currently owned by Plaza Saltillo TOD, L.P., which has owned the property for at least the last three years. The property is reportedly under a ground lease contract to Saltillo DMA Housing, LLC or its assigns for $95,000 annual lease payment, or approximately $2.67 per square foot per year. No other arms-length transactions involving the subject are known to have occurred within the last three years.

Purpose of Appraisal Report
The purpose of this assignment is to analyze the subject property's multifamily market and determine whether sufficient potential demand exists to justify acquisition and construction of the subject property. For the purposes of this report, potential demand is the pool of households that are income qualified (household income does not exceed applicable program limits) and can afford the proposed development's rents (rents are no more than 40% of household income).

Definitions
The following applicable definition was abstracted from *The Dictionary of Real Estate Appraisal*, Sixth Edition, copyright 2015.

Market Rent
The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

Source: The Appraisal of Real Estate, Fourteenth Edition, copyright 2013, published by the Appraisal Institute.

Market Rent
The achievable rent at the subject property for a unit without rent and income restrictions determined by the Market Analyst or Underwriter after adjustments are made to actual rents on Comparable Units to account for differences in net rentable square footage, functionality, overall condition, location (with respect to the subject property based on proximity to primary employment centers, amenities, services and travel patterns), age, unit amenities, utility structure, and common area amenities. The achievable rent conclusion must also consider the proportion of market units to total units proposed in the subject property.

Source: Texas Uniform Multifamily Rules

Market Analysis
"A macroeconomic analysis that examines the general market conditions of supply, demand, and pricing of the demographics of demand for a specific area or property type."

SCOPE OF APPRAISAL ASSIGNMENT

Use of the Assignment
The use of this assignment is understood to be for decision-making purposes of the client, as well as the additional intended users.

Development and Reporting Process of the Assignment
Market data, including sales and lease information, was obtained from sources deemed to be reliable, including, but not limited to, on-site personnel. This report fully discusses all pertinent data, descriptions, and discussions germane to the subject of this report. A copy of this report and the data included herein have been retained in my files.

Effective Date of the Assignment
The descriptions, analyses, and conclusions of this report are applicable as of February 5, 2019.

Date of the Report
The preparation of this report was completed on March 26, 2019.

Data Sources
EnrichedData was consulted for apartment statistics. All rental information for the comparable properties has been verified by the market analyst. Census data was obtained from Environics Analytics (Spotlight) and Ribbon Demographics, recognized sources of demographic data throughout the United States and the U.S. Census Bureau.

Housing Tax Credit, Multifamily Bond, and Section 8 – Summarized
The Housing Tax Credit (HTC), originally formulated as the "Low Income Housing Tax Credit," was created by the Tax Reform Act of 1986 to spur the development of affordable housing for residents of moderate means. It is not federally subsidized housing. It is not housing for the impoverished, unemployed, or homeless. The Tax Credit Program was instituted to provide quality housing at reasonable costs.

The Multifamily Bond Program is similar to the HTC program in that it provides quality housing at affordable costs for residents of moderate means. The TDHCA issues tax-exempt and taxable multifamily MRB's to fund loans to for-profit and qualifying nonprofit organizations for the acquisition or development of affordable rental units. Bond properties typically receive some tax credits as well as bonds. A recommendation is made to the TDHCA governing board and, if approved, additional approval is required by the Texas Bond Review Board. Properties financed through the programs are subject to unit set aside restrictions for lower income tenants and persons with special needs, tenant program initiatives, maximum rent limitations, and other requirements as determined by TDHCA and its board.

Tenants at HTC and bond properties must be income qualified. The income qualifications will adjust annually based on the median income for Travis County.

The following table illustrates the maximum 2018 income for HTC/PAB projects (2019 income limits have not been released).

Travis - County Housing Tax Credit 2018 Income Ceilings for Qualifying Tenants							
	Median Income						
Size of Household	**20%**	**30%**	**40%**	**50%**	**60%**	**70%**	**80%**
1 Person Household	$ 12,040	$ 18,060	$ 24,080	$ 30,100	$ 36,120	$ 42,140	$48,160
2 Person Household	$ 13,760	$ 20,640	$ 27,520	$ 34,400	$ 41,280	$ 48,160	$55,040
3 Person Household	$ 15,480	$ 23,220	$ 30,960	$ 38,700	$ 46,440	$ 54,180	$61,920
4 Person Household	$ 17,200	$ 25,800	$ 34,400	$ 43,000	$ 51,600	$ 60,200	$68,800
5 Person Household	$ 18,580	$ 27,870	$ 37,160	$ 46,450	$ 55,740	$ 65,030	$74,320
6 Person Household	$ 19,960	$ 29,940	$ 39,920	$ 49,900	$ 59,880	$ 69,860	$79,840
7 Person Household	$ 21,340	$ 32,010	$ 42,680	$ 53,350	$ 64,020	$ 74,690	$85,360
8 Person Household	$ 22,720	$ 34,080	$ 45,440	$ 56,800	$ 68,160	$ 79,520	$90,880

In addition, HTC and bond projects will limit rents to an annually adjusted cap that is keyed to the median income for the Travis County. The cap for a project can go up annually over time, but can never be reduced below the cap that was in effect upon placing the project in service. The subject structure is designed to operate below the cap, so that increases in operating expenses may be met with corresponding increases in rental rates, without immediate limitation imposed by the rent cap.

The following chart illustrates the maximum 2018 rents for HTC and bond projects for families at 30%, 40%, 50%, and 60% of median income (2019 rent limits have not been released). Handicapped units are no longer separated by the Texas Department of Housing and Community Affairs (TDHCA).

Maximum Permitted Rents						
2018	**Efficiency**	**1 BR**	**2 BR**	**3 BR**	**4 BR**	**5 BR**
20%	$301	$322	$387	$447	$464	$550
30%	$451	$483	$580	$670	$748	$826
40%	$602	$645	$774	$894	$998	$1,101
50%	$752	$806	$967	$1,118	$1,247	$1,376
60%	$903	$967	$1,161	$1,341	$1,497	$1,652
70%	$1,053	$1,128	$1,354	$1,565	$1,625	$1,927
80%	$1,204	$1,290	$1,548	$1,789	$1,996	$2,203

The Housing and Community Development Act of 1974 authorized the Housing Assistance Payments Program (Section 8). Section 8 provides rental assistance to low-income families, elderly, disabled, and handicapped individuals. This Program provides financial assistance to eligible families whose annual gross income does not exceed 50% of HUD's median income guidelines (in most instances). Demographic projections indicate a continuing population and household growth in segments that generally create the largest demand on affordable housing supply.

MARKET AREA ANALYSIS

General Location
Austin is the state capital of Texas and is the county seat of Travis County. It is bordered on the north by Williamson County and on the south by Hays County. Bastrop and Caldwell Counties adjoin Travis County to the southeast. The city is strategically located near the center of the state and surrounded by the three largest metropolitan areas in Texas that form a triangle around it. The Dallas-Fort Worth area is 170 miles to the north, Houston is 130 miles to the east, and San Antonio is 60 miles to the southwest.

General Location
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Demographics
Growth Trends

The City of Austin and its Metropolitan Statistical Area (MSA - which includes Travis County, Williamson County, Hays County, Caldwell County, and Bastrop County) has experienced rapid population growth over the last thirty years. The MSA passed the 1,000,000 population threshold in 1997, passed the 1,500,000 threshold in 2005, passed the 2,000,000 population in 2016, and is projected to pass the 2,200,000 threshold by 2021.

For years, this MSA consisted of a three-county group; however, in 1988, two additional counties were added to the group, bringing the MSA to its current composition. Austin forms the heart of this MSA and is situated in both Travis and Williamson Counties. The area is currently named the Austin-Round Rock-San Marcos Metropolitan Statistical Area.

Because of its draw as a destination for migrating talent, metro Austin's population surpassed 2.0 million in 2015. The decade ending 2015 saw a 37.7% increase in population, and growth was 3.0% for the year ending July 2015. Austin ranked first among the 50 largest U.S. metros based on net migration as a percent of total population in 2015. In addition, 7.1% of Austin residents in 2014 lived elsewhere one year earlier. That is also the largest rate among the top 50 U.S. metros. The table on the following page details growth trends.

Greater Austin Profile: Population

Population & Population Growth

	1990	2000	2010	2015	Percent change 1990-2000	Percent change 2000-2010	Percent change 2010-2015
Austin MSA	846,227	1,249,763	1,716,289	2,000,860	47.7%	37.3%	16.6%
Bastrop Co.	38,263	57,733	74,171	80,527	50.9%	28.5%	8.6%
Caldwell Co.	26,392	32,194	38,066	40,522	22.0%	18.2%	6.5%
Hays Co.	65,614	97,589	157,107	194,739	48.7%	61.0%	24.0%
Travis Co.	576,407	812,280	1,024,266	1,176,558	40.9%	26.1%	14.9%
Williamson Co.	139,551	249,967	422,679	508,514	79.1%	69.1%	20.3%
Texas	16,986,335	20,851,820	25,145,561	27,469,114	22.8%	20.6%	9.2%
United States	248,709,873	281,421,906	308,745,538	321,418,820	13.2%	9.7%	4.1%
10 largest cities							
Austin	494,290	656,562	790,390	931,830	32.8%	20.4%	17.9%
Cedar Park	8,862	26,049	48,937	65,945	193.9%	87.9%	34.8%
Georgetown	16,117	28,339	47,400	63,716	75.8%	67.3%	34.4%
Hutto	627	1,250	14,698	22,722	99.4%	1075.8%	54.6%
Kyle	2,280	5,314	28,016	35,733	133.1%	427.2%	27.5%
Leander	3,399	7,596	26,521	37,889	123.5%	249.1%	42.9%
Pflugerville	5,776	16,335	46,936	57,122	182.8%	187.3%	21.7%
Round Rock	31,559	61,136	99,887	115,997	93.7%	63.4%	16.1%
San Marcos	29,072	34,733	44,894	60,684	19.5%	29.3%	35.2%
Taylor	11,437	13,575	15,191	16,702	18.7%	11.9%	9.9%

Source: U.S. Bureau of the Census, www.census.gov/popest/.

The table below details forecast for population trends.

Population Projections

	2010	2020	2030	2040	2050
Austin MSA	1,716,289	2,306,857	3,035,547	3,960,317	5,176,940
Bastrop Co.	74,171	100,746	140,463	195,452	272,723
Caldwell Co.	38,066	49,202	63,015	77,373	92,180
Hays Co.	157,107	246,119	372,120	556,982	824,070
Travis Co.	1,024,266	1,277,007	1,519,407	1,749,761	2,011,009
Williamson Co.	422,679	633,783	940,542	1,380,749	1,976,958
State of Texas	25,145,561	30,541,978	37,155,084	44,955,896	54,369,297
Growth rates					
	2010-2020	2020-2030	2030-2040	2040-2050	
Austin MSA	34.4%	31.6%	30.5%	30.7%	
Texas	21.5%	21.7%	21.0%	20.9%	

Source: Texas State Data Center, 2014 Population Projections, http://txsdc.utsa.edu/Data/TPEPP/Projections/Index.aspx.

General Characteristics of Population: The general characteristics of Austin's population reflect a young and highly educated group. Further, their household income levels are some of the highest in the state:

Educational Attainment of Persons 25 Years or Older, 2014

	Austin MSA	Texas	United States
High school graduate or higher	88.9%	82.2%	86.9%
At least some college	69.3%	57.0%	59.2%
Bachelor's degree or higher	41.5%	27.8%	30.1%
Graduate degree	15.1%	9.6%	11.4%

Source: U.S. Bureau of the Census, http://www.census.gov/acs/www/.

Population Distribution by Age, 2014			
	Austin MSA	Texas	United States
0-17	24.2%	26.4%	23.1%
18-24	10.2%	10.2%	9.9%
25-44	32.8%	28.0%	26.4%
45-64	23.3%	23.9%	26.2%
65+	9.5%	11.5%	14.5%
Source: U.S. Bureau of the Census, http://www.census.gov/popest/index.html.			

Income, 2014			
	Austin MSA	Texas	United States
Median household income	$63,603	$53,035	$53,657
Median family income	78,927	62,830	65,910
Per capita income	32,549	27,125	28,889
Source: U.S. Bureau of the Census, http://www.census.gov/acs/www/.			

The University of Texas is situated in the heart of Austin's CBD and is one of the 10 largest colleges in the U.S. According to The Public Ivies: America's Flagship Public Universities (2001) by Howard and Matthew Greene, The University of Texas at Austin is one of America's "Public Ivy" institutions of higher education, defined by the authors as a public institution that "provides an Ivy League collegiate experience at a public school price." There are six other public/private universities and colleges located in the Metro area. As a result, the population is highly educated:

Ten largest public university campuses by enrollment during the 2017–18 academic year				
Ranking	University	Location	Enrollment	Reference(s)
1	University of Central Florida	Orlando, Florida	66,183	[1]
2	Texas A&M University [note 1]	College Station, Texas	66,069	[2]
3	Ohio State University	Columbus, Ohio	59,837	[3]
4	Florida International University	Miami, Florida	56,851	[4]
5	University of Florida	Gainesville, Florida	52,669	[5]
6	University of Minnesota	Minneapolis/Saint Paul, Minnesota	51,848	[6]
7	University of Texas at Austin	Austin, Texas	51,525	[7]
8	Arizona State University [note 2]	Tempe, Arizona	51,164	[8]
9	Georgia State University	Atlanta, Georgia	51,000	[9]
10	University of South Florida	Tampa, Florida	50,577	[10]

Source: *http://en.wikipedia.org/wiki/List_of_United_States_university_campuses_by_enrollment*

Government Influences

Federal & State Government: Austin is the state capitol of Texas and, consequently, is home to a large number of state agencies. It is also the location of offices for more than 50 federal

agencies, a regional IRS service center (recently expanded), and nearly 350 state and national associations. In 1993, the United States Defense Department closed Bergstrom Air Force Base due to national military cutbacks however the site has undergone a redevelopment into the site of the Austin-Bergstrom International Airport. A new (2012) seven-story United States District Courthouse building is located in the Central Business District. Funding for this $116 million project was provided by the American Recovery and Reinvestment Act stimulus bill. Just a block away, Travis County recently purchased a block of land for a record price of $21.75 million dollars to build a 500,000 SF county courthouse in the future.

Zoning Ordinances: The City of Austin and the areas under its extra territorial jurisdiction (ETJ) are currently operating under a complex zoning ordinance adopted in 1989. Austin has one of the strictest development codes in the nation. Majority of these ordinances address water quality, storm water flooding, and park land and shoreline preservation. In certain environmentally sensitive areas, which are typically areas with flowing water draining into the Edwards Aquifer Recharge Zone, maximum impervious coverage is routinely limited to 15% or less. Strict development standards in most of Austin, plus the proliferation of special interest group's input to the decision-making process regarding property usage, causes a longer than typical time frame in obtaining land-use approvals.

The most recent Watershed Regulation Areas map divides the Metro area into two zones, the Desired Development Zone and the Drinking Water Protection Zone. Properties located in the Drinking Water Protection Zone are typically those with the most development restrictions.

Utilities

Water: Austin benefits from a number of water resources. Lady Bird Lake and Lake Austin, two large man-made reservoirs formed by the damming of the Colorado River, serve as Austin's primary source of drinking water. The city owns and operates two water-purifying plants that have a rated combined maximum capacity of 310 million gallons/day (mgd) and a storage capacity of 167 million gallons in 34 reservoirs. Their capacity is more than adequate to meet the current community's needs. This city had recently closed the Thomas C. Green Water Treatment Plant at the end of 2008 due to the age, condition, location, and limited function of the facility. The recent upgrades to the Ullrich WTP provided the capacity necessary to close the 80-year old plant. The city is built a new water treatment plant, known as Water Treatment Plant 4, on 94 acres of land located at the southwest corner of Ranch Road 620 and Farm to Market 2222 in close proximity to the local 3M administrative facility. While not currently needed, the city is also building a new water plant with the anticipation that the city's population will grow by 500,000 in the next 30 years. It also has received extended permit rights to obtain water for this approved plant from Lake Travis through the Lower Colorado River Authority. Development of this site is currently in the planning phases. This first phase of this water treatment plant (WTP4) was operational in 2014 and has the capacity to treat 50 mgd currently, with the ultimate capacity reaching 300 mgd after all the phases are built. At the present time, the city, as a whole, appears to have sufficient and abundant water supplies to meet demand into the foreseeable future. In addition, the Austin Water Utility has executed an agreement with LCRA that guarantees water supply for the City's corporate limits and ETJ to the end of the century. LCRA has rights to more than 2.1 million acre-feet of water per year.

The Edwards Aquifer, a large underground reservoir that extends southwest from Austin, provides water for a small portion of the metropolitan area's southwest population, primarily within Hays County. The Edwards Aquifer Regulatory Committee's function is to review development over the aquifer to protect the integrity of this water source. The aquifer presently is being heavily pumped, and water rationing has been necessary in some extremely dry years. Responsible water and wastewater management will be of importance to the future prosperity of the southwest metropolitan area, which presently depends upon the aquifer as their major source of water.

Wastewater: The City of Austin Water Utility, the region's largest municipal supplier, operates three wastewater plants with a current combined permitted capacity of approximately 160+ million gallons per day (mgd). In addition, there is a fourth wastewater treatment plant, referred to as the Hornsby Bend plant, which treats solid waste at about an average of 1.1 to 1.2 mgd. Thus, the current wastewater capacity is more than adequate to handle the city's wastewater needs.

Electricity, Gas & Telephone: Electricity for the city is provided by the City of Austin serviced by Austin Energy, a publicly owned utility company. The current total generation capacity is 2,600+ megawatts majorly produced by using natural gas fuel with several plants producing electricity by using coal, nuclear, or wind fuel. Other major providers of electricity in the metropolitan area include Pedernales Electric Cooperative, Bastrop Power & Light, Bluebonnet Electric Cooperative, City of Lockhart, Energy Future Holdings (formerly TXU), Georgetown Utilities Systems, and San Marcos Electric Utility. The electric capacity is, presently, more than adequate to support the population base. Atmos Energy, CenterPoint, and Texas Gas Service are suppliers of natural gas for the area. Telephone service is provided primarily through AT&T.

Economic Profile & Indicators

Many factors can be considered in looking at an economic profile and major economic indicators of a community. In this case, a brief description of the history of the local economy is given followed by more detailed information regarding current national and metropolitan area's economy.

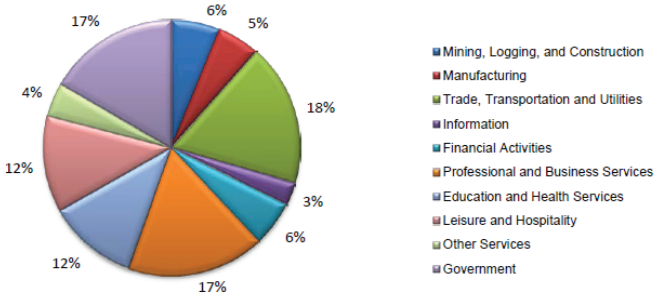
The Austin MSA unemployment rate as reported in December 2018 at 2.7%, unchanged from November 2018's and December 2017's 2.7%. Most recent trends suggest the employment is stabilized at levels significantly better than previous recessionary levels. The chart on the following page provides a summary of the employment categories for the Austin MSA.

