



April 15, 2019

VIA HAND DELIVERY

Mr. James May
Austin Housing Finance Corporation
1000 East 11th Street, 2nd Floor, #200
Austin, TX 78702

RE: Travis Flats, 5310 Helen Street. Austin, TX 78751

Dear May:

Please find the Rental Housing Development Assistance Application for Rental Development Financing for Travis Flats requesting an additional \$1,000,000 in financing for Travis Flats. Travis Flats is a mixed-use, mixed-income development, with 146 apartment units proposed on 3 acres owned by Travis County at the intersection of Airport Boulevard and 53½ Street in North Central Austin. An 80,000+ square foot office building is concurrently being developed on this site by a separate developer to house the county's flagship Health and Human Services and Veterans Offices, along with the County's Passport Office.

By way of brief history, DMA received an award of \$1.5M in 9% tax credits and \$1.5M in GO Bonds/CDBG-DR funds in August 2018 for Travis Flats. However, due to the challenges faced by Travis Flats over the past 12 months and with the benefit of fully priced permit ready plans, we today face a \$2.3M shortfall in funding sources. This application requests an additional \$1M in GO Bonds to help reduce the gap. Deferred developer fee of \$1.3M will cover the remaining gap.

Over the past year, construction prices have increased approximately 10% reflecting construction industry trends of rapidly rising materials, delivery and labor pricing. Additionally, significant delays and associated cost increases were experienced while obtaining our site development and building permits. On-going coordination issues and conflicting requirements between the new Airport Corridor Improvement Program, COA Landscaping Department and the ACC project's expansion of utility lines along Airport Boulevard at our site created 6 months of delays and multiple design changes. We now have our site development permit and are awaiting the issuance of building permits.

Travis Flats is currently slated to close its financing in and commence construction in May 2019. DMA must close and start construction despite a \$2.3M gap in financing in order to meet Placed in Service requirements of the 9% tax credit financing, which requires all units to have certificates of occupancy by December 2020 or risk losing the tax credit financing. The 19 month construction timeline demands a construction start date no later than May 2019, in order to meet the Placed in Service deadline.

DMA Development Company, LLC respectfully asks that our request of \$1,000,000 be granted in full. It should be noted that DMA originally received a commitment letter for \$2M in gap funds from the City of Austin in February 2018. However, at the time of final loan approval in August 2018, given

the shortage of available COA funds for several newly funded affordable housing developments, and our development budget at the time, we were able to make our proforma work with only \$1.5M in funds, freeing up scarce funds for other needy developments. While no one would argue the recent boom in population and economic growth in Austin has been positive, we would be remiss if we did not also acknowledge the impact it has had on construction materials and labor. Affordable developments within the city of Austin have become increasingly more difficult to finance without the support of the City.

If you have any questions regarding the application or need additional information, please contact me directly at 512.328.3232 x 4506.

Sincerely,

DMA DEVELOPMENT COMPANY, LLC



JoEllen Smith

Executive Vice President

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

T R A V I S F L A T S

A u s t i n , T X

Submitted by:

Nicole Mwei
DMA Development Company, LLC
4101 Parkstone Heights Drive, Suite 310
Austin, TX 78746
512-328-3232 ext. 4531
NicoleM@dmacompanies.com

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

T R A V I S F L A T S

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-
1. Applicant Information Form



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

DMA Development Company, LLC

Owner Name

Austin TCHFC-DMA Housing, LLC

Street Address

4101 Parkstone Heights Drive, Suite 310

City

Austin

State

TX

Zip

78746

Contact Name

JoEllen Smith

Contact Telephone

512-328-3232 ext 4506

Contact Email

JoellenS@dmacompanies.com

Federal Tax ID Number

74-2907408

D-U-N-S Number (visit www.dnb.com for free DUNS#.)

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

DMA Development Company, LLC

Title of Authorized Officer

Executive Vice President

Signature of Authorized Officer

04/15/2019

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

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

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2. Project Summary Form

Project Summary Form

1) Project Name Travis Flats	2) Project Type Mixed-Income	3) New Construction or Rehabilitation? New Construction
4) Location Description (Acreage, side of street, distance from intersection) 5310 Helen Street, Austin, TX 78751		5) Mobility Bond Corridor Airport Blvd
6) Census Tract 21.05	7) Council District District 4	8) Elementary School RIDGETOP EL
9) Affordability Period 40 years		
10) Type of Structure Multi-family	11) Occupied? No	12) How will funds be used? 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	7	6				13
Up to 40% MFI						0
Up to 50% MFI	12	25	11	1		49
Up to 60% MFI	5	40	13	2		60
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions		9	10	5		24
Total Units	24	80	34	8	0	146

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	15	Continuum of Care Units	3
Accessible Units for Sensory Impairments	3		

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? ☐ No
- 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

<u>Sources</u>		<u>Uses</u>	
Debt	12050000	Acquisition	0
Third Party Equity	13686131	Off-Site	367018
Grant	751250	Site Work	1753450
Deferred Developer Fee	1346245	Sit Amenities	297162
Other	3447090	Building Costs	18316410
Committed City of Austin	1500000	Contractor Fees	2592375
COA Additional	\$1,000,000	Soft Costs	3273352
		Financing	3310949
		Developer Fees	3870000
Total	32,780,716	Total	33,780,716
			\$33,780,716

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

TRAVIS FLATS

Austin, TX

3. Development Schedule

Development Schedule

Site Control

Acquisition

Zoning

Environmental Review

Pre-Development

Contract Execution

Closing of Other Financing

Development Services Review

Construction

Site Preparation

25% Complete

50% Complete

75% Complete

100% Complete

Marketing

Pre-Listing

Marketing Plan

Wait List Process

Disposition

Lease Up

Close Out

Start Date

End Date

Jan-17

Nov-18

Jan-17

N/A

N/A

Jun-18

Nov-18

Sep-18

Apr-19

Jan-19

Feb-19

Apr-19

Sep-18

Apr-19

Apr-19

Dec-20

Apr-19

Jul-19

Oct-19

Mar-20

Aug-20

Dec-20

Jul-20

Jun-21

Jul-20

Dec-20

Jul-20

Mar-21

Jul-20

Jun-21

Oct-20

Jun-21

Oct-20

Jun-21

Jan-21

Jun-21

Dec-14

May-16

Sep-17

Feb-19

Jun-20

Oct-21

Site Control

Acquisition

Zoning

Environmental Review

Pre-Development

Contract Execution

Closing of Other Financing

Development Services Review

Construction

Site Preparation

25% Complete

50% Complete

75% Complete

100% Complete

Marketing

Pre-Listing

Marketing Plan

Wait List Process

Disposition

Lease Up

Close Out

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

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4. Development Cost Schedule

Development Budget

	Total Project Cost	Requested AHFC Funds	Description
Pre-Development			
Appraisal	21,000		
Environmental Review	30,600		
Engineering	60,000		
Survey	20,000		
Architectural	1,252,500		
Subtotal Pre-Development Cost	\$1,384,100	\$0	
Acquisition			
Site and/or Land			
Structures			
Other (specify)			
Subtotal Acquisition Cost	\$0	\$0	
Construction			
Infrastructure	367,018		
Site Work	1,975,612	1000000	
Demolition	75,000		
Concrete	543,094		
Masonry	979,288		
Rough Carpentry			
Finish Carpentry	3,694,577		
Waterproofing and Insulation	198,000		
Roofing and Sheet Metal	878,577		
Plumbing/Hot Water			
HVAC/Mechanical	2,565,559		
Electrical	1,681,453		
Doors/Windows/Glass	846,182		
Lath and Plaster/Drywall and Acoustical			
Tiel Work			
Soft and Hard Floor			
Paint/Decorating/Blinds/Shades	1,316,040		
Specialties/Special Equipment	548,043		
Cabinetry/Appliances	298,710		
Carpet			
Other (specify)	6,398,482		Pre-Cast Garage; Contractor Fees
Construction Contingency	1,110,781		
Subtotal Construction Cost	\$23,476,416	\$1,000,000	
Soft & Carrying Costs			
Legal	428,000		
Audit/Accounting	25,000		
Title/Recordin	157,500		
Architectural (Inspections)	42,000		
Construction Interest	1,522,688		
Construction Period Insurance	160,000		
Construction Period Taxes			
Relocation			
Marketing	50,000		
Davis-Bacon Monitoring			
Other (specify)	6,535,013		Impact & Permit Fees,Financing Costs, Developer Fee, Rent Up
Subtotal Soft & Carrying Costs	\$8,920,201	\$0	
TOTAL PROJECT BUDGET	\$33,780,717	\$1,000,000	

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

TRAVIS FLATS

Austin, TX

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	\$1,687,008	\$1,720,749	\$1,755,164	\$1,790,267	\$1,826,072	\$2,016,131	\$2,225,972
Secondary Income	\$8,760	\$8,935	\$9,114	\$9,296	\$9,482	\$10,469	\$11,559
POTENTIAL GROSS ANNUAL INCOME	\$1,695,768	\$1,729,684	\$1,764,278	\$1,799,563	\$1,835,554	\$2,026,600	\$2,237,530
Provision for Vacancy & Collection Loss	-\$84,788	-\$86,484	-\$88,214	-\$89,978	-\$91,778	-\$101,330	-\$111,877
Rental Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EFFECTIVE GROSS ANNUAL INCOME	\$1,610,980	\$1,643,200	\$1,676,064	\$1,709,585	\$1,743,777	\$1,925,270	\$2,125,654
EXPENSES							
General & Administrative Expenses	\$72,190	\$74,356	\$76,586	\$78,884	\$81,250	\$94,192	\$109,194
Management Fee	\$96,659	\$99,559	\$102,545	\$105,622	\$108,790	\$126,118	\$146,205
Payroll, Payroll Tax & Employee Benefits	\$226,547	\$233,343	\$240,344	\$247,554	\$254,981	\$295,592	\$342,673
Repairs & Maintenance	\$82,000	\$84,460	\$86,994	\$89,604	\$92,292	\$106,991	\$124,032
Electric & Gas Utilities	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$65,239	\$75,629
Water, Sewer & Trash Utilities	\$91,200	\$93,936	\$96,754	\$99,657	\$102,646	\$118,995	\$137,948
Annual Property Insurance Premiums	\$59,000	\$60,770	\$62,593	\$64,471	\$66,405	\$76,982	\$89,243
Property Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Replacements	\$36,500	\$37,595	\$38,723	\$39,885	\$41,081	\$47,624	\$55,210
Other Expenses	\$10,450	\$10,764	\$11,086	\$11,419	\$11,762	\$13,635	\$15,807
TOTAL ANNUAL EXPENSES	\$724,546	\$746,282	\$768,671	\$791,731	\$815,483	\$945,368	\$1,095,941
NET OPERATING INCOME	\$886,434	\$896,917	\$907,393	\$917,854	\$928,294	\$979,902	\$1,029,713
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$752,994	\$752,994	\$752,994	\$752,994	\$752,994	\$752,994	\$752,994
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	\$133,440	\$143,923	\$154,399	\$164,860	\$175,299	\$226,908	\$276,719
CUMULATIVE NET CASH FLOW	\$133,440	\$277,363	\$431,761	\$596,621	\$771,920	\$1,777,439	\$3,036,506
Debt Coverage Ratio	1.18	1.19	1.21	1.22	1.23	1.30	1.37

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

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6. Scoring Sheet

Project Name	Travis Flats	
Project Type	Mixed-Income	
Council District	District 4	
Census Tract	21.05	
AHFC Funding Request Amount	\$1,500,000	
Estimated Total Project Cost	\$33,780,716	
High Opportunity	No	
High Displacement Risk	YES	
High Frequency Transit	No	
Imagine Austin	Yes	
Mobility Bond Corridor	Airport Blvd	
SCORING ELEMENTS		Description
UNITS		
< 20% MFI	0	# of rental units at < 20% MFI
< 30% MFI	13	# of rental units at < 30% MFI
<i>District Goal</i>	4.19%	% of annual goal reached with units
<i>High Opportunity</i>	0.00%	% of annual goal reached with units
<i>Displacement Risk</i>	11.61%	% of annual goal reached with units
<i>High Frequency Transit</i>	0.00%	% of annual goal reached with units
<i>Imagine Austin</i>	12.77%	% of annual goal reached with units
<i>Geographic Dispersion</i>	14.16%	% of annual goal reached with units
<i>Mobility Bond Corridor</i>	11.80%	% of annual goal reached with units
SCORE	11	% of Goals * 20
< 40% MFI	0	# of rental units at < 40% MFI
< 50% MFI	49	# of rental units at < 50% MFI
<i>District Goal</i>	15.78%	% of annual goal reached with units
<i>High Opportunity</i>	0.00%	% of annual goal reached with units
<i>Displacement Risk</i>	43.75%	% of annual goal reached with units
<i>High Frequency Transit</i>	0.00%	% of annual goal reached with units
<i>Imagine Austin</i>	48.13%	% of annual goal reached with units
<i>Geographic Dispersion</i>	53.38%	% of annual goal reached with units
<i>Mobility Bond Corridor</i>	44.48%	% of annual goal reached with units
SCORE	31	% of Goals * 15
< 60% MFI	0	# of units for purchase at < 60% MFI
< 80% MFI	0	# of units for purchase at < 80% MFI
<i>District Goal</i>	0.00%	% of annual goal reached with units
<i>High Opportunity</i>	0.00%	% of annual goal reached with units
<i>Displacement Risk</i>	0.00%	% of annual goal reached with units
<i>High Frequency Transit</i>	0.00%	% of annual goal reached with units
<i>Imagine Austin</i>	0.00%	% of annual goal reached with units
<i>Geographic Dispersion</i>	0.00%	% of annual goal reached with units
<i>Mobility Bond Corridor</i>	0.00%	% of annual goal reached with units
SCORE	0	% of Goals * 15
Unit Score	42	MAXIMUM SCORE = 350
INITIATIVES AND PRIORITIES		
<i>Continuum of Care</i>	3	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
<i>2 Bedroom Units</i>	11	Total Affordable 2 Bedroom units
<i>3 Bedroom Units</i>	1	Total Affordable 3 Bedroom units
<i>4 Bedroom Units</i>	0	Total Affordable 4+ Bedroom units
Multi-Generational Housing Score	4	Multi-bedroom Unit/Total Units * 20
TEA Grade	75	Elementary School Rating from TEA
Multi-Generational Housing Weighted Score	1	Educational Attainment, Environment, Community Institutions, Social Cohesion, E
<i>Accessible Units</i>	18	mobility and sensory units
<i>Non-PSH, Non-Voucher Under 20% MFI</i>	0	Total units under 20% MFI
Accessibility Score	6	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	13	MAXIMUM SCORE = 200
UNDERWRITING		
<i>AHFC Leverage</i>	10%	% of total project cost funded through AHFC request
Leverage Score	22	25 - (% leverage * 25)
<i>AHFC Per Unit Subsidy</i>	\$24,193.55	Amount of assistance per unit
Subsidy per unit score	22	(\$200,000 - per unit subsidy)*25/\$200,000
<i>AHFC Per Bedroom Subsidy</i>	\$20,000.00	Amount of assistance per bedroom
Subsidy per Bedroom Score	23	(\$200,000 - per bedroom subsidy)*25/\$200,000
<i>Debt Coverage Ratio (Year 5)</i>	1.23	Measured at the 5 Year mark
Debt Coverage Ratio Score	23.28031732	Minimum = 1.0; Maximum = 1.5; 1.25 = best score
Underwriting Score	90	MAXIMUM SCORE = 100
APPLICANT		
FINAL QUANTITATIVE SCORE	145	THRESHOLD SCORE = 50
<i>Previous Developments</i>		
<i>Compliance Score</i>		
<i>Proposal</i>		
<i>Supportive Services</i>		
<i>Development Team</i>		
<i>Management Team</i>		
Notes		

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

TRAVIS FLATS

Austin, TX

Attachment I(a)

Introduction

Travis Flats is a mixed-use, mixed-income development, with 146 apartment units and 80,000+ square feet of office space, proposed on 3 acres owned by Travis County at the intersection of Airport Boulevard and 53½ Street in North Central Austin.

Travis County selected the team of DMA Development Company and Southwest Strategies Group to redevelop the tract, currently owned by the County and utilized as a parking lot, as affordable housing and commercial office. For the multifamily component, Travis County Housing Finance Corporation is partnering with DMA Development Company and for the office building – which will house the County’s flagship Health and Human Services offices, Veterans Services and Passport and Jury Services, the county is partnering with Southwest Strategies Group. The two components will share a parking garage. The residential and office components will be financed separately from one another except that the Southwest Strategies will share in the construction cost of the garage.

Travis Flats is currently slated to close its financing in and commence construction in May 2019. DMA must close and start construction despite a \$2.3M gap in financing in order to meet Placed in Service requirements of the 9% tax credit financing, which requires all units to have certificates of occupancy by December 2020 or risk losing the tax credit financing. The 19 month construction timeline demands a construction start date no later than May 2019, in order to meet the Placed in Service deadline.

DMA received an award of \$1.5M in 9% tax credits and \$1.5M in GO Bonds/CDBG-DR funds in August 2018, and applied for HUD 221d4 financing in June 2018. The forward progress of Travis Flats was significantly impacted by the complexity of the development and the 2018-2019 federal shutdown which delayed HUD issuing a firm commitment for many months. Given HUD workload backlogs and the threat of an additional federal shutdown, a business decision was made in February 2019 to seek alternate financing to avoid the uncertainty and further delays.

Over the past year, construction prices have increased approximately 10% reflecting construction industry trends of rapidly rising materials, delivery and labor pricing. Additionally, significant delays and

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
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TRAVIS FLATS

Austin, TX

associated cost increases were experienced while obtaining our site development permit. On-going coordination issues and conflicting requirements between the new Airport Corridor Improvement Program, COA Landscaping Department and the ACC project's expansion of utility lines along Airport Boulevard at our site created 6 months of delays and multiple design changes. We now have our site development permit and are awaiting the issuance of building permits.

DMA originally received a commitment letter for \$2M in gap funds from the City of Austin in February 2018. However, at the time of final loan approval in August 2018, given the shortage of available COA funds for several newly funded affordable housing developments, and our development budget at the time, we were able to make our proforma work with only \$1.5M in funds, freeing up scarce funds for other needy developments. However, due to the challenges faced by Travis Flats over the past 12 months and with the benefit of fully priced permit ready plans, we today face a \$2.3M shortfall in funding sources. This application requests an additional \$1M in GO Bonds to help reduce the gap. Deferred developer fee of \$1.3M will cover the remaining gap.

DMA Development Company, LLC ("DMA") is committed to make Travis Flats a reality. We are an experienced Austin-based real estate development company with more than a quarter of a century of experience in affordable housing and widely recognized in Texas as the "go to" firm for creative, affordable living communities. DMA has developed 31 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-income developments, both for working families and for seniors. Of particular note is Aldrich 51, a 240-unit workforce housing community at nearby 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.

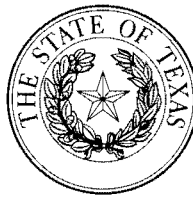
RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

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Attachment 1(b)

Certificate of Status – Austin TCHFC-DMA Housing, LLC



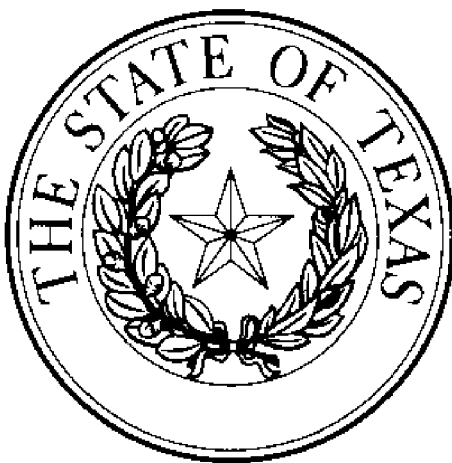
Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Certificate of Formation for Austin TCHFC-DMA Housing, LLC (file number 802980242), a Domestic Limited Liability Company (LLC), was filed in this office on April 04, 2018.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on March 14, 2019.



A handwritten signature in black ink, appearing to read "David Whitley".