Austin-Round Rock MSA

(Bastrop, Caldwell, Hays, Travis, Williamson)

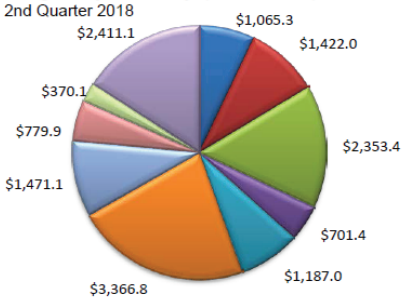
December 2018

Industry Composition



Wages by Industry (in millions)

2nd Quarter 2018



Employment by Industry

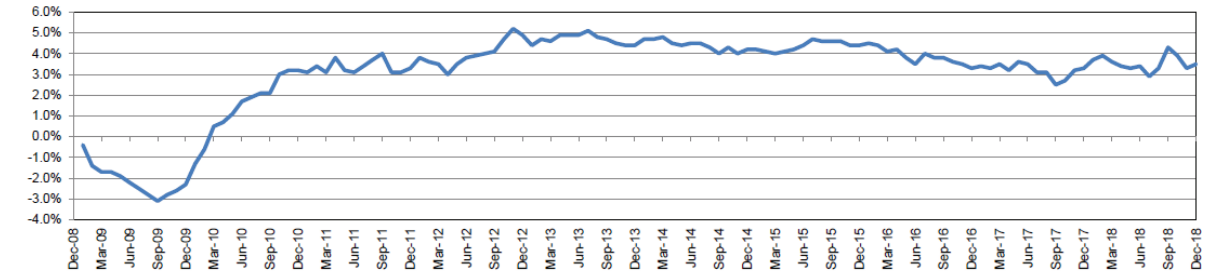
	Dec-18	Nov-18	Dec-17	Monthly Change Actual	Monthly Change %	Annual Change Actual	Annual Change %
Total Nonfarm	1,090,300	1,087,100	1,053,500	3,200	0.3%	36,800	3.5%
Mining, Logging and Construction	67,100	66,500	62,100	600	0.9%	5,000	8.1%
Manufacturing	58,400	57,700	57,700	700	1.2%	700	1.2%
Trade, Transportation, and Utilities	195,700	193,700	184,500	2,000	1.0%	11,200	6.1%
Information	31,200	31,300	30,900	-100	-0.3%	300	1.0%
Financial Activities	62,100	61,700	60,700	400	0.6%	1,400	2.3%
Professional and Business Services	189,100	189,300	183,000	-200	-0.1%	6,100	3.3%
Education and Health Services	124,600	124,700	121,100	-100	-0.1%	3,500	2.9%
Leisure and Hospitality	133,500	133,300	129,800	200	0.2%	3,700	2.9%
Other Services	47,300	47,400	45,300	-100	-0.2%	2,000	4.4%
Government	181,300	181,500	178,400	-200	-0.1%	2,900	1.6%

Industry Size Class

June 2018

Size Class	Employees per firm	Number of Firms	Employment in Size Class	% Total Employment
9	1000+	96	291,726	28.5%
8	500-999	141	96,931	9.5%
7	250-499	301	104,085	10.2%
6	100-249	983	149,283	14.6%
5	50-99	1,509	104,710	10.2%
4	20-49	3,900	118,485	11.6%
3	10-19	5,041	68,201	6.7%
2	5-9	6,975	46,005	4.5%
1	1-4	23,515	43,807	4.3%
0	0	7,070	0	0.0%
Total		49,531	1,023,233	100.0%

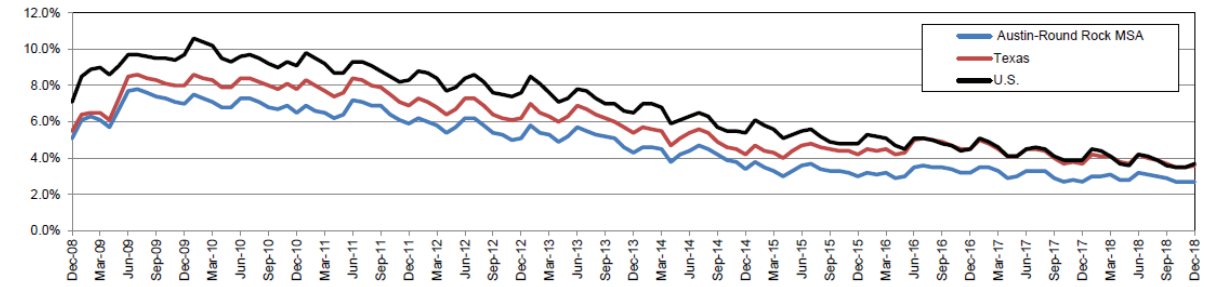
Annual Growth Rate for Total Nonagricultural Employment



Unemployment Information (all estimates in thousands)

	Austin-Round Rock MSA C.L.F.	Emp.	Unemp.	Rate	Texas (Actual) C.L.F.	Emp.	Unemp.	Rate	United States (Actual) C.L.F.	Emp.	Unemp.	Rate
Dec-18	1,207.9	1,175.0	33.0	2.7	13,976.3	13,471.7	504.7	3.6	162,510.0	156,481.0	6,029.0	3.7
Nov-18	1,203.8	1,171.4	32.4	2.7	13,937.1	13,454.5	482.5	3.5	162,665.0	157,015.0	5,650.0	3.5
Dec-17	1,164.2	1,133.1	31.1	2.7	13,598.1	13,096.2	501.8	3.7	159,880.0	153,602.0	6,278.0	3.9

Historical Unemployment Rates



Available at http://www.tracer2.com

Major Employers: The State of Texas alone employs over 65,000 people in the Austin area. While all of the major government employers are important, The University of Texas is felt to be the nucleus of growth in the current economy. According to the National Association of College and University Business Officers, the University of Texas System ranks fifth in total size of endowment at $12.2 billion ranked behind Harvard University, Yale University, Stanford University, and Princeton University in that order. This indicates a benefit of approximately $120,000 per student enrolled based on 50,000 students. UT presently has 288 endowed chairs, 506 endowed professorships, and 265 endowed faculty fellowships and lectureships.

The following table shows the largest five public employers in the metro.

AUSTIN'S LARGEST EMPLOYERS

Rank	Company	Description	Employed
1	Dell Inc.	Computer	13,000
2	Seton Healthcare	Health care	10,945
3	HEB	Retail grocery store	11,277
4	St. David's Healthcare	Health care	8,369
5	IBM Corp	Information technology	6,000

Source: *Austin Business Journal*

Housing

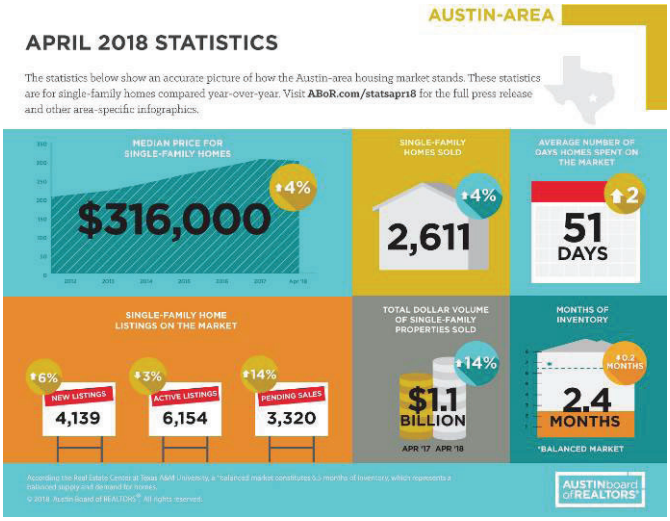
The Austin-area continued to break records in home sales and median price for single-family homes for the month of April. In April 2018, single-family home sales increased 5.58 percent year-over-year to 2,989 home sales in the Central Texas region. Nearly 80 percent of those homes were sold outside of Austin's city limits. In the five-county MSA, single-family home sales rose 5.1 percent year-over-year to 2,600 home sales during the same time frame.

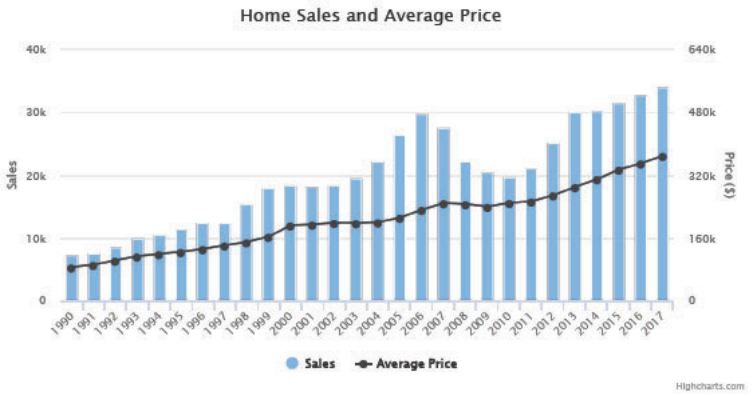
Hays County experienced the largest annual gain in home sales in April 2016, with single-family home sales jumping 17.8 percent year-over-year to 338 home sales. Hays County was the only county in the Austin-Round Rock MSA to experience a decline in home sales in April 2018, with single-family home sales dropping 8.5 percent year-over-year to 281 home sales. In the City of Austin, single-family home pending sales rose 14.3% to 3,320 homes. Williamson County in April 2018 experienced a 7.6% increase in homes sales year-over-year with 904 homes sold. "Hays County is one of Austin's few surrounding areas with entry-level homes priced less than $200,000, a price point with high demand," said Mark Sprague, State Director of Information Capital for Independence Title. "In Williamson County, demand is highest for homes priced between $200,000 and $400,000, but there is not sufficient housing stock to meet demand, particularly in Round Rock and Pflugerville." Travis County reported a 6.4% year-over year increase in home sale at 1,324 homes and an average sales price of $380,143. The median price within the City of Austin jumped 9.3% to $390,000. during the same time frame.

Despite small gains across the region in April 2018, monthly housing inventory in the Austin-Round Rock MSA remained low at 2.4 months. This is nearly two-thirds less than the 6.5 month-level the Real Estate Center at Texas A&M University cites as a market in which supply and demand for homes is balanced.

However, Austin is one of the U.S. cities most at risk for falling home prices for the next two years due to the effect of sagging oil prices on the state's economic prospects according to the winter 2016 housing and mortgage market report by California-based Arch Mortgage Insurance Co., which ranked the Austin-Round Rock area No. 2 nationally on its list of cities that could experience housing price slumps. Austin has a 26 percent chance of declining home prices, up 9 percentage points from a year ago, which the Arch researchers consider "moderate" risk. The report highlights the heightened risk of falling home prices across Texas. The five most at-risk cities nationwide are all in the Lone Star State, with Houston at No. 1 (36 percent chance of falling home prices), Dallas at No. 3 (26 percent), Fort Worth at No. 4 (26 percent) and San Antonio at No. 5 (26 percent).

The tables below detail some statistics for the Austin housing market.





Date	Sales	Dollar Volume	Average Price	Median Price	Total Listings	Months Inventory
1990	7,068	579,669,083	82,013	72,252	4,412	6.5
1991	7,485	661,674,435	88,400	75,865	3,552	4.6
1992	8,389	832,936,284	99,289	82,929	3,020	3.6
1993	9,784	1,076,687,995	110,046	90,949	2,860	3.2
1994	10,418	1,207,051,547	115,862	95,158	3,645	3.9
1995	11,291	1,369,678,517	121,307	100,025	3,778	3.8
1996	12,406	1,596,046,324	128,651	107,884	5,126	4.9
1997	12,253	1,689,013,906	137,845	111,819	5,344	4.3
1998	15,338	2,242,981,948	146,237	117,207	4,318	2.7
1999	17,845	2,861,183,503	160,335	125,888	3,292	1.7
2000	18,321	3,463,650,266	189,054	143,550	3,002	2.2
2001	18,095	3,460,875,038	191,261	149,611	6,500	4.1
2002	18,414	3,599,936,185	195,500	153,545	8,163	5.3
2003	19,469	3,796,405,051	194,997	153,836	9,669	5.5
2004	22,193	4,370,233,331	196,919	153,198	9,723	4.4
2005	26,448	5,523,790,409	208,855	160,701	8,297	3.2
2006	29,767	6,815,921,279	228,976	171,272	8,028	2.9
2007	27,571	6,783,518,944	246,038	183,292	9,163	4.0
2008	22,068	5,369,952,456	243,337	187,319	10,911	5.1
2009	20,407	4,830,082,305	236,688	185,150	10,131	5.1
2010	19,547	4,819,525,215	246,561	189,356	10,906	5.3
2011	20,999	5,253,263,259	250,167	189,500	9,071	3.9
2012	25,209	6,708,104,645	266,100	202,600	7,023	2.4
2013	29,971	8,604,272,279	287,087	220,000	5,444	1.8
2014	30,164	9,271,273,325	307,362	240,000	5,654	2.0
2015	31,435	10,424,230,639	331,612	260,000	5,935	1.9
2016	32,711	11,373,437,756	347,695	280,000	6,395	2.0
2017	33,943	12,447,946,141	366,731	295,000	7,266	2.1

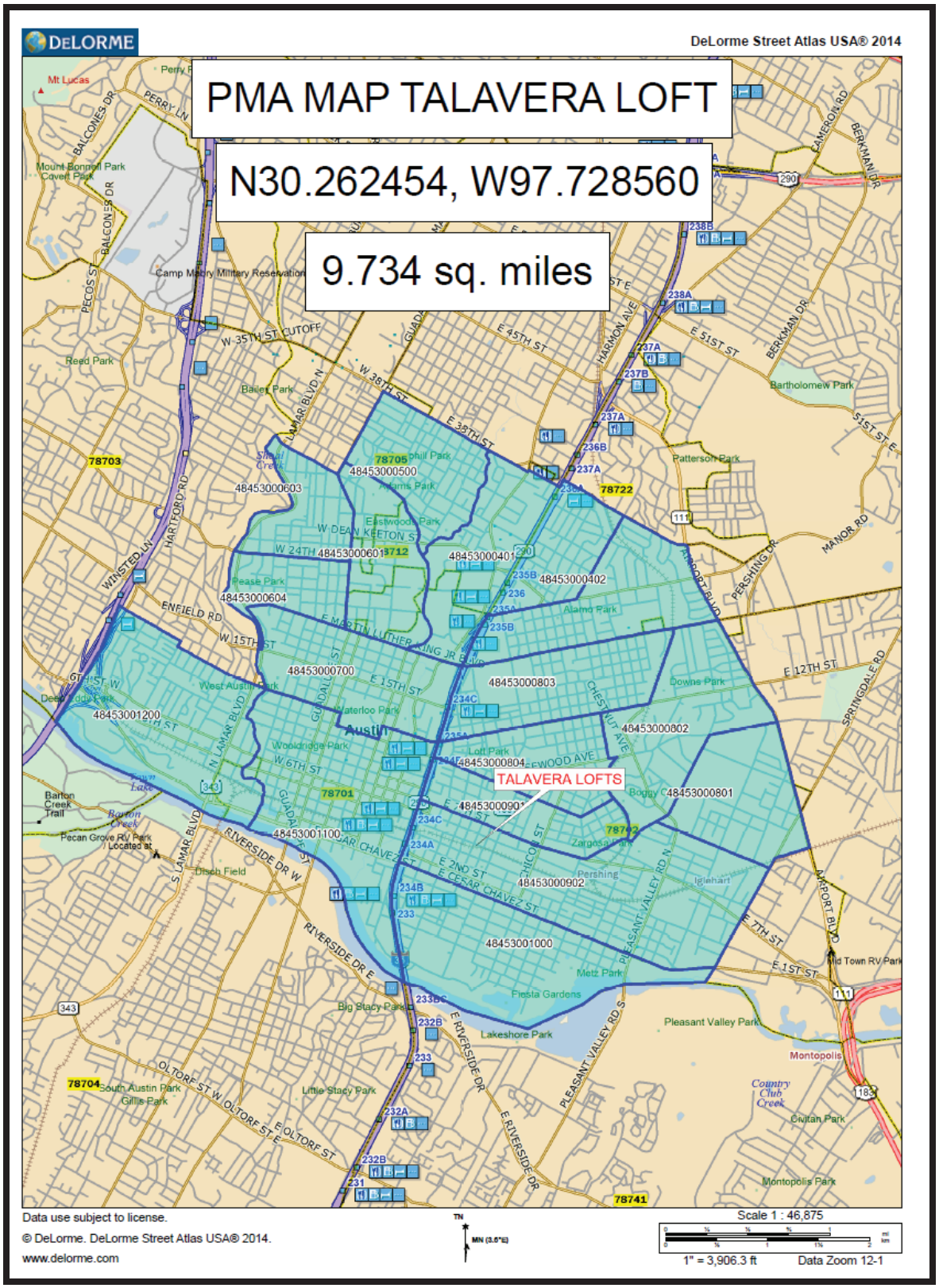
Summary and Conclusion

In conclusion, the Metro has continued to experience positive net job and population growth albeit the falling of oil prices and lagging national recovery from the Great Recession. Low oil prices and a strong U.S. dollar cooled the Texas economy's growth in 2015, and likely will continue to do so, according to most forecasts. In the midst of that, though, Austin keeps chugging along, with only a little slowing at the edges of this fast-growing region. Given the pace of its ongoing expansion and the size it has attained, the metro economy probably will moderate no matter the effect of oil prices, said Brian Kelsey, principal of Civic Analytics, an Austin-based economic consulting firm.

The long-term outlook for the Austin metropolitan area is positive with some experts forecasting that the local residential real estate market could be undersupplied in the next three years based on record low home starts. The sustained low energy prices that forced layoffs across many parts of the state in 2015 could weigh on Austin's growth, especially if tax collections suffer and state government payrolls are pared. However, most experts predict the Austin MSA will continue to significantly outpace the state and national economy in the long run.

PRIMARY MARKET AREA DEFINED

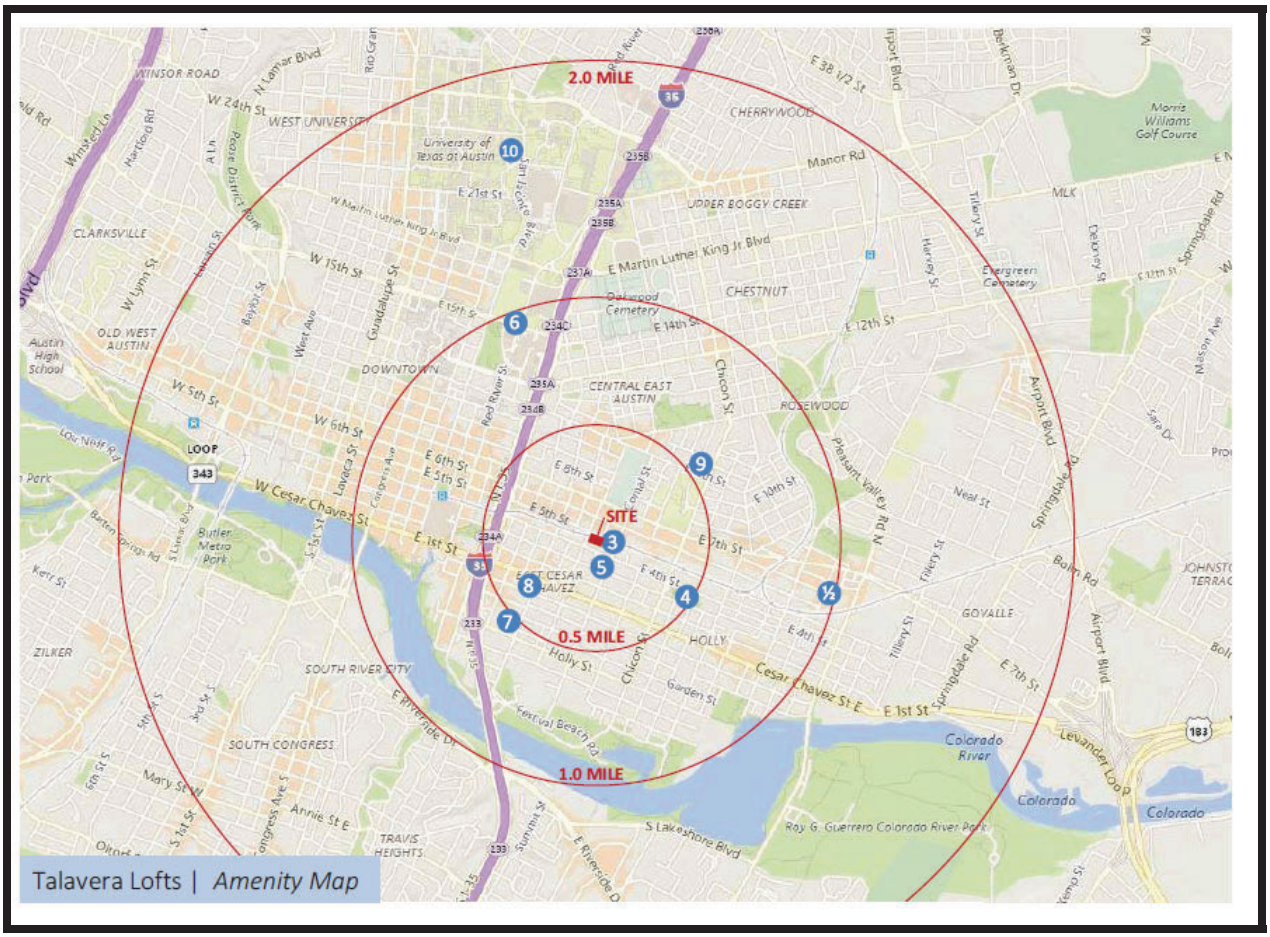
PRIMARY MARKET AREA MAP



Geographies Selected:

	Geocode/ ID	State	County	MCD
1	48453000401	Texas	Travis County	Austin CCD
2	48453000402	Texas	Travis County	Austin CCD
3	48453000500	Texas	Travis County	Austin CCD
4	48453000601	Texas	Travis County	Austin CCD
5	48453000603	Texas	Travis County	Austin CCD
6	48453000604	Texas	Travis County	Austin CCD
7	48453000700	Texas	Travis County	Austin CCD
8	48453000801	Texas	Travis County	Austin CCD
9	48453000802	Texas	Travis County	Austin CCD
10	48453000803	Texas	Travis County	Austin CCD
11	48453000804	Texas	Travis County	Austin CCD
12	48453000901	Texas	Travis County	Austin CCD
13	48453000902	Texas	Travis County	Austin CCD
14	48453001000	Texas	Travis County	Austin CCD
15	48453001100	Texas	Travis County	Austin CCD
16	48453001200	Texas	Travis County	Austin CCD

AMENITIES PROXIMITY MAP



Opportunity Index Score - Talavera Lofts

No.	Amenity	Amenity Name	Address	Proximity	Point Value
1	Full Service Grocery	HEB	2701 E 7th St, Austin, TX 78702	5,179.75 ft	1
2	Pharmacy	HEB Pharmacy	2701 E 7th St, Austin, TX 78702	5,179.75 ft	1
3	Public Transportation	Plaza Saltillo Station	Southwest corner of 5TH and Comal Street	adjacent	1
4	Indoor Recreation	Pan AM Rec Center	2100 E 3rd St, Austin, TX 78702	2,932.57 ft	1
5	Outdoor Recreation	Comal Pocket Park	300 Comal St, Austin, TX 78702	656.56 ft	1
6	Health Related Facility	Dell Seton Medical Center	1500 Red River Street, Austin, TX 78701	1 mile	1
7	Childcare	Sanchez EL Extend A Care	73 San Marcos St, Austin, TX 78702	2,472.14 ft	1
8	Public Library	Terrazas Branch, Austin Public Library	1105 E Cesar Chavez St, Austin, TX 78702	1,751.39 ft	1
9	Community Service Org	Mt Olive Baptist Church	1800 E 11th St, Austin, TX 78702	2,834.95 ft	1
10	University	University of Texas at Austin	110 Inner Campus Drive, Austin, TX 78705	1.3 mi	1
				Total	10

Subject Primary Market Area

For the purposes of this report, the subject's primary market area is generally defined as that area contained within census tracts 48453000401, 48453000402, 48453000500, 48453000601, 48453000603, 48453000604, 48453000700, 48453000801, 48453000802, 48453000803, 48453000804, 48453000901, 48453000902, 48453001000, 48453001100, and 48453001200. The area is bound by East 38 1/2 Street, East 38th Street, Guadalupe Street, and 29th Street to the north; Shoal Creek, 12th Street, and MOPAC to the west; Town Lake to the south; and Springdale Road, the railroad tracks, and Airport Boulevard to the east, and is within all or part of zip codes 78701, 78702, 78703, 78705, 78712, and 78722. The PMA is irregular in shape and generally follows natural land features such as watercourses and county boundaries, in addition to major Highways and roads. The census tracts that make up the PMA were chosen for a variety of reason including amenities, economic centers, and renter percentages, and median incomes. Through the use of several Census tables, Google Earth, and driving the neighborhood, I attempted to select census tracts with the optimum level of income qualified renters and amenities. The development site is ideal for the PMA and to draw demand because of its accessibility to all areas of the PMA. Since the development will be the most recently constructed multifamily project and one of only a few newer developments, it is expected to help draw tenants from all areas of the PMA.

Due to an adequate network of highways and primary thoroughfares, the subject property is readily accessible from the populated areas within the primary market area.

Based on the Census Bureau Business Statistics Report, the subject zip code 78702 has 12,739 paid employees and an average annual payroll of $38,721. Business statistics from the Census Bureau are detailed in the table below.

CB1600CZ11: ZIP Code Business Statistics: Total for Zip Code: 2016

Geographic area name	Number of establishments	Paid employees for pay period	First-quarter payroll ($1,000)	Annual payroll ($1,000)	Average Payroll
ZIP 78701 (Austin, TX)	3,044	57,566	$1,189,858	$4,697,415	$81,601
ZIP 78702 (Austin, TX)	1,032	12,739	$112,968	$493,266	$38,721
ZIP 78703 (Austin, TX)	1,047	14,868	$171,178	$773,895	$52,051
ZIP 78705 (Austin, TX)	957	16,363	$211,164	$918,568	$56,137
ZIP 78712 (Austin, TX)	28	662	$4,723	$19,803	$29,914
ZIP 78722 (Austin, TX)	222	3,301	$23,175	$96,049	$29,097
Total					$47,920

PHYSICAL LOCATION ANALYSIS

Location
The subject property is located at the southwest corner of East 5th Street and Onion Street, with additional frontage on Navasota Street and the alley, in Austin, Travis County, Texas 78702. The subject is located in the central portion of the primary market area.

Site Description
The subject site is two irregularly-shaped, non-contiguous tracts of land containing a total of ±0.8174 acres (±35,606 square feet), which are separated by Navasota Street. The tracts appear to be relatively flat in topography.

Surrounding Land Uses
Land uses adjacent to the subject site include the light rail track, vacant land, and older commercial development to the north; vacant land and older commercial development to the east and west; and single-family residential development and effectively vacant land to the south.

Zoning
The subject is located in Travis County (Counties in Texas do not have zoning power except for limited instances around some reservoirs, military establishments, historic sites and airports, and in large counties over "communication facility structures") and the City of Austin, which utilizes zoning to regulate development. Property usage may also be governed by deed restrictions specific to a property. The subject site is reportedly zoned TOD-NP, which allows for the proposed project development. The appraisers were not provided a copy of any deed restrictions, and my conclusions are subject to revision should any adverse deed restrictions be present that are detrimental to the subject site.

Floodplain
Based on InterFlood map number 48453C0595J dated January 6, 2016, the subject site appears to be located within unshaded Zone X, an area determined to be outside the 100 and outside the 500-year flood plains. This determination is made by graphic plotting only, and is not guaranteed. The client is advised to obtain the services of a surveyor to determine the exact flood plain status.

Utilities/Public Services
All public utilities are available to the subject site. Water and sewer services are available from the City of Austin. I have assumed that sufficient utilities are available to the site to develop the site to its highest and best use. I have not independently verified these facts. Electricity is provided mainly by Austin Energy, natural gas is provided by or through Texas Gas Service, and local telephone service is provided by or through the AT&T.

Nuisances
There do not appear to be any nuisances adjacent to the subject property. No adverse easements or encroachments were noted, either on the subject or nearby properties. The subject is adjacent to light rail tracks; however, it is reportedly a quiet zone.

Accessibility
The subject's site is accessible from the Austin Central Business District by proceeding east on East 5th Street approximately ½ mile, then south on Onion Street to the subject site on the left

Streets
At the subject site, East 5th Street, Navasota Street, and Onion Street are two-lane, two-way, asphalt-paved roads with curb and gutter drainage for storm water transmission.

Topography
Based on my observation, the site appears to be relatively level, and at street grade.

Easements/Encroachments
Based on my site visit and review of available maps, no easements or encroachments were noted which would be *detrimental* to development of the subject property.

Soil and Sub-Soil Conditions
No soil engineer's report was available to us and no recent soil tests are known to have been performed. Based on my observation of surrounding development in the immediate area and lack of further evidence to the contrary, I have assumed a stable soil condition that would ensure the structural integrity of any improvement which may be constructed. My value conclusions could change should these assumptions prove incorrect. I caution and advise the user of this report to obtain engineering studies which may be required to ascertain any structural integrity.

Environmental Conditions
No environmental report was available to us and no recent environmental tests were performed. Because I have no evidence to the contrary, I have assumed that the property is free of any material which would adversely affect the value, including, but not limited to, asbestos and toxic waste. My conclusions are subject to revision should these assumptions prove incorrect. I caution and advise the user of this report to obtain environmental studies which may be required to ascertain status of the property with regard to asbestos and other hazardous materials.

NEIGHBORHOOD TRENDS

The subject's neighborhood is bound by East 38 1/2 Street, East 38th Street, Guadalupe Street, and 29th Street to the north; Shoal Creek, 12th Street, and MOPAC to the west; Town Lake to the south; and Springdale Road, the railroad tracks, and Airport Boulevard to the east. The area is generally contained in all or a portion of zip codes 78701, 78702, 78703, 78705, 78712, and 78722. 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.

PMA Major Thoroughfares
North/South Arteries: Interstate Highway 35, Lamar Boulevard, and Airport Boulevard
East/West Arteries: Martin Luther King Jr. Boulevard, 38th Street, and Cesar Chavez Street

Land Use Patterns
The neighborhood is a viable, heterogeneous area in the east central portion of the Austin MSA. Land uses in the neighborhood consist of a variety of commercial and residential land uses, including, but not limited to, single-family residential subdivisions, multifamily, retail, and service developments. Commercial developments are found primarily along the major thoroughfares. Residential development is located in various middle to upper-income subdivisions throughout the neighborhood, with commercial development located along the aforementioned thoroughfares. The majority of housing in the area was constructed in the 1990's and 2000's (with 1999 being the median year built). A significant amount of both new residential and commercial construction has taken place in the subject neighborhood over the past few years. The general consensus among real estate professionals is that growth is expected to be steady into the near future.

Schools
The subject site is located in the Austin Independent School District. The subject site is zoned to Sanchez Elementary, Martin Middle, and Austin High Schools.

Shopping Centers
The nearest retail is located along Interstate Highway 35.

Recreational Centers
The site is located within close proximity to Town Lake, as well as Little Stacy Park, Butler District Park, and Zilker Metropolitan Park.

Libraries
The Terrazas Branch of the Austin Public Library is located within close proximity to the subject site at 1105 East Caesar Chavez Street.

Public Services
Police protection for the subject area is provided through City of Austin Police Department and the Travis County Sheriff's Department. Fire protection services for the subject area are provided by the Emergency Service Districts. The Sheriff's Office, the Fire Department and

EMS are connected to the Emergency Enhanced 911 System and can respond to an emergency within minutes.

Religious Facilities
There are numerous Baptist, Methodist, Catholic and other denominational churches within three miles of the subject.

Utilities and Services
Electricity is provided by mainly by Austin Energy, natural gas is provided by or through Texas Gas Service, and local telephone service is provided by or through the AT&T.

AREA DEVELOPMENT AND GROWTH TRENDS

The real estate market in the Greater Austin area experienced a rise in foreclosures and falling property values predominately in the residential market when the recession hit the area. The economy appears to have bounced back and is stable.

It appears that commercial properties, including single and multi-tenant facilities, are experiencing stable demand. Although in most instances, rental rates and occupancy levels have increased over the past decade, near future projections are for modest increases.

Demographic Profile

The primary market area had an estimated 2019 population of 77,897. The following table displays historical and projected population growth based on Environics Analytics data (which is based on census data).

Population	2000	2010	2019	2024
Primary Market Area	57,575	65,266	77,897	83,501
Overall Growth	-	13.36%	19.35%	7.19%
Annual Growth		1.34%	2.15%	1.44%

1

The primary market area's population (segmented by age) is depicted in the following table. The market area has a relatively balanced population in terms of age distribution.

Market Area Population By Age (2019)	
Age Group	**Primary (%)**
Under Age 5	3.05%
Age 5-14	6.21%
Age 15-24	36.62%
Age 25-34	19.06%
Age 35-44	13.09%
Age 45-54	8.58%
Age 55-64	6.23%
Age 65-74	4.46%
Age 75-84	1.91%
Age 85 +	0.81%
Total (may not add to 100% due to rounding)	**100.02%**
Median Age of Total Population	26.48

2

Households

Environics Analytics estimates 32,248 households in the primary market area for 2019, and a projected 35,220 households for the year 2024.

1 Environics Analytics Pop-Facts: Demographic Snapshot Report for Primary Market Area; Page 1: www.EA Spotlight.com

2 Environics Analytics Pop-Facts: Demographic Snapshot Report for custom market area (PMA); Page 2: www.EA Spotlight.com

Tenure (Number of Persons By Household)
Data on the number of persons per household in the primary market area is presented in the following table.

Market Area # of Persons Per Household (2019)	
No. of Persons	**Primary (%)**
With 1 Person	45.48%
With 2 Persons	31.88%
With 3 Persons	11.13%
With 4 Persons	6.67%
With 5 Persons	2.42%
With 6 Persons	1.45%
With 7+ Persons	0.98%
Total (may not add to 100% due to rounding)	**100.01%**
Average Household Size	1.98

3

Tenure (Owner-Occupied vs. Rental Units)
In 2019, the primary market area had ±9,552 (29.62%) owner-occupied housing units and ±22,696 (70.38%) renter occupied units, according to Environics Analytics estimates.

Market Area Income Per Household
The primary market area had an estimated 2019 *average* household income of $100,160 with a *median* household income of $56,260. The following table delineates income per household in the subject's market areas.

Market Area Income/Household (2019)	
	Primary (%)
Under $15,000	22.37%
$15,000 - $24,999	8.39%
$25,000 - $34,999	6.78%
$35,000 - $49,999	9.02%
$50,000 - $74,999	12.60%
$75,000 - $99,999	9.59%
$100,000 - $149,999	12.45%
$150,000 +	18.80%
Total (may not add to 100% due to rounding)	**100.00%**
2019 Average Household Income	$100,160
2019 Median Household Income	$56,260

4

3 Environics Analytics Pop-Facts: Demographic Snapshot Report for custom market area (PMA); Page 6: www.EA Spotlight.com

4 Environics Analytics Pop-Facts: Demographic Snapshot Report for custom market area (PMA); Page 6: www.EA Spotlight.com

As illustrated in the preceding chart, ±46.56% of the households living in the primary market area earn less than $50,000 per year, with ±37.54% earning less than $35,000 per year, and ±30.76% earning less than $25,000 per year. Approximately 22.37% of the primary market area households earn less than $15,000 per year.

ECONOMIC VIABILITY

Market Area Employment

The 2019 workforce by occupation data, as estimated by Environics Analytics, is presented in the table below.

Market Area Workforce by Occupation (2019)	
Occupation	**Primary (%)**
Architecture/Engineering	1.60%
Arts/Design/Entertainment/Sports/Media	6.62%
Building/Grounds Cleaning/Maintenance	2.42%
Business/Financial Operations	8.08%
Community/Social Services	1.83%
Computer/Mathematical	5.47%
Construction/Extraction	2.17%
Education/Training/Library	8.97%
Farming/Fishing/Forestry	0.11%
Food Preparation/Serving Related	8.34%
Healthcare Practitioner/Technician	2.78%
Healthcare Support	1.13%
Installation/Maintenance/Repair	0.98%
Legal	1.82%
Life/Physical/Social Science	1.53%
Management	15.73%
Office/Administrative Support	8.84%
Production	1.68%
Protective Services	0.69%
Sales/Related	11.50%
Personal Care/Service	4.91%
Transportation/Material Moving	2.81%
Total (may not add to 100% due to rounding)	**100.01%**
Civilian Workforce	39,245

5

Given the characteristics of the subject's neighborhood (including its employment base, occupational distribution, as well as development composition, adequate recreational, educational, and cultural facilities, and access to major transportation routes), the outlook for the area is generally stable.

5 Environics Analytics Pop-Facts: Demographic Snapshot Report for custom market area (PMA); Page 9: www.EA Spotlight.com

COMPARABLE PROPERTY ANALYSIS

Multifamily Development Trends

The following pages detail apartment trends within the PMA (zip codes 78701, 78702, 78703, 78705, 78712, and 78722). The data referenced was prepared by *EnrichedData.com* via ongoing surveys involving each property included in the data set. The data is "live" data, which is updated as information is received for these properties; therefore, the data is current as of the date of my report preparation.

The following chart indicates development in the subject's primary market area over the past several years.

	Projects						Units					
Year	ClassA	ClassB	ClassC	ClassD	ClassU	Total	ClassA	ClassB	ClassC	ClassD	ClassU	Total
Pre-1990s	0	8	10	2	3	23	0	601	746	86	472	1,905
1994	1	0	0	0	0	1	82	0	0	0	0	82
1996	1	0	0	0	0	1	256	0	0	0	0	256
1997	1	0	0	0	0	1	273	0	0	0	0	273
2001	1	0	0	0	0	1	239	0	0	0	0	239
2003	1	0	0	0	2	3	140	0	0	0	202	342
2004	1	1	0	0	0	2	220	55	0	0	0	275
2006	0	1	0	0	4	5	0	160	0	0	328	488
2007	3	0	0	0	1	4	281	0	0	0	75	356
2008	9	0	0	0	3	12	1,411	0	0	0	534	1,945
2009	4	0	0	0	1	5	715	0	0	0	158	873
2010	2	0	0	0	0	2	462	0	0	0	0	462
2011	0	1	0	0	0	1	0	150	0	0	0	150
2012	0	0	0	0	2	2	0	0	0	0	305	305
2013	1	0	0	0	3	4	266	0	0	0	430	696
2014	4	0	0	0	0	4	1,097	0	0	0	0	1,097
2015	3	0	0	0	0	3	865	0	0	0	0	865
2016	1	0	0	0	0	1	326	0	0	0	0	326

As indicated, there are no proposed or under construction market rate complexes in the primary market area as reported by EnrichedData.com with similar rental rates.

The Residences at Saltillo is a midrise mixed-use development which is currently under construction which will include a Whole Foods Market 365, as well as a reported 659 units of apartments. The apartments will be studios, 1BR and 2BR units. The anticipated rental rates are significantly higher than those for the subject.

According to the most recent *EnrichedData.com*, there were 58 operating apartment projects in this market area (zip codes 78701, 78702, 78703, 78705, 78712, and 78722) containing a total of 8,966 units. The overall occupancy rate for all operating apartment projects in this market area was 90.46%. The average rental rate for these properties was $1.99 per square foot. The following table depicts an overview of the most recent data in the primary market area.

Apartment Market Statistical Overview - Summary

Primary Market Area, March 2019

PMA-All Apartments

Property / Unit Information

	A	B	C	D	Overall
Total # Projects	35	11	10	2	58
Total # Units	7,168	966	746	86	8,966
Total # Units 0BR	3.40%	0.80%	2.10%	N/A	6.30%
Total # Units 1BR	37.90%	6.50%	6.40%	0.90%	51.70%
Total # Units 2BR	24.10%	6.10%	3.60%	0.50%	34.40%
Total # Units 3BR	1.70%	2.30%	0.30%	N/A	4.30%
Total # Units 4BR	1.90%	0.00%	N/A	N/A	1.90%
Avg Units per Project	205	88	75	43	155
Avg SF	981.79	789.39	631.77	650.3	902.63
Total # Units Under Construction	208	N/A	N/A	N/A	208
Total # Units Proposed	N/A	N/A	N/A	N/A	N/A

Occupancy

	A	B	C	D	Overall
Avg Physical Occupancy	89.66%	93.19%	93.85%	91.00%	90.46%
Avg Pre-Leased Occupancy	90.30%	85.11%	83.21%	91.00%	89.07%

Rental Rates

	A	B	C	D	Overall
Avg Market Rent/SF	$2.16	$1.50	$1.68	$1.84	$1.99
Avg Market Rent/SF 0BR	$3.07	$2.74	$2.12	N/A	$2.71
Avg Market Rent/SF 1BR	$2.34	$1.51	$1.65	$1.93	$2.15
Avg Market Rent/SF 2BR	$1.98	$1.55	$1.51	$1.67	$1.85
Avg Market Rent/SF 3BR	$1.41	$1.19	$1.33	N/A	$1.29
Avg Market Rent/SF 4BR	$0.60	N/A	N/A	N/A	$0.60
Avg Market Rent/Unit	$2,054.09	$1,153.03	$1,025.89	$1,173.65	$1,768.89
Avg Market Rent/Unit 0BR	$1,599.84	$1,129.17	$833.00	N/A	$1,285.29
Avg Market Rent/Unit 1BR	$1,869.37	$990.26	$962.65	$1,077.57	$1,632.62
Avg Market Rent/Unit 2BR	$2,492.12	$1,384.15	$1,227.61	$1,353.00	$2,144.43
Avg Market Rent/Unit 3BR	$2,986.46	$1,242.43	$1,322.00	N/A	$1,959.92
Avg Market Rent/Unit 4BR	$927.35	N/A	N/A	N/A	$927.35

Absorption (In Units)

	A	B	C	D	Overall
Current Month-to-Date	0	0	0	0	N/A
Current Quarter-to-Date	0	0	0	0	N/A
Year-to-Date	0	0	0	0	N/A

Absorption

Absorption is defined as the "change in the number of occupied units within a given time frame" and can be used as a proxy for market demand. Thus, positive absorption indicates strong demand, while negative absorption implies decline in demand. The table below illustrates the most current quarterly *EnrichedData.com* absorption data for the subject's primary market area.

Survey Period (PMA)	A	B	C	D	Overall
1Q 2013	27	-8	-1	0	18
2Q 2013	-13	2	-7	0	-19
3Q 2013	74	-10	6	0	69
4Q 2013	99	5	-2	0	101
1Q 2014	25	1	3	0	30
2Q 2014	84	0	-9	0	75
3Q 2014	380	-14	-18	0	349
4Q 2014	180	17	-4	0	193
1Q 2015	110	-13	3	0	99
2Q 2015	157	6	-7	0	156
3Q 2015	260	16	27	0	303
4Q 2015	22	-2	3	0	22
1Q 2016	21	0	-4	0	17
2Q 2016	0	0	0	0	0
3Q 2016	18	0	0	13	31
4Q 2016	-23	0	-1	0	-24
1Q 2017	0	0	0	0	0
2Q 2017	0	0	0	0	0
3Q 2017	9	-14	-7	0	-11
4Q 2017	-27	-14	3	-2	-40
1Q 2018	38	1	1	-1	38
2Q 2018	9	-1	0	0	8
3Q 2018	14	-1	3	0	17
4Q 2018	19	0	0	0	19
1Q 2019	-11	0	0	0	-11

I was able to locate only one Family HTC development which has been completed and stabilized within the past 24 months within or near the subject PMA, Capital Studios, which is a 135-unit SRO Supportive Housing project which was completed in November 2014 and attained stabilized occupancy in January 2015, which equates to an average absorption of approximately 34 units per month. Eleven is a 257-unit conventional project within the subject PMA which is was reportedly completed in July 2014, and attained stabilized occupancy in October 2014, which equates to an average absorption of approximately 58 units per month. Elan East is a 251-unit conventional complex located within the subject PMA which was completed in April 2015 and attained stabilized occupancy within 1 month of completion. Corazon is a 256-unit conventional complex located within the subject PMA which was completed in June 2015 and reportedly attained stabilized occupancy in September 2016, which equates to an average absorption of approximately 18 units per month. Waters @ Willow Run is a 242-unit (all restricted) Family 4% project which began leasing in August 2016, construction was completed in October 2017, and the property was stabilized in March 2017, which equates to an average absorption of approximately 44 units per month from completion. Point at Ben White is 250-unit (all units rent-restricted) Family 4% HTC/PAB property (located south of the subject PMA)

which reportedly began leasing in November 2014 and reached stabilized occupancy within 4 months, which equates to an average absorption of approximately 62 units per month.

Occupancy

The average occupancy for apartments in the subject's primary market area was reported at 90.46% in the most recent *EnrichedData.com* apartment market data program for the subject's primary market area and 95.59% in the latest quarterly report shown below. The table below illustrates the most current quarterly *EnrichedData.com* occupancy percentages for the subject's primary market area.

Survey Period (PMA)	A	B	C	D	Overall
1Q 2013	95.66%	99.16%	97.79%	75.00%	96.44%
2Q 2013	86.36%	99.03%	98.06%	75.00%	90.60%
3Q 2013	88.48%	98.26%	97.43%	75.00%	91.66%
4Q 2013	92.88%	98.16%	98.33%	75.00%	94.52%
1Q 2014	73.57%	98.31%	98.24%	75.00%	81.22%
2Q 2014	71.43%	98.34%	96.37%	75.00%	78.86%
3Q 2014	78.36%	96.95%	94.87%	75.00%	83.10%
4Q 2014	75.54%	97.92%	94.82%	75.00%	80.76%
1Q 2015	77.83%	97.55%	92.99%	75.00%	82.21%
2Q 2015	81.72%	97.85%	92.57%	75.00%	85.09%
3Q 2015	88.01%	98.94%	96.55%	75.00%	90.33%
4Q 2015	89.93%	99.70%	97.83%	75.00%	92.00%
1Q 2016	90.21%	99.59%	97.33%	75.00%	92.13%
2Q 2016	90.36%	99.59%	97.21%	75.00%	92.23%
3Q 2016	90.58%	99.59%	97.21%	85.50%	92.51%
4Q 2016	90.23%	99.59%	97.07%	96.00%	92.35%
1Q 2017	92.70%	99.59%	96.71%	96.00%	94.14%
2Q 2017	94.50%	99.21%	97.34%	95.94%	95.48%
3Q 2017	92.24%	98.35%	96.42%	95.94%	93.60%
4Q 2017	94.37%	92.21%	96.64%	93.85%	94.29%
1Q 2018	94.91%	95.70%	96.71%	91.00%	95.17%
2Q 2018	95.22%	95.65%	96.86%	91.00%	95.41%
3Q 2018	95.32%	95.56%	97.25%	91.00%	95.51%
4Q 2018	96.03%	95.57%	97.45%	91.00%	96.06%
1Q 2019	95.37%	94.91%	97.90%	97.36%	95.59%

Typically, new HTC projects in the Greater Austin area have achieved stabilized occupancy at a rapid pace, most likely due to the projects being newer and superior compared to older multifamily projects. Pre-leasing should begin prior to completion of the construction. MStation and Villas on 6th are newer Family HTC properties in the subject PMA. MStation contains 150 units of which 135 are rent restricted. MStation reported a current occupancy of 99%. Villas on 6th is a 160-unit Family HTC with 136 units rent restricted. Villas on 6th reported 100% occupancy.

Rental Rates

The average rental rate for apartments in the subject's primary market area is reported in the most recent *EnrichedData.com* survey for the subject's primary market area at $2.12 PSF in the latest quarterly report. Class B rents are at $1.59 PSF. The table below illustrates the most current quarterly *EnrichedData.com* apartment market data program rental rates for the subject's primary market area.

Survey Period (PMA)	A	B	C	D	Overall
1Q 2013	$1.66	$1.37	$1.31	$0.83	$1.52
2Q 2013	$1.68	$1.37	$1.37	$0.83	$1.54
3Q 2013	$1.67	$1.39	$1.41	$0.83	$1.55
4Q 2013	$1.72	$1.42	$1.43	$0.83	$1.59
1Q 2014	$1.73	$1.45	$1.45	$0.83	$1.60
2Q 2014	$1.78	$1.45	$1.45	$0.83	$1.64
3Q 2014	$1.87	$1.45	$1.45	$0.83	$1.71
4Q 2014	$2.30	$1.45	$1.45	$0.83	$1.99
1Q 2015	$2.29	$1.45	$1.54	$0.83	$1.99
2Q 2015	$2.28	$1.45	$1.53	$0.83	$1.99
3Q 2015	$2.28	$1.45	$1.54	$0.83	$1.99
4Q 2015	$2.28	$1.45	$1.55	$0.83	$1.99
1Q 2016	$2.28	$1.46	$1.55	$0.83	$1.99
2Q 2016	$2.28	$1.46	$1.55	$0.83	$1.99
3Q 2016	$2.28	$1.42	$1.55	$1.30	$1.99
4Q 2016	$2.27	$1.38	$1.55	$1.78	$1.98
1Q 2017	$2.33	$1.38	$1.55	$1.78	$2.02
2Q 2017	$2.36	$1.50	$1.55	$1.78	$2.07
3Q 2017	$2.39	$1.48	$1.57	$1.78	$2.09
4Q 2017	$2.38	$1.52	$1.63	$1.78	$2.10
1Q 2018	$2.38	$1.59	$1.68	$1.76	$2.12
2Q 2018	$2.38	$1.59	$1.68	$1.76	$2.12
3Q 2018	$2.38	$1.59	$1.68	$1.76	$2.12
4Q 2018	$2.38	$1.59	$1.68	$1.76	$2.12
1Q 2019	$2.38	$1.59	$1.68	$1.76	$2.12

The Residences at Saltillo is a midrise mixed-use development which will include a Whole Foods Market 365, as well as a reported 659 units of apartments. The apartments will be studios, 1BR and 2BR units. The anticipated rental rates are significantly higher than those for the subject.

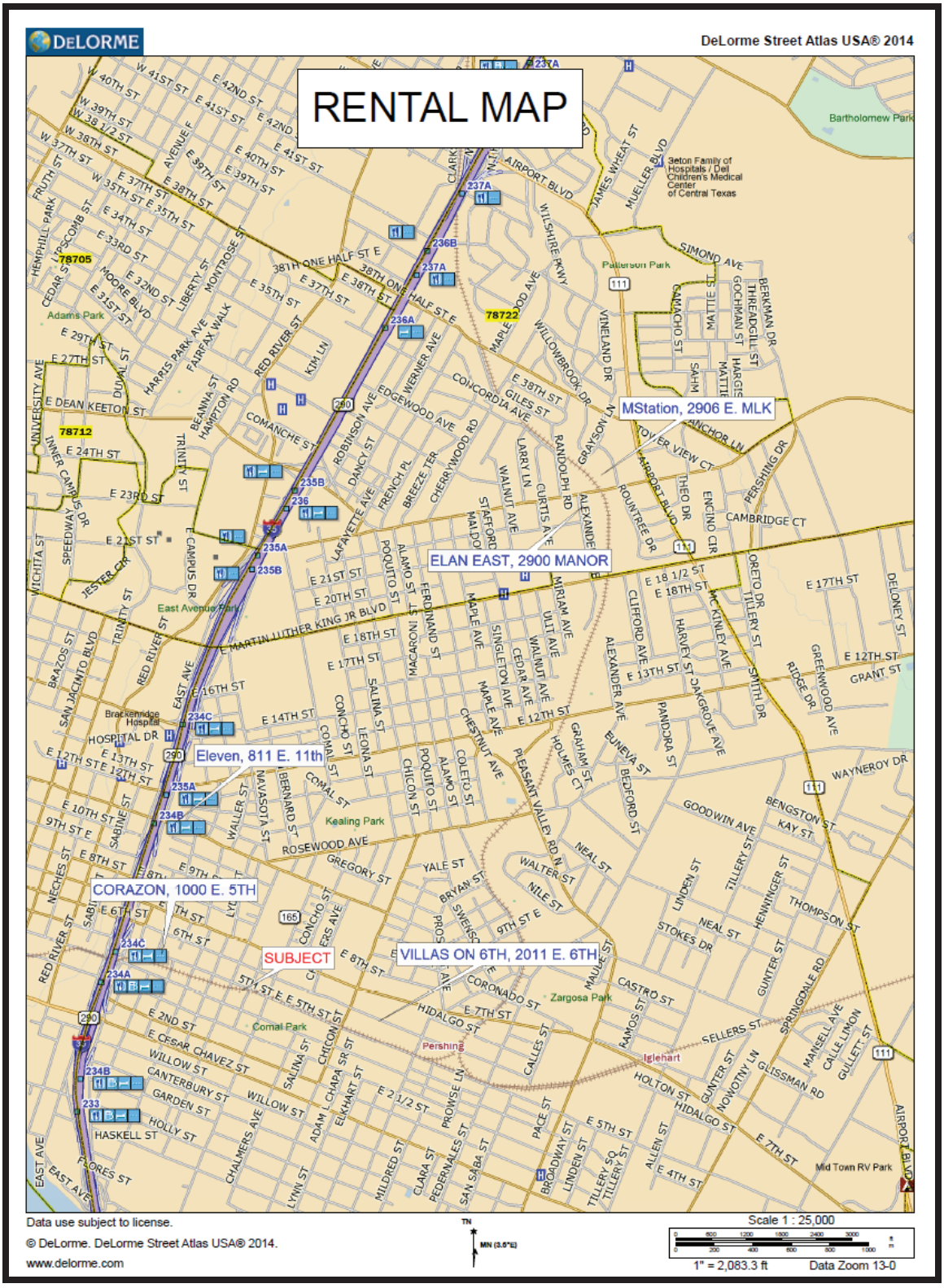
Profile of the Area Tenant
The profile of the area tenant is generally divided into three groups, who will tend to migrate to three apartment project types: Class B projects, older Class C projects, and projects with a significant number of Section 8 renters. The Class B projects are generally occupied by lower level professionals who work in major area businesses, such as the oil and gas industry. The older Class C projects are generally occupied by blue-collar workers, or those with lower to lower-middle income level jobs. Occupants of the projects with a large percentage of Section 8 housing may or may not be employed.

Without some sort of government incentive, current construction costs preclude construction of anything but a Class A project (±$1.00 to ±$1.50 + per square foot per month rental rate), and many Class C apartments in poor condition have already been renovated. It appears that the only increase in Class C supply will be the deteriorating Class B projects.

Evaluation of the Existing Low-Income Housing
The primary market area was estimated to have 32,248 households in 2019. The projected number of households in the year 2024 is 35,220. Considering that 70.38% of the population lived in rental housing in the subject's market area in 2019, there is potentially a sufficient demand for the subject property. It should also be noted in markets with lower incomes the rental percentage is artificially suppressed by the limited amount of affordable housing.

According to my research (including contacting the local HUD office), there are 10 existing HUD or HTC projects with 10 units or higher in the subject's primary market area in which the rents are based on income or otherwise restricted: 4 HUD project(s) and 6 HTC project(s). There are also 3 additional HTC properties approved or under construction: Housing First Oak Springs (50-unit Supportive Housing), Pathways at Chalmers Court South (mixed income General with 82 comparably restricted units and 86 total units) and Pathways at Chalmers Court East (mixed-income General complex with 156 total units, 5 of which are comparably restricted).

Comparable Housing Conclusions
The majority of the apartment facilities in the subject's primary market are older, less appealing projects. It is my opinion that rental rates will show flat growth or nominal increases over the next few years. With continued demand and moderate new construction, the supply of available apartment product is stable. This trend is expected to continue, which will likely result in occupancies remaining high in the area. Although rents are slowly increasing, there are limited indications of external obsolescence in the market. With respect to affordable housing projects, due to the overall lack of recently-constructed General Population affordable housing projects in the subject's primary market area, and based on the performance of the current low income housing projects, it appears as though there is pent-up demand in the subject's primary market area. The HTC properties in the Austin MSA I was able to contact all reported high occupancies. There are 5 existing General Population HTC projects within the subject's primary market area with an average occupancy of 99.80%. With average rental rates in all projects at $1.99 PSF, and occupancy rates averaging 90.46% overall, it is reasonable to project that a new affordable housing project with very competitive amenities and an average rent of ±$1.085 per square foot per month, such as the subject property, would perform favorably in this market. The map on the following page shows the rental comparables utilized in my analysis.


DELORME
DeLorme Street Atlas USA® 2014
RENTAL MAP
MStation, 2906 E. MLK
ELAN EAST, 2900 MANOR
Eleven, 811 E. 11th
CORAZON, 1000 E. 5TH
SUBJECT
VILLAS ON 6TH, 2011 E. 6TH
Bartholomew Park
Patterson Park
Adams Park
East Avenue Park
Kealing Park
Comal Park
Zargosa Park
Pershing
Iglehart
Mid Town RV Park
Seton Family of Hospitals / Dell Children's Medical Center of Central Texas
Brackenridge Hospital
78705
78712
78722
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www.delorme.com
Scale 1 : 25,000
1" = 2,083.3 ft
Data Zoom 13-0

RENT COMPARABLES

The subject site is proposed to be improved with a separately-metered 92-unit complex proposed HTC General Population mixed-income apartment development. The proposed property is expected to have good overall market appeal. The primary market area was researched for properties which would be most similar to the subject in all categories. I stayed within the general area of the PMA and utilized Family complexes and two General Population tax credit developments with market units.

The following pages detail rent comparables which best represent the competition for the subject property. These include apartment projects in the primary market area which are as similar as possible to the subject property in terms of unit mix, age, physical condition, and property type.

The comparable rentals utilized are:

Comparable 1	**Corazon**
Comparable 2	**Villas on Sixth**
Comparable 3	**Mstation**
Comparable 4	**Eleven by Windsor**
Comparable 5	**Elan East**

The comparable rentals are more fully described on the following pages.

APARTMENT RENT COMPARABLE ONE

Name:	Corazon
Location:	1000 E. 5th, Austin
Year Built:	2010
Construction:	Elev/6
Date Surveyed:	February 2019
Contact:	Matt 512-476-3278
Total No. of Units:	256
Average Unit Size (SF):	749
Average Month Rent (PSF):	$2.62
Occupancy:	97%

# Units	Type	Size (SF)	Monthly Rent	Rent PSF	Potential Rent	Total SF
34	0 BR / 1 BA	523	$1,549	$2.96	$52,666	17,782
8	0 BR / 1 BA	524	$1,709	$3.26	$13,672	4,192
7	0 BR / 1 BA	551	$1,749	$3.17	$12,243	3,857
20	1 BR / 1 BA	581	$1,719	$2.96	$34,380	11,620
94	1 BR / 1 BA	730	$1,944	$2.66	$182,736	68,620
4	1 BR / 1 BA	765	$2,029	$2.65	$8,116	3,060
4	1 BR / 1 BA	770	$2,019	$2.62	$8,076	3,080
40	1 BR / 1 BA	845	$1,999	$2.37	$79,960	33,800
4	1 BR / 1 BA	879	$2,330	$2.65	$9,320	3,516
1	2 BR / 2 BA	667	$1,779	$2.67	$1,779	667
4	2 BR / 2 BA	986	$2,580	$2.62	$10,320	3,944
14	2 BR / 2 BA	1,012	$2,509	$2.48	$35,126	14,168
6	2 BR / 2 BA	1,015	$1,999	$1.97	$11,994	6,090
10	2 BR / 2 BA	1,053	$2,544	$2.42	$25,440	10,530
3	2 BR / 2 BA	1,143	$2,700	$2.36	$8,100	3,429
3	2 BR / 2 BA	1,146	$2,734	$2.39	$8,202	3,438
256		749	$1,961	$2.62	$502,130	191,793

This market rate project has no subsidies. Amenities include a fitness center, swimming pool, parking garage, and game room. Tenant pays utilities. No current concessions. The complex is well located with good access to the neighborhood's infrastructure and short drive times to the local economic centers.

Unit Amenities		Site Amenities		Utilities	
Balcony/Patio	Y	Washer/Dryer	HU,L	Location	G
Parking ($ Fee)	PG/$0	Carpet/Blinds	Y	Security	Y
AC: Central/Wall	C	Pool/Rec Area	P/R/E	Business Center	Y
Range	Y	Heat (in rent?/type)	N/E	Appeal	G
Refrigerator	Y	Cooking (in rent?/type)	N/E		
Disposal	Y	Other Electric	N		
Microwave	Y	Water/Sewer (in rent?)	N/N		
Dishwasher	Y	Storage	N		

APARTMENT RENT COMPARABLE TWO

Name:	Villas on Sixth
Location:	2011 E. 6th, Austin
Year Built:	2006
Construction:	Gdn/3
Date Surveyed:	February 2019
Contact:	Rebecca 512-314-5483
Total No. of Units:	160
Average Unit Size (SF):	911
Average Month Rent (PSF):	$1.73
Occupancy:	100%

Units	Type	Size (SF)	Monthly Rent	Rent PSF	Potential Rent	Total SF
6	1 BR / 1 BA	756	$1,200	$1.59	$7,200	4,536
12	2 BR / 2 BA	916	$1,543	$1.68	$18,516	10,992
6	3 BR / 2 BA	1,055	$2,033	$1.93	$12,198	6,330
24		911	$1,580	$1.73	$37,914	21,858

This property is a 160-unit Family HTC with 24 market units. Only the market units were used. The complex offers hookups and gated access. Tenant pays utilities. No current concessions. The complex is well located with good access to the neighborhood's infrastructure and short drive times to the local economic centers.

Unit Amenities		Site Amenities		Utilities	
Balcony/Patio	Y	Washer/Dryer	HU,L	Location	G
Parking ($ Fee)	Open/$0	Carpet/Blinds	Y	Security	Y
AC: Central/Wall	C	Pool/Rec Area	P/R/E	Business Center	N
Range	Y	Heat (in rent?/type)	N/E	Appeal	G
Refrigerator	Y	Cooking (in rent?/type)	N/E		
Disposal	Y	Other Electric	N		
Microwave	Y	Water/Sewer (in rent?)	N/N		
Dishwasher	Y	Storage	N		

APARTMENT RENT COMPARABLE THREE

Name:	Mstation
Location:	2906 E. MLK, Austin
Year Built:	2011
Construction:	Gdn/3
Date Surveyed:	February 2019
Contact:	Angie 512-474-6767
Total No. of Units:	150
Average Unit Size (SF):	962
Average Month Rent (PSF):	$1.37
Occupancy:	99%

Units	Type	Size (SF)	Monthly Rent	Rent PSF	Potential Rent	Total SF
5	1 BR / 1 BA	712	$1,095	$1.54	$5,475	3,560
5	2 BR / 2 BA	975	$1,300	$1.33	$6,500	4,875
5	3 BR / 2 BA	1,200	$1,555	$1.30	$7,775	6,000
15		962	$1,317	$1.37	$19,750	14,435

This property is a Family HTC market-rate complex with 150 units, 15 of which are market rate units. Only the market rate units were used in this analysis. The units features washer/dryer connections. The complex features limited access gates, clubhouse, business center, and a outdoor recreational amenities. No current concessions. The complex is well located with good access to the neighborhood's infrastructure and short drive times to the local economic centers.