David Whitley
Secretary of State

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
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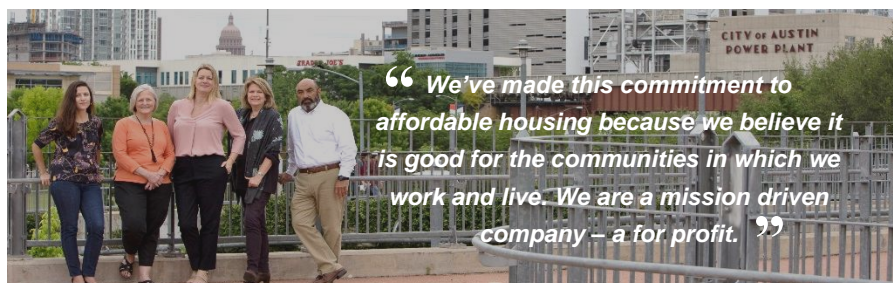
A u s t i n , T X

Attachment 1(c)

Corporate Profile



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](https://www.facebook.com/dmacompanies)
Twitter: [@DMADevCo](https://twitter.com/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

Developments Under Construction

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



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, developed as 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



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



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

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 R A V I S F L A 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

TRAVIS FLATS

Austin, TX

Attachment I(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 R A V I S F L A 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	80% of Fee	74-2907408
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB? <input type="checkbox"/> Yes		
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/> Yes

Housing General Contractor:

Blazer Building Texas, LLC	Jim Wanja	(281) 808-3307
	Contact Name	Phone
jwanja@blazerbuilding.com	TBD	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB? <input type="checkbox"/> No		
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/> No

Infrastructure General Contractor:

same as GC		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB? <input type="checkbox"/>		
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/>

Cost Estimator:

Same as GC		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB? <input type="checkbox"/>		
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/>

Architect:

Nelsen + Architects	Phil Crisara	(512) 457-8400
	Contact Name	Phone
pcrisara@nelsenpartners.com	\$1,342,750.00	20-58449672
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB? <input type="checkbox"/> No		
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/> 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:

Urban Design Group		J Segura	(512) 348-0040
Contact Name		Phone	
jsegura@udg.com		\$102,000.00	74-2456137
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

Market Analyst:

Affordable Housing Analyst		Bob Coe	(281) 387-7552
Contact Name		Phone	
		\$8,500.00	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		\$100,000.00	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 & Associates		George Littlejohn	(512) 340-0420
Contact Name		Phone	
george.littlejohn@novoco.com		\$20,000.00	95-310253
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	5% of EGI	02-0553727
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input checked="" type="checkbox"/> Yes	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input checked="" type="checkbox"/> Yes

Originator of Underwriter:

JP Morgan Chase, N.A.	David Saling	(512) 479-2218
Contact Name		Phone
david.saling@chase.com	1% of Loan	13-4994650
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/> No

Bond Issuer:

N/A		
Contact Name		Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/>

Syndicator:

RedStone Equity Partners, LLC	Drew Foster	(212) 225-8294
Contact Name		Phone
Drew.Foster@rsequity.com	N/A	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/> No

Supportive Services Provider:

TBD		
Contact Name		Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/>

Supportive Services Provider:

N/A		
Contact Name		Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		<input type="checkbox"/>

Title Company

<u>Independence Title</u>	<u>Dan Phares</u>	<u>(512) 279-7273</u>
	Contact Name	Phone
<u>dphares@independencetitle.com</u>	<u>TBD</u>	<u>74-1909700</u>
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text" value="No"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text" value="No"/>		

Application Consultant:

<u>N/A</u>		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text"/>		

ESA Provider:

<u>Phase Engineering</u>	<u>Tracy Watson</u>	<u>(210) 997-4056</u>
	Contact Name	Phone
<u>tracy@phaseenginnering.com</u>	<u>\$5,000.00</u>	<u>75-2502360</u>
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text" value="No"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text" value="No"/>		

PCA Provider:

<u>N/A</u>		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text"/>		

Other:

<u>TCC Hill Country Development Corporation</u>	<u>Andrea Shields</u>	<u>(512) 854-9116</u>
	Contact Name	Phone
<u>andrea.shields@traviscountytexas.gov</u>	<u>20% of Dev Fee</u>	<u>81-2751731</u>
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text" value="No"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text" value="Yes"/>		

Other:

<u>JSA Development Company II, LLC</u>	<u>Janine Sisak</u>	<u>(512) 328-3232</u>
	Contact Name	Phone
<u>janines@dmacompanies.com</u>	<u>11% of DMA fee</u>	<u>N/A</u>
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text" value="No"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text" value="Yes"/>		



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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/tpasscmbsearch/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 additional 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



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/tpasscmbsearch/index.jsp>) or by contacting the HUB Program at 512-463-5872 or toll-free in Texas at 1-888-863-5881.



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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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 additional 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



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/tpasscmbsearch/index.jsp>) or by contacting the HUB Program at 512-463-5872 or toll-free in Texas at 1-888-863-5881.

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

T R A V I S F L A 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 Estate, 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 R A V I S F L A T S

A u s t i n , T X

Attachment 4(a)

Project Proposal



**PROJECT PROPOSAL
TRAVIS FLATS
Austin, Texas**

About the Proposed Housing

Travis Flats is a mixed-use, mixed-income development – with 146 apartment units and 90,000+ square feet of office space – proposed on 3 acres owned by Travis County at the intersection of Airport Boulevard and 53½ Street in North Central Austin.

Travis County selected the team of DMA Development Company and Southwest Strategies Group to redevelop the tract, currently owned by the County and utilized as a parking lot, as affordable housing and commercial office. For the multifamily component, Travis County Housing Finance Corporation is partnering with DMA Development Company and for the office building – which will house the County’s Health and Human Services offices and Passport offices, the county is partnering with Southwest Strategies Group. The two components will share a parking garage. The residential and office components will be financed separately from one another except that the Southwest Strategies will share in the construction cost of the garage.

As a high density development within the North Airport Boulevard Revitalization planning area, Travis Flats is proposed as an urban, four-story, elevator served building with structured parking and a mix of studios, one-bedroom, two-bedroom and three-bedroom apartments. The development will target a mix of incomes as follows:

- 13 units with rents affordable to persons with incomes at or below 30% Annual Median Income (AMI)
- 49 units with rents affordable to persons with incomes at or below 50% AMI
- 60 units with rents affordable to persons with incomes at or below 60% AMI
- 24 units at market rates

Travis County along with DMA regularly met with the Ridgeway and Northfield neighborhood associations throughout the pre-development stages of this project to seek community input, engagement, and support. Efforts were made to maintain compatibility with any neighborhood plans and significant consideration was given to help achieve the goals and objectives of the North Airport Boulevard Revitalization plan – see attached CRP letter from the County Judge regarding these efforts. Travis Flats has 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).

Travis Flats will start construction on May 1, 2019 and be completed by December of 2020.

All units will be adaptable for persons with mobility, sight or hearing disabilities, with 8 units accessible to persons with mobility impairments and 3 units accessible to persons with sensory impairments. Each apartment unit will include 9' ceilings, a full appliance package, washer/dryer hookups, ceiling fans, and a private patio with secured storage, as well as energy efficient features, including dual pane insulating windows and insulation that exceeds code for walls and ceilings. Garage parking, with ample bicycle storage, will also be available. The property will feature community amenity spaces such as:

- Community building with fitness center;
- Media Lounge;
- Business Center;
- Children's Activity Center;
- Community Room; and a
- Interior courtyard with natural playscape.

Travis Flats is also located near many amenities and assets in the area. A sampling within a 1 mile radius of the development includes:

- Travis County Tax Office and Texas Department of Motor Vehicles;
- Public Transportation – bus stop across street with service every 30 minutes, Metro Rail stop at Highland Mall;
- Mueller Shopping Center and nearby Retail including Target, Home Depot, Best Buy, Walgreens;
- Ridgetop Elementary School;
- Restaurants, a Hospital;
- Gym and recreation centers;
- Daycare center;
- and, Austin Community College's Highland Campus.

About the Financing

Travis Flats will utilize a combination of financing sources, including construction loan and permanent loans, 9% Housing Tax Credit equity from Red Stone Equity Partners, and gap funds and fee waivers from the City of Austin.



OFFICE OF TRAVIS COUNTY JUDGE SARAH ECKHARDT

February 27, 2018

Tim Irvine
Executive Director
Texas Department of Housing and Community Affairs
P.O. Box 13941
Austin, TX 78711-3941

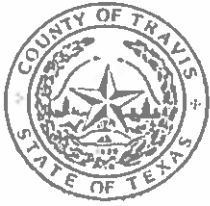
Re: Travis Flats, Austin, Texas
Application #18335

Dear Mr. Irvine:

This letter provides further documentation required by your rules governing Concerted Revitalization Plans regarding our North Airport Boulevard Revitalization Plan. Travis County has adopted this plan as an outgrowth of two earlier county planning documents and as an ancillary plan to various plans that the City of Austin has commissioned for this area. Indeed, this area has been targeted for revitalization for more than 10 years, and the revitalization is well underway. Travis County as one of the larger land owners in this area, is well positioned to confirm this fact as it has invested more than \$22 million dollars on repositioning its facilities on North Airport. The passage by City of Austin voters of the 2016 Mobility Bond package is also very significant because it will provide an additional \$20 million of funding to sustain the revitalization of the important North Airport corridor through long overdue infrastructure improvements.

Because this area has been the subject of so much planning and expected public investment from both the County and the City, the area is also seeing a significant amount of new private investment. The Highland Mall, which is not part of this planning area, but is within the Airport Corridor, had fallen into partial vacancy as many businesses failed to thrive at that location due to the poor streetscape, visibility, and accessibility from major highways. The Highland Mall has been redeveloped and now serves as the home to the Austin Community College main campus. This development has spurred new development all along the Airport Corridor. A handful of new restaurants have opened between 53rd and 49th Streets, and new construction is spotted along both Clarkson Avenue and 51st Street. Many homes have been recently remodeled or rebuilt, with few vacant lots remaining; and the majority of multi-family properties in the area are being updated.

The census tract that contains the Travis county site, which is the site of the proposed development, Travis Flats, is considered a census tract that has gentrified, according to the website entitled "Governing," (<http://www.governing.com/gov-data/austin-gentrification-maps-demographic-data.html>). This data source determines whether a census tract has gentrified by tracking the change from 2000-2010 in certain data points. Specifically, "these lower-income census tracts experienced significant



OFFICE OF TRAVIS COUNTY JUDGE SARAH ECKHARDT

growth in both home values and educational attainment. To be eligible to gentrify, a tract's median household income and median home value needed to fall within the bottom 40th percentile of all tracts within a metro area at the beginning of the decade. Tracts considered to have gentrified recorded increases in the top third percentile for both inflation-adjusted median home values and percentage of adults with bachelors' degrees."

For this particular census tract, the changes clearly indicate an upward trend in these areas. Its population increased by 263 people, median home value increased to \$208,700 which represents an 89% increase, and the percentage of adults with bachelor's degrees increased from 18.6% in 2000 to 29.2% in 2010. This census tract is clearly within the parameters of an area that has undergone gentrification.

Based on the foregoing, it is evident that targeted efforts of both Travis County in conjunction with targeted efforts of the City of Austin have resulted in measurable improvement in the North Airport Boulevard planning area. Travis County's plan and its direct financial investment in its North Campus has created a significant catalyst for other redevelopment and investment in this area. The Travis Flats project is an extension of these efforts and will provide an excellent affordable alternative to working families who are facing the possibility of being priced out of this richly amenitized area due to gentrification forces.

The North Campus location is very much an appropriate for affordable housing. Indeed, Travis County currently has 3,018 employees who earn less than \$50,000 annually. This is 58.5% of the County's employees. There are also many people in that same income range who work at retail stores and restaurants in that area and would be interested in an affordable housing option near their current jobs.

Please do not hesitate to contact me with any questions or concerns. I can be reached at 512-854-9555.

Sincerely,

Sarah Eckhardt
County Judge

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

T R A V I S F L A T S

A u s t i n , T X

Attachment 4(b)

Market Assessment

**APPRAISAL REPORT
C18-AHA-101
INVOLVING AN APARTMENT MARKET ANALYSIS
FOR A HOUSING TAX CREDIT (HTC) DEVELOPMENT**

OF

**TDHCA #18335
TRAVIS FLATS
A 146-UNIT PROPOSED FAMILY HTC MIXED-INCOME APARTMENT
DEVELOPMENT. THE SUBJECT PROPERTY IS LOCATED AT THE NORTHEAST
CORNER OF HELEN STREET AND EAST 53 1/2 STREET IN
AUSTIN, TRAVIS COUNTY, TEXAS 78751**

PREPARED FOR

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
AUTHORIZED BY
MS. JANINE SISAK
AUSTIN TCHFC-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
JANUARY 24, 2018**

**DATE OF THE REPORT
MARCH 9, 2018**

AFFORDABLE HOUSING ANALYSTS
Appraisers/Market Analyst/Consultants

March 9, 2018

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

Reference: Travis Flats: A 146-unit Family development proposed to be constructed and operated as a Housing Tax Credit (HTC) mixed-income apartment project. The subject property is located at the northeast corner of Helen Street and East 53 1/2 Street in Austin, Travis County, Texas 78751.

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, we have not determined Market Value for the property. The effective date of the study is January 24, 2018. The date of the report is March 9, 2018. Robert O. Coe, II visited the subject site on January 24, 2018.

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 Travis Flats as of January 24, 2018.

No one provided significant real property appraisal assistance in the preparation of the market analysis.

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.

Texas Department of Housing and Community Affairs
Austin TCHFC-DMA Housing, LLC
Ms. Janine Sisak

*I certify that I have read and understood the 2018 Uniform Multifamily Rules **10.303 and 10.304**. I certify that I consider the services provided conform to the Department's Market Analysis Rules and Guidelines, described in Section 10.303 of the Uniform Multifamily Rules in effect for the application round (2018) 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 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.

Respectfully,

Affordable Housing Analysts



Robert O. (Bob) Coe, II
TX-1333157-G
State Certified General Real Estate Appraiser
Candidate for Designation, Appraisal Institute

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MARKET ANALYSIS SUMMARY									
Provider: Affordable Housing Analysts					Date: 3/9/2018				
Contact: Bob Coe					Phone: 281-387-7552				
Development: Travis Flats					Target Population: general				
					Definition of Elderly Age:				
Site Location: NE/C Helen Street and East 53 1/2 Street					City: Austin		County: Travis		
Site Coordinates: Longitude W97.713478 Latitude N30.314915 (decimal degree format)									
Primary Market Area (PMA) page 31 12.239 Square Miles									
CENSUS TRACTS									
48453000203	48453000304	48453001505							
48453000204	48453000305	48453001804							
48453000205	48453001501	48453001817							
48453000206	48453001503	48453001818							
48453000302	48453001504	48453002105							
ELIGIBLE HOUSEHOLDS BY INCOME page 71									
HH size	30% of AMGI		40% of AMGI		50% of AMGI		60% of AMGI		
	min	max	min	max	min	max	min	max	
1	\$12,810	\$17,100			\$21,360	\$28,500	\$27,480	\$34,200	
2	\$13,740	\$19,560			\$22,890	\$32,600	\$27,480	\$39,120	
3					\$27,480	\$36,650	\$32,970	\$43,980	
4					\$27,480	\$40,700	\$32,970	\$48,840	
5					\$31,740	\$44,000	\$38,100	\$52,800	
6					\$31,740	\$47,250	\$38,100	\$56,700	
MULTIFAMILY HOUSING in PMA page 43									
				# Developments	Total Units	Avg Occupancy			
All Multifamily Housing				84	13,057	89.7%			
All Placed-in-Service after 2014				5	1,345	94.0%			
All LIHTC Developments				5	596	99.4%			
Unstabilized Comparable LIHTC									
Other Subsidized / Affordable									
AFFORDABLE HOUSING INVENTORY in PMA page Addenda									
Proposed, Under Construction, and Unstabilized Comparable Developments in PMA									
TDHCA #	Development	Status	Type	Target Population	Comp Units	Total Units	Occupancy		
Other Affordable Developments in PMA									
TDHCA #	Development	Status	Type	Target Population	Comp Units	Total Units	Occupancy		
16420	Pathways @ North Loop	in service	rehab	senior	n/a	130	100%		
94063	Gateways	in service	rehab	general	n/a	10	100%		
00025T	Santa Maria Village	in service	new const	general	n/a	176	100%		
15412	The Timbers	in service	new const	general	n/a	104	100%		
01424	Primrose of Shadow Creek	in service	new const	senior	n/a	176	98%		
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 both the General population and the Senior population									

PMA DEMOGRAPHIC DATA											
		GENERAL			SENIORS						
		current year	place-in-service	five year	current year	place-in-service	five year				
		2018	2020	2023	2018	2020	2023				
Population p. 39		63,864	65,468	67,875							
Households p. 39											
Total HH		31,840	32,633	33,426							
Renter HH		19,882	20,213	20,544							
Homeowner HH		11,958	12,420	12,882							
DEMAND CALCULATION p. 70					Total Households 31,840						
		Program Only Restricted Units	Assisted Units	* See footnote 2		Program Only Restricted Units	Assisted Units				
Subject Units		122				\$ 12,810					
Unstabilized Comparable Units		0				\$ 56,700					
RELEVANT SUPPLY		122	0			4,419					
						10% External Demand	442				
						Other Demand					
						GROSS DEMAND	4,861				
RELEVANT SUPPLY / GROSS DEMAND = GROSS CAPTURE RATE						2.5%					
CAPTURE RATE BY AMGI BAND p. 81		* include program only restricted units									
AMGI Band Capture Rates	Demand	10% External Demand	Subject Units	Comp Units	Capture Rate						
30% AMGI	702	70	13	0	1.68%						
50% AMGI	985	99	49	0	4.52%						
60% AMGI	2,732	273	60	0	2.00%						
CAPTURE RATE BY UNIT p. 81		* include program only restricted units									
SUBJECT UNIT MIX				PROPOSED RENT		p. 68	DEMAND by UNIT TYPE p. 81				
AMGI Level	Beds	Baths	AVG. Size (sqft)	Gross	Net	AVG. MARKET RENT	Demand	10% External Demand	Subject Units	Comp Units	Unit Capture Rate
30%	0	1	567	\$427	\$377	\$1,150	114	11	7	0	5.6%
50%	0	1	604	\$712	\$662	\$1,192	100	10	12	0	10.9%
60%	0	1	611	\$712	\$662	\$1,192	208	21	5	0	2.2%
30%	1	1	701	\$458	\$400	\$1,400	588	59	6	0	0.9%
50%	1	1	706	\$763	\$705	\$1,400	414	41	25	0	5.5%
60%	1	1	708	\$916	\$858	\$1,400	1,136	114	40	0	3.2%
MKT	1	1	732	\$1,250	\$1,250	\$1,400	5,016	502	9	0	0.2%
50%	2	1	921	\$916	\$836	\$1,650	257	26	11	0	3.9%
60%	2	2	1,054	\$1,099	\$1,019	\$1,900	764	76	13	0	1.5%
MKT	2	2	1,075	\$1,550	\$1,550	\$1,924	4,080	408	10	0	0.2%
50%	3	2	1,322	\$1,058	\$955	\$2,350	214	21	1	0	0.4%
60%	3	2	1,315	\$1,270	\$1,167	\$2,350	624	62	2	0	0.3%
MKT	3	2	1,319	\$1,700	\$1,700	\$2,350	1,680	168	5	0	0.3%

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 northeast corner of Helen Street and East 53 1/2 Street, in Austin, Travis County, Texas 78751. The subject site contains ±2.2311 acres (±97,187 square feet), and appears to be relatively flat in topography. The subject is proposed to be developed and operated as a 146-unit HTC mixed-income Family apartment development.

Primary Market: The subject's primary market is generally defined as that area contained within census tracts 48453000203, 48453000204, 48453000205, 48453000206, 48453000302, 48453000304, 48453000305, 48453001501, 48453001503, 48453001504, 48453001505, 48453001804, 48453001817, 48453001818, and 48453002105. This area is contained in all or a portion of the following zip codes 78723, 78751, 78752, 78756, and 78757. The area is generally bound by Highway 290, Interstate 35, Powell Lane, Lamar Boulevard, and Highway 183 to the north; MOPAC, the railroad tracks, Northland Drive, and Shoal Creek to the west; 29th Street, Guadalupe Street, and 38th Street to the south; and Interstate 35, 51st Street, Berkman Drive, Broadmoor Drive, Suffolk Drive, Nassau Drive, Corona Drive, and Cameron Road to the east. The average rental rate for apartments in the subject's primary market area is reported at \$1.34 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 89.73%. 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 ±\$1.58 per square foot per month. According to my research (including contacting the local HUD offices), there are 5 existing 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. The Timbers, Santa Maria Village and Gateways are the most comparable Family HTCs within the PMA.

Demand: The primary market area for the subject property had an estimated 31,840 households in 2018 and is projected to have 34,284 households by 2023. Approximately 62.44% of these households were renter households in 2018. The population growth in the primary market area between 2000 and 2010 was -2.32%, between 2010 and 2018 was 9.46% and between 2018 and 2023 is projected to be 6.28%. 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 16.44% in efficiency units, 54.79% in one-

bedroom units, 23.29% in two-bedroom units, and 5.48% in three-bedroom units, and 0.00% in four-bedroom units. Because the average household size in the primary market area is 1.99 persons, and approximately 95.46% of the households consist of 1 to 4 person households, having approximately 94.52% of the unit mix in efficiency 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 Family 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 $\pm \$1.102$ 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 \$1,545,732. Other revenue (primary sources are laundry, vending, application fee, cable TV, 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 Family housing in the subject's primary market area.

Capture Rate: Based on my research, there are no other Family project under construction comparable to the subject within the PMA, none approved, none proposed with priority, and none unstabilized in the primary market area. There are no active applications on the bond list. There are no market rate Family complex's that were recently built, and none proposed. Per TDHCA guidelines, all of the subjects restricted units should be included in the capture calculations. The subject contains 146 units, of which 122 will be rent-restricted. Therefore, a total of 146 units require absorption, of which 122 units will be rent-restricted. There are approximately 9,048 (Envionics Analytics) and 4,860 (HISTA) potential households (relevant to the rent restricted units) based on income eligibility, household size, and housing preference in the subject's primary market.

Spotlight Capture Rate for 122 Affordable Family Units	1.35%
Spotlight Capture Rate for 24 Market Family Units	0.22%
HISTA Capture Rate for 122 Affordable Family Units	2.51%
HISTA Capture Rate for 24 Market Family Units	0.22%
Capture Rate Whole	1.35%

THE CAPTURE RATE ABOVE IS OVERSTATED. I HAVE NOT INCLUDED DEMAND FROM SECTION 8 AND OTHER DEMAND SOURCES (OTHER THAN THE AUTOMATIC 10%). 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 outside, but 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 near 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 near 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 near 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. 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 5 to 9 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 northeast corner of Helen Street and East 53 1/2 Street, in Austin, Travis County, Texas 78751, with a physical address of 5325 Airport Boulevard. The subject site is an irregularly-shaped tract containing a total of ± 2.2311 acres ($\pm 97,187$ square feet), appears to have relatively flat topography, and appears to have adequate slope for drainage purposes. The subject site is currently effectively vacant and is proposed to be improved with a 146-unit Family HTC mixed-income apartment development. The property is identified as all or a portion of account number(s) 221926 by the Travis County Appraisal District.

Description of Subject Property

Travis Flats is a 146-unit Family 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 three/four-story elevator-served buildings. 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 structured parking, clubhouse, and controlled access to the property. 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 83.56% 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 (8.90% at 30% AMGI, 33.56% at 50% AMGI, 41.10% at 60% AMGI, and 16.44% at market levels). A visit to the subject site was performed by Robert O. Coe, II on January 24, 2018. The following table exhibits the unit mix for the proposed project, as supplied by the client.

SUBJECT UNIT MIX			
No. Units	Type	AVG. Size (SF)	Total Area
1	0 BR / 1 BA	550	550
8	0 BR / 1 BA	568	4,544
15	0 BR / 1 BA	611	9,165
3	1 BR / 1 BA	690	2,070
66	1 BR / 1 BA	707	46,662
11	1 BR / 1 BA	732	8,052
1	2 BR / 1 BA	897	897
9	2 BR / 1 BA	923	8,307
1	2 BR / 1 BA	925	925
18	2 BR / 2 BA	1,051	18,918
2	2 BR / 2 BA	1,072	2,144
3	2 BR / 2 BA	1,132	3,396
1	3 BR / 2 BA	1,310	1,310
6	3 BR / 2 BA	1,319	7,914
1	3 BR / 2 BA	1,322	1,322
146		795	116,131
Total Net Rentable Area (SF):			116,131

Foundation:	Reinforced concrete slab
Building Type:	Three/four-story elevator-served buildings
Exterior Walls:	Masonry veneer (stucco, brick, metal panel, glazing, and fiber cement siding)
Roofing:	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 parking in a shared structured parking garage and open parking.
Landscaping:	The landscaping is expected to be attractive and well-presented upon completion.
Exterior Amenities:	Community meeting room, business center, clubhouse, fitness center, and theatre room.
Fence:	No
Access Gates:	No (controlled access to building)
Laundry:	Washer/dryer hookups, and central laundry facilities.
Building Area:	116,131 SF (NRA)

Total GBA:	157,119 SF (including common areas, corridor space, etc).
Land/Bldg. Ratio:	0.84:1 (NRA)
Units/Acre Ratio:	±65.44:1
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.

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 Travis County, Texas and Travis County Redevelopment Authority, which has owned the property for at least the last three years. The property is reportedly under a ground lease option contract to DMA Development Company, LLC. or its assigns for \$100,000, or approximately \$1.03 per square foot annually. 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 the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, Sixth Edition, copyright 2015.

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 January 24, 2018.

Date of the Report

The preparation of this report was completed on March 9, 2018.

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 2017 income for HTC/PAB projects (2018 income limits have not been released).

Travis - County Housing Tax Credit 2017 Income Ceilings for Qualifying Tenants				
Size of Household	Median Income			
	30%	40%	50%	60%
1 Person Household	\$ 17,100	\$ 22,800	\$ 28,500	\$ 34,200
2 Person Household	\$ 19,560	\$ 26,080	\$ 32,600	\$ 39,120
3 Person Household	\$ 21,990	\$ 29,320	\$ 36,650	\$ 43,980
4 Person Household	\$ 24,420	\$ 32,560	\$ 40,700	\$ 48,840
5 Person Household	\$ 26,400	\$ 35,200	\$ 44,000	\$ 52,800
6 Person Household	\$ 28,350	\$ 37,800	\$ 47,250	\$ 56,700
7 Person Household	\$ 30,300	\$ 40,400	\$ 50,500	\$ 60,600
8 Person Household	\$ 32,250	\$ 43,000	\$ 53,750	\$ 64,500

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 2017 rents for HTC and bond projects for families at 30%, 40%, 50%, and 60% of median income (2018 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						
2017	Efficiency	1 BR	2 BR	3 BR	4 BR	5 BR
30%	\$427	\$458	\$549	\$635	\$708	\$781
40%	\$570	\$611	\$733	\$847	\$945	\$1,042
50%	\$712	\$763	\$916	\$1,058	\$1,181	\$1,303
60%	\$855	\$916	\$1,099	\$1,270	\$1,417	\$1,563

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.

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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	2000-2010	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 As Of Fall 2014			
Ranking	University	Location	Enrollment
1	Arizona State University	Tempe, Arizona	60,168
2	University of Central Florida	Orlando, Florida	59,770
3	Ohio State University	Columbus, Ohio	57,466
4	Florida International University	Miami, Florida	53,980
5	Texas A&M University	College Station, Texas	52,449
6	University of Texas at Austin	Austin, Texas	51,145
7	Michigan State University	East Lansing, Michigan	49,300
8	University of Florida	Gainesville, Florida	49,042

9	University of Minnesota	Minneapolis/Saint Paul, Minnesota	48,308
10	Indiana University	Bloomington, Indiana	46,817

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 currently in the process of building 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 proposed water treatment plant is expected to be operational by 2014 and projected to treat 50 mgd 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.

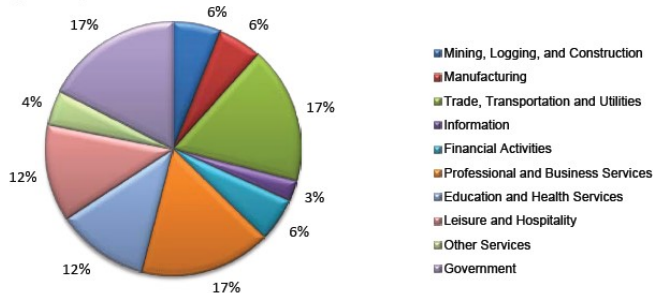
The Austin MSA unemployment rate as reported in December 2017 at 2.7%, unchanged from November, but down from December 2016's 3.2%. Most recent trends suggest the employment is stabilized at levels significantly better than previous recessionary levels. The chart on the following page provides a summary of the employment categories for the Austin MSA.

Austin-Round Rock MSA

(Bastrop, Caldwell, Hays, Travis, Williamson)

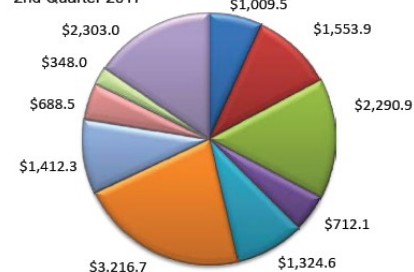
December 2017

Industry Composition



Wages by Industry (in millions)

2nd Quarter 2017



Employment by Industry

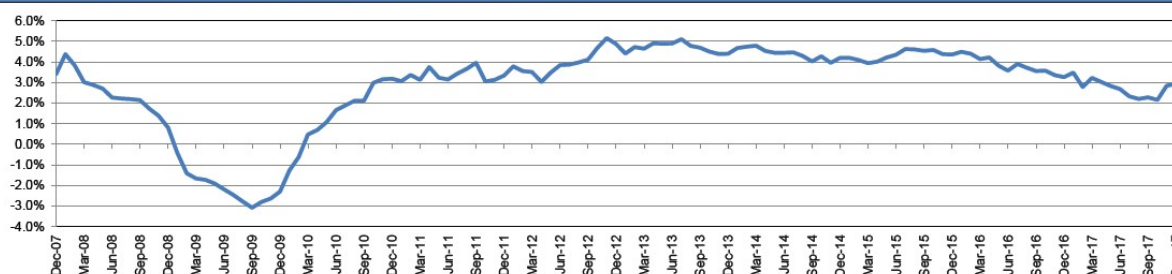
				Monthly Change		Annual Change	
	Dec-17	Nov-17	Dec-16	Actual	%	Actual	%
Total Nonfarm	1,048,800	1,047,600	1,018,800	1,200	0.1%	30,000	2.9%
Mining, Logging, and Construction	63,300	63,000	60,300	300	0.5%	3,000	5.0%
Manufacturing	58,300	58,400	56,300	-100	-0.2%	2,000	3.6%
Trade, Transportation, and Utilities	182,500	179,900	176,800	2,600	1.5%	5,700	3.2%
Information	28,000	27,600	28,900	400	1.5%	-900	-3.1%
Financial Activities	58,400	58,800	57,700	-400	-0.7%	700	1.2%
Professional and Business Services	175,500	175,600	171,100	-100	-0.1%	4,400	2.6%
Education and Health Services	123,400	124,000	118,600	-600	-0.5%	4,800	4.0%
Leisure and Hospitality	129,700	129,300	123,200	400	0.3%	6,500	5.3%
Other Services	46,300	46,500	44,700	-200	-0.4%	1,600	3.6%
Government	183,400	184,500	181,200	-1,100	-0.6%	2,200	1.2%

Industry Size Class

June 2017

Size Class	Employees per firm	Number of Firms	Employment in Size Class	% Total Employment
9	1000+	96	285,521	28.8%
8	500-999	136	94,211	9.5%
7	250-499	281	97,007	9.8%
6	100-249	978	148,461	15.0%
5	50-99	1,422	97,508	9.8%
4	20-49	3,718	113,027	11.4%
3	10-19	4,959	67,268	6.8%
2	5-9	6,868	45,132	4.6%
1	1-4	22,788	42,572	4.3%
0	0	6,652	0	0.0%
Total		47,898	990,707	100.0%

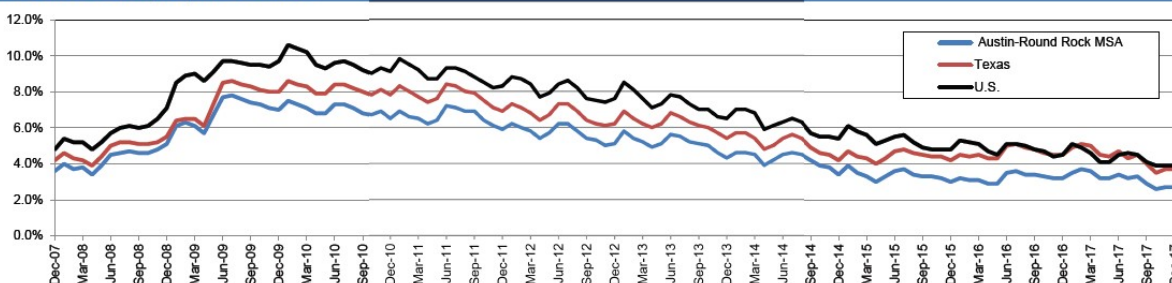
Annual Growth Rate for Total Nonagricultural Employment



Unemployment Information (all estimates in thousands)

	Austin-Round Rock MSA				Texas (Actual)				United States (Actual)			
	C.L.F.	Emp.	Unemp.	Rate	C.L.F.	Emp.	Unemp.	Rate	C.L.F.	Emp.	Unemp.	Rate
Dec-17	1,150.4	1,119.6	30.8	2.7	13,545.3	13,044.0	501.3	3.7	159,880.0	153,602.0	6,278.0	3.9
Nov-17	1,147.4	1,116.1	31.3	2.7	13,500.9	13,001.6	499.3	3.7	160,466.0	154,180.0	6,286.0	3.9
Dec-16	1,120.1	1,084.6	35.5	3.2	13,353.3	12,747.3	606.0	4.5	158,968.0	151,798.0	7,170.0	4.5

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

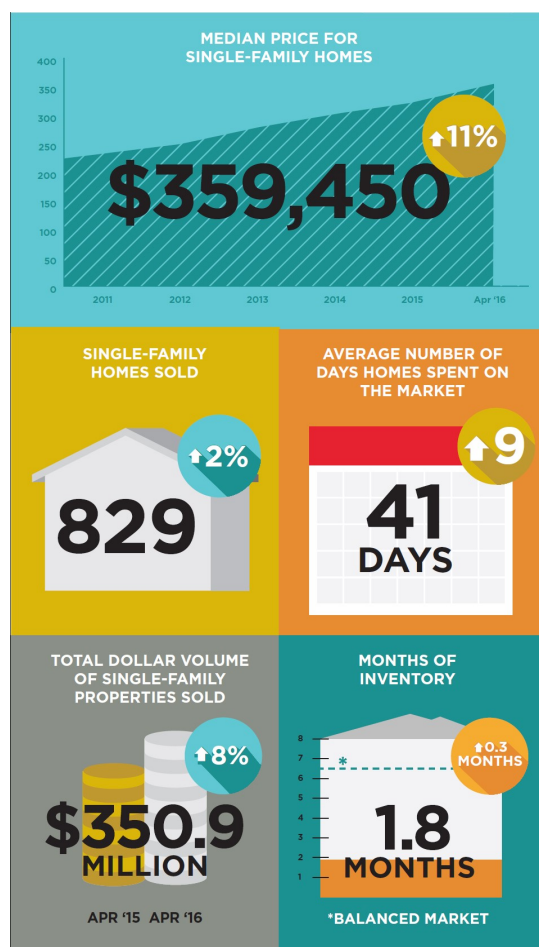
The Austin-area continued to break records in home sales and median price for single-family homes for the month of April. In April 2016, single-family home sales increased 12.5 percent year-over-year to 3,863 home sales in the Central Texas region. Nearly 80 percent of those homes were sold outside of 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. Williamson County was the only county in the Austin-Round Rock MSA to experience a decline in home sales in April 2016, with single-family home sales dropping 5.1 percent year-over-year to 816 home sales. In the City of Austin, single-family home sales held steady at 829 home sales, a 1.7 percent increase from April 2015 and nearly equivalent to the home sales volume in all of Williamson County in April 2016. "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." The rate of growing home prices also slowed in Williamson County in April 2016, with the median price for single-family homes increasing only two percent year-over-year to \$255,000. Conversely, the median price in Travis County increased 7.8 percent from April 2015 to \$339,500, while median price within the City of Austin jumped 10.6 percent during the same time frame to \$359,450.

Despite small gains across the region in April 2016, monthly housing inventory in the Austin-Round Rock MSA remained low at 2.3 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. In Austin, housing inventory remained at near-critical levels of 1.8 months, an increase of 0.3 months from April 2015.

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
2010	19,547	4,819,525,215	246,460	188,715	130,868	6.3
2011	21,033	5,281,578,407	249,645	188,514	108,893	5.6
2012	25,196	6,705,676,185	263,503	201,349	84,329	3.7
2013	29,966	8,601,250,563	284,998	218,836	65,305	2.4
2014	30,145	9,268,596,048	305,250	238,183	67,841	2.3
2015	31,536	10,451,715,164	330,344	259,616	71,965	2.3
2016 (April)	9,378	3,148,513,030	333,462	268,842	22,469	2.1