Unit Amenities		Site Amenities		Utilities	
Balcony/Patio	Y	Washer/Dryer	HU/L	Location	G
Parking ($ Fee)	Open/$0	Carpet/Blinds	Y	Security	Y
AC: Central/Wall	C	Pool/Rec Area	P/R	Business Center	Y
Range	Y	Heat (in rent?/type)	N/E	Appeal	G
Refrigerator	Y	Cooking (in rent?/type)	N/E		
Disposal	Y	Other Electric	N		
Microwave	Y	Water/Sewer (in rent?)	Y/Y		
Dishwasher	Y	Storage	N		

APARTMENT RENT COMPARABLE FOUR

Name:	Eleven by Windsor
Location:	811 E. 11th, Austin
Year Built:	2014
Construction:	Elev/6
Date Surveyed:	February 2019
Contact:	Crystal 512-236-8111
Total No. of Units:	420
Average Unit Size (SF):	930
Average Month Rent (PSF):	$2.25
Occupancy:	84%

Units	Type	Size (SF)	Monthly Rent	Rent PSF
	0 BR / 1 BA	416	$1,449	$3.48
	0 BR / 1 BA	485	$1,529	$3.15
	0 BR / 1 BA	729	$1,674	$2.30
	1 BR / 1 BA	678	$1,800	$2.65
	1 BR / 1 BA	733	$1,900	$2.59
	1 BR / 1 BA	740	$1,860	$2.51
	1 BR / 1 BA	890	$1,839	$2.07
	1 BR / 1 BA	1,002	$2,300	$2.30
	2 BR / 2 BA	1,020	$2,329	$2.28
	2 BR / 2 BA	1,095	$2,395	$2.19
	2 BR / 2 BA	1,286	$2,730	$2.12
	2 BR / 2 BA	1,271	$2,740	$0.84
420		930	$2,036	$2.25

Complex amenities include parking garage, business center, fitness center, media room, secure access, and swimming pool. Tenant pays utilities. No current concessions. The complex is well located with good access to the neighborhood's infrastructure and short drive times to the local economic centers.

Unit Amenities		Site Amenities		Utilities	
Balcony/Patio	Y	Washer/Dryer	W/D	Location	G
Parking ($ Fee)	PG/$0	Carpet/Blinds	Y	Security	Y
AC: Central/Wall	C	Pool/Rec Area	P/R/E	Business Center	Y
Range	Y	Heat (in rent?/type)	N/E	Appeal	G
Refrigerator	Y	Cooking (in rent?/type)	N/E		
Disposal	Y	Other Electric	N		
Microwave	Y	Water/Sewer (in rent?)	N/N		
Dishwasher	Y	Storage	N		

eleven

APARTMENT RENT COMPARABLE FIVE

Name:	Elan East
Location:	2900 Manor Rd., Austin
Year Built:	2015
Construction:	Elev/4
Date Surveyed:	February 2019
Contact:	Lori 512-524-2900
Total No. of Units:	320
Average Unit Size (SF):	1,021
Average Month Rent (PSF):	$1.44
Occupancy:	90%

Units	Type	Size (SF)	Monthly Rent	Rent PSF	Potential Rent	Total SF
64	1BR / 1BA	755	$1,149	$1.52	$73,536	48,320
64	1BR / 1BA	843	$1,324	$1.57	$84,736	53,952
24	1BR / 1BA	907	$1,521	$1.68	$36,504	21,768
16	2BR / 1BA	942	$1,262	$1.34	$20,192	15,072
8	2BR / 1BA	980	$1,296	$1.32	$10,368	7,840
16	2BR / 1BA	980	$1,295	$1.32	$20,720	15,680
16	2BR / 1BA	995	$1,311	$1.32	$20,976	15,920
32	2BR / 2BA	1,160	$1,529	$1.32	$48,928	37,120
32	2BR / 2BA	1,270	$1,812	$1.43	$57,984	40,640
16	2BR / 2BA	1,385	$1,902	$1.37	$30,432	22,160
16	2BR / 2BA	1,390	$1,908	$1.37	$30,528	22,240
8	3BR / 2BA	1,600	$2,270	$1.42	$18,160	12,800
8	3BR / 2BA	1,655	$2,356	$1.42	$18,848	13,240
320		1,021	$1,475	$1.44	$471,912	326,752

This market-rate property is located in East Austin. Complex amenities include parking garage, business center, clubhouse, conference room, fitness center, media room, and swimming pool. Tenant pays utilities. No current concessions. The complex is well located with good access to the neighborhood's infrastructure and short drive times to the local economic centers.

Unit Amenities		Site Amenities		Utilities	
Balcony/Patio	Y	Washer/Dryer	W/D	Location	G
Parking ($ Fee)	PG/$0	Carpet/Blinds	Y	Security	Y
AC: Central/Wall	C	Pool/Rec Area	P/R/E	Business Center	Y
Range	Y	Heat (in rent?/type)	N/E	Appeal	G
Refrigerator	Y	Cooking (in rent?/type)	N/E		
Disposal	Y	Other Electric	N		
Microwave	Y	Water/Sewer (in rent?)	N/N		
Dishwasher	Y	Storage	N		

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	Talavera Lofts	Corazon		Villas on Sixth		Mstation		Eleven by Windsor		Elan East	
0BR 1BA	n/a	1000 E. 5th, Austin		2011 E. 6th, Austin		2906 E. MLK, Austin		811 E. 11th, Austin		2900 Manor Rd., Austin	
Characteristics	Data	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +
3. Effective Date of Rental	Feb-19	Feb-19		Feb-19		Feb-19		Feb-19		Feb-19	
4. Type of Project/Stories	4-Story Elevator	Elev/6		Gdn/3		Gdn/3		Elev/6		Elev/4	
5. Floor of Unit in Building	Varies	Varies		Varies		Varies		Varies		Varies	
6. Project Occupancy %	0%	97%		100%		99%		84%		90%	
7. Concessions	No	No		No		No		No		No	
8. Year Built	2021/Prop	2010	$33	2006	$45	2011	$30	2014	$21	2015	$18
9. SF Area (Net Area)	551	551		756	-$205	712	-$161	485	$66	755	-$204
10. Number of Bedrooms	0	0		1	-$75	1	-$75	0		1	-$75
11. Number of Bath	1	1		1		1		1		1	
12. Number of Rooms	3	3		4		4		4		3	
13. Balc/Terrace/Patio	Y	Y		Y		Y		Y		Y	
14. Garage / Carport / Open	$0	PG/$0	-$50	Open/$0		Open/$0		PG/$0	-$50	PG/$0	-$50
15. Equipment a) A/C	C	C		C		C		C		C	
b) Range/Oven	Y	Y		Y		Y		Y		Y	
c) Refrigerator	Y	Y		Y		Y		Y		Y	
d) Disposal	Y	Y		Y		Y		Y		Y	
e) Microwave	Y	Y		Y		Y		Y		Y	
f) Dishwasher	Y	Y		Y		Y		Y		Y	
g) Washer/Dryer	HU/L	HU,L		HU,L		HU/L		W/D	-$35	W/D	-$35
h) Carpet/Blinds	Y	Y		Y		Y		Y		Y	
i) Pool/Rec Area	R/E	P/R/E	-$10	P/R/E	-$10	P/R		P/R/E	-$10	P/R/E	-$10
16. Services a) Heat/Type	N/E	N/E		N/E		N/E		N/E		N/E	
b) Cook/Type	N/E	N/E		N/E		N/E		N/E		N/E	
c) Electricity	N	N		N		N		N		N	
d) Water/Sewer/Trash	Y/Y	N/N	$50	N/N	$50	Y/Y	$50	N/N	$50	N/N	$50
17. Storage	N	N		N		N		N		N	
18. Project Location	G	G		G		G		G		G	
19. Other: a) Security	Y	Y		Y		Y		Y		Y	
Other: b) Business Center	Y	Y		N		Y		Y		Y	
Other: c) Appeal	G	G		G		G		G		G	
20. Unit Rent per Month		$1,749		$1,200		$1,095		$1,529		$1,149	
21. Total Adjustment			$23		-$195		-$156		$42		-$306
22. Indicated Rent		$1,772		$1,005		$939		$1,571		$843	
23. Correlated Subject Rent	$1,150	X	☐ If there are any Remarks, check here and add the remarks to the back of page.								

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature R.Q. Cox

Date 2/5/2019

Reviewer's Signature

Previous versions are obsolete

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	Talavera Lofts	Corazon			Villas on Sixth			Mstation			Eleven by Windsor			Elan East		
1BR 1BA	n/a	1000 E. 5th, Austin			2011 E. 6th, Austin			2906 E. MLK, Austin			811 E. 11th, Austin			2900 Manor Rd., Austin		
Characteristics	Data	Data	Adjustments -	+	Data	Adjustments -	+	Data	Adjustments -	+	Data	Adjustments -	+	Data	Adjustments -	+
3. Effective Date of Rental	Feb-19	Feb-19			Feb-19			Feb-19			Feb-19			Feb-19		
4. Type of Project/Stories	4-Story Elevator	Elev/6			Gdn/3			Gdn/3			Elev/6			Elev/4		
5. Floor of Unit in Building	Varies	Varies			Varies			Varies			Varies			Varies		
6. Project Occupancy %	0.00%	97%			100%			99%			84%			90%		
7. Concessions	No	No			No			No			No			No		
8. Year Built	2021/Prop	2010		$33	2006		$45	2011		$30	2014		$21	2015		$18
9. SF Area (Net Area)	718	730			756	-$38		712			733			755	-$37	
10. Number of Bedrooms	1	1			1			1			1			1		
11. Number of Bath	1	1			1			1			1			1		
12. Number of Rooms	4	4			4			4			4			4		
13. Balc/Terrace/Patio	Y	Y			Y			Y			Y			Y		
14. Garage / Carport / Open	$0	PG/$0	-$50		Open/$0			Open/$0			PG/$0	-$50		PG/$0	-$50	
15. Equipment a) A/C	C	C			C			C			C			C		
b) Range/Oven	Y	Y			Y			Y			Y			Y		
c) Refrigerator	Y	Y			Y			Y			Y			Y		
d) Disposal	Y	Y			Y			Y			Y			Y		
e) Microwave	Y	Y			Y			Y			Y			Y		
f) Dishwasher	Y	Y			Y			Y			Y			Y		
g) Washer/Dryer	HU/L	HU,L			HU,L			HU/L			W/D	-$35		W/D	-$35	
h) Carpet/Blinds	Y	Y			Y			Y			Y			Y		
i) Pool/Rec Area	R/E	P/R/E	-$10		P/R/E	-$10		P/R			P/R/E	-$10		P/R/E	-$10	
16. Services a) Heat/Type	N/E	N/E			N/E			N/E			N/E			N/E		
b) Cook/Type	N/E	N/E			N/E			N/E			N/E			N/E		
c) Electricity	N	N			N			N			N			N		
d) Water/Sewer/Trash	Y/Y	N/N		$51	N/N		$51	Y/Y		$51	N/N		$51	N/N		$51
17. Storage	N	N			N			N			N			N		
18. Project Location	G	G			G			G			G			G		
19. Other: a) Security	Y	Y			Y			Y			Y			Y		
Other: b) Business Center	Y	Y			N			Y			Y			Y		
Other: c) Appeal	G	G			G			G			G			G		
20. Unit Rent per Month		$1,944			$1,200			$1,095			$1,900			$1,149		
21. Total Adjustment			$24			$48			$81			-$23			-$63	
22. Indicated Rent		$1,968			$1,248			$1,176			$1,877			$1,086		
23. Correlated Subject Rent	$1,200	X	☐ If there are any Remarks, check here and add the remarks to the back of page.													

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Appraiser's Signature: R.Q. Cox

Date: 2/5/2019

Reviewer's Signature:

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	Talavera Lofts	Corazon			Villas on Sixth			Mstation			Eleven by Windsor			Elan East	
2BR 2BA	n/a	1000 E. 5th, Austin			2011 E. 6th, Austin			2906 E. MLK, Austin			811 E. 11th, Austin			2900 Manor Rd.,	
Characteristics	Data	Data	Adjustments -	Adjustments +	Data	Adjustments -	Adjustments +	Data	Adjustments -	Adjustments +	Data	Adjustments -	Adjustments +	Data	Ad -
3. Effective Date of Rental	Feb-19	Feb-19			Feb-19			Feb-19			Feb-19			Feb-19	
4. Type of Project/Stories	4-Story Elevator	Elev/6			Gdn/3			Gdn/3			Elev/6			Elev/4	
5. Floor of Unit in Building	Varies	Varies			Varies			Varies			Varies			Varies	
6. Project Occupancy %	0.00%	97%			100%			99%			84%			90%	
7. Concessions	No	No			No			No			No			No	
8. Year Built	2021/Prop	2010		$33	2006		$45	2011		$30	2014		$21	2015	
9. SF Area (Net Area)	1,037	1,053			916		$121	975		$62	1,020			1,160	-$123
10. Number of Bedrooms	2	2			2			2			2			2	
11. Number of Bath	2	2			2			2			2			2	
12. Number of Rooms	6	6			6			6			6			6	
13. Balc/Terrace/Patio	Y	Y			Y			Y			Y			Y	
14. Garage / Carport / Open	Jan-00	PG/$0	-$50		Open/$0			Open/$0			PG/$0	-$50		PG/$0	-$50
15. Equipment a) A/C	C	C			C			C			C			C	
b) Range/Oven	Y	Y			Y			Y			Y			Y	
c) Refrigerator	Y	Y			Y			Y			Y			Y	
d) Disposal	Y	Y			Y			Y			Y			Y	
e) Microwave	Y	Y			Y			Y			Y			Y	
f) Dishwasher	Y	Y			Y			Y			Y			Y	
g) Washer/Dryer	HU/L	HU,L			HU,L			HU/L			W/D	-$35		W/D	-$35
h) Carpet/Blinds	Y	Y			Y			Y			Y			Y	
i) Pool/Rec Area	R/E	P/R/E	-$10		P/R/E	-$10		P/R			P/R/E	-$10		P/R/E	-$10
16. Services a) Heat/Type	N/E	N/E			N/E			N/E			N/E			N/E	
b) Cook/Type	N/E	N/E			N/E			N/E			N/E			N/E	
c) Electricity	N	N			N			N			N			N	
d) Water/Sewer/Trash	Y/Y	N/N		$66	N/N		$66	Y/Y		$66	N/N		$66	N/N	
17. Storage	N	N			N			N			N			N	
18. Project Location	G	G			G			G			G			G	
19. Other: a) Security	Y	Y			Y			Y			Y			Y	
Other: b) Business Center	Y	Y			N			Y			Y			Y	
Other: c) Appeal	G	G			G			G			G			G	
20. Unit Rent per Month		$2,544			$1,543			$1,300			$2,329			$1,529	
21. Total Adjustment			$39			$222			$158			-$8			-$1
22. Indicated Rent		$2,583			$1,765			$1,458			$2,321			$1,395	
23. Correlated Subject Rent	$1,900	X		If there are any Remarks, check here and add the remarks to the back of page.											

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Appraiser's Signature R.Q. Cox

Date 2/5/2019

Reviewer's Signature

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	Talavera Lofts	Corazon	Villas on Sixth	Mstation	Eleven by Windsor	Elan East
3BR 2BA	n/a	1000 E. 5th, Austin	2011 E. 6th, Austin	2906 E. MLK, Austin	811 E. 11th, Austin	2900 Manor Rd., Austin

Characteristics	Data	Data	Adjustments -	Adjustments +	Data	Adjustments -	Adjustments +	Data	Adjustments -	Adjustments +	Data	Adjustments -	Adjustments +	Data	Adjustments -	Adjustments +
3. Effective Date of Rental	Feb-19	Feb-19			Feb-19			Feb-19			Feb-19			Feb-19		
4. Type of Project/Stories	4-Story Elevator	Elev/6			Gdn/3			Gdn/3			Elev/6			Elev/4		
5. Floor of Unit in Building	Varies	Varies			Varies			Varies			Varies			Varies		
6. Project Occupancy %	0.00%	97%			100%			99%			84%			90%		
7. Concessions	No	No			No			No			No			No		
8. Year Built	2021/Prop	2010		$33	2006		$45	2011		$30	2014		$21	2015		$18
9. SF Area (Net Area)	1,244	1,146		$98	1,055		$189	1,200		$44	1,271	-$27		1,270	-$26	
10. Number of Bedrooms	3	3			3			3			3			3		
11. Number of Bath	2	2			2			2			2			2		
12. Number of Rooms	7	7			7			7			6			7		
13. Balc/Terrace/Patio	Y	Y			Y			Y			Y			Y		
14. Garage / Carport / Open	Jan-00	PG/$0	-$50		Open/$0			Open/$0			PG/$0	-$50		PG/$0	-$50	
15. Equipment a) A/C	C	C			C			C			C			C		
b) Range/Oven	Y	Y			Y			Y			Y			Y		
c) Refrigerator	Y	Y			Y			Y			Y			Y		
d) Disposal	Y	Y			Y			Y			Y			Y		
e) Microwave	Y	Y			Y			Y			Y			Y		
f) Dishwasher	Y	Y			Y			Y			Y			Y		
g) Washer/Dryer	HU/L	HU,L			HU,L			HU/L			W/D	-$35		W/D	-$35	
h) Carpet/Blinds	Y	Y			Y			Y			Y			Y		
i) Pool/Rec Area	R/E	P/R/E	-$10		P/R/E	-$10		P/R			P/R/E	-$10		P/R/E	-$10	
16. Services a) Heat/Type	N/E	N/E			N/E			N/E			N/E			N/E		
b) Cook/Type	N/E	N/E			N/E			N/E			N/E			N/E		
c) Electricity	N	N			N			N			N			N		
d) Water/Sewer/Trash	Y/Y	N/N		$80	N/N		$80	Y/Y			N/N		$80	N/N		$80
17. Storage	N	N			N			N			N			N		
18. Project Location	G	G			G			G			G			G		
19. Other: a) Security	Y	Y			Y			Y			Y			Y		
Other: b) Business Center	Y	Y			N			Y			Y			Y		
Other: c) Appeal	G	G			G			G			G			G		
20. Unit Rent per Month		$2,734			$2,033			$1,555			$2,740			$1,812		
21. Total Adjustment			$151			$304			$74			-$21			-$23	
22. Indicated Rent		$2,885			$2,337			$1,629			$2,719			$1,789		
23. Correlated Subject Rent	$2,450	X	☐ If there are any Remarks, check here and add the remarks to the back of page.													

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature: R.Q. Cox

Date: 2/5/2019

Reviewer's Signature:

Explanation of Adjustments and Rent Conclusions
A Rent Comparability Grid was prepared for each of the subject's unit types. Whenever sufficient data was available, adjustments were based on a matched-pair analysis of the comparables. Adjustments were also based on conversations with leasing agents and real estate professionals in the area, information in my files, as well as personal observation and experience of the analysts in the subject's market area.

Restricted. All of the rents utilized in this analysis represent non-subsidized unrestricted rents currently quoted at the comparable properties. Comparables 2 and 3 have restricted units; however, only market rate units were utilized in my analysis. No unit used in the analysis has any rent restrictions.

Line 3. Date Last Leased. As all rents used in this analysis reflect current rates, no adjustments were necessary for this line item.

Line 4. Type of Project / Stories. The subject improvements will be composed of a four-story over podium elevator-served building. Managers interviewed indicated no price premium between the walkup style and townhome style of apartments or floor premiums. Thus, no adjustment is applicable to the comparables for this line item.

Line 5. Floor of Unit. As all rents used in this analysis have units available on all floor levels, no adjustments were necessary for this line item.

Line 6. Project Occupancy: Where possible, occupancies of the individual floorplans were utilized. Otherwise, overall occupancy levels were used. According to data collected, the immediate market area has historically maintained an overall occupancy level over 90% for all apartments. The occupancy of the comparables surveyed currently ranges from 84.00% to 100.00%. Rental #4 reportedly went through a "clean out" of tenants, resulting in the lower occupancy. According to on-site personnel, rrental rates have been temporarily reduce in order to increase occupancy. Thus, no adjustment is applicable to the comparables for this line item.

Line 7. Rent Concessions. At the present time, none of the comparables are offering concessions. No adjustments were required in this regard.

Line 8. Year Built: The subject property will reportedly be built in 2021. The comparable properties have years of construction ranging from 2006 to 2015. Also included in this category would be any allowances for functional utility. Conversations with area apartment managers and professionals specializing in apartment properties, it is generally considered that the newer a property is, the higher rents it can achieve. Quoted rental differences were reported to be between $2 and $7 per year difference. In this instance, I have based my adjustments on $3 per year of effective age difference.