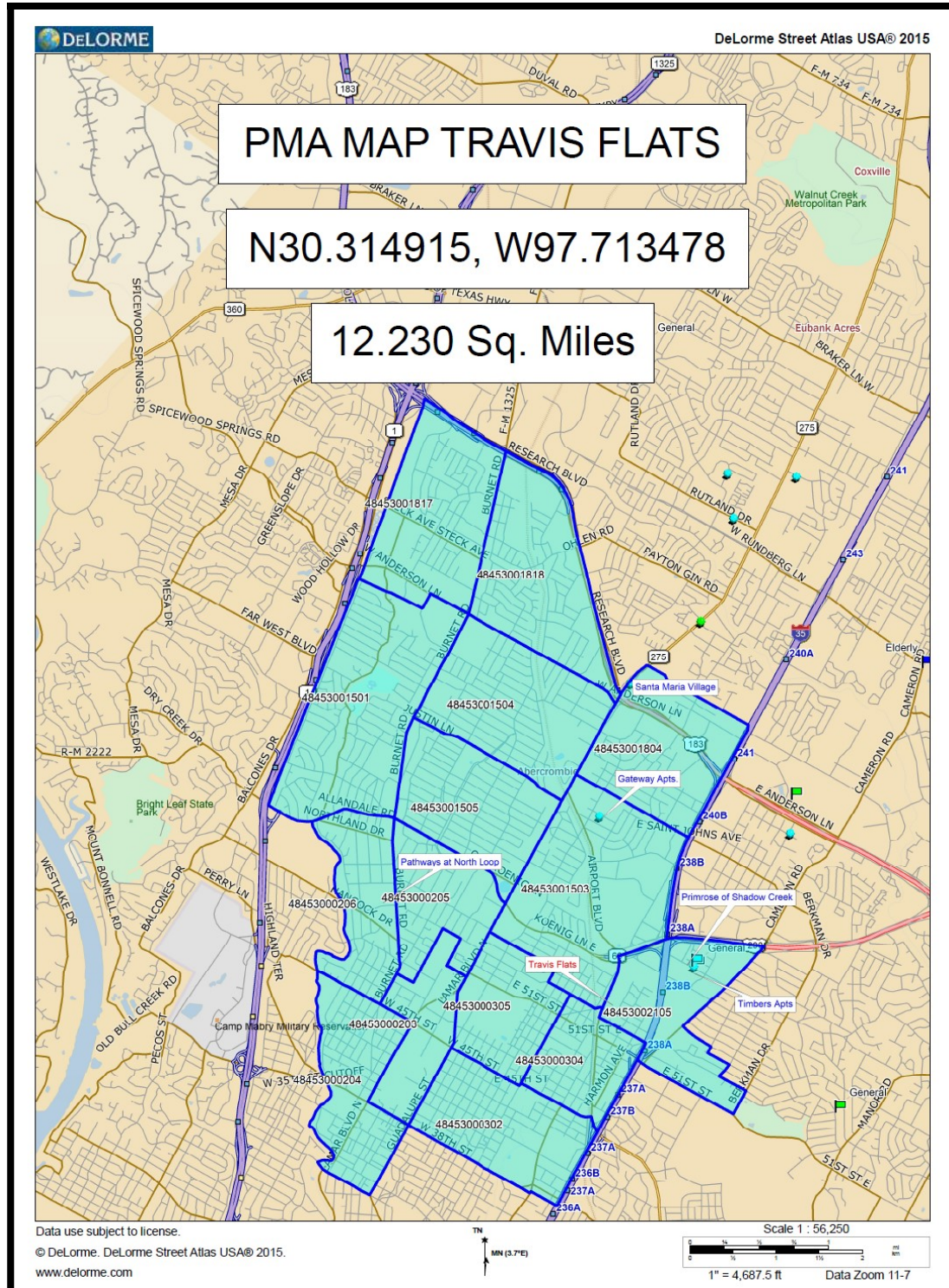
Summary and Conclusion

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

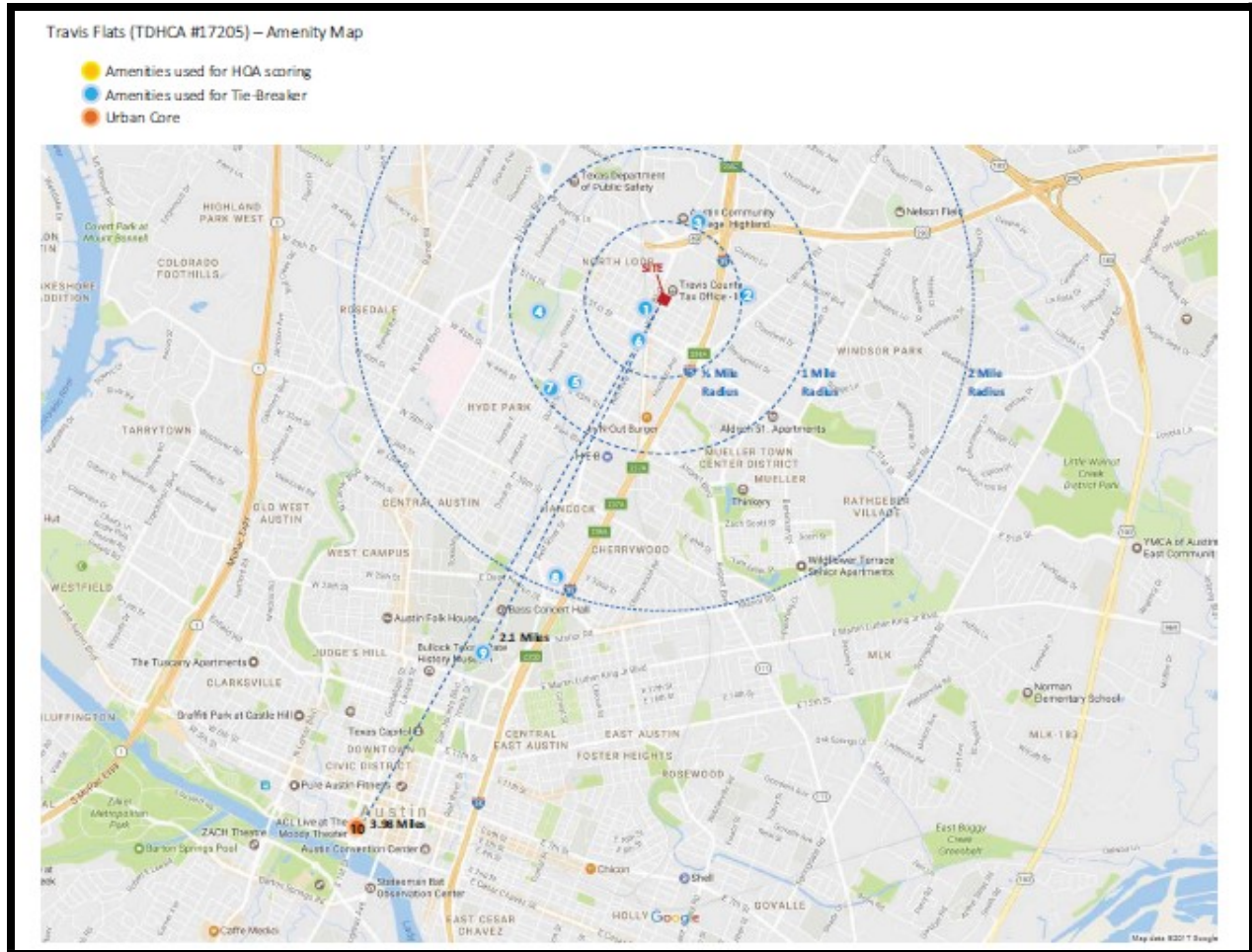
PRIMARY MARKET AREA MAP



Geographies Selected:

	<u>Geocode/ ID</u>	<u>State</u>	<u>County</u>	<u>MCD</u>
1	48453000203	Texas	Travis County	Austin CCD
2	48453000204	Texas	Travis County	Austin CCD
3	48453000205	Texas	Travis County	Austin CCD
4	48453000206	Texas	Travis County	Austin CCD
5	48453000302	Texas	Travis County	Austin CCD
6	48453000304	Texas	Travis County	Austin CCD
7	48453000305	Texas	Travis County	Austin CCD
8	48453001501	Texas	Travis County	Austin CCD
9	48453001503	Texas	Travis County	Austin CCD
10	48453001504	Texas	Travis County	Austin CCD
11	48453001505	Texas	Travis County	Austin CCD
12	48453001804	Texas	Travis County	Austin CCD
13	48453001817	Texas	Travis County	Austin CCD
14	48453001818	Texas	Travis County	Austin CCD
15	48453002105	Texas	Travis County	Austin CCD

AMENITIES PROXIMITY MAP



PROXIMITY TO SUBJECT

Distance	No.	Amenity	Name and Address	HOA	Tie-Breaker
1/4 mile	1	Bus Stop	5315 Airport/53RD Half; Stop ID: 1795		X
1 mile	2	Grocery Store	Target: 5621 N IH 35, Austin, TX 78723		X
	3	Indoor Recreation	Gold's Gym: 6001 Middle Fiskville Rd #100, Austin, TX 78752		X
	4	Outdoor Recreation	UT Intramural Fields: 4901 Guadalupe St, Austin, TX 78751		X
	5	Community Organization	Hyde Park Christian Church: 610 E 45th St, Austin, TX 78751		X
2 mile	6	Child Care	Creative Action After School at Ridgeloop Elementary: 5005 Caswell Ave, Austin, TX 78751		X
	7	Museum	Elisabet Ney Museum: 304 E 44th St, Austin, TX 78751		X
3 mile	8	Medical	St. David's Hospital: 919 E 32nd St, Austin, TX 78705		X
5 mile	9	University	The University of Texas Austin: 727 E Dean Keeton St, Austin, TX 78705		X
<4 mile	10	Urban Core	Austin City Hall: 301 W 2nd St, Austin, TX 78701		X
>27%	11	Educational Attainment	Attachment		X

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 48453000203, 48453000204, 48453000205, 48453000206, 48453000302, 48453000304, 48453000305, 48453001501, 48453001503, 48453001504, 48453001505, 48453001804, 48453001817, 48453001818, and 48453002105. The area is bound by Highway 290, Interstate 35, Powell Lane, Lamar Boulevard, and Highway 183 to the north; MOPAC, the railroad tracks, Northland Drive, and Shoal Creek to the west; 29th Street, Guadalupe Street, and 38th Street to the south; and Interstate 35, 51st Street, Berkman Drive, Broadmoor Drive, Suffolk Drive, Nassau Drive, Corona Drive, and Cameron Road to the east, and is within all or part of zip codes 78723, 78751, 78752, 78756, and 78757. 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 78751 has a significant concentration of jobs within the PMA with 8,158 paid employees, and an average annual payroll of \$33,803, which is conducive to producing income-qualified households for the proposed subject. The remaining zip codes are also conducive to producing income-qualified households for the subject. Business statistics from the Census Bureau are detailed in the table on the following page.

CB1500CZ11: ZIP Code Business Statistics: Total for Zip Code: 2015

Geographic area name	Number of establishments	Paid employees for pay period	First-quarter payroll (\$1,000)	Annual payroll (\$1,000)	Average Payroll
ZIP 78723 (Austin, TX)	580	12,040	123,964	534,282	\$44,376
ZIP 78751 (Austin, TX)	487	8,158	64,710	275,768	\$33,803
ZIP 78752 (Austin, TX)	677	13,408	131,725	540,379	\$40,303
ZIP 78756 (Austin, TX)	556	6,487	55,583	249,287	\$38,429
ZIP 78757 (Austin, TX)	979	11,377	91,009	385,427	\$33,878
Total					\$38,158

PHYSICAL LOCATION ANALYSIS

Location

The subject property is located at the northeast corner of Helen Street and East 53 1/2 Street, in Austin, Travis County, Texas 78751. The subject is located in the central portion of the primary market area.

Site Description

The subject site is an irregularly shaped tract of land containing a total of ± 2.2311 acres ($\pm 97,187$ square feet), and appears to be relatively flat in topography.

Surrounding Land Uses

Land uses adjacent to the subject site include office development to the north, older commercial and residential development to the east, effectively vacant land and retail development to the west, and a residential development 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 ETJ, 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 CS-I-V-CO-NP and CS-V-CO-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 48453C0455J 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 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.

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.

Accessibility

The subject's site is accessible from the Austin Central Business District by proceeding north on Interstate Highway 35 approximately 2.25 miles to Airport Boulevard, then northwest on Airport Boulevard approximately 1 mile to 53 ½ Street, then east on 53 ½ Street a short distance to the subject site on the left. Please refer to the included maps for a visual reference of road layout.

Streets

At the subject site, 53 ½ street and Helen Street are two-lane, two-way, asphalt-paved roads with curb and gutter drainage for storm water transmission.

Topography

Based on our 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 Highway 290, Interstate 35, Powell Lane, Lamar Boulevard, and Highway 183 to the north; MOPAC, the railroad tracks, Northland Drive, and Shoal Creek to the west; 29th Street, Guadalupe Street, and 38th Street to the south; and Interstate 35, 51st Street, Berkman Drive, Broadmoor Drive, Suffolk Drive, Nassau Drive, Corona Drive, and Cameron Road to the east. The area is generally contained in all or a portion of zip codes 78723, 78751, 78752, 78756, and 78757. 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, Airport Boulevard, and MOPAC

East/West Arteries: Highway 183, Highway 290, and East 51st Street

Land Use Patterns

The neighborhood is a viable, heterogeneous area in the northeastern 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 prior to the 1990's (with 1971 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, and is within the attendance zones of Ridgetop Elementary, Lamar Middle, and McCallum High Schools.

Shopping Centers

The nearest retail is located at along Airport Boulevard, Lamar Boulevard, and Interstate Highway 35.

Recreational Centers

The site is located within close proximity to number parks and outdoor recreational centers including Triangle Park, Shipe Park, and Sparky Park.

Libraries

The subject site is located within close proximity to numerous libraries including the Windsor Park Branch Library at 4833 Westminister and the St. John Branch Library at 7500 Blessing Avenue.

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 mainly provided 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. The neighborhood is served by the Austin Independent School District, with schools of all levels located throughout the area.

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 2018 population of 63,864. The following table displays historical and projected population growth based on Environics Analytics data (which is based on census data).

Population	2000	2010	2018	2023
Primary Market Area	59,733	58,346	63,864	67,875
Overall Growth	-	-2.32%	9.46%	6.28%
Annual Growth		-0.23%	1.18%	1.26%

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 (2018)	
Age Group	Primary (%)
Under Age 5	5.24%
Age 5-14	10.75%
Age 15-24	12.59%
Age 25-34	20.79%
Age 35-44	17.31%
Age 45-54	12.86%
Age 55-64	10.19%
Age 65-74	6.32%
Age 75-84	2.69%
Age 85 +	1.27%
Total (may not add to 100% due to rounding)	100.01%
Median Age of Total Population	35.33

2

Households

Environics Analytics estimates 31,840 households in the primary market area for 2018, and a projected 34,284 households for the year 2023.

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

2 Environics Analytics Pop-Facts: Demographic Snapshot Report for custom market area (PMA); Page 2: www.EASpotlight.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 (2018)	
No. of Persons	Primary (%)
With 1 Person	44.59%
With 2 Persons	31.66%
With 3 Persons	12.14%
With 4 Persons	7.07%
With 5 Persons	2.71%
With 6 Persons	1.08%
With 7+ Persons	0.75%
Total (may not add to 100% due to rounding)	100.00%
Average Household Size	1.99

3

Tenure (Owner-Occupied vs. Rental Units)

In 2018, the primary market area had ±11,958 (37.56%) owner-occupied housing units and ±19,882 (62.44%) renter occupied units, according to Environics Analytics estimates.

Market Area Income Per Household

The primary market area had an estimated 2018 *average* household income of \$92,874 with a *median* household income of \$63,208. The following table delineates income per household in the subject's market areas.

Market Area Income/Household (2018)	
	Primary (%)
Under \$15,000	10.89%
\$15,000 - \$24,999	9.17%
\$25,000 - \$34,999	9.02%
\$35,000 - \$49,999	11.26%
\$50,000 - \$74,999	17.37%
\$75,000 - \$99,999	11.87%
\$100,000 - \$149,999	14.36%
\$150,000 +	16.06%
Total (may not add to 100% due to rounding)	100.00%
2018 Average Household Income	\$92,874
2018 Median Household Income	\$63,208

4

As illustrated in the preceding chart, ±40.34% of the households living in the primary market area earn less than \$50,000 per year, with ±29.08% earning less than \$35,000 per year, and

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

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

±20.06% earning less than \$25,000 per year. Approximately 10.89% of the primary market area households earn less than \$15,000 per year.

ECONOMIC VIABILITY

Market Area Employment

The 2018 workforce by occupation data, as estimated by Environics Analytics, is presented in the table below.

Market Area Workforce by Occupation (2018)	
Occupation	Primary (%)
Architecture/Engineering	3.32%
Arts/Design/Entertainment/Sports/Media	5.62%
Building/Grounds Cleaning/Maintenance	3.70%
Business/Financial Operations	5.23%
Community/Social Services	1.80%
Computer/Mathematical	7.42%
Construction/Extraction	4.55%
Education/Training/Library	8.63%
Farming/Fishing/Forestry	0.03%
Food Preparation/Serving Related	7.26%
Healthcare Practitioner/Technician	4.16%
Healthcare Support	1.41%
Installation/Maintenance/Repair	1.48%
Legal	1.56%
Life/Physical/Social Science	2.43%
Management	11.97%
Office/Administrative Support	10.28%
Production	2.54%
Protective Services	0.53%
Sales/Related	9.47%
Personal Care/Service	3.58%
Transportation/Material Moving	3.04%
Total (may not add to 100% due to rounding)	100.01%
Civilian Workforce	38,525

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.EAspotlight.com

COMPARABLE PROPERTY ANALYSIS

Multifamily Development Trends

The following pages detail apartment trends within the PMA (zip codes 78723, 78751, 78752, 78756, and 78757). 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.

Year	Projects						Units					
	ClassA	ClassB	ClassC	ClassD	ClassU	Total	ClassA	ClassB	ClassC	ClassD	ClassU	Total
Pre-1990s	0	13	39	17	2	71	0	2,586	5,229	1,630	239	9,684
1998	0	1	0	0	0	1	0	104	0	0	0	104
1999	0	1	0	0	0	1	0	156	0	0	0	156
2002	1	1	0	0	0	2	284	176	0	0	0	460
2006	1	0	0	0	0	1	335	0	0	0	0	335
2008	1	0	0	0	0	1	79	0	0	0	0	79
2009	2	0	0	0	0	2	757	0	0	0	0	757
2010	1	0	0	0	0	1	175	0	0	0	0	175
2012	0	1	0	0	0	1	0	201	0	0	0	201
2014	2	0	0	0	0	2	547	0	0	0	0	547
2015	3	0	0	0	0	3	798	0	0	0	0	798
Prop	1	0	0	0	0	1	190	0	0	0	0	190

As indicated, there is one proposed market rate complex in the primary market area however, it is a “super Class A” and not considered comparable to the proposed subject.

According to the most recent *EnrichedData.com*, there were 84 operating apartment projects in this market area (zip codes 78723, 78751, 78752, 78756, and 78757) containing a total of 13,057 units. The overall occupancy rate for all operating apartment projects in this market area was 89.73%. The average rental rate for these properties was \$1.34 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, January 2018					
PMA-All Apartments					
Property / Unit Information					
	A	B	C	D	Overall
Total # Projects	11	17	39	17	84
Total # Units	2,975	3,223	5,229	1,630	13,057
Total # Units 0BR	0.70%	0.60%	3.10%	0.30%	4.70%
Total # Units 1BR	9.90%	13.80%	23.40%	6.00%	53.00%
Total # Units 2BR	6.60%	11.10%	14.90%	5.50%	38.00%
Total # Units 3BR	0.50%	0.70%	0.40%	1.70%	3.20%
Total # Units 4BR	N/A	0.10%	N/A	N/A	0.10%
Avg Units per Project	270	190	134	96	155
Avg SF	906.83	774.85	735.85	783.21	782.49
Total # Units Under Construction	N/A	N/A	N/A	N/A	N/A
Total # Units Proposed	190	N/A	N/A	N/A	190
Occupancy					
	A	B	C	D	Overall
Avg Physical Occupancy	93.32%	78.56%	93.14%	94.53%	89.73%
Avg Pre-Leased Occupancy	92.77%	79.41%	85.64%	95.75%	86.99%
Rental Rates					
	A	B	C	D	Overall
Avg Market Rent/SF	\$1.73	\$1.20	\$1.29	\$1.26	\$1.34
Avg Market Rent/SF 0BR	\$1.74	\$1.70	\$1.77	\$1.96	\$1.77
Avg Market Rent/SF 1BR	\$1.79	\$1.29	\$1.36	\$1.32	\$1.42
Avg Market Rent/SF 2BR	\$1.64	\$1.10	\$1.15	\$1.22	\$1.23
Avg Market Rent/SF 3BR	\$1.71	\$1.09	\$1.05	\$1.07	\$1.17
Avg Market Rent/SF 4BR	N/A	\$1.02	N/A	N/A	\$1.02
Avg Market Rent/Unit	\$1,548.17	\$905.27	\$904.71	\$929.13	\$1,021.21
Avg Market Rent/Unit 0BR	\$1,057.81	\$688.11	\$766.54	\$840.14	\$804.69
Avg Market Rent/Unit 1BR	\$1,380.53	\$825.44	\$846.92	\$807.67	\$936.42
Avg Market Rent/Unit 2BR	\$1,779.46	\$998.21	\$1,083.43	\$1,030.82	\$1,171.15
Avg Market Rent/Unit 3BR	\$2,500.23	\$1,283.82	\$1,365.95	\$1,062.95	\$1,371.30
Avg Market Rent/Unit 4BR	N/A	\$1,346.00	N/A	N/A	\$1,346.00
Absorption (In Units)					
	A	B	C	D	Overall
Current Month-to-Date	0	-155	-61	0	-218
Current Quarter-to-Date	0	-155	-61	0	-218
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
4Q 2011	-5	-9	13	5	4
1Q 2012	8	-91	17	-7	-74
2Q 2012	-10	-28	-40	13	-65
3Q 2012	-7	119	49	79	240
4Q 2012	1	66	-1	-27	39
1Q 2013	12	15	40	24	92
2Q 2013	-5	20	-72	-7	-64
3Q 2013	46	68	71	7	192
4Q 2013	23	-36	-7	3	-17
1Q 2014	14	18	-6	-3	23
2Q 2014	64	16	17	-41	56
3Q 2014	86	12	-6	4	96
4Q 2014	71	-17	3	6	63
1Q 2015	147	-8	19	26	185
2Q 2015	145	13	-78	12	93
3Q 2015	142	-52	80	-11	159
4Q 2015	-35	-268	-36	0	-339
1Q 2016	-2	-32	-5	-4	-44
2Q 2016	0	0	0	0	0
3Q 2016	1	5	5	0	10
4Q 2016	44	-17	-9	0	18
1Q 2017	0	0	0	0	0
2Q 2017	0	0	0	0	0
3Q 2017	7	-9	-19	-36	-57
4Q 2017	-8	-9	17	10	11

I was able to locate only one Family HTC development which has been completed and stabilized within the past 24 months outside, but 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 near the subject PMA which 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 near 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 near 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. 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 89.73% in the most recent *EnrichedData.com* apartment market data program for the subject's primary market area and 91.45% 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
4Q 2011	93.80%	93.60%	94.65%	91.97%	93.87%
1Q 2012	94.43%	90.54%	95.42%	91.64%	93.45%
2Q 2012	94.53%	88.75%	94.80%	92.03%	92.74%
3Q 2012	91.72%	89.64%	95.67%	93.86%	93.19%
4Q 2012	93.36%	91.94%	95.28%	96.38%	94.24%
1Q 2013	94.18%	93.15%	96.00%	96.86%	95.07%
2Q 2013	93.94%	94.63%	95.53%	97.27%	95.30%
3Q 2013	82.95%	95.61%	94.85%	97.12%	93.49%
4Q 2013	85.10%	95.52%	96.23%	96.73%	94.35%
1Q 2014	86.57%	95.48%	95.67%	97.02%	94.36%
2Q 2014	87.68%	96.05%	95.61%	95.63%	94.48%
3Q 2014	76.50%	96.02%	96.06%	94.47%	91.95%
4Q 2014	80.81%	96.04%	96.45%	94.73%	93.00%
1Q 2015	84.10%	95.83%	96.29%	95.87%	93.55%
2Q 2015	86.81%	95.72%	95.60%	97.36%	93.95%
3Q 2015	90.59%	95.35%	95.62%	96.99%	94.63%
4Q 2015	93.10%	86.00%	95.90%	96.65%	92.89%
1Q 2016	92.78%	85.12%	95.86%	96.58%	92.57%
2Q 2016	92.78%	85.07%	95.82%	96.45%	92.53%
3Q 2016	92.80%	85.15%	95.86%	96.45%	92.57%
4Q 2016	94.40%	84.70%	95.74%	96.45%	92.76%
1Q 2017	93.52%	84.47%	95.41%	96.45%	92.38%
2Q 2017	93.08%	83.94%	94.35%	96.12%	91.68%
3Q 2017	93.54%	83.76%	94.07%	94.18%	91.40%
4Q 2017	93.50%	83.96%	94.12%	94.10%	91.45%

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. The Timbers, Santa Maria Village and Gateways are the most comparable Family HTCs within the PMA.

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 \$1.34 PSF in the latest quarterly report. Class B rents are at \$1.21 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
4Q 2011	\$1.51	\$0.93	\$0.98	\$0.89	\$1.02
1Q 2012	\$1.55	\$0.94	\$0.99	\$0.91	\$1.04
2Q 2012	\$1.55	\$0.95	\$1.03	\$0.94	\$1.07
3Q 2012	\$1.56	\$0.98	\$1.04	\$0.95	\$1.08
4Q 2012	\$1.57	\$0.97	\$1.04	\$0.94	\$1.08
1Q 2013	\$1.58	\$0.98	\$1.05	\$0.95	\$1.09
2Q 2013	\$1.59	\$1.00	\$1.05	\$0.96	\$1.11
3Q 2013	\$1.59	\$1.02	\$1.07	\$0.99	\$1.13
4Q 2013	\$1.60	\$1.02	\$1.09	\$0.98	\$1.14
1Q 2014	\$1.62	\$1.02	\$1.11	\$0.99	\$1.15
2Q 2014	\$1.62	\$1.03	\$1.12	\$1.00	\$1.16
3Q 2014	\$1.62	\$1.04	\$1.12	\$1.08	\$1.17
4Q 2014	\$1.62	\$1.06	\$1.12	\$1.08	\$1.18
1Q 2015	\$1.62	\$1.10	\$1.13	\$1.11	\$1.20
2Q 2015	\$1.64	\$1.11	\$1.14	\$1.11	\$1.21
3Q 2015	\$1.67	\$1.14	\$1.16	\$1.12	\$1.24
4Q 2015	\$1.67	\$1.14	\$1.18	\$1.12	\$1.25
1Q 2016	\$1.67	\$1.15	\$1.18	\$1.12	\$1.25
2Q 2016	\$1.67	\$1.15	\$1.18	\$1.12	\$1.25
3Q 2016	\$1.67	\$1.15	\$1.19	\$1.13	\$1.26
4Q 2016	\$1.67	\$1.15	\$1.20	\$1.14	\$1.26
1Q 2017	\$1.67	\$1.15	\$1.20	\$1.14	\$1.26
2Q 2017	\$1.70	\$1.18	\$1.25	\$1.20	\$1.30
3Q 2017	\$1.72	\$1.22	\$1.27	\$1.23	\$1.33
4Q 2017	\$1.73	\$1.21	\$1.29	\$1.25	\$1.34

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 ($\pm\$1.00$ to $\pm\$1.50$ + 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 31,840 households in 2018. The projected number of households in the year 2023 is 34,284. Considering that 62.44% of the population lived in rental housing in the subject's market area in 2018, 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 5 existing 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. Based on my research, there are no other Family project under construction comparable to the subject within the PMA, none approved, none proposed with priority, and none unstabilized in the primary market area. There are no active applications on the bond list.

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 Family 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 northeastern portion of the Austin MSA I was able to contact all reported high occupancies. As previously indicated, there are 3 existing Family HTC projects within the subject's primary market area with an average occupancy of 100.00%. With average rental rates in all projects at \$1.34 PSF, and occupancy rates averaging 89.73% overall, it is reasonable to project that a new affordable housing project with very competitive amenities and an average rent of $\pm\$1.102$ 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.

RENTAL MAP

Map of Austin, Texas, showing major highways (I-35, I-10, I-183, I-290, I-370, I-410, I-490, I-535, I-590, I-610, I-670, I-710, I-750, I-790, I-830, I-870, I-910, I-950, I-990, I-1030, I-1070, I-1110, I-1150, I-1190, I-1230, I-1270, I-1310, I-1350, I-1390, I-1430, I-1470, I-1510, I-1550, I-1590, I-1630, I-1670, I-1710, I-1750, I-1790, I-1830, I-1870, I-1910, I-1950, I-1990, I-2030, I-2070, I-2110, I-2150, I-2190, I-2230, I-2270, I-2310, I-2350, I-2390, I-2430, I-2470, I-2510, I-2550, I-2590, I-2630, I-2670, I-2710, I-2750, I-2790, I-2830, I-2870, I-2910, I-2950, I-2990, I-3030, I-3070, I-3110, I-3150, I-3190, I-3230, I-3270, I-3310, I-3350, I-3390, I-3430, I-3470, I-3510, I-3550, I-3590, I-3630, I-3670, I-3710, I-3750, I-3790, I-3830, I-3870, I-3910, I-3950, I-3990, I-4030, I-4070, I-4110, I-4150, I-4190, I-4230, I-4270, I-4310, I-4350, I-4390, I-4430, I-4470, I-4510, I-4550, I-4590, I-4630, I-4670, I-4710, I-4750, I-4790, I-4830, I-4870, I-4910, I-4950, I-4990, I-5030, I-5070, I-5110, I-5150, I-5190, I-5230, I-5270, I-5310, I-5350, I-5390, I-5430, I-5470, I-5510, I-5550, I-5590, I-5630, I-5670, I-5710, I-5750, I-5790, I-5830, I-5870, I-5910, I-5950, I-5990, I-6030, I-6070, I-6110, I-6150, I-6190, I-6230, I-6270, I-6310, I-6350, I-6390, I-6430, I-6470, I-6510, I-6550, I-6590, I-6630, I-6670, I-6710, I-6750, I-6790, I-6830, I-6870, I-6910, I-6950, I-6990, I-7030, I-7070, I-7110, I-7150, I-7190, I-7230, I-7270, I-7310, I-7350, I-7390, I-7430, I-7470, I-7510, I-7550, I-7590, I-7630, I-7670, I-7710, I-7750, I-7790, I-7830, I-7870, I-7910, I-7950, I-7990, I-8030, I-8070, I-8110, I-8150, I-8190, I-8230, I-8270, I-8310, I-8350, I-8390, I-8430, I-8470, I-8510, I-8550, I-8590, I-8630, I-8670, I-8710, I-8750, I-8790, I-8830, I-8870, I-8910, I-8950, I-8990, I-9030, I-9070, I-9110, I-9150, I-9190, I-9230, I-9270, I-9310, I-9350, I-9390, I-9430, I-9470, I-9510, I-9550, I-9590, I-9630, I-9670, I-9710, I-9750, I-9790, I-9830, I-9870, I-9910, I-9950, I-9990, I-10030, I-10070, I-10110, I-10150, I-10190, I-10230, I-10270, I-10310, I-10350, I-10390, I-10430, I-10470, I-10510, I-10550, I-10590, I-10630, I-10670, I-10710, I-10750, I-10790, I-10830, I-10870, I-10910, I-10950, I-10990, I-11030, I-11070, I-11110, I-11150, I-11190, I-11230, I-11270, I-11310, I-11350, I-11390, I-11430, I-11470, I-11510, I-11550, I-11590, I-11630, I-11670, I-11710, I-11750, I-11790, I-11830, I-11870, I-11910, I-11950, I-11990, I-12030, I-12070, I-12110, I-12150, I-12190, I-12230, I-12270, I-12310, I-12350, I-12390, I-12430, I-12470, I-12510, I-12550, I-12590, I-12630, I-12670, I-12710, I-12750, I-12790, I-12830, I-12870, I-12910, I-12950, I-12990, I-13030, I-13070, I-13110, I-13150, I-13190, I-13230, I-13270, I-13310, I-13350, I-13390, I-13430, I-13470, I-13510, I-13550, I-13590, I-13630, I-13670, I-13710, I-13750, I-13790, I-13830, I-13870, I-13910, I-13950, I-13990, I-14030, I-14070, I-14110, I-14150, I-14190, I-14230, I-14270, I-14310, I-14350, I-14390, I-14430, I-14470, I-14510, I-14550, I-14590, I-14630, I-14670, I-14710, I-14750, I-14790, I-14830, I-14870, I-14910, I-14950, I-14990, I-15030, I-15070, I-15110, I-15150, I-15190, I-15230, I-15270, I-15310, I-15350, I-15390, I-15430, I-15470, I-15510, I-15550, I-15590, I-15630, I-15670, I-15710, I-15750, I-15790, I-15830, I-15870, I-15910, I-15950, I-15990, I-16030, I-16070, I-16110, I-16150, I-16190, I-16230, I-16270, I-16310, I-16350, I-16390, I-16430, I-16470, I-16510, I-16550, I-16590, I-16630, I-16670, I-16710, I-16750, I-16790, I-16830, I-16870, I-16910, I-16950, I-16990, I-17030, I-17070, I-17110, I-17150, I-17190, I-17230, I-17270, I-17310, I-17350, I-17390, I-17430, I-17470, I-17510, I-17550, I-17590, I-17630, I-17670, I-17710, I-17750, I-17790, I-17830, I-17870, I-17910, I-17950, I-17990, I-18030, I-18070, I-18110, I-18150, I-18190, I-18230, I-18270, I-18310, I-18350, I-18390, I-18430, I-18470, I-18510, I-18550, I-18590, I-18630, I-18670, I-18710, I-18750, I-18790, I-18830, I-18870, I-18910, I-18950, I-18990, I-19030, I-19070, I-19110, I-19150, I-19190, I-19230, I-19270, I-19310, I-19350, I-19390, I-19430, I-19470, I-19510, I-19550, I-19590, I-19630, I-19670, I-19710, I-19750, I-19790, I-19830, I-19870, I-19910, I-19950, I-19990, I-20030, I-20070, I-20110, I-20150, I-20190, I-20230, I-20270, I-20310, I-20350, I-20390, I-20430, I-20470, I-20510, I-20550, I-20590, I-20630, I-20670, I-20710, I-20750, I-20790, I-20830, I-20870, I-20910, I-20950, I-20990, I-21030, I-21070, I-21110, I-21150, I-21190, I-21230, I-21270, I-21310, I-21350, I-21390, I-214

RENT COMPARABLES

The subject site is proposed to be improved with a separately-metered 146-unit complex proposed HTC Family 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 one Family tax credit development 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:

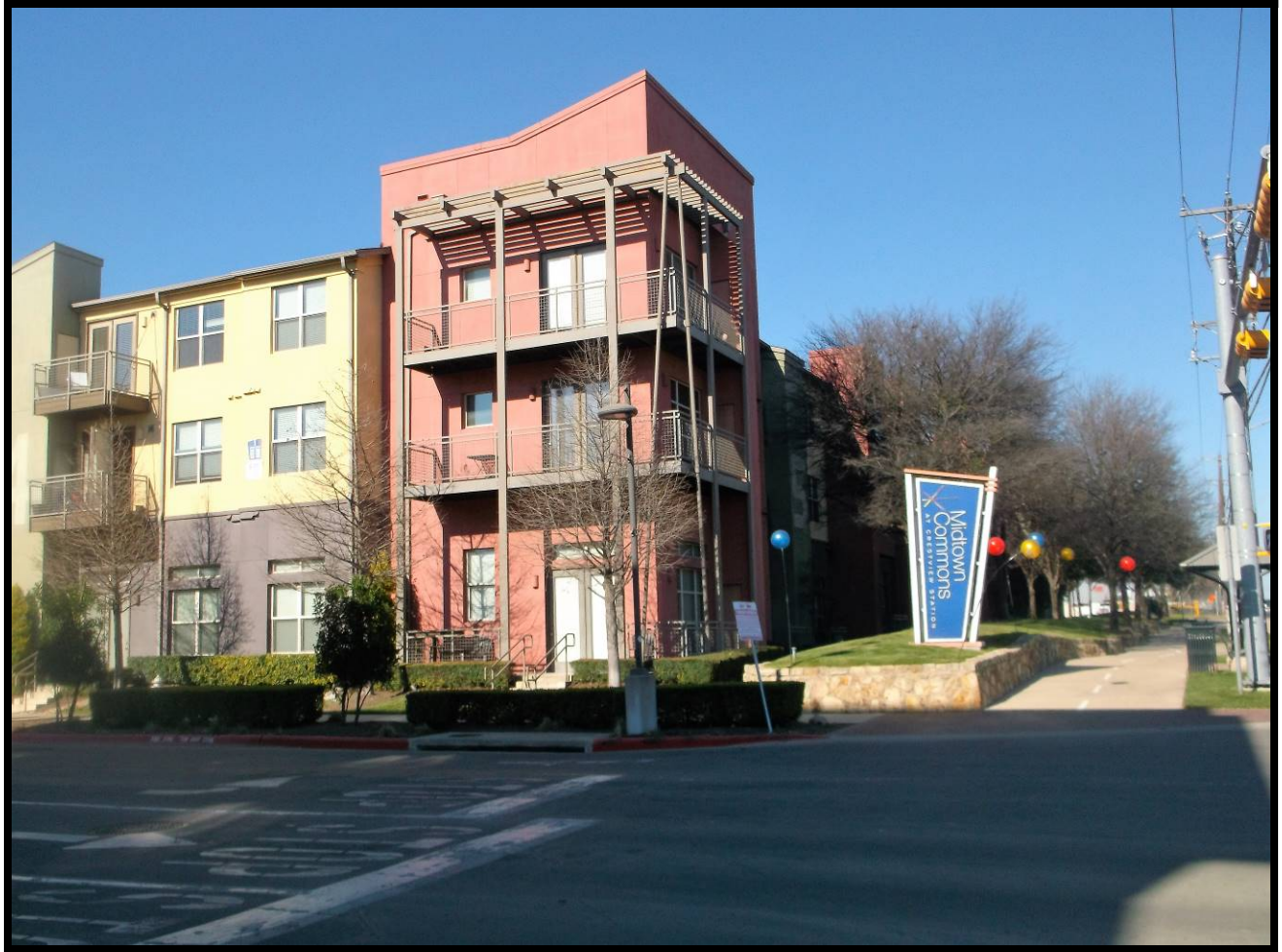
Comparable 1	AMLI 5350
Comparable 2	Midtown Commons II
Comparable 3	MStation
Comparable 4	Post West Austin
Comparable 5	Lofts at the Triangle

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

APARTMENT RENT COMPARABLE ONE						
Name:	AMLI 5350					
Location:	5350 Burnet, Austin					
Year Built:	2010					
Construction:	Elev/4					
Date Surveyed:	January 2018					
Contact:	Stephanie 512-485-5350					
Total No. of Units:	175					
Average Unit Size (SF):	823					
Average Month Rent (PSF):	\$1.69					
Occupancy:	90%					
# Units	Type	Size (SF)	Monthly Rent	Rent PSF	Potential Rent	Total SF
17	0 BR / 1 BA	572	\$992	\$1.73	\$16,864	9,724
32	0 BR / 1 BA	600	\$992	\$1.65	\$31,744	19,200
38	1 BR / 1 BA	740	\$1,281	\$1.73	\$48,678	28,120
18	2 BR / 2 BA	810	\$1,300	\$1.60	\$23,400	14,580
24	2 BR / 2 BA	846	\$1,409	\$1.67	\$33,816	20,304
8	2 BR / 2 BA	1,086	\$1,774	\$1.63	\$14,192	8,688
30	2 BR / 2 BA	1,122	\$1,921	\$1.71	\$57,630	33,660
8	2 BR / 2 BA	1,220	\$2,094	\$1.72	\$16,752	9,760
175		823	\$1,389	\$1.69	\$243,076	144,036
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	E	
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			