Line 9. Sq. Ft. Area: A matched-pair analysis for size was attempted to determine a size adjustment. The adjustments would normally be calculated between the largest and smallest of each unit type with similar bedroom/bathroom counts. The following table depicts the matched-pair analyses performed.

Square Ft Diff	Complex Name	Unit Type	Square Footage	SF Diff	Rent	$ Diff	$/SF	Avg Rent Adj.
	Rental 1	0b/1b	551		$1,749			
		0b/1b	523	28	$1,549	$200	$7.14	
	Rental 1	1b/1b	879		$2,330			
		1b/1b	581	298	$1,719	$611	$2.05	
	Rental 1	2b/2b	1,146		$2,734			
		2b/2b	667	479	$1,779	$955	$1.99	
	Rental 4	0b/1b	729		$1,674			
		0b/1b	416	313	$1,449	$225	$0.72	
	Rental 4	1b/1b	1,002		$2,300			
		1b/1b	678	324	$1,800	$500	$1.54	
	Rental 4	2b/2b	1,271		$2,740			
		2b/2b	1,020	251	$2,329	$411	$1.64	
	Rental 5	1b/1b	907		$1,521			
		1b/1b	755	152	$1,149	$372	$2.45	
	Rental 5	2b/2b	1,390		$1,908			
		2b/2b	1,160	230	$1,529	$379	$1.65	
	Rental 5	2b/2b	1,655		$2,356			
		2b/2b	1,160	495	$1,529	$827	$1.67	
								$2.32

A matched-pair analysis in other similar market areas has indicated a range of $0.10 to $1.00 per square foot adjustment. Based on my experience and the opinions of leasing agents, an adjustment of $1.00 PSF for each additional square foot of unit area is appropriate. In other markets, it is often found that no size adjustment is applicable within a size range of approximately 25 square feet. The comparables included in this analysis were supportive of this assertion. As such, I applied the concluded adjustments to the subject for size differences above 25 square feet.

Line 10. Bedrooms. Adjustments were necessary in the efficiency and the 3BR analyses. A matched pairing analysis was performed using units from the comparables with the same number of baths, but varying number of bedrooms, after adjustment for size differences as discussed above. The table on the following page depicts the analysis.

Bedroom Diff	Complex Name	Unit Type	Square Footage	SF Diff	Rent	$ Diff	$/SF	Ind. Adj.
	Rental 1	1b/1b	581		$1,719			
		0b/1b	551	30	$1,749	-30	-1.00	-$60.00
	Rental 2	3b/2b	1,055		$2,033			
		2b/2b	916	139	$1,543	490	3.53	$351.00
	Rental 3	3b/2b	1,200		$1,555			
		2b/2b	975	225	$1,300	255	1.13	$30.00
	Rental 4	1b/1b	678		$1,800			
		0b/1b	729	-51	$1,674	126	0	$177.00
	Rental 5	2b/1b	942		$1,262			
		1b/1b	907	35	$1,521	-259	-7.40	-$294.00
	Rental 5	3b/2b	1,600		$2,270			
		2b/2b	1,390	210	$1,908	362	1.72	$152.00

Additionally, I survey local leasing agents in the area. Based on the above analysis and the opinions of local leasing agents, and adjustment of $100 for an additional bedroom was considered reasonable, and was applied in the rent analyses.

Line 11. Number of Baths: No adjustments were necessary.

Line 12. Number of Rooms: No adjustments are necessary for this factor.

Line 13. Private Balcony/Terrace/Patio: All of the subject floor plans offer patios or balconies. Based on the opinions of local leasing agents, although considered an amenity, the presence of a balcony/patio does not typically translate into additional rent. Thus, no adjustment was applicable for this line item.

Line 14. Garage/Carport/Other. The subject complex will feature open parking and some under podium parking available on a first come basis.. Most of the apartments rent detached garages in the range of $35 to $125 and unassigned parking garage space at $25 to $75. Comparable providing at least 1 parking garage space per unit were adjusted downward $50 for this superiority.

Line 15. Equipment. (a, b, c, d, f, h) The subject apartment units feature a central heating system and air conditioning, range/oven, refrigerator, microwave, dishwasher, and carpet/blinds. All of the comparables also offer all of these items. Thus, no adjustment was applicable for this line item. (e) All of the rentals are equipped with a dishwasher and microwave. Thus, no adjustment was required in this regard. (g) The subject will offer washer and dryer connections. Several of the comparables offer the units in the rent. A survey of local leasing agents and rental

companies indicated an adjustment in the range of $25 to $50 for the presence of washer/dryer units, with most being in the range of $35. Thus, an adjustment of $35 for this line item was utilized in my analysis. (i) The subject will feature a pool, fitness area, and recreation area. All of the rentals offer these amenities, and no adjustment was required.

Line 16 Services. The subject property will require the tenant to pay for utility cost for heating, cooking, and general electricity, similar to all of the comparables. Therefore, no adjustment was required for items 16 a, b, and c. (d) The subject property will include water/sewer service as part of the rent. Adjustments for this line item are based upon the most recent "Allowances for Tenant Furnished Utilities" from the Housing Authority of the City of Houston. The subject will also furnish cable TV access at the tenant's expense, as do all of comparables. No additional adjustment was warranted.

Line 17. Extra Storage. Based on the opinions of local leasing agents; although considered an amenity, the presence of small extra storage does not typically translate into additional rent. Thus, no adjustment was applicable for this line item.

Line 18. Location. The subject is considered to have a good location with an adequate amount of commercial support, similar to all of the comparables. No adjustment was required.

Line 19. Other. (a) Security - The subject property will offer limited access to the building. All of the rentals offer access gates and/or security. (b) Business Center – All of the comparables are considered similar to the subject in this regard, and no adjustment was required. (c) Appeal – The subject is assumed to be of generally good appeal. . All of the comparables were considered similar, and no adjustment was required.

Line 46. Conclusion of Market Rent –0BR 1BA 551 square foot units. The adjusted rents for the subject's 551 square foot 0BR 1BA unit range from $843 to $1,772 per month. Based on the above analysis, a concluded market rent of $1,150 per month for the subject's 0BR 1BA 551 square foot units is reasonable and well supported by the market data. Given the limited amount of recent construction of market-operated apartments in the subject's area, a limited number of truly comparable properties were available, which resulted in relatively high adjustment percentages.

Secondary units - The subject also features 0BR 1BA units with 550 square foot and 559 square foot. All are similar enough in size that no adjustment was required. Therefore, the concluded market rent for the subject 550 and 559 square foot is also $1,150.

Line 46. Conclusion of Market Rent – 1BR 1BA 718 square foot units. The adjusted rents for the subject's 718 square foot 1BR 1BA unit range from $1,086 to $1,968 per month. Based on the above analysis, a concluded market rent of $1,200 per month for the subject's 1BR 1BA 718 square foot units is reasonable and well supported by the market data. Given the limited amount of recent construction of market-operated apartments in the subject's area, a limited number of truly comparable properties were available, which resulted in relatively high adjustment percentages.

Secondary units. The subject will also feature 1BR 1BA units with 706 and 709 square foot. All are similar enough in size that no adjustment was required. Therefore, the concluded market rent for the subject 706 and 709 square foot is also $1,200.

Line 46. Conclusion of Market Rent –2BR 2BA 1,037 square foot units. The adjusted rents for the subject's 1,037 square foot 2BR 2BA unit range from $1,395 to $2,583 per month. Based on the above analysis, a concluded market rent of $1,900 per month for the subject's 2BR 2BA 1,037 square foot units is reasonable and well supported by the market data. Given the limited amount of recent construction of market-operated apartments in the subject's area, a limited number of truly comparable properties were available, which resulted in relatively high adjustment percentages.

Secondary units. The subject will also feature 2BR 2BA units with 1,045 square feet, 1,098 square feet, and 1,141 square foot. The 1,045 square feet unit is similar enough in size that no adjustment was required. Therefore, the concluded market rent for the subject 1,045 square feet units is also $1,900. The subject 1,098 square feet and 1,141 square feet units required adjustment, and the concluded market rents for those units are $1,960 and $2,005, respectively

Line 46. Conclusion of Market Rent – 3BR 2BA 1,244 square foot units. The adjusted rents for the subject's 1,244 square foot 3BR 2BA unit range from $1,629 to $2,885 per month. Based on the above analysis, a concluded market rent of $2,450 per month for the subject's 3BR 2BA 1,244 square foot units is reasonable and well supported by the market data. Given the limited amount of recent construction of market-operated apartments in the subject's area, a limited number of truly comparable properties were available, which resulted in relatively high adjustment percentages.

Secondary units. The subject will also feature 3BR 2BA units with 1,328 SF. The subject 1,328 square feet unit required adjustment, and the concluded market rents for this unit is $2,535

Concluded Market Rent Summary

No. Units	Type	Size (SF)	Mkt Rent/Mth	Mkt Rent (PSF)	Prepared in Grid (Y/N)
44	0 BR / 1 BA	551	$1,150	$2.09	Y
4	0 BR / 1 BA	559	$1,150	$2.06	N
4	0 BR / 1 BA	550	$1,150	$2.09	N
15	1 BR / 1 BA	718	$1,200	$1.67	Y
3	1 BR / 1 BA	709	$1,200	$1.69	N
2	1 BR / 1 BA	706	$1,200	$1.70	N
4	2 BR / 2 BA	1,037	$1,900	$1.83	Y
4	2 BR / 2 BA	1,141	$2,005	$1.76	N
3	2 BR / 2 BA	1,045	$1,900	$1.82	N
1	2 BR / 2 BA	1,098	$1,960	$1.79	N
4	3 BR / 2 BA	1,244	$2,450	$1.97	Y
4	3 BR / 2 BA	1,328	$2,535	$1.91	N

It should be noted that the above-concluded market rents do not take into consideration the fact that of the subject units are rent-restricted. There are no recently constructed Family HTC complexes within several miles of the subject. There are two similar sized complexes that were utilized in my rental analysis. The following table shows a comparison of adjusted rents between the HTC development and conventional developments.

MARKET RATE UNIT COMPARISON - Mstation

Unit Type	Mstation	Corazon	% Diff	Eleven by Windsor	% Diff	Elan East	% Diff
1 BR / 1 BA	$1,176	$1,968	-67.3%	$1,877	-59.6%	$1,086	7.7%
2 BR / 2 BA	$1,458	$2,583	-77.2%	$2,321	-59.2%	$1,395	4.3%
3 BR / 2 BA	$1,629	$2,885	-77.1%	$2,719	-66.9%	$1,789	-9.8%

MARKET RATE UNIT COMPARISON - Villas on Sixth

Unit Type	Villas on Sixth	Corazon	% Diff	Eleven by Windsor	% Diff	Elan East	% Diff
1 BR / 2 BA	$1,248	$1,968	-58%	$732	41%	$770	38%
2 BR / 2 BA	$1,765	$2,583	-46%	$886	50%	$853	52%
3 BR / 2 BA	$2,337	$2,885	-23%	$746	68%	$1,115	52%

Based on the above comparison, a “stigma” of approximately -7% to 68% can be attributed to a tax credit versus a conventional market rate property. An analysis in other areas indicated a typical adjustment in the range of 10%-45% for the "stigma" factor. Typically, the lower the percentage of market units, the higher the "stigma" percentage reduction from market rent to achievable rent for the market units. The subject's proforma "market rents" are considered reasonable and achievable.

Restricted-Rent Analysis

Within the subject PMA there are 5 operating General Population HTC complexes. The HTC properties in the area of central Austin report attaining close to or at HTC maximums. The proposed subject rental rates, which are at the HTC maximum levels, are considered reasonable and attainable. Performing adjustment grids (HUD 92273) was not considered reliable or necessary due to the high occupancy rates and ability to achieve the maximum rents allowed by the properties in the area.

DEMAND ANALYSIS

DEMOGRAPHICS CAPTURE ANALYSIS

Eligible Renter Analysis - Rent-Restricted Units

Based on typical standards of apartment management companies in the Austin MSA, to qualify for a General Population rent-restricted apartment, the annual rental should not exceed 40% of the annual gross income of the household. Utilizing the most recent demographic data, the following are calculations of the number of qualified residents in the immediate market area.

The developer's minimum gross rent level at the subject property is $451 per month, which at 40% equates to an annual income of $13,530 in order to qualify for the rent-restricted units at the subject property. The maximum income level is estimated to be $59,880, which is the maximum household income for a family of six making 60% of the area median income. Those earning below $13,530 and above $59,880 are not solid candidates for the subject project.

SUBJECT UNIT MIX (RESTRICTED)

Type		No. Units	Net Rent	Utility	Gross Rent	Income Required	Max Income
0BR	30%	8	$405	$46	$451	$13,530	$18,060
0BR	50%	29	$706	$46	$752	$22,560	$30,100
0BR	60%	15	$857	$46	$903	$27,090	$36,120
1BR	30%	4	$429	$54	$483	$14,490	$20,640
1BR	50%	11	$752	$54	$806	$24,180	$34,400
1BR	60%	4	$913	$54	$967	$29,010	$41,280
2BR	30%	2	$504	$76	$580	$17,400	$25,800
2BR	50%	3	$891	$76	$967	$29,010	$43,000
2BR	60%	6	$1,085	$76	$1,161	$34,830	$51,600
3BR	30%	1	$572	$98	$670	$20,100	$29,940
3BR	50%	3	$1,020	$98	$1,118	$33,540	$49,900
3BR	60%	4	$1,243	$98	$1,341	$40,230	$59,880
		90					

DEMAND FROM SECONDARY MARKET AREA

The subject will likely draw from outside its primary market area. Based on my research and interviews with existing General Population HTC managers and leasing agents, a portion of the existing tenants in General Population HTC complexes move from outside the PMA.

The 2019 TDHCA Real Estate Analysis rules do not allow for a SMA. However, 10% of total demand from other sources is allowed.

Demand from Section 8 Housing

The Housing and Community Development Act of 1974 authorized the Housing Assistance Payments Program (Section 8). Section 8 provides rental assistance to low-income families, elderly, disabled, and handicapped individuals. This Program provides financial assistance to eligible families whose annual gross income does not exceed 50% of HUD's median income guidelines (in most instances). Demographic projections indicate a continuing population and household growth in segments that generally create the largest demand on affordable housing supply.

Section 8 vouchers will also be accepted at the subject property. The demand created by Section 8 renters will be added to the demand for rent-restricted units. Because the demand was sufficient without inclusion of demand from Section 8 renters, I have not performed this analysis for this report.

Section 8 vouchers will also be accepted at the subject property. Section 8 demand was not quantified I this report since demand was sufficient without inclusion of Section 8 demand.

HISTA DEMOGRAPHICS CAPTURE ANALYSIS

As mentioned earlier, the TDHCA defines the Gross Capture Rate as "the Relevant Supply divided by the Gross Demand." Relevant Supply is defined as "The Relevant Supply of proposed and unstabilized Comparable Units includes: (a) The proposed subject Units; (b) Comparable Units with priority over the subject, based on the Department's evaluation process…"; (c) Comparable Units in previously approved but Unstabilized Developments in the Primary Market Area (PMA). Gross Demand is defined as "The sum of Potential Demand from the PMA, demand from other sources, and External Demand."

Based on my research, there is one comparable Family project under construction (Pathways at Chalmers Court South) comparable to the subject within the PMA, one approved (Pathways at Chalmers Court East), no proposed, and none unstabilized in the primary market area. There are no other active applications on the bond list. Pathways at Chalmers Court East has 5 units comparably restricted and Pathways @ Chalmers Court South has 82 comparably restricted units.

Per TDHCA guidelines, all of the subjects restricted units are included in the capture calculations. The subject contains 92 units, of which 90 will be rent-restricted. Therefore, a total of 334 units require absorption, of which 177 units will be rent-restricted. The following tables depict the present and projected gross demand based on income and household count.

ALL HOUSEHOLDS						
2019	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5+ PERSON	Total
<$10K	2,439	1,617	392	260	101	4,809
$10K-$20K	1,244	812	445	169	122	2,792
$20K-$30K	1,168	422	229	198	95	2,112
$30K-$40K	795	279	72	167	106	1,419
$40K-$50K	702	394	147	101	28	1,372
$50K-$60K	532	287	90	76	123	1,108
$60K-$75K	1,025	400	234	96	62	1,817
TOTAL	7,905	4,211	1,609	1,067	637	15,429

2019	
Min	**Max**
$13,530	$59,880
%/Income Band	**Demand**
0.00%	0
64.70%	1,806
100.00%	2,112
100.00%	1,419
100.00%	1,372
98.80%	1,095
0.00%	0
Total DemAnd	7,804

ALL HOUSEHOLDS						
2024	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5+ PERSON	Total
<$10K	2,419	1,574	383	239	119	4,734
$10K-$20K	1,305	893	488	191	119	2,996
$20K-$30K	1,184	392	224	186	79	2,065
$30K-$40K	849	300	73	182	114	1,518
$40K-$50K	768	384	130	104	29	1,415
$50K-$60K	520	299	76	83	122	1,100
$60K-$75K	1,058	357	223	86	65	1,789
TOTAL	8,103	4,199	1,597	1,071	647	15,617

2024	
Min	**Max**
$13,530	$59,880
%/Income Band	**Demand**
0.00%	0
64.70%	66
100.00%	-24
100.00%	50
100.00%	22
98.80%	-4
0.00%	0
Growth to P.I.S.	110

The following table depicts the results of my gross capture analysis utilizing HISTA data

Potential Demand	7,914
Add Demand	791
Gross Demand	8,705
Supply	177
Gross Capture	2.03%

I have calculated the capture rates per bedroom type, utilizing HISTA data. HISTA takes Environics Analytics demographics, and with the aid of some custom Census tables, calculates the renter numbers on a per-person household within the different income bands. HISTA does not provide population; therefore, both HISTA and an additional demographic source must be used.

The following table details the subject property unit-mix in regards to the HISTA calculation.

SUBJECT UNIT MIX (RESTRICTED)							
Type		No. Units	Net Rent	Utility	Gross Rent	Income Required	Max Income
0BR	30%	8	$405	$46	$451	$13,530	$18,060
0BR	50%	29	$706	$46	$752	$22,560	$30,100
0BR	60%	15	$857	$46	$903	$27,090	$36,120
1BR	30%	4	$429	$54	$483	$14,490	$20,640
1BR	50%	11	$752	$54	$806	$24,180	$34,400
1BR	60%	4	$913	$54	$967	$29,010	$41,280
2BR	30%	2	$504	$76	$580	$17,400	$25,800
2BR	50%	3	$891	$76	$967	$29,010	$43,000
2BR	60%	6	$1,085	$76	$1,161	$34,830	$51,600
3BR	30%	1	$572	$98	$670	$20,100	$29,940
3BR	50%	3	$1,020	$98	$1,118	$33,540	$49,900
3BR	60%	4	$1,243	$98	$1,341	$40,230	$59,880
		90					

The following tables depict the present and projected demand based on income and household count.

ALL HOUSEHOLDS						
2019	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5+ PERSON	Total
<$10K	2,439	1,617	392	260	101	4,809
$10K-$20K	1,244	812	445	169	122	2,792
$20K-$30K	1,168	422	229	198	95	2,112
$30K-$40K	795	279	72	167	106	1,419
$40K-$50K	702	394	147	101	28	1,372
$50K-$60K	532	287	90	76	123	1,108
$60K-$75K	1,025	400	234	96	62	1,817
TOTAL	7,905	4,211	1,609	1,067	637	15,429

ALL HOUSEHOLDS						
2024	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5+ PERSON	Total
<$10K	2,419	1,574	383	239	119	4,734
$10K-$20K	1,305	893	488	191	119	2,996
$20K-$30K	1,184	392	224	186	79	2,065
$30K-$40K	849	300	73	182	114	1,518
$40K-$50K	768	384	130	104	29	1,415
$50K-$60K	520	299	76	83	122	1,100
$60K-$75K	1,058	357	223	86	65	1,789
TOTAL	8,103	4,199	1,597	1,071	647	15,617

SUBJECT DEMAND						
	2019 HH	2024 HH	(x)	2019 Qual. HH	2024 Qual. HH	Forecast Growth
<$10K	4,809	4,734	0.00%	0	0	0
$10K-$20K	2,792	2,996	64.70%	1,806	1,938	132
$20K-$30K	2,112	2,065	100.00%	2,112	2,065	-47
$30K-$40K	1,419	1,518	100.00%	1,419	1,518	99
$40K-$50K	1,372	1,415	100.00%	1,372	1,415	43
$50K-$60K	1,108	1,100	98.80%	1,095	1,087	-8
$60K-$75K	1,817	1,789	0.00%	0	0	0
TOTAL	15,429	15,617	50.6%	7,804	8,023	219

The tables below depict the income bands for the subject's proposed unit mix/AMI levels. Income overlaps were eliminated by setting the minimum of the next higher AMI level which the subject proposes to serve as the maximum for the lower AMI units.

Income Ranges			
		Min	Max
0BR	30%	$13,530	$18,060
0BR	50%	$22,560	$30,100
0BR	60%	$27,090	$36,120

Income Ranges			
		Min	Max
1BR	30%	$14,490	$20,640
1BR	50%	$24,180	$34,400
1BR	60%	$29,010	$41,280

Income Ranges			
		Min	Max
2BR	30%	$17,400	$25,800
2BR	50%	$29,010	$43,000
2BR	60%	$34,830	$51,600

Income Ranges			
		Min	Max
3BR	30%	$20,100	$29,940
3BR	50%	$33,540	$49,900
3BR	60%	$40,230	$59,880

The next step is to project the bedroom type which various renter households would likely choose to rent, which was based on surveys of existing complexes in the area. The following table depicts the occupancy conclusions used in my HISTA capture analysis.

OCCUPANCY ASSUMPTIONS					
HH Size	1	2	3	4	5+
0BR	20%	0%	0%	0%	0%
1 BR	80%	30%	0%	0%	0%
2 BR	0%	70%	40%	20%	0%
3 BR	0%	0%	60%	70%	90%
4 BR	0.00%	0.00%	0%	10%	10%

The next step is to project the percentage of income qualified households within each income band. The following table depicts the percentage of qualified income household conclusions used in my HISTA capture analysis.

Percentage of Income Qualified Households			$10K	$10K-$20K	$20K-$30K	$30K-$40K	$40K-$50K	$50K-$60K	$60K-$75K
			0	10000	20000	30000	40000	50000	75000
0BR 30%	$13,530	$18,060	0.00%	45.30%	0.00%	0.00%	0.00%	0.00%	0.00%
0BR 50%	$22,560	$30,100	0.00%	0.00%	74.40%	1.00%	0.00%	0.00%	0.00%
0BR 60%	$27,090	$36,120	0.00%	0.00%	29.10%	61.20%	0.00%	0.00%	0.00%
1BR 30%	$14,490	$20,640	0.00%	55.10%	6.40%	0.00%	0.00%	0.00%	0.00%
1BR 50%	$24,180	$34,400	0.00%	0.00%	58.20%	44.00%	0.00%	0.00%	0.00%
1BR 60%	$29,010	$41,280	0.00%	0.00%	9.90%	100.00%	12.80%	0.00%	0.00%
2BR 30%	$17,400	$25,800	0.00%	26.00%	58.00%	0.00%	0.00%	0.00%	0.00%
2BR 50%	$29,010	$43,000	0.00%	0.00%	9.90%	100.00%	30.00%	0.00%	0.00%
2BR 60%	$34,830	$51,600	0.00%	0.00%	0.00%	51.70%	100.00%	16.00%	0.00%
3BR 30%	$20,100	$29,940	0.00%	0.00%	98.40%	0.00%	0.00%	0.00%	0.00%
3BR 50%	$33,540	$49,900	0.00%	0.00%	0.00%	64.60%	99.00%	0.00%	0.00%
3BR 60%	$40,230	$59,880	0.00%	0.00%	0.00%	0.00%	97.70%	98.80%	0.00%

The next step in the analysis is to multiply the demand by the appropriate occupancy assumptions and percentage of income qualified households to arrive at a final demand count for each unit type. The following table depicts the concluded demand.

Occupancy Assumptions x Percentage of Income Qualified Households x Households			
Bedroom Count	**Demand**	**Growth**	**Total**
0BR 30%	113	3	116
0BR 50%	175	1	176
0BR 60%	165	4	169
1BR 30%	750	21	771
1BR 50%	934	12	946
1BR 60%	912	28	940
2BR 30%	450	3	453
2BR 50%	406	6	412
2BR 60%	528	-1	527
3BR 30%	356	-13	343
3BR 50%	347	3	350
3BR 60%	395	-6	389

Based on my research, there is one comparable Family project under construction (Pathways at Chalmers Court South) comparable to the subject within the PMA, one approved (Pathways at Chalmers Court East), no proposed, and none unstabilized in the primary market area. There are no other active applications on the bond list. Pathways at Chalmers Court East has 5 units comparably restricted and Pathways @ Chalmers Court South has 82 comparably restricted units. The table on the following page depicts the results of my capture analysis utilizing HISTA data.

CAPTURE (RESTRICTED UNITS)								
Type		No. Units	Demand	Growth	Section 8	Additional Demand	Total Demand	Capture Rate
0BR	30%	8	113	3		12	**128**	**6.3%**
0BR	50%	29	175	1		18	**194**	**14.9%**
0BR	60%	15	165	4		17	**186**	**8.1%**
1BR	30%	4	750	21		77	**848**	**0.5%**
1BR	50%	11	934	12		95	**1,041**	**1.1%**
1BR	60%	53	912	28		94	**1,034**	**5.1%**
2BR	30%	2	450	3		45	**498**	**0.4%**
2BR	50%	3	406	6		41	**453**	**0.7%**
2BR	60%	38	528	-1		53	**580**	**6.6%**
3BR	30%	1	356	-13		34	**377**	**0.3%**
3BR	50%	3	347	3		35	**385**	**0.8%**
3BR	60%	10	395	-6		39	**428**	**2.3%**

CAPTURE (AMGI)							
Type	No. Units	Demand	Growth	Section 8	Additional Demand	Total Demand	AMGI Capture Rate
30%	15	2,346	60		241	**2,647**	**0.57%**
50%	46	957	-11		95	**1,041**	**4.42%**
60%	116	4,501	61		456	**5,018**	**2.31%**

Detailed tables depicting the raw data utilized above are located in the addenda of this report.

MARKET RATE

The subject will feature 2 market rate units. Pathways at Chalmers Court East and South have a combined 21 market rate units. There are no comparable market rate proposed and none non-stabilized, or under construction in the PMA with comparable proposed rental rates. The following tables depict the capture rate analysis for the market rate units.

SUBJECT UNIT MIX							
Type		No. Units	Net Rent	Utility	Gross Rent	Income Required	Max Income
1BR	Mkt	1			$1,350	$40,500	$1,000,000
2BR	Mkt	1			$1,500	$45,000	$1,000,000
		2					

Income Ranges		Min	Max
1BR	Mkt	$40,500	$1,000,000

Income Ranges		Min	Max
2BR	Mkt	$45,000	$1,000,000

Income Ranges			
3BR	Mkt	$0	$1,000,000

OCCUPANCY ASSUMPTIONS					
HH Size	1	2	3	4	5+
1 BR	80%	30%	0%	0%	0%
2 BR	0%	70%	40%	20%	0%
3 BR	0%	0%	60%	70%	90%
4 BR	0%	0%	0%	10%	10%

CAPTURE (MARKET RATE)						
Type		**No. Units**	**Demand**	**Growth**	**Total Demand**	**Capture Rate**
1BR	Mkt	16	5,310	471	**5,781**	0.277%
2BR	Mkt	7	3,036	244	**3,280**	0.213%
HISTA		23	8,346	715	9,061	0.254%

CONCLUSIONS OF MARKET ANALYSIS

Evaluation of Subject Property

Upon completion of the improvements, the subject property is anticipated to have good curb appeal and an advantage over older competing properties in the immediate market area. The apartment units (all floorplans) have adequate functional utility, based on the information provided by the client. To the best of my knowledge, there will be no actual or suspect code violations and/or health and safety issues, based information provided by the client. It is my conclusion that the subject property will have a competitive advantage in its micro-market area into the near future.

According to the developer, 97.83% of units will be set aside for tenants making at or below 60% of the area median gross income. The pro-forma rental schedule supplied by the client indicated that the proposed monthly rental rates average per square foot (rent-restricted and market).

The subject property will be constructed under the Housing Tax Credit (HTC) program, which restricts rental rates and residents by income level. The subject property will have 97.83% of the complex rent-restricted. As such, the improvements will suffer from external obsolescence, due to the applicable income-restricted rents. Since the subject property will be a HTC property, the sale of tax credits reduces the overall development costs of the project, allowing the lower rents under the program. Any external obsolescence should be offset, thus making the proposed subject property a viable development.

The developer's projected rents for the subject's restricted units at 30%, 50%, and 60% of AMI and market are illustrated in the chart on the following page. The amenities at the subject property will be competitive with most other good-quality projects in the subject's neighborhood. Further, the subject property will be very competitive due to its new condition.

SUMMARY OF DEVELOPER'S PROFORMA RENT					
No. Units	**Type**	**% AMI**	**Avg Size (SF)**	**Rent/ Mth (Net)**	**Rent PSF**
4	0 BR / 1 BA	30%	550	$405	$0.74
29	0 BR / 1 BA	50%	551	$706	$1.28
15	0 BR / 1 BA	60%	551	$857	$1.56
4	0 BR / 1 BA	30%	559	$405	$0.72
2	1 BR / 1 BA	30%	706	$429	$0.61
3	1 BR / 1 BA	60%	709	$913	$1.29
2	1 BR / 1 BA	30%	718	$429	$0.60
11	1 BR / 1 BA	50%	718	$752	$1.05
1	1 BR / 1 BA	60%	718	$913	$1.27
1	1 BR / 1 BA	Mkt	718	$1,350	$1.88
2	2 BR / 2 BA	30%	1,037	$504	$0.49
2	2 BR / 2 BA	50%	1,037	$891	$0.86
1	2 BR / 2 BA	50%	1,045	$891	$0.85
2	2 BR / 2 BA	60%	1,045	$1,085	$1.04
1	2 BR / 2 BA	60%	1,098	$1,085	$0.99
3	2 BR / 2 BA	60%	1,141	$1,085	$0.95
1	2 BR / 2 BA	Mkt	1,141	$1,500	$1.31
1	3 BR / 2 BA	30%	1,244	$572	$0.46
3	3 BR / 2 BA	50%	1,244	$1,020	$0.82
4	3 BR / 2 BA	60%	1,328	$1,243	$0.94

The developer’s proforma rents are summarized in the Income Analysis section of this report.

Income Analysis

To test the viability of the proposed apartment development, I analyzed the developer's proposed rental rates and expenses. The developer's projected rental rates for the subject property average ± $1.085 per square foot (rent-restricted and market), which is well below the range exhibited by competing market properties in the area. The developer's average projected rental rate for the proposed subject property is highly competitive for the subject's market area.

Based on the rent schedule, gross potential revenue for the proposed subject property is $867,768 per year. Other revenue (primary source is laundry, etc.) estimated by the developer appears on the low side but reasonable based on information in my files and discussions with apartment developers and management companies who are active in the Austin area. Other typical sources of income not considered by the developer include forfeited security deposits and application fees.

POTENTIAL GROSS REVENUE					
No. Units	**Type**	**% AMI**	**Avg. Size (SF)**	**Restr. Rent/ Mth (Net)**	**Total Rent**
4	0 BR / 1 BA	30%	550	$405	$1,620
29	0 BR / 1 BA	50%	551	$706	$20,474
15	0 BR / 1 BA	60%	551	$857	$12,855
4	0 BR / 1 BA	30%	559	$405	$1,620
2	1 BR / 1 BA	30%	706	$429	$858
3	1 BR / 1 BA	60%	709	$913	$2,739
2	1 BR / 1 BA	30%	718	$429	$858
11	1 BR / 1 BA	50%	718	$752	$8,272
1	1 BR / 1 BA	60%	718	$913	$913
1	1 BR / 1 BA	Mkt	718	$1,350	$1,350
2	2 BR / 2 BA	30%	1,037	$504	$1,008
2	2 BR / 2 BA	50%	1,037	$891	$1,782
1	2 BR / 2 BA	50%	1,045	$891	$891
2	2 BR / 2 BA	60%	1,045	$1,085	$2,170
1	2 BR / 2 BA	60%	1,098	$1,085	$1,085
3	2 BR / 2 BA	60%	1,141	$1,085	$3,255
1	2 BR / 2 BA	Mkt	1,141	$1,500	$1,500
1	3 BR / 2 BA	30%	1,244	$572	$572
3	3 BR / 2 BA	50%	1,244	$1,020	$3,060
4	3 BR / 2 BA	60%	1,328	$1,243	$4,972
92			Average/Total:	$781.02	$71,854
Other Income	92 units at		$5.00		$460
		MONTHLY POTENTIAL GROSS INCOME			$72,314
		MULTIPLIED BY TWELVE MONTHS			12
		ANNUAL POTENTIAL GROSS INCOME			$867,768

OPERATING EXPENSE ANALYSIS				
Item	**TDHCA Region 7 (>76)**		**Subject Property**	
	Per Unit	PSF	Per Unit	PSF
General & Administrative	$408	$0.41	$455	$0.63
Management	$417	$0.66	$523	$0.73
Payroll & Payroll Tax	$1,312	$1.25	$1,304	$1.81
Repairs & Maintenance	$621	$1.02	$565	$0.79
Utilities	$259	$0.21	$190	$0.26
Water, Sewer & Trash	$787	$0.78	$609	$0.85
Insurance	$284	$0.37	$380	$0.53
Property Tax	$717	$0.46	$924	$1.28
Reserve for Replacement	$271	$0.43	$250	$0.35
Totals	**$5,076**	**$5.59**	**$5,200**	**$7.23**

The subject proforma expenses look reasonable based on my experience and TDHCA averages.

Vacancy and Collection Loss
As previously discussed, There are 5 existing General Population HTC projects within the subject's primary market area with an average occupancy of 99.80%. The rent comparables averaged 94.00%, and the average occupancy within the PMA was 90.46%. Given the physical characteristics of the subject (i.e. location, good curb appeal, new condition, amenities, etc.), the strong occupancies reported at nearby HTC apartments, and that the subject will offer competitive rents at a new property, a stabilized occupancy rate of 92.5% is reasonable and achievable for the subject property.

Evaluation of Need of Affordable Housing
As the competing projects within the subject property's primary market area have high occupancy rates, and the nearest existing HTC projects also have high occupancy rates, it appears there is a shortage of affordable housing. MStation and Villas on 6th are newer Family HTC properties in the subject PMA. MStation contains 150 units of which 135 are rent restricted. MStation reported a current occupancy of 99%. Villas on 6th is a 160-unit Family HTC with 136 units rent restricted. Villas on 6th reported 100% occupancy. The subject property should be highly competitive in this market, and should achieve stabilized occupancy within 3 to 6 months after completion. As with most new projects, pre-leasing will take place during the construction phase. Based on my analysis of the subject property's primary market area, there is sufficient demand to construct and successfully absorb the Talavera Lofts.

Capture Rate Conclusion
The TDHCA defines Capture Rate as "the sum of the proposed units for a given project plus any previously approved but not yet stabilized new units in the submarket divided by the total income-eligible targeted renter demand identified by the market analysis for the specific project's primary market or submarket." Based on my research, there is one comparable Family project under construction (Pathways at Chalmers Court South) comparable to the subject within

the PMA, one approved (Pathways at Chalmers Court East), no proposed, and none unstabilized in the primary market area. There are no other active applications on the bond list. Pathways at Chalmers Court East has 5 units comparably restricted and Pathways @ Chalmers Court South has 82 comparably restricted units. Based on the pent-up demand, the high existing occupancy rate, and the absorption of similar properties in the area, the subject is anticipated to be successfully absorbed within 3 to 6 months of completion of the proposed improvements. The subject contains 92 units, of which 90 will be rent-restricted. Therefore, a total of 334 units require absorption, of which 177 units will be comparably rent-restricted. There are approximately 8,705 (HISTA) potential households (relevant to the rent restricted units) based on income eligibility, housing preference in the subject's primary market.

HISTA Gross Capture Rate for 177 Affordable General Population Units	**2.03%**
HISTA Capture Rate for 23 Market General Population Units	**0.25%**
Capture Rate Whole	**1.88%**

THE CAPTURE RATE ABOVE IS OVERSTATED. I HAVE NOT INCLUDED DEMAND FROM SECTION 8 AND OTHER DEMAND SOURCES. BECAUSE THE CAPTURE RATE WAS WITHIN TDHCA'S GUIDELINES WITHOUT THE INCLUSION OF THESE DEMAND SOURCES, THAT DEMAND WAS NOT QUANTIFIED IN THIS REPORT.

Absorption Projections

I was able to locate only one Family HTC development which has been completed and stabilized within the past 24 months within or near the subject PMA, Capital Studios, which is a 135-unit SRO Supportive Housing project which was completed in November 2014 and attained stabilized occupancy in January 2015, which equates to an average absorption of approximately 34 units per month. Eleven is a 257-unit conventional project within the subject PMA which is was reportedly completed in July 2014, and attained stabilized occupancy in October 2014, which equates to an average absorption of approximately 58 units per month. Elan East is a 251-unit conventional complex located within the subject PMA which was completed in April 2015 and attained stabilized occupancy within 1 month of completion. Corazon is a 256-unit conventional complex located within the subject PMA which was completed in June 2015 and reportedly attained stabilized occupancy in September 2016, which equates to an average absorption of approximately 18 units per month. Waters @ Willow Run is a 242-unit (all restricted) Family 4% project which began leasing in August 2016, construction was completed in October 2017, and the property was stabilized in March 2017, which equates to an average absorption of approximately 44 units per month from completion. Point at Ben White is 250-unit (all units rent-restricted) Family 4% HTC/PAB property (located south of the subject PMA) which reportedly began leasing in November 2014 and reached stabilized occupancy within 4 months, which equates to an average absorption of approximately 62 units per month. Considering the strong absorption history of similar properties and the lack of available quality affordable General Population units in this market, I project that the subject property will lease an average of 15 to 25 units per month until achieving stabilized occupancy. I anticipate that the subject property will achieve stabilized occupancy within 3 to 6 months following completion.

Effect of Subject Property on Existing Apartment Market

Based on the high occupancy levels of the existing properties in the market and the subject, along with the low level of recent construction, I project that the subject property will have minimal sustained negative impact upon the existing apartment market. Managers interviewed indicated a need for General Population affordable housing. All managers interviewed indicated minimal to no impact from the opening of the most recent HTC properties. Any negative impact from the subject property should be of reasonable scope and limited duration.

Subject Property facing east from Navasota Street

Subject Property facing west from Navasota Street

Street Scene – Navasota Street Looking north

Street Scene – Navasota Street Looking south

APPENDICES

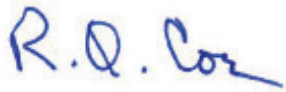
SUMMARY OF PROPOSED (approved), NON-STABILIZED & U/C PMA PROJECTS				
Status	**Project**	**Restricted**	**Non-Comp**	**Total**
Approved	Pathways CC East	5	151	156
Under Construction	Pathways CC South	82	4	86
Subject	***Talavera Lofts***	***90***	***2***	***92***
TOTAL		177	**157**	334

The above table includes only "like" projects to the subject, and only those that have been approved for construction. There have been no HTC General Population projects recently-completed and there are none under construction.

CERTIFICATION OF APPRAISAL ASSIGNMENT

I certify that, to the best of my 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 my personal, impartial, and unbiased professional analyses, opinions conclusions, and recommendations.
(3) I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
(4) I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
(5) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
(6) My 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) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics of the Appraisal Institute, the Standards of Professional Appraisal Practice of the Appraisal Institute, and USPAP.
(8) Robert O. Coe, II performed a site visit to the subject property.
(9) No one provided significant real property appraisal assistance to the person(s) signing this certification.
(10) Robert O. (Bob) Coe, II, MAI is a designated Member of the Appraisal Institute and has completed the continuing education program of the Appraisal Institute. The bylaws and regulations of the Appraisal Institute require each member to control the use and distribution of each report signed by such member.
(11) Robert O. (Bob) Coe, II, MAI has not prepared any additional assignments on the subject site for the last three years.