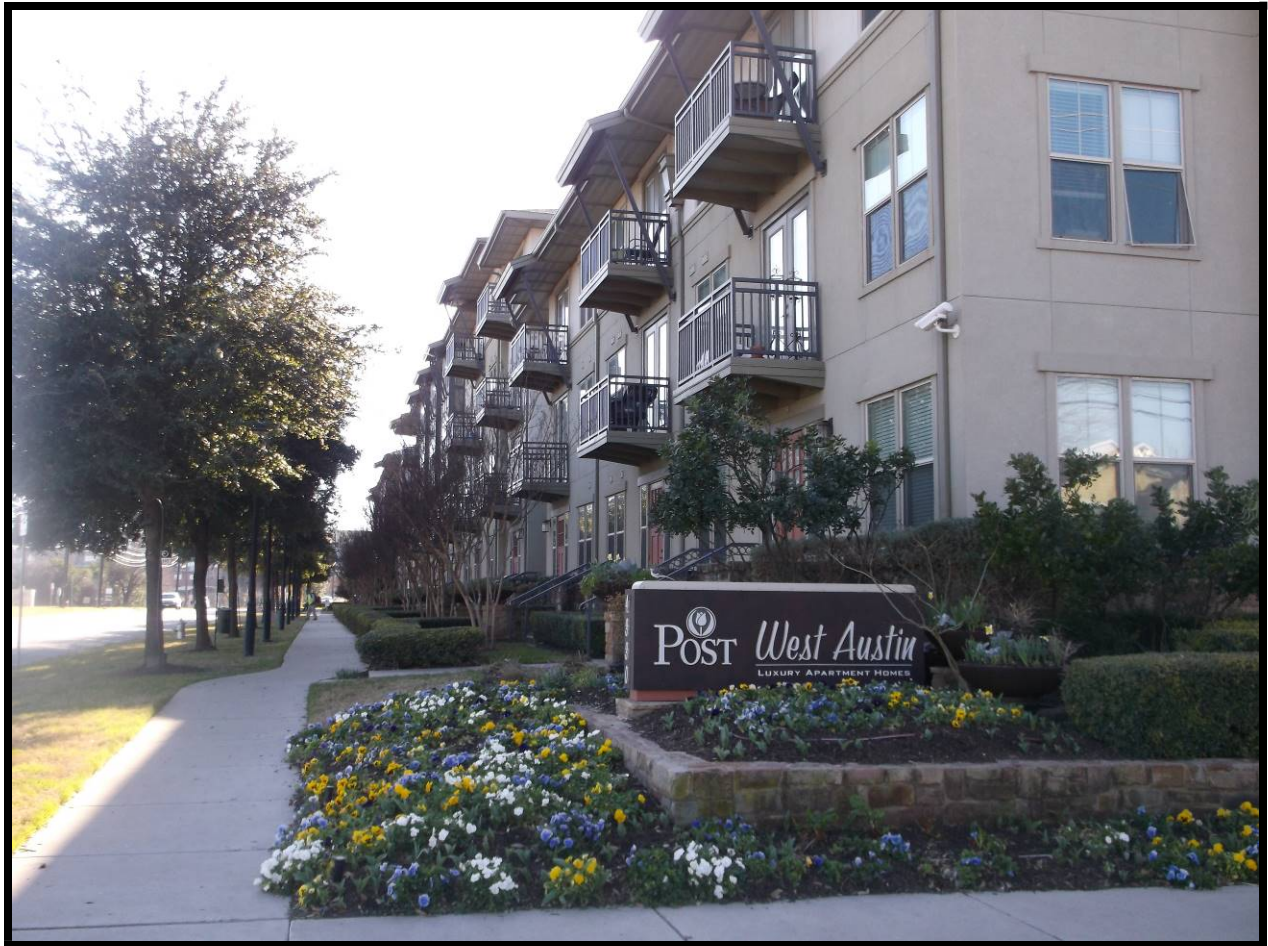
Name:	Midtown Commons II					
Location:	810 W. St. Johns, Austin					
Year Built:	2014					
Construction:	Elev/4					
Date Surveyed:	January 2018					
Contact:	Joseph 512-467-1800					
Total No. of Units:	246					
Average Unit Size (SF):	603					
Average Month Rent (PSF):	\$1.66					
Occupancy:	92%					
Units	Type	Size (SF)	Monthly Rent	Rent PSF	Potential Rent	Total SF
6	0 BR / 1 BA	574	\$1,100	\$1.92	\$6,600	3,444
8	0 BR / 1 BA	594	\$1,130	\$1.90	\$9,040	4,752
4	0 BR / 1 BA	625	\$1,150	\$1.84	\$4,600	2,500
44	1 BR / 1 BA	687	\$1,193	\$1.74	\$52,492	30,228
79	1 BR / 1 BA	700	\$1,203	\$1.72	\$95,037	55,300
2	1 BR / 1 BA	708	\$1,255	\$1.77	\$2,510	1,416
3	1 BR / 1 BA	711	\$1,208	\$1.70	\$3,624	2,133
2	1 BR / 1 BA	726	\$1,286	\$1.77	\$2,572	1,452
10	1 BR / 1 BA	740	\$1,253	\$1.69	\$12,530	7,400
3	1 BR / 1 BA	751	\$1,225	\$1.63	\$3,675	2,253
23	1 BR / 1 BA	762	\$1,275	\$1.67	\$29,325	17,526
12	2 BR / 1 BA	825	\$1,386	\$1.68	\$16,632	9,900
30	2 BR / 2 BA	957	\$1,494	\$1.56	\$44,820	28,710
1	2 BR / 2 BA	969	\$1,467	\$1.51	\$1,467	969
12	2 BR / 2 BA	1,064	\$1,700	\$1.60	\$20,400	12,768
3	2 BR / 2 BA	1,076	\$1,650	\$1.53	\$4,950	3,228
<u>4</u>	<u>2 BR / 2 BA</u>	<u>1,321</u>	<u>\$2,033</u>	<u>\$1.54</u>	<u>\$8,132</u>	<u>5,284</u>
246		603	\$999	\$1.66	\$245,674	148,339
The property offers hookups and secured 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	Y	
Range	Y	Heat (in rent?/type)	N/E	Appeal	E	
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:	January 2018					
Contact:	Maria 512-474-6767					
Total No. of Units:	15					
Average Unit Size (SF):	1,012					
Average Month Rent (PSF):	\$1.33					
Occupancy:	100%					
Units	Type	Size (SF)	Monthly Rent	Rent PSF	Potential Rent	Total SF
3	1 BR / 1 BA	712	\$1,095	\$1.54	\$3,285	2,136
6	2 BR / 2 BA	975	\$1,330	\$1.36	\$7,980	5,850
<u>6</u>	3 BR / 2 BA	<u>1,200</u>	<u>\$1,490</u>	<u>\$1.24</u>	<u>\$8,940</u>	<u>7,200</u>
15		1,012	\$1,347	\$1.33	\$20,205	15,186
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, and business center. 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	R/E	Business Center	Y	
Range	Y	Heat (in rent?/type)	N/E	Appeal	E	
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:	Post West Austin					
Location:	4330 Bull Creek, Austin					
Year Built:	2009					
Construction:	Elev/4					
Date Surveyed:	January 2018					
Contact:	Shanieta 512-420-2329					
Total No. of Units:	327					
Average Unit Size (SF):	888					
Average Month Rent (PSF):	\$1.56					
Occupancy:	96%					
Units	Type	Size (SF)	Monthly Rent	Rent PSF	Potential Rent	Total SF
5	0 BR / 1 BA	559	\$1,080	\$1.93	\$5,400	2,795
4	1 BR / 1 BA	657	\$1,182	\$1.80	\$4,728	2,628
34	1 BR / 1 BA	657	\$1,165	\$1.77	\$39,610	22,338
10	1 BR / 1 BA	685	\$1,065	\$1.55	\$10,650	6,850
16	1 BR / 1 BA	690	\$1,217	\$1.76	\$19,472	11,040
3	1 BR / 1 BA	690	\$1,070	\$1.55	\$3,210	2,070
12	1 BR / 1 BA	707	\$1,242	\$1.76	\$14,904	8,484
3	1 BR / 1 BA	715	\$1,290	\$1.80	\$3,870	2,145
50	1 BR / 1 BA	719	\$1,177	\$1.64	\$58,850	35,950
4	1 BR / 1 BA	727	\$1,165	\$1.60	\$4,660	2,908
3	1 BR / 1 BA	739	\$1,282	\$1.73	\$3,846	2,217
14	1 BR / 1 BA	743	\$1,270	\$1.71	\$17,780	10,402
16	1 BR / 1 BA	835	\$1,395	\$1.67	\$22,320	13,360
4	1 BR / 1 BA	847	\$1,395	\$1.65	\$5,580	3,388
16	1 BR / 1 BA	862	\$1,265	\$1.47	\$20,240	13,792
4	2 BR / 2 BA	1,043	\$1,612	\$1.55	\$6,448	4,172
30	2 BR / 2 BA	1,045	\$1,530	\$1.46	\$45,900	31,350
6	2 BR / 2 BA	1,072	\$1,560	\$1.46	\$9,360	6,432
4	2 BR / 2 BA	1,079	\$1,700	\$1.58	\$6,800	4,316
2	2 BR / 2 BA	1,110	\$1,607	\$1.45	\$3,214	2,220
10	2 BR / 2 BA	1,133	\$1,665	\$1.47	\$16,650	11,330
1	2 BR / 2 BA	1,135	\$1,682	\$1.48	\$1,682	1,135
52	2 BR / 2 BA	1,138	\$1,647	\$1.45	\$85,644	59,176
10	2 BR / 2 BA	1,162	\$1,680	\$1.45	\$16,800	11,620
2	2 BR / 2 BA	1,250	\$1,682	\$1.35	\$3,364	2,500
1	2 BR / 2 BA	1,255	\$1,635	\$1.30	\$1,635	1,255
2	2 BR / 2 BA	1,275	\$1,825	\$1.43	\$3,650	2,550
2	2 BR / 2 BA	1,278	\$1,690	\$1.32	\$3,380	2,556
2	2 BR / 2 BA	1,292	\$1,890	\$1.46	\$3,780	2,584
2	2 BR / 2 BA	1,320	\$1,922	\$1.46	\$3,844	2,640
2	3 BR / 2 BA	1,347	\$1,780	\$1.32	\$3,560	2,694
<u>1</u>	<u>3 BR / 2 BA</u>	<u>1,374</u>	<u>\$2,557</u>	<u>\$1.86</u>	<u>\$2,557</u>	<u>1,374</u>
327		888	\$1,387	\$1.56	\$453,388	290,271
This is a newer market-rate property. Complex amenities include a parking garage, business center, 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	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		E
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 FIVE						
Name:	Lofts at the Triangle					
Location:	4616 Triangle Blvd., Austin					
Year Built:	2008					
Construction:	Elev/4					
Date Surveyed:	January 2018					
Contact:	Jon 512-452-5638					
Total No. of Units:	79					
Average Unit Size (SF):	1,216					
Average Month Rent (PSF):	\$1.67					
Occupancy:	90%					
Units	Type	Size (SF)	Monthly Rent	Rent PSF	Potential Rent	Total SF
5	0BR / 1BA	612	\$1,350	\$2.21	\$6,750	3,060
12	1BR / 1BA	740	\$1,440	\$1.95	\$17,280	8,880
8	1BR / 1BA	860	\$1,510	\$1.76	\$12,080	6,880
1	1BR / 1BA	924	\$1,595	\$1.73	\$1,595	924
11	1BR / 1BA	945	\$1,610	\$1.70	\$17,710	10,395
6	2BR / 2BA	1,037	\$1,850	\$1.78	\$11,100	6,222
6	2BR / 2BA	1,197	\$2,025	\$1.69	\$12,150	7,182
4	2BR / 2BA	1,324	\$2,450	\$1.85	\$9,800	5,296
1	2BR / 2BA	1,590	\$2,500	\$1.57	\$2,500	1,590
11	2BR / 2BA	1,692	\$2,500	\$1.48	\$27,500	18,612
7	2BR / 2BA	2,085	\$3,150	\$1.51	\$22,050	14,595
6	3BR / 2BA	1,548	\$2,750	\$1.78	\$16,500	9,288
<u>1</u>	<u>3BR / 2BA</u>	<u>3,135</u>	<u>\$3,800</u>	<u>\$1.21</u>	<u>\$3,800</u>	<u>3,135</u>
79		1,216	\$2,036	\$1.67	\$160,815	96,059
This market-rate property is located in the Triangle mixed use complex. Complex amenities include parking garage, business center, clubhouse, conference room, fitness center, media room, and swimming pools. 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	E	
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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1. Unit Type	2. Subject Property (Address)	A. Comparable No. 1 (address)		B. Comparable No. 2 (address)		C. Comparable No. 3 (address)		D. Comparable No. 4 (address)		E. Comparable No. 5 (address)	
	Travis Flats	AMLI 5350		Midtown Commons II		MStation		Post West Austin		Lofts at the Triangle	
0BR 1BA	5325 Airport Boulevard	5350 Burnet, Austin		810 W. St. Johns, Austin		2906 E MLK, Austin		4330 Bull Creek, Austin		4616 Triangle Blvd., Austin	
Characteristics	Data	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +
3. Effective Date of Rental	Jan-18	Jan-18		Jan-18		Jan-18		Jan-18		Jan-18	
4. Type of Project/Stories	3-Story WU	Elev/4		Elev/4		Gdn/3		Elev/4		Elev/4	
5. Floor of Unit in Building	Varies	Varies		Varies		Varies		Varies		Varies	
6. Project Occupancy %	0%	90%		92%		100%		96%		90%	
7. Concessions	No	No		No		No		No		No	
8. Year Built	2020/Prop	2010	\$30	2014	\$18	2011	\$27	2009	\$33	2008	\$36
9. SF Area (Net Area)	568	572		574		712		559		612	
10. Number of Bedrooms	0	0		0		1	-\$100	0		0	
11. Number of Bath	1	1		1		1		1		1	
12. Number of Rooms	3	3		3		4		3		3	
13. Balc/Terrace/Patio	Y	Y		Y		Y		Y		Y	
14. Garage / Carport / Open	PG/\$0	PG/\$0		Open/\$0	\$35	Open/\$0	\$35	PG/\$0		PG/\$0	
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		HU,L		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	R/E		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	\$123	N/N	\$123	Y/Y		N/N	\$123	N/N	\$123
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		Y		Y		Y		Y	
Other: c) Appeal	E	E		E		E		E		E	
20. Unit Rent per Month		\$992		\$1,100		\$1,095		\$1,080		\$1,350	
21. Total Adjustment		\$143		\$166		-\$182		\$146		\$70	
22. Indicated Rent		\$1,135		\$1,266		\$913		\$1,226		\$1,420	
23. Correlated Subject Rent	\$1,150	X	<input type="checkbox"/>	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 <i>R.Q. Co</i>				Date 1/24/2018		Reviewer's Signature	

Previous versions are obsolete

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1. Unit Type	2. Subject Property (Address)	A. Comparable No. 1 (address)	B. Comparable No. 2 (address)	C. Comparable No. 3 (address)	D. Comparable No. 4 (address)	E. Comparable No. 5 (address)	
1BR 1BA	Travis Flats 5325 Airport Boulevard	AMLI 5350 5350 Burnet, Austin	Midtown Commons II 810 W. St. Johns, Austin	MStation 2906 E MLK, Austin	Post West Austin 4330 Bull Creek, Austin	Lofts at the Triangle 4616 Triangle Blvd., Austin	
Characteristics	Data	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +
3. Effective Date of Rental	Jan-18	Jan-18		Jan-18		Jan-18	
4. Type of Project/Stories	3-Story WU	Elev/4		Elev/4		Elev/4	
5. Floor of Unit in Building	Varies	Varies		Varies		Varies	
6. Project Occupancy %	0.00%	90%		92%		100%	
7. Concessions	No	No		No		No	
8. Year Built	2020/Prop	2010	\$30	2014	\$18	2011	\$27
9. SF Area (Net Area)	707	740	-\$33	700		712	
10. Number of Bedrooms	1	1		1		1	
11. Number of Bath	1	1		1		1	
12. Number of Rooms	4	4		4		4	
13. Balc/Terrace/Patio	Y	Y		Y		Y	
14. Garage / Carport / Open	PG/\$0	PG/\$0		Open/\$0	\$35	Open/\$0	\$35
15. Equipment	a) A/C	C		C		C	
	b) Range/Oven	Y		Y		Y	
	c) Refrigerator	Y		Y		Y	
	d) Disposal	Y		Y		Y	
	e) Microwave	Y		Y		Y	
	f) Dishwasher	Y		Y		Y	
	g) Washer/Dryer	HU/L		HU,L		HU,L	
	h) Carpet/Blinds	Y		Y		Y	
	i) Pool/Rec Area	R/E	P/R/E -\$10	P/R/E -\$10		P/R/E -\$10	
16. Services	a) Heat/Type	N/E		N/E		N/E	
	b) Cook/Type	N/E		N/E		N/E	
	c) Electricity	N		N		N	
	d) Water/Sewer/Trash	Y/Y	N/N \$125	N/N \$125		N/N \$125	
17. Storage	N	N		N		N	
18. Project Location	G	G		G		G	
19. Other: a) Security	Y	Y		Y		Y	
Other: b) Business Center	Y	Y		Y		Y	
Other: c) Appeal	E	E		E		E	
20. Unit Rent per Month		\$1,281		\$1,203		\$1,095	
21. Total Adjustment			\$112		\$168		\$62
22. Indicated Rent		\$1,393		\$1,371		\$1,157	
23. Correlated Subject Rent	\$1,400	X	<input type="checkbox"/> 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 <i>R. Q. Coz</i>				Date 1/24/2018		Reviewer's Signature	

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1. Unit Type	2. Subject Property (Address)	A. Comparable No. 1 (address)		B. Comparable No. 2 (address)		C. Comparable No. 3 (address)		D. Comparable No. 4 (address)		E. Comparable No. 5 (address)	
	Travis Flats	AMLI 5350		Midtown Commons II		MStation		Post West Austin		Lofts at the Triangle	
	5325 Airport Boulevard	5350 Burnet, Austin		810 W. St. Johns, Austin		2906 E MLK, Austin		4330 Bull Creek, Austin		4616 Triangle Blvd., Austin	
Characteristics	Data	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +
3. Effective Date of Rental	Jan-18	Jan-18		Jan-18		Jan-18		Jan-18		Jan-18	
4. Type of Project/Stories	3-Story WU	Elev/4		Elev/4		Gdn/3		Elev/4		Elev/4	
5. Floor of Unit in Building	Varies	Varies		Varies		Varies		Varies		Varies	
6. Project Occupancy %	0.00%	90%		92%		100%		96%		90%	
7. Concessions	No	No		No		No		No		No	
8. Year Built	2020/Prop	2010	\$30	2014	\$18	2011	\$27	2009	\$33	2008	\$36
9. SF Area (Net Area)	923	846	\$77	825	\$98	975	-\$52	1,043	-\$120	1,037	-\$114
10. Number of Bedrooms	2	2		2		2		2		2	
11. Number of Bath	1	2	-\$50	1		2	-\$50	2	-\$50	2	-\$50
12. Number of Rooms	5	6		5		6		6		6	
13. Balc/Terrace/Patio	Y	Y		Y		Y		Y		Y	
14. Garage / Carport / Open	PG/\$0	PG/\$0		Open/\$0	\$35	Open/\$0	\$35	PG/\$0		PG/\$0	
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		HU/L		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	R/E		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	\$151	N/N	\$151	Y/Y		N/N	\$151	N/N	\$151
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		Y		Y		Y		Y	
Other: c) Appeal	E	E		E		E		E		E	
20. Unit Rent per Month		\$1,409		\$1,386		\$1,330		\$1,612		\$1,850	
21. Total Adjustment			\$198		\$292		-\$40		\$4		-\$22
22. Indicated Rent		\$1,607		\$1,678		\$1,290		\$1,616		\$1,828	
23. Correlated Subject Rent	\$1,650	X	<input type="checkbox"/>	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 <i>R.Q. Cox</i>		Date 1/24/2018		Reviewer's Signature	

Previous versions are obsolete

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered non-sensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable No. 1 (address)		B. Comparable No. 2 (address)		C. Comparable No. 3 (address)		D. Comparable No. 4 (address)		E. Comparable No. 5 (address)	
	Travis Flats	AMLI 5350		Midtown Commons II		MStation		Post West Austin		Lofts at the Triangle	
2BR 2BA	5325 Airport Boulevard	5350 Burnet, Austin		810 W. St. Johns, Austin		2906 E MLK, Austin		4330 Bull Creek, Austin		4616 Triangle Blvd., Austin	
Characteristics	Data	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +
3. Effective Date of Rental	Jan-18	Jan-18		Jan-18		Jan-18		Jan-18		Jan-18	
4. Type of Project/Stories	3-Story WU	Elev/4		Elev/4		Gdn/3		Elev/4		Elev/4	
5. Floor of Unit in Building	Varies	Varies		Varies		Varies		Varies		Varies	
6. Project Occupancy %	0.00%	90%		92%		100%		96%		90%	
7. Concessions	No	No		No		No		No		No	
8. Year Built	2020/Prop	2010	\$30	2014	\$18	2011	\$27	2009	\$33	2008	\$36
9. SF Area (Net Area)	1,051	1,086	-\$35	1,064		975	\$76	1,043		1,037	
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	PG/\$0	PG/\$0		Open/\$0	\$35	Open/\$0	\$35	PG/\$0		PG/\$0	
15. Equipment	a) A/C	C		C		C		C		C	
	b) Range/Oven	Y		Y		Y		Y		Y	
	c) Refrigerator	Y		Y		Y		Y		Y	
	d) Disposal	Y		Y		Y		Y		Y	
	e) Microwave	Y		Y		Y		Y		Y	
	f) Dishwasher	Y		Y		Y		Y		Y	
	g) Washer/Dryer	HU/L		HU,L		HU/L		HU,L		W/D	-\$35
	h) Carpet/Blinds	Y		Y		Y		Y		Y	
	i) Pool/Rec Area	R/E	P/R/E -\$10	P/R/E	-\$10	R/E		P/R/E	-\$10	P/R/E	-\$10
16. Services	a) Heat/Type	N/E		N/E		N/E		N/E		N/E	
	b) Cook/Type	N/E		N/E		N/E		N/E		N/E	
	c) Electricity	N		N		N		N		N	
	d) Water/Sewer/Trash	Y/Y	N/N \$151	N/N	\$151	Y/Y		N/N	\$151	N/N	\$151
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		Y		Y		Y		Y	
Other: c) Appeal	E	E		E		E		E		E	
20. Unit Rent per Month		\$1,774		\$1,700		\$1,330		\$1,612		\$1,850	
21. Total Adjustment		\$136		\$194		\$138		\$174		\$142	
22. Indicated Rent		\$1,910		\$1,894		\$1,468		\$1,786		\$1,992	
23. Correlated Subject Rent	\$1,900	X	<input type="checkbox"/> 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 <i>R.Q. Con</i>	Date 1/24/2018	Reviewer's Signature
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Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered non-sensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable No. 1 (address)		B. Comparable No. 2 (address)		C. Comparable No. 3 (address)		D. Comparable No. 4 (address)		E. Comparable No. 5 (address)	
	Travis Flats	AMLI 5350		Midtown Commons II		MStation		Post West Austin		Lofts at the Triangle	
	5325 Airport Boulevard	5350 Burnet, Austin		810 W. St. Johns, Austin		2906 E MLK, Austin		4330 Bull Creek, Austin		4616 Triangle Blvd., Austin	
Characteristics	Data	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +
3. Effective Date of Rental	Jan-18	Jan-18		Jan-18		Jan-18		Jan-18		Jan-18	
4. Type of Project/Stories	3-Story WU	Elev/4		Elev/4		Gdn/3		Elev/4		Elev/4	
5. Floor of Unit in Building	Varies	Varies		Varies		Varies		Varies		Varies	
6. Project Occupancy %	0.00%	90%		92%		100%		96%		90%	
7. Concessions	No	No		No		No		No		No	
8. Year Built	2020/Prop	2010	\$30	2014	\$18	2011	\$27	2009	\$33	2008	\$36
9. SF Area (Net Area)	1,319	1,220	\$99	1,321		1,200	\$119	1,347	-\$28	1,548	-\$229
10. Number of Bedrooms	3	2	\$100	2	\$100	3		3		3	
11. Number of Bath	2	2		2		2		2		2	
12. Number of Rooms	7	6		6		7		6		7	
13. Balc/Terrace/Patio	Y	Y		Y		Y		Y		Y	
14. Garage / Carport / Open	PG/\$0	PG/\$0		Open/\$0	\$35	Open/\$0	\$35	PG/\$0		PG/\$0	
15. Equipment	a) A/C	C		C		C		C		C	
	b) Range/Oven	Y		Y		Y		Y		Y	
	c) Refrigerator	Y		Y		Y		Y		Y	
	d) Disposal	Y		Y		Y		Y		Y	
	e) Microwave	Y		Y		Y		Y		Y	
	f) Dishwasher	Y		Y		Y		Y		Y	
	g) Washer/Dryer	HU/L		HU,L		HU/L		HU,L		W/D	-\$35
	h) Carpet/Blinds	Y		Y		Y		Y		Y	
	i) Pool/Rec Area	R/E	P/R/E -\$10	P/R/E	-\$10	R/E		P/R/E	-\$10	P/R/E	-\$10
16. Services	a) Heat/Type	N/E		N/E		N/E		N/E		N/E	
	b) Cook/Type	N/E		N/E		N/E		N/E		N/E	
	c) Electricity	N		N		N		N		N	
	d) Water/Sewer/Trash	Y/Y	N/N \$178	N/N	\$178	Y/Y		N/N	\$178	N/N	\$178
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		Y		Y		Y	
	Other: c) Appeal	E		E		E		E		E	
20. Unit Rent per Month		\$2,094		\$2,033		\$1,490		\$1,780		\$2,750	
21. Total Adjustment		\$397		\$321		\$181		\$173		-\$60	
22. Indicated Rent		\$2,491		\$2,354		\$1,671		\$1,953		\$2,690	
23. Correlated Subject Rent	\$2,350	X	<input type="checkbox"/> 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 <i>R.Q. Coz</i>	Date 1/24/2018	Reviewer's Signature
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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. Comparable 3 has restricted units; however, only market rate units were utilized in our 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 three/four-story elevator-served buildings. 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 90.00% to 100.00%. 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 2020. The comparable properties have years of construction ranging from to . 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	600	28	\$992	\$0	\$0.00	
		0b/1b	572		\$992			
	Rental 1	2b/2b	1,220	410	\$2,094	\$794	\$1.94	
		2b/2b	810		\$1,300			
	Rental 2	0b/1b	625	51	\$1,150	\$50	\$0.98	
		0b/1b	574		\$1,100			
	Rental 2	1b/1b	762	75	\$1,275	\$82	\$1.09	
		1b/1b	687		\$1,193			
	Rental 2	2b/2b	1,321	364	\$2,033	\$539	\$1.48	
		2b/2b	957		\$1,494			
	Rental 4	1b/1b	862	205	\$1,265	\$83	\$0.40	
		1b/1b	657		\$1,182			
	Rental 4	2b/2b	1,320	277	\$1,922	\$310	\$1.12	
		2b/2b	1,043		\$1,612			
	Rental 5	1b/1b	945	205	\$1,610	\$170	\$0.83	
		1b/1b	740		\$1,440			
	Rental 5	2b/2b	1,692	655	\$2,500	\$650	\$0.99	
		2b/2b	1,037		\$1,850			
								\$1.10