Robert O. (Bob) Coe, II, MAI
TX-1333157-G
State Certified General Real Estate Appraiser

PMA DEMOGRAPHIC REPORT

Pop-Facts® DemographicSnapshot | Summary

ENVIRONICS ANALYTICS

Trade Area: CTs in PMA Talavera Lofts 2019

Population	
2000 Census	57,575
2010 Census	65,266
2019 Estimate	77,897
2024 Projection	83,501
Population Growth	
Percent Change: 2000 to 2010	13.36
Percent Change: 2010 to 2019	19.35
Percent Change: 2019 to 2024	7.19

Households	
2000 Census	21,242
2010 Census	25,400
2019 Estimate	32,248
2024 Projection	35,220
Household Growth	
Percent Change: 2000 to 2010	19.57
Percent Change: 2010 to 2019	26.96
Percent Change: 2019 to 2024	9.22

Family Households	
2000 Census	7,367
2010 Census	7,093
2019 Estimate	9,138
2024 Projection	9,989
Family Household Growth	
Percent Change: 2000 to 2010	-3.72
Percent Change: 2010 to 2019	28.83
Percent Change: 2019 to 2024	9.31

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Pop-Facts® Demographic Snapshot | Population & Race

ENVIRONICS ANALYTICS

Trade Area: CTs in PMA Talavera Lofts 2019 **Total Population:** 77,897 | **Total Households:** 32,248

	Count	%
2019 Est. Population by Single-Classification Race		
White Alone	53,853	69.13
Black/African American Alone	5,654	7.26
American Indian/Alaskan Native Alone	551	0.71
Asian Alone	8,430	10.82
Native Hawaiian/Pacific Islander Alone	45	0.06
Some Other Race Alone	6,591	8.46
Two or More Races	2,773	3.56
2019 Est. Population by Hispanic or Latino Origin		
Not Hispanic or Latino	58,108	74.60
Hispanic or Latino	19,789	25.40
Mexican Origin	16,188	81.80
Puerto Rican Origin	331	1.67
Cuban Origin	260	1.31
All Other Hispanic or Latino	3,010	15.21
2019 Est. Pop by Race, Asian Alone, by Category		
Chinese, except Taiwanese	2,756	32.69
Filipino	345	4.09
Japanese	68	0.81
Asian Indian	2,275	26.99
Korean	889	10.55
Vietnamese	712	8.45
Cambodian	20	0.24
Hmong	0	0.00
Laotian	149	1.77
Thai	30	0.36
All Other Asian Races Including 2+ Category	1,186	14.07
2019 Est. Population by Ancestry		
Arab	771	0.99
Czech	388	0.50
Danish	151	0.19
Dutch	256	0.33
English	2,718	3.49
French (Excluding Basque)	1,046	1.34
French Canadian	51	0.07
German	4,739	6.08
Greek	274	0.35
Hungarian	70	0.09
Irish	3,224	4.14
Italian	1,573	2.02
Lithuanian	37	0.05
Norwegian	580	0.74
Polish	894	1.15
Portuguese	74	0.10
Russian	457	0.59
Scotch-Irish	800	1.03
Scottish	1,290	1.66
Slovak	12	0.01
Sub-Saharan African	1,064	1.37
Swedish	253	0.33
Swiss	21	0.03
Ukrainian	119	0.15
United States or American	1,690	2.17
Welsh	237	0.30
West Indian (Excluding Hispanic groups)	275	0.35
Other ancestries	37,850	48.59
Ancestries Unclassified	16,983	21.80
2019 Est. Pop Age 5+ by Language Spoken At Home		
Speak Only English at Home	55,210	73.11
Speak Asian/Pacific Isl. Lang. at Home	3,814	5.05
Speak Indo-European Language at Home	2,731	3.62
Speak Spanish at Home	13,074	17.31
Speak Other Language at Home	692	0.92
2019 Est. Hisp. or Latino Pop by Single-Class. Race		
White Alone	11,677	59.01
Black/African American Alone	275	1.39
American Indian/Alaskan Native Alone	381	1.93
Asian Alone	106	0.54
Native Hawaiian/Pacific Islander Alone	10	0.05
Some Other Race Alone	6,455	32.62
Two or More Races	885	4.47

Benchmark: CTs in PMA Talavera Lofts 2019

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Pop-Facts® Demographic Snapshot | Population & Race

ENVIRONICS ANALYTICS

Trade Area: CTs in PMA Talavera Lofts 2019 **Total Population:** 77,897 | **Total Households:** 32,248

	Count	%
2019 Est. Population by Sex		
Male	40,761	52.33
Female	37,136	47.67
2019 Est. Population by Age		
Age 0 - 4	2,376	3.05
Age 5 - 9	2,469	3.17
Age 10 - 14	2,364	3.04
Age 15 - 17	2,596	3.33
Age 18 - 20	13,085	16.80
Age 21 - 24	12,843	16.49
Age 25 - 34	14,844	19.06
Age 35 - 44	10,195	13.09
Age 45 - 54	6,681	8.58
Age 55 - 64	4,852	6.23
Age 65 - 74	3,474	4.46
Age 75 - 84	1,488	1.91
Age 85 and over	630	0.81
Age 16 and over	69,869	89.69
Age 18 and over	68,092	87.41
Age 21 and over	55,007	70.61
Age 65 and over	5,592	7.18
Median Age	--	26.48
Average Age	--	32.59
2019 Est. Pop Age 15+ by Marital Status		
Total, Never Married	49,401	69.89
Male, Never Married	26,798	37.91
Female, Never Married	22,603	31.98
Married, Spouse Present	11,863	16.78
Married, Spouse Absent	2,340	3.31
Widowed	1,723	2.44
Male, Widowed	383	0.54
Female, Widowed	1,340	1.90
Divorced	5,361	7.58
Male, Divorced	2,467	3.49
Female, Divorced	2,894	4.09
2019 Est. Male Population by Age		
Male: Age 0 - 4	1,212	2.97
Male: Age 5 - 9	1,242	3.05
Male: Age 10 - 14	1,154	2.83
Male: Age 15 - 17	1,207	2.96
Male: Age 18 - 20	6,309	15.48
Male: Age 21 - 24	6,763	16.59
Male: Age 25 - 34	8,099	19.87
Male: Age 35 - 44	5,614	13.77
Male: Age 45 - 54	3,808	9.34
Male: Age 55 - 64	2,684	6.58
Male: Age 65 - 74	1,783	4.37
Male: Age 75 - 84	667	1.64
Male: Age 85 and over	219	0.54
Median Age, Male	--	27.22
Average Age, Male	--	32.51
2019 Est. Female Population by Age		
Female: Age 0 - 4	1,164	3.13
Female: Age 5 - 9	1,227	3.30
Female: Age 10 - 14	1,210	3.26
Female: Age 15 - 17	1,389	3.74
Female: Age 18 - 20	6,776	18.25
Female: Age 21 - 24	6,080	16.37
Female: Age 25 - 34	6,745	18.16
Female: Age 35 - 44	4,581	12.34
Female: Age 45 - 54	2,873	7.74
Female: Age 55 - 64	2,168	5.84
Female: Age 65 - 74	1,691	4.55
Female: Age 75 - 84	821	2.21
Female: Age 85 and over	411	1.11
Median Age, Female	--	25.69
Average Age, Female	--	32.70

Benchmark: CTs in PMA Talavera Lofts 2019

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Pop-Facts® Demographic Snapshot | Housing & Households

ENVIRONICS ANALYTICS

Trade Area: CTs in PMA Talavera Lofts 2019 **Total Population:** 77,897 | **Total Households:** 32,248

	Count	%
2019 Est. Households by Household Type		
Family Households	9,138	28.34
NonFamily Households	23,110	71.66
2019 Est. Group Quarters Population		
2019 Est. Group Quarters Population	14,060	18.05
2019 HHs By Ethnicity, Hispanic/Latino		
2019 HHs By Ethnicity, Hispanic/Latino	6,305	19.55
2019 Est. Family HH Type by Presence of Own Child.		
Married Couple Family, own children	1,670	18.27
Married Couple Family, no own children	3,610	39.51
Male Householder, own children	312	3.41
Male Householder, no own children	789	8.63
Female Householder, own children	1,341	14.68
Female Householder, no own children	1,416	15.50
2019 Est. Households by Household Size		
1-Person Household	14,667	45.48
2-Person Household	10,279	31.88
3-Person Household	3,588	11.13
4-Person Household	2,151	6.67
5-Person Household	780	2.42
6-Person Household	466	1.45
7-or-more-person	317	0.98
2019 Est. Average Household Size	–	1.98
2019 Est. Households by Number of Vehicles		
No Vehicles	3,768	11.68
1 Vehicle	15,967	49.51
2 Vehicles	9,208	28.55
3 Vehicles	2,364	7.33
4 Vehicles	621	1.93
5 or more Vehicles	320	0.99
2019 Est. Average Number of Vehicles	–	1.42
2019 Est. Occupied Housing Units by Tenure		
Housing Units, Owner-Occupied	9,552	29.62
Housing Units, Renter-Occupied	22,696	70.38
2019 Owner Occ. HUs: Avg. Length of Residence		
2019 Owner Occ. HUs: Avg. Length of Residence	–	11.52
2019 Renter Occ. HUs: Avg. Length of Residence		
2019 Renter Occ. HUs: Avg. Length of Residence	–	4.66
2019 Est. Owner-Occupied Housing Units by Value		
Value Less Than $20,000	90	0.94
Value $20,000 - $39,999	14	0.15
Value $40,000 - $59,999	52	0.54
Value $60,000 - $79,999	42	0.44
Value $80,000 - $99,999	29	0.30
Value $100,000 - $149,999	196	2.05
Value $150,000 - $199,999	362	3.79
Value $200,000 - $299,999	1,290	13.51
Value $300,000 - $399,999	1,761	18.44
Value $400,000 - $499,999	1,706	17.86
Value $500,000 - $749,999	2,033	21.28
Value $750,000 - $999,999	928	9.71
Value $1,000,000 - $1,499,999	567	5.94
Value $1,500,000 - $1,999,999	206	2.16
Value $2,000,000 or more	276	2.89
2019 Est. Median All Owner-Occupied Housing Value	–	452,871.37

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Pop-Facts® Demographic Snapshot | Housing & Households

ENVIRONICS ANALYTICS

Trade Area: CTs in PMA Talavera Lofts 2019 **Total Population:** 77,897 | **Total Households:** 32,248

	Count	%
2019 Est. Housing Units by Units in Structure		
1 Unit Attached	842	2.38
1 Unit Detached	11,220	31.65
2 Units	1,088	3.07
3 to 4 Units	1,089	3.07
5 to 19 Units	4,002	11.29
20 to 49 Units	3,729	10.52
50 or More Units	13,270	37.43
Mobile Home or Trailer	211	0.59
Boat, RV, Van, etc.	0	0.00
2019 Est. Housing Units by Year Structure Built		
Built 2014 or Later	5,911	16.67
Built 2010 to 2013	2,033	5.74
Built 2000 to 2009	9,476	26.73
Built 1990 to 1999	1,966	5.55
Built 1980 to 1989	2,541	7.17
Built 1970 to 1979	2,580	7.28
Built 1960 to 1969	2,984	8.42
Built 1950 to 1959	2,093	5.90
Built 1940 to 1949	2,084	5.88
Built 1939 or Earlier	3,783	10.67
2019 Housing Units by Year Structure Built		
2019 Est. Median Year Structure Built	–	1,999.14
2019 Est. Households by Presence of People Under 18		
2019 Est. Households by Presence of People Under 18	3,998	12.40
Households with 1 or More People under Age 18		
Married Couple Family	1,904	47.62
Other Family, Male Householder	394	9.86
Other Family, Female Householder	1,645	41.15
NonFamily Household, Male Householder	28	0.70
NonFamily Household, Female Householder	27	0.68
2019 Est. Households with No People under Age 18		
Households with No People under Age 18	28,250	87.60
Households with No People under Age 18		
Married Couple Family	3,373	11.94
Other Family, Male Householder	705	2.50
Other Family, Female Householder	1,113	3.94
NonFamily, Male Householder	12,908	45.69
NonFamily, Female Householder	10,151	35.93

Benchmark: CTs in PMA Talavera Lofts 2019

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Pop-Facts® Demographic Snapshot | Affluence & Education

ENVIRONICS ANALYTICS

Trade Area: CTs in PMA Talavera Lofts 2019 **Total Population:** 77,897 | **Total Households:** 32,248

	Count	%
2019 Est. Pop Age 25+ by Edu. Attainment		
Less than 9th Grade	2,551	6.05
Some High School, No Diploma	1,723	4.09
High School Graduate (or GED)	5,596	13.27
Some College, No Degree	6,621	15.70
Associate's Degree	1,207	2.86
Bachelor's Degree	14,213	33.71
Master's Degree	6,770	16.06
Professional Degree	2,101	4.98
Doctorate Degree	1,382	3.28
2019 Est. Pop Age 25+ by Edu. Attain., Hisp./Lat.		
High School Diploma	2,661	26.83
High School Graduate	2,439	24.59
Some College or Associate's Degree	2,168	21.86
Bachelor's Degree or Higher	2,649	26.71
2019 Est. Households by HH Income		
Income < $15,000	7,214	22.37
Income $15,000 - $24,999	2,707	8.39
Income $25,000 - $34,999	2,187	6.78
Income $35,000 - $49,999	2,907	9.02
Income $50,000 - $74,999	4,064	12.60
Income $75,000 - $99,999	3,094	9.59
Income $100,000 - $124,999	2,233	6.92
Income $125,000 - $149,999	1,781	5.52
Income $150,000 - $199,999	1,918	5.95
Income $200,000 - $249,999	1,155	3.58
Income $250,000 - $499,999	1,649	5.11
Income $500,000+	1,339	4.15
2019 Est. Average Household Income	–	100,159.76
2019 Est. Median Household Income	–	56,259.81
2019 Median HH Inc. by Single-Class. Race or Eth.		
White Alone	–	67,751.77
Black or African American Alone	–	24,940.15
American Indian and Alaskan Native Alone	–	55,431.61
Asian Alone	–	15,891.56
Native Hawaiian and Other Pacific Islander Alone	–	200,000.19
Some Other Race Alone	–	41,920.51
Two or More Races	–	45,456.11
Hispanic or Latino	–	43,937.94
Not Hispanic or Latino	–	61,149.88
2019 Est. Families by Poverty Status		
2019 Families at or Above Poverty	7,666	83.89
2019 Families at or Above Poverty with children	2,778	30.40
2019 Families Below Poverty	1,472	16.11
2019 Families Below Poverty with children	870	9.52

Benchmark: CTs in PMA Talavera Lofts 2019

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Pop-Facts® Demographic Snapshot | Education & Occupation

ENVIRONICS ANALYTICS

Trade Area: CTs in PMA Talavera Lofts 2019 **Total Population:** 77,897 | **Total Households:** 32,248

	Count	%
2019 Est. Employed Civilian Population 16+ by Occupation Classification		
White Collar	29,340	74.76
Blue Collar	2,997	7.64
Service and Farming	6,908	17.60
2019 Est. Workers Age 16+ by Travel Time to Work		
Less than 15 Mnutes	14,092	40.38
15 - 29 Mnutes	14,854	42.56
30 - 44 Mnutes	3,924	11.24
45 - 59 Mnutes	759	2.17
60 or more Mnutes	1,269	3.64
2019 Est. Avg Travel Time to Work in Mnutes	–	20.80
2019 Est. Workers Age 16+ by Transp. to Work		
2019 Est. Workers Age 16+ by Transp. to Work	38,447	100.00
Drove Alone	22,568	58.70
Carpooled	2,197	5.71
Public Transport	1,866	4.85
Walked	4,700	12.22
Bicycle	2,319	6.03
Other Means	718	1.87
Worked at Home	4,079	10.61
2019 Est. Civ. Employed Pop 16+ by Class of Worker		
2019 Est. Civ. Employed Pop 16+ by Class of Worker	39,245	100.00
For-Profit Private Workers	25,041	63.81
Non-Profit Private Workers)	3,268	8.33
Local Government Workers	1,376	3.51
State Government Workers	4,375	11.15
Federal Government Workers	307	0.78
Self-Employed Workers	4,815	12.27
Unpaid Family Workers	63	0.16
2019 Est. Civ. Employed Pop 16+ by Occupation		
Architecture/Engineering	626	1.59
Arts/Design/Entertainment/Sports/Media	2,599	6.62
Building/Grounds Cleaning/Maintenance	950	2.42
Business/Financial Operations	3,171	8.08
Community/Social Services	719	1.83
Computer/Mathematical	2,146	5.47
Construction/Extraction	852	2.17
Education/Training/Library	3,521	8.97
Farming/Fishing/Forestry	44	0.11
Food Preparation/Serving Related	3,273	8.34
Healthcare Practitioner/Technician	1,090	2.78
Healthcare Support	442	1.13
Installation/Maintenance/Repair	384	0.98
Legal	713	1.82
Life/Physical/Social Science	602	1.53
Management	6,172	15.73
Office/Administrative Support	3,470	8.84
Production	659	1.68
Protective Services	272	0.69
Sales/Related	4,511	11.49
Personal Care/Service	1,927	4.91
Transportation/Material Moving	1,102	2.81
2019 Est. Pop Age 16+ by Employment Status		
In Armed Forces	28	0.04
Civilian - Employed	40,127	57.43
Civilian - Unemployed	2,112	3.02
Not in Labor Force	27,602	39.51

Benchmark: CTs in PMA Talavera Lofts 2019

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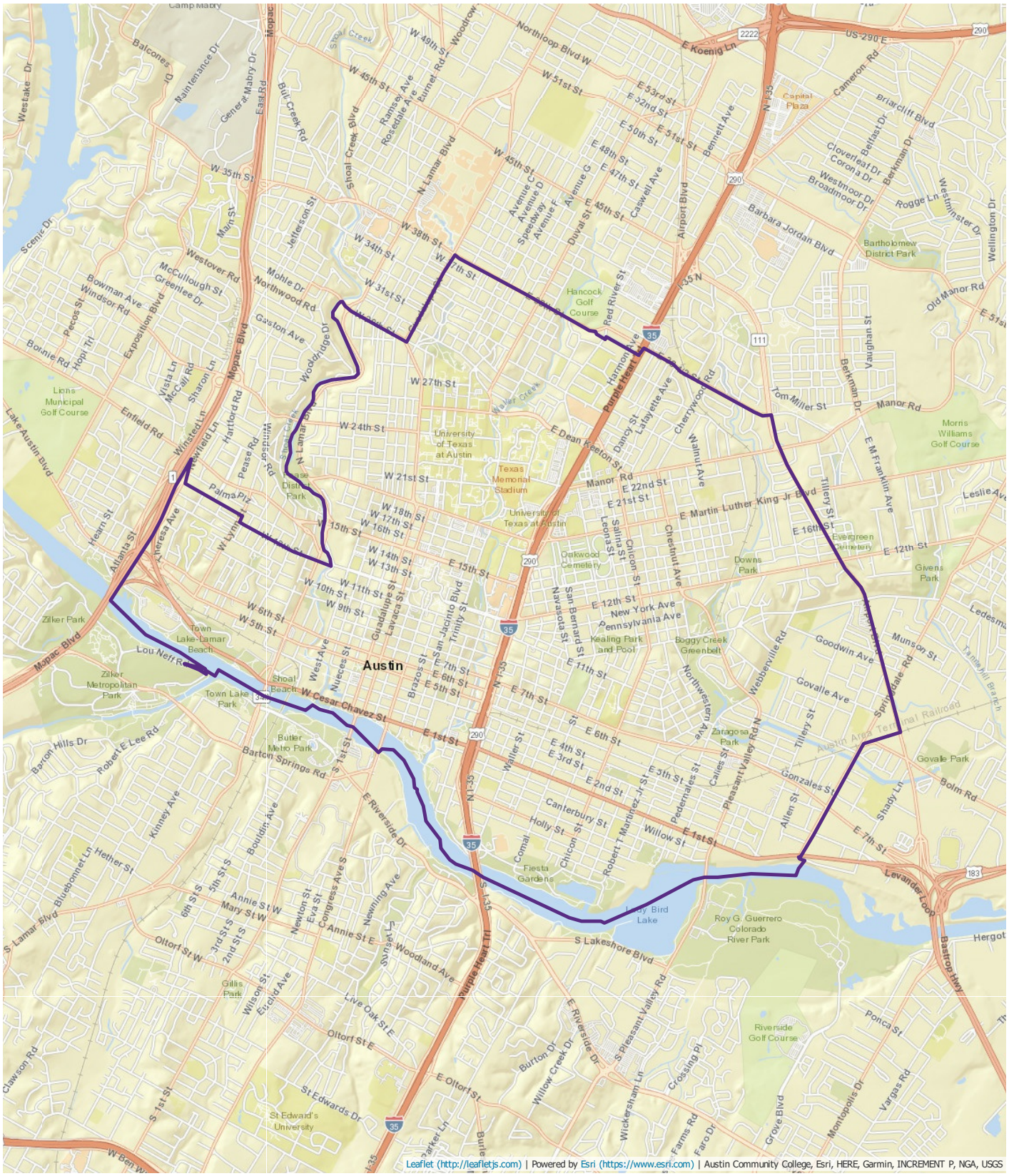
Pop-Facts® DemographicSnapshot | Map

ENVIRONICS ANALYTICS

Trade Area: CTs in PMA Talavera Lofts 2019

Total Population: 77,897 | **Total Households:** 32,248



Benchmark: CTs in PMA Talavera Lofts 2019

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RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

Submitted by:

Nicole Mwei
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[redacted]

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

T A L A V E R A L O F T S

A u s t i n , T X

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1. Applicant Information Form