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 three bedroom grids. The following table depicts the adjustment comparing units with a similar number of baths, but varying number of bedrooms, after adjustment for size differences as discussed about.

Bedroom Diff	Complex Name	Unit Type	Square Footage	SF Diff	Rent	\$ Diff	\$/SF	Ind. Adj.
	Rental 1	1b/1b	740	140	\$1,281	289	2.06	\$149.00
		0b/1b	600		\$992			
	Rental 2	1b/1b	825	63	\$1,386	111	1.76	\$48.00
		1b/1b	762		\$1,275			
	Rental 3	3b/2b	1,200	225	\$1,490	160	0.71	-\$65.00
		2b/2b	975		\$1,330			
	Rental 4	1b/1b	657	98	\$1,182	102	1.04	\$4.00
		0b/1b	559		\$1,080			
	Rental 4	3b/2b	1,347	27	\$1,780	-142	-5.26	-\$169.00
		2b/2b	1,320		\$1,922			
	Rental 5	1b/1b	740	128	\$1,440	90	0.70	-\$38.00
		0b/1b	612		\$1,350			
	Rental 4	3b/2b	1,548	-42	\$2,750	250	0	\$292.00
		2b/2b	1,590		\$2,500			
								\$100.00

Based on the above analysis, and the opinions of local leasing agents, an adjustment of \$100 was made for an additional bedroom.

Line 11. Number of Baths: No adjustments were necessary with the exception of the 2BR/1BA grid. The following table depicts the adjustment comparing units with a similar number of bedrooms, but varying number of baths, after adjustment for size differences as discussed about.

Bathroom Differential	Complex Name	Unit Type	Square Footage	SF Diff	Rent	\$ Diff	\$/SF	Ind. Adj.
	Rental 2	2b/2b	957	132	\$1,494	108	0.82	-\$24.00
		2b/1b	825		\$1,386			

The paired sales analysis was inconclusive. Based on the above analysis, and the opinions of local leasing agents, an adjustment of \$50 was made for an additional bath.

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

Line 13. Private Balcony/Terrace/Patio: 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 and structured garage parking. Most of the apartments rent detached garages in the range of \$80 to \$125. Complexes in the area which rent parking garage spaces tend to be in the \$20-\$50 per space per month range. An adjustment of \$35 was considered reasonable, and was applied to those complexes not providing/including a parking garage space in the base rent.

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 our analysis. (i) The subject will feature a fitness area and recreation areas, but not a pool. All of the rentals except Rental 3 offer these amenities, and no adjustment was required except for Rental 3. Based on the opinions of local leasing agents, an adjustment of \$10 for a pool was considered reasonable, and was applied in my analysis.

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 Austin. No additional adjustment was warranted.

Line 17. Extra Storage. The subject will not offer storage units. Some of the comparables also feature extra storage. Based on the opinions of local leasing agents; although considered an amenity, the presence of 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. To the subject in this regard, and no adjustment was required.

Line 19. Other. (a) Security - The subject property will feature controlled access to the buildings. 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 excellent appeal. No adjustment was required.

Line 46. Conclusion of Market Rent – 0BR 1BA 568 square foot units. The adjusted rents for the subject’s 0BR 1BA 568 square foot unit range from \$913 to \$1,420 per month. Based on the above analysis, a concluded market rent of \$1,150 per month for the subject’s 0BR 1BA 568 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 offer a 550 SF efficiency unit. The size difference is not considered substantial enough to warrant an adjustment. Therefore, the concluded market rent for the subject 550 SF efficiency unit is also \$1,150.

The subject will also offer a 611 SF efficiency unit. Based on the above indications and size adjustment, the concluded market rent for the subject's 611 SF efficiency unit is \$1,192.

Line 46. Conclusion of Market Rent – 1BR 1BA 707 square foot units. The adjusted rents for the subject's 1BR 1BA 707 square foot unit range from \$1,157 to \$1,523 per month. Based on the above analysis, a concluded market rent of **\$1,400** per month for the subject's 1BR 1BA 707 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 Unit

The subject will also offer a 732 SF 1BR/1BA unit. The size difference is not considered substantial enough to warrant an adjustment. Therefore, the concluded market rent for the subject 732 SF 1BR/1BA unit is also \$1,400.

Line 46. Conclusion of Market Rent –2BR 1BA 923 square foot units. The adjusted rents for the subject's 923 square foot 2BR 1BA unit range from \$1,290 to \$1,828 per month. Based on the above analysis, a concluded market rent of **\$1,650** per month for the subject's 923 square foot 2BR 1BA 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 Unit

The subject will also offer 897 and 925 SF 2BR/1BA units. The size differences are not considered substantial enough to warrant an adjustment. Therefore, the concluded market rent for the subject 897 and 925 SF 2BR/1BA units are also \$1,650.

Line 46. Conclusion of Market Rent –2BR 2BA 1,051 square foot units. The adjusted rents for the subject's 1,051 square foot 2BR 2BA unit range from \$1,468 to \$1,992 per month. Based on the above analysis, a concluded market rent of **\$1,900** per month for the subject's 1,051 square foot 2BR 2BA 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 Unit

The subject will also offer a 1,072 SF 2BR/2BA units. The size difference is not considered substantial enough to warrant an adjustment. Therefore, the concluded market rent for the subject 1,072 SF 2BR/2BA unit is also \$1,900.

The subject with also offer a 1,132 SF 2BR/2BA unit. Based on the above indications and size adjustment, the concluded market rent for the subject's 1,132 SF 2BR/2BA unit is \$1,980.

Line 46. Conclusion of Market Rent – 3BR 2BA 1,319 square foot units. The adjusted rents for the subject's 1,319 square foot 3BR 2BA unit range from \$1,671 to \$2,690 per month. Based on the above analysis, a concluded market rent of **\$2,350** per month for the subject's 1,319 square foot 3BR 2BA 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 Unit

The subject will also offer a 1,310 and a ,322 SF 3BR/2BA units. The size differences are not considered substantial enough to warrant an adjustment. Therefore, the concluded market rent for the subject 1,310 and 1,322 SF 3BR/2BA units are also \$2,350.

Concluded Market Rent Summary

No. Units	Type	Size (SF)	Mkt Rent/Mth	Mkt Rent (PSF)	Prepared in Grid (Y/N)
1	0 BR / 1 BA	550	\$1,150	\$2.09	N
8	0 BR / 1 BA	568	\$1,150	\$2.02	Y
15	0 BR / 1 BA	611	\$1,192	\$1.95	N
3	1 BR / 1 BA	690	\$1,400	\$2.03	N
66	1 BR / 1 BA	707	\$1,400	\$1.98	Y
11	1 BR / 1 BA	732	\$1,400	\$1.91	N
1	2 BR / 1 BA	897	\$1,650	\$1.84	N
9	2 BR / 1 BA	923	\$1,650	\$1.79	Y
1	2 BR / 1 BA	925	\$1,650	\$1.78	N
18	2 BR / 2 BA	1,051	\$1,900	\$1.81	Y
2	2 BR / 2 BA	1,072	\$1,900	\$1.77	N
3	2 BR / 2 BA	1,132	\$1,980	\$1.75	N
1	3 BR / 2 BA	1,310	\$2,350	\$2.55	N
6	3 BR / 2 BA	1,319	\$2,350	\$2.54	Y
1	3 BR / 2 BA	1,322	\$2,350	\$1.78	N

It should be noted that the above-concluded market rents do not take into consideration the fact that 83.56% of the subject units are rent-restricted. There are no recently constructed Family HTC complexes within several miles of the subject. There is one similar sized complex that was utilized in our rental analysis. The following table shows a comparison of adjusted rents between the HTC development and conventional developments.

MARKET RATE UNIT COMAPRISON - MStation									
Unit Type	MStation	AMLI 5350	% Diff	Midtown Commons II	% Diff	Post West Austin	% Diff	Lofts at the Triangle	% Diff
1 BR / 1 BA	\$1,157	\$1,393	-20.4%	\$1,371	-18.5%	\$1,390	-20.1%	\$1,523	-31.6%
2 BR / 2 BA	\$1,468	\$1,910	-30.1%	\$1,894	-29.0%	\$1,786	-21.7%	\$1,992	-35.7%
3 BR / 2 BA	\$1,671	\$2,491	-49.1%	\$2,354	-40.9%	\$1,953	-16.9%	\$2,690	-61.0%

Based on the above comparison, a "stigma" of approximately 17% to 61% 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 20%-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 2 comparable operating Family 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

ENVIRONICS ANALYTICS 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 Family 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 \$427 per month, which at 40% equates to an annual income of \$12,810 in order to qualify for the rent-restricted units at the subject property. The maximum income level is estimated to be \$56,700, which is the maximum household income for a family of six making 60% of the area median income. Those earning below \$12,810 and above \$56,700 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%	7	\$377	\$50	\$427	\$12,810	\$17,100
0BR	50%	12	\$662	\$50	\$712	\$21,360	\$28,500
0BR	60%	5	\$805	\$50	\$855	\$25,650	\$34,200
1BR	30%	6	\$400	\$58	\$458	\$13,740	\$19,560
1BR	50%	25	\$705	\$58	\$763	\$22,890	\$32,600
1BR	60%	40	\$858	\$58	\$916	\$27,480	\$39,120
2BR	50%	11	\$836	\$80	\$916	\$27,480	\$40,700
2BR	60%	13	\$1,019	\$80	\$1,099	\$32,970	\$48,840
3BR	50%	1	\$955	\$103	\$1,058	\$31,740	\$47,250
3BR	60%	2	\$1,167	\$103	\$1,270	\$38,100	\$56,700
		122					

Thus, based on the above calculations, the total percentage of households eligible on an income basis in the subject's primary market is 26.23%.

Likely Renters Based on Primary Market Area Income Per Household							
Income Bracket	Percent	Renter %		Income Eligible %		Eligible Renter %	
<\$14,999	10.89%	X	88.72%	X	14.59%	=	1.41%
\$15,000 to \$24,999	9.17%	X	78.39%	X	100.00%	=	7.19%
\$25,000 to \$34,999	9.02%	X	82.31%	X	100.00%	=	7.42%
\$35,000 to \$49,999	11.26%	X	72.53%	X	100.00%	=	8.17%
\$50,000 to \$74,999	17.37%	X	43.88%	X	26.80%	=	2.04%
Total Household Percent Eligible to Rent							26.23%

*Columns may not add exactly due to decimal rounding

DEMAND FROM SECONDARY MARKET AREA

The subject will likely draw from outside its primary market area. Based on my research and interviews with existing Family HTC managers and leasing agents, a portion of the existing tenants in Family HTC complexes move from outside the PMA. In some cases, this accounts for over 50% of total tenants.

The 2018 TDHCA Real Estate Analysis rule does not allow for a SMA, with the exception of an automatic 10% demand from outside the PMA.

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.

Demand Calculations

All demographic information, including projected growth rates, has been obtained from Environics Analytics, Inc. Several variables are utilized in my demand calculations. *Percent Income Qualified* represents the percentage of renters who meet both the minimum and maximum income criteria outlined above. *Appropriate Household Size* is based on a maximum of ± 2 persons per bedroom at the subject complex (which offers efficiency to three-bedroom units). *Percent Renters* was obtained from table B25118 from the most recent ACS Census Bureau for the PMA. The average annual household growth (five-year average from 2018 to 2023 demographics data) has been extrapolated to the anticipated placed-in-service date (2020) or 30 months.

Demand from Other Sources encompasses households moving from outside the market area. Demand from other sources represents new demand that will be created by the development of the subject property. The addition of a quality affordable housing community will increase the desirability of the primary market area, resulting in a potential influx of renters that is not otherwise accounted for in the census projections.

DEMAND FROM NEW HOUSEHOLD GROWTH (RESTRICTED UNITS)	
	Primary Market
Avg Annual Household Growth - 2.5 year Projection	1,222
X Percent Income Qualified	26.23%
X Appropriate Household Size (2 people per bedroom)	99.25%
X Appropriate Age Range	100.00%
Demand From New Household Growth	318
DEMAND FROM EXISTING HOUSEHOLDS	
Total Existing Households	31,840
X Percent of Households in Turnover	100.00%
X Percent Income Qualified	26.23%
X Appropriate Household Size (2 people per bedroom)	99.25%
X Appropriate Age Range	100.00%
Demand From Turnover	8,289
Total Demand from Other Sources	-
Total Demand From New Household Growth & Turnover	8,607
Demand from Section 8 Vouchers	-
Demand from outside the PMA	441
TOTAL THEORETICAL DEMAND FOR AFFORDABLE RENTAL HOUSING	9,048

Capture Rate – Rent-Restricted Units

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.” In the following analysis, only Family projects are included, since Senior projects are not “like” projects to the subject, and do not compete for the same tenant group.

Based on my research, there are no other Family project under construction comparable to the subject within the PMA, none approved, none proposed with priority, and none unstabilized in the primary market area. There are no active applications on the bond list.

Per TDHCA guidelines, all of the subjects restricted units are included in the capture calculations. The subject contains 146 units, of which 122 will be rent-restricted. Therefore, a total of 146 units require absorption, of which 122 units will be rent-restricted. There are approximately **9,048** potential households based on income eligibility, housing preference, and taking into consideration the typical turnover rate in the subject’s primary market.

Spotlight Capture Rate for 122 Affordable Family Units

1.35%

MARKET RATE

The subject will feature 24 market rate units. There are no market rate Family complex's that were recently built, none proposed, and none under construction in the PMA with comparable proposed rental rates. The minimum projected developer rent is \$1,250, which equates to a minimum income of \$37,500. The following tables depict the capture rate analysis for the market rate units.

Likely Renters Based on Primary Market Area Income Per Household							
Income Bracket	Percent		Renter %		Income Eligible %		Eligible Renter %
<\$14,999	10.89%	X	88.72%	X	0.00%	=	0.00%
\$15,000 to \$24,999	9.17%	X	78.39%	X	0.00%	=	0.00%
\$25,000 to \$34,999	9.02%	X	82.31%	X	0.00%	=	0.00%
\$35,000 to \$49,999	11.26%	X	72.53%	X	83.33%	=	6.81%
\$50,000 and up	59.66%	X	43.88%	X	100.00%	=	26.18%
Total Household Percent Eligible to Rent							32.99%

DEMAND FROM NEW HOUSEHOLD GROWTH	
	Primary Market
* Avg Annual Household Growth - 2.5 year Projection	1,222
X Percent Income Qualified	32.99%
X Appropriate Household Size (2 people per bedroom)	99.25%
X Appropriate Age Range	100.00%
Demand From New Household Growth	400
DEMAND FROM EXISTING HOUSEHOLDS	
Total Existing Households	31,840
X Percent of Households in Turnover	100.00%
X Percent Income Qualified	32.99%
X Appropriate Household Size (2 people per bedroom)	99.25%
X Appropriate Age Range	100.00%
Demand From Turnover	10,425
Total Demand From New Household Growth & Turnover	10,825
Demand from Other Sources Not Accounted For Above	
TOTAL THEORETICAL DEMAND FOR AFFORDABLE RENTAL HOUSING	10,825

Capture Rate for the PMA's Market Units	0.22%
Capture Rate for the Subject as a Whole	1.35%

HISTA DEMOGRAPHICS CAPTURE ANALYSIS

I have also 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.

Environics Analytics provides an overall renter percentage, a percentage of per-person households, and a percentage of population in each income band. With Environics Analytics, the analyst has the option to utilize the overall renter percentage, private sources, or the Census table to provide an appropriate renter percentage for the calculations. The table below 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%	7	\$377	\$50	\$427	\$12,810	\$17,100
0BR	50%	12	\$662	\$50	\$712	\$21,360	\$28,500
0BR	60%	5	\$805	\$50	\$855	\$25,650	\$34,200
1BR	30%	6	\$400	\$58	\$458	\$13,740	\$19,560
1BR	50%	25	\$705	\$58	\$763	\$22,890	\$32,600
1BR	60%	40	\$858	\$58	\$916	\$27,480	\$39,120
2BR	50%	11	\$836	\$80	\$916	\$27,480	\$40,700
2BR	60%	13	\$1,019	\$80	\$1,099	\$32,970	\$48,840
3BR	50%	1	\$955	\$103	\$1,058	\$31,740	\$47,250
3BR	60%	2	\$1,167	\$103	\$1,270	\$38,100	\$56,700
		122					

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

ALL HOUSEHOLDS						
2018	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5+ PERSON	Total
<\$10K	1,438	230	115	90	32	1,905
\$10K-\$20K	1,390	268	143	172	243	2,216
\$20K-\$30K	1,303	314	261	265	152	2,295
\$30K-\$40K	1,313	435	185	117	134	2,184
\$40K-\$50K	833	416	246	154	80	1,729
\$50K-\$60K	784	467	350	37	153	1,791
\$60K+	2,722	3,361	1,058	418	203	7,762
TOTAL	9,783	5,491	2,358	1,253	997	19,882

ALL HOUSEHOLDS						
2023	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5+ PERSON	Total
<\$10K	1,384	187	117	45	31	1,764
\$10K-\$20K	1,281	238	121	122	161	1,923
\$20K-\$30K	1,027	269	204	230	100	1,830
\$30K-\$40K	1,229	273	187	124	124	1,937
\$40K-\$50K	1,036	358	262	67	86	1,809
\$50K-\$60K	776	375	304	30	105	1,590
\$60K+	3,681	3,864	1,191	584	371	9,691
TOTAL	10,414	5,564	2,386	1,202	978	20,544

SUBJECT DEMAND						
	2018 HH	2023 HH	(x)	2018 Qual. HH	2023 Qual. HH	Forecast Growth
<\$10K	1,905	1,764	0.00%	0	0	0
\$10K-\$20K	2,216	1,923	71.90%	1,593	1,383	-210
\$20K-\$30K	2,295	1,830	100.00%	2,295	1,830	-465
\$30K-\$40K	2,184	1,937	100.00%	2,184	1,937	-247
\$40K-\$50K	1,729	1,809	100.00%	1,729	1,809	80
\$50K-\$60K	1,791	1,590	67.00%	1,200	1,065	-135
\$60K+	7,762	9,691				
TOTAL	19,882	20,544	45.3%	9,001	8,024	-977

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%	\$12,810	\$17,100
0BR	50%	\$21,360	\$25,649
0BR	60%	\$25,650	\$34,200

Income Ranges			
		Min	Max
1BR	30%	\$13,740	\$19,560
1BR	50%	\$22,890	\$27,479
1BR	60%	\$27,480	\$39,120

Income Ranges			
		Min	Max
2BR	50%	\$27,480	\$32,969
2BR	60%	\$32,970	\$48,840

Income Ranges			
		Min	Max
3BR	50%	\$31,740	\$38,099
3BR	60%	\$38,100	\$56,700

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	70%	30%	0%	0%	0%
2 BR	10%	70%	40%	20%	0%
3 BR	0%	0%	60%	80%	100%

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
			0	10000	20000	30000	40000	50000
0BR 30%	\$12,810	\$17,100	0.00%	42.90%	0.00%	0.00%	0.00%	0.00%
0BR 50%	\$21,360	\$25,649	0.00%	0.00%	42.89%	0.00%	0.00%	0.00%
0BR 60%	\$25,650	\$34,200	0.00%	0.00%	43.50%	42.00%	0.00%	0.00%
1BR 30%	\$13,740	\$19,560	0.00%	58.20%	0.00%	0.00%	0.00%	0.00%
1BR 50%	\$22,890	\$27,479	0.00%	0.00%	45.89%	0.00%	0.00%	0.00%
1BR 60%	\$27,480	\$39,120	0.00%	0.00%	25.20%	91.20%	0.00%	0.00%
2BR 50%	\$27,480	\$32,969	0.00%	0.00%	25.20%	29.69%	0.00%	0.00%
2BR 60%	\$32,970	\$48,840	0.00%	0.00%	0.00%	70.30%	88.40%	0.00%
3BR 50%	\$31,740	\$38,099	0.00%	0.00%	0.00%	63.59%	0.00%	0.00%
3BR 60%	\$38,100	\$56,700	0.00%	0.00%	0.00%	19.00%	100.00%	67.00%

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 Demand
0BR 30%	119	-5	114
0BR 50%	112	-12	100
0BR 60%	224	-16	208
1BR 30%	613	-25	588
1BR 50%	462	-48	414
1BR 60%	1211	-75	1136
2BR 50%	286	-29	257
2BR 60%	820	-56	764
3BR 50%	215	-1	214
3BR 60%	678	-54	624

Based on my research, there are no other Family project under construction comparable to the subject within the PMA, none approved, none proposed with priority, and none unstabilized in the primary market area. There are no active applications on the bond list. The following table 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%	7	119	-5		11	125	5.6%
0BR 50%	12	112	-12		10	110	10.9%
0BR 60%	5	224	-16		21	229	2.2%
1BR 30%	6	613	-25		59	647	0.9%
1BR 50%	25	462	-48		41	455	5.5%
1BR 60%	40	1211	-75		114	1250	3.2%
2BR 50%	11	286	-29		26	283	3.9%
2BR 60%	13	820	-56		76	840	1.5%
3BR 50%	1	215	-1		21	235	0.4%
3BR 60%	<u>2</u>	<u>678</u>	<u>-54</u>		<u>62</u>	<u>686</u>	<u>0.3%</u>
HISTA	122	4,740	-321		441	4,860	2.51%

CAPTURE (AMGI)							
Type	No. Units	Demand	Growth	Section 8	Add Demand	Total Demand	AMGI Capture Rate
30%	13	732	-30		70	772	1.68%
50%	49	1,075	-90		99	1,084	4.52%
60%	60	2,933	-201		273	3,005	2.00%

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

MARKET RATE

The subject will feature 24 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.

Income Ranges			
		Min	Max
1BR	Mkt	\$37,500	\$1,000,000

Income Ranges			
		Min	Max
2BR	Mkt	\$46,500	\$1,000,000

Income Ranges			
		Min	Max
3BR	Mkt	\$51,000	\$1,000,000

OCCUPANCY ASSUMPTIONS					
HH Size	1	2	3	4	5+
0BR	20%	0%	0%	0%	0%
1 BR	70%	30%	0%	0%	0%
2 BR	10%	70%	40%	20%	0%
3 BR	0%	0%	60%	80%	100%

CAPTURE (MARKET RATE)						
Type		No. Units	Demand	Growth	Total Demand	Capture Rate
1BR	Mkt	9	4,573	443	5,016	0.2%
2BR	Mkt	10	3,861	219	4,080	0.2%
3BR	Mkt	<u>5</u>	<u>1,526</u>	<u>154</u>	<u>1,680</u>	<u>0.3%</u>
HISTA		24	9,960	816	10,776	0.22%

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, 83.56% 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 \$1.102 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 83.56% 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 below. 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
6	0 BR / 1 BA	30%	568	\$377	\$0.66
1	0 BR / 1 BA	30%	550	\$377	\$0.69
10	0 BR / 1 BA	50%	611	\$662	\$1.08
2	0 BR / 1 BA	50%	568	\$805	\$1.42
5	0 BR / 1 BA	60%	611	\$377	\$0.62
2	1 BR / 1 BA	30%	690	\$400	\$0.58
1	1 BR / 1 BA	50%	690	\$705	\$1.02
4	1 BR / 1 BA	30%	707	\$400	\$0.57
24	1 BR / 1 BA	50%	707	\$705	\$1.00
38	1 BR / 1 BA	60%	707	\$858	\$1.21
2	1 BR / 1 BA	60%	732	\$858	\$1.17
9	1 BR / 1 BA	Mkt	732	\$1,250	\$1.71
1	2 BR / 1 BA	50%	897	\$836	\$0.93
9	2 BR / 1 BA	50%	923	\$836	\$0.91
1	2 BR / 1 BA	50%	925	\$836	\$0.90
11	2 BR / 2 BA	60%	1,051	\$1,019	\$0.97
2	2 BR / 2 BA	60%	1,072	\$1,019	\$0.95
7	2 BR / 2 BA	Mkt	1,051	\$1,550	\$1.47
3	2 BR / 2 BA	Mkt	1,132	\$1,550	\$1.37
1	3 BR / 2 BA	60%	1,310	\$1,167	\$0.89
5	3 BR / 2 BA	Mkt	1,319	\$1,700	\$1.29
1	3 BR / 2 BA	60%	1,319	\$1,167	\$0.88
1	3 BR / 2 BA	50%	1,322	\$955	\$0.72

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 $\pm \$1.102$ 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 \$1,545,732 per year. Other revenue (primary source is vending, late fees, and parking, 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 income includes revenue from vending, late fees, and parking, which is considered reasonable based on my survey of apartment complexes in the Austin or similar markets. 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
6	0 BR / 1 BA	30%	568	\$377	\$2,262
1	0 BR / 1 BA	30%	550	\$377	\$377
10	0 BR / 1 BA	50%	611	\$662	\$6,620
2	1 BR / 1 BA	30%	690	\$400	\$800
1	1 BR / 1 BA	50%	690	\$705	\$705
4	1 BR / 1 BA	30%	707	\$400	\$1,600
24	1 BR / 1 BA	50%	707	\$705	\$16,920
9	1 BR / 1 BA	Mkt	732	\$1,250	\$11,250
1	2 BR / 1 BA	50%	897	\$836	\$836
9	2 BR / 1 BA	50%	923	\$836	\$7,524
1	2 BR / 1 BA	50%	925	\$836	\$836
11	2 BR / 2 BA	60%	1,051	\$1,019	\$11,209
2	2 BR / 2 BA	60%	1,072	\$1,019	\$2,038
5	3 BR / 2 BA	Mkt	1,319	\$1,700	\$8,500
1	3 BR / 2 BA	60%	1,319	\$1,167	\$1,167
1	3 BR / 2 BA	50%	1,322	\$955	\$955
146			Average/Total:	\$877.27	\$128,081
Other Income	146 units at		\$5.00		\$730
MONTHLY POTENTIAL GROSS INCOME					\$128,811
MULTIPLIED BY TWELVE MONTHS					12
ANNUAL POTENTIAL GROSS INCOME					\$1,545,732

OPERATING EXPENSE ANALYSIS				
Item	TDHCA Region 7 (>76)		Subject Property	
	Per Unit	PSF	Per Unit	PSF
General & Administrative	\$408	\$0.51	\$506	\$0.64
Management	\$417	\$0.52	\$499	\$0.63
Payroll & Payroll Tax	\$1312	\$1.70	\$1,027	\$1.29
Repairs & Maintenance	\$621	\$0.81	\$640	\$0.80
Utilities	\$259	\$0.40	\$274	\$0.34
Water, Sewer & Trash	\$787	\$0.95	\$623	\$0.78
Insurance	\$284	\$0.35	\$401	\$0.50
Property Tax	\$717	\$0.82	\$0	\$0.00
Reserve for Replacement	\$271	\$0.33	<u>\$250</u>	<u>\$0.31</u>
Totals	\$5,076	\$6.39	\$4,220	\$5.29

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

Vacancy and Collection Loss

As previously discussed, there are 3 Family HTC projects within the PMA with an average occupancy of 100.00%. The rent comparables averaged , and the average occupancy within the PMA was 89.73%. 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. The Timbers, Santa Maria Village and Gateways are the most comparable Family HTCs within the PMA. The subject property should be highly competitive in this market, and should achieve stabilized occupancy within 5 to 9 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 proposed Travis Flats.

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 are no other Family project under construction comparable to the subject within the PMA, none approved, none proposed with priority, and none unstabilized in the primary market area. There are no active applications on the bond list. 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 5 to 9 months of completion of the proposed improvements. The subject contains 146 units, of which 122 will be rent-restricted. Therefore, a total of 146 units require

absorption, of which 122 units will be rent-restricted. There are approximately 9,048 (Environics Analytics) and 4,860 (HISTA) potential households (relevant to the rent restricted units) based on income eligibility, housing preference in the subject's primary market.

Spotlight Capture Rate for 122 Affordable Family Units	1.35%
Spotlight Capture Rate for 24 Market Family Units	0.22%
HISTA Capture Rate for 122 Affordable Family Units	2.51%
HISTA Capture Rate for 24 Market Family Units	0.22%
Capture Rate Whole	1.35%

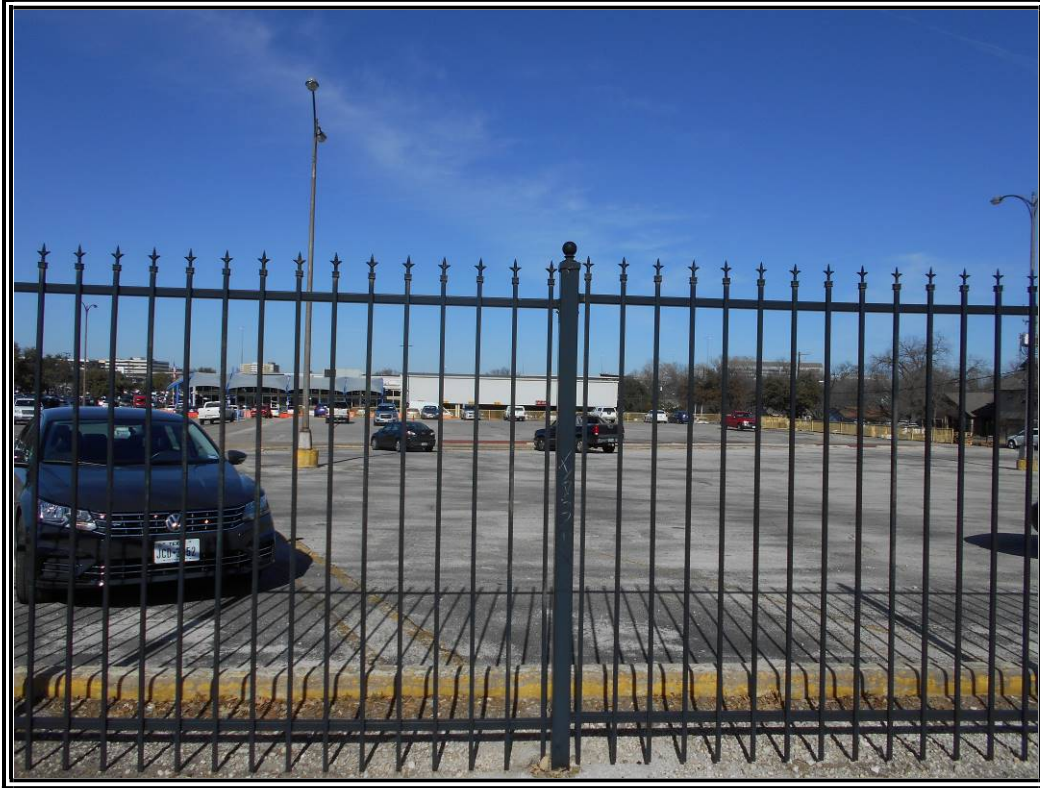
THE CAPTURE RATE ABOVE IS OVERSTATED. I HAVE NOT INCLUDED DEMAND FROM SECTION 8 AND OTHER DEMAND SOURCES (OTHER THAN THE AUTOMATIC 10%). BECAUSE THE CAPTURE RATE WAS WITHIN TDHCA'S GUIDELINES WITHOUT THE INCLUSION OF THESE DEMAND SOURCES, THAT DEMAND WAS NOT QUANTIFIED IN THIS REPORT.

Absorption Projections

I was able to locate only one Family HTC development which has been completed and stabilized within the past 24 months outside, but 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 near the subject PMA which 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 near 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 near 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. 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 Family 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 5 to 9 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 Family 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.



View of Subject Property west from East 53 ½ Street



View of Subject Property facing south from Helen Street



Street Scene – Helen Street facing north (subject on the left)



Street Scene – East 53 ½ Street facing east (subject on the right)

APPENDICES

APPENDICES

SUMMARY OF PROPOSED (approved), NON-STABILIZED & U/C PMA PROJECTS				
Status	Project	Restricted	Mkt Units	Total
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
Subject	Travis Flats	122	24	146
TOTAL		122	24	146

The above table includes only “like” projects to the subject, and only those that have been approved for construction. There have been no HTC Family 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 persons signing this certification.
- (10) Robert O. (Bob) Coe, II is a Candidate for Designation, Appraisal Institute, and as of the date of this report, has completed the Standards and Ethics Education Requirement of the Appraisal Institute for Candidates for Designation. The use of this report is subject to the requirements of the Appraisal Institute relating to review by their duly authorized representatives. The bylaws and regulations of the Institute require each member to control the use and distribution of each report signed by such member.
- (11) Robert O. (Bob) Coe, II, has prepared one additional assignment on the subject site for the last three years.



Robert O. (Bob) Coe, II

TX-1333157-G

State Certified General Real Estate Appraiser

Candidate for Designation, Appraisal Institute

ENGAGEMENT LETTER

Affordable Housing Analysts
Appraisers/Analysts/Consultants

December 26, 2017

Ms. Janine Sisak
Travis Flats
c/o Austin TCHFC/ c/o DMA Development Company
4101 Parkstone Heights Drive, Suite 310
Austin, Texas 78746

Greetings:

This agreement confirms the terms and objectives of the Appraisal assignment (TDHCA 9% market study) and the nature and limitations of services to be provided by *Affordable Housing Analysts*. My firm will review, analyze, and determine my opinion of the market demand for the development of a proposed ±146-unit Family Housing Tax Credit project to be known as Travis Flats, which is located at the northeast corner of Helen Street and East 53 ½ Street in Austin, Travis County, Texas. The purpose of the Market Study is to provide a market overview of the data necessary for the Texas Department of Housing and Community Affairs (TDHCA) Housing Tax Credit application, and for the client to make investment decisions about the proposed development.

This agreement is between *Affordable Housing Analysts* and:

Client: Travis Flats /c/o Austin TCHFC / c/o DMA Development Company

Intended User/Use: The client is the user of this report. Additional users are the TDHCA and assigns. The Market Analysis will be utilized in association with an application for tax credits through the TDHCA Housing Tax Credit (HTC) program. *Affordable Housing Analysts'* work file will contain the information necessary to support such a report/assignment.

Scope of Work

Type of Report: HTC Market Study

Subject Property: Development of a +/-146-unit Family Housing Tax Credit project to be known as Travis Flats, which is located at the northeast corner of Helen Street and East 53 ½ Street in Austin, Travis County, Texas.

Delivery of the Report: By execution of this engagement letter, the report has been ordered, and the completed report will be delivered to the client by February 1, 2018 assuming timely receipt of all of the following: signed engagement letter, retainer, and all requested information. The final report will be delivered to you via PDF only. **No hard copies will be provided and it is your responsibility to submit the report and map to the TDHCA.**

I certify that I have read and understood the 2018 Uniform Multifamily Rules **10.303 and 10.304**. The Market Analysis will conform to the TDHCA's Market Analysis Rules and Guidelines, as described in Section 10.303 of the Uniform Multifamily Rules in effect for the application round (2018) in which the Market Analysis may be submitted.

Fee: My engagement shall begin on the day of receipt of this signed agreement, required information, and the payment of the retainer. My fee for the assignment is the sum of \$6,000.00, of which a non-refundable deposit of 50% (\$3,000.00) is due upon engagement, and the remaining 50% (\$3,000.00) is due upon completion of the assignment.

The contract fee for this assignment does not include time spent in negotiation, mediation, arbitration, depositions, testifying before any regulation or judicial forum, preparation for such hearing, or any other services other than the work described in the Scope of Work. The contract fee has been quoted on an estimate of the time it will take to complete the assignment described in the Scope of Work, at an hourly rate of \$250 per hour. The fee for this report is inclusive of the report only. Any changes to this agreement must be agreed to in writing, by the undersigned and the client. Any changes in the project specifications, or for services beyond the scope of the assignment, shall be priced based upon the scope of the request at that time, and may cause a delay in the delivery of the report if requested after engagement. Any follow up reports or letters will also require additional billings to the client. Any additional services required beyond the scope of the original assignment will be billed at \$250.00 per hour. Estimates prior to engagement for a particular request will be available to the client.

Necessary information if changed from original report:

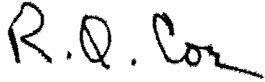
- Populations Served (aka Unit Mix and Rents)
- Floor Plans
- Site Plan
- Relevant Development Information (Parts 1 & 2)
- Size and Quality of the Units (Part B)
- Tenant Support Services
- Proximity of Site to Amenities

Your signature on a copy of this letter confirms your acceptance of this assignment.

Thank you for considering my firm for this assignment. I look forward to working with you on this project.

Travis Flats
Page 3

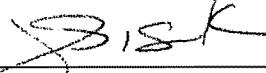
Sincerely,



Robert O. (Bob) Coe, II

December 26, 2017
Date

Accepted:



Client: Janine Sisak
Travis Flats c/o Austin TCHFC / c/o DMA
Development Company

12/28/17
Date

By acceptance of this agreement, the client agrees to the payment terms and limiting conditions listed above. **All reports remain the property of *Affordable Housing Analysts* until paid in full.** Furthermore, if payment is not received, the client agrees to pay any and all collection and legal expenses incurred by *Affordable Housing Analysts* to secure full payment. Any and all litigation for payment of services is agreed by all parties to be conducted in Galveston County, Texas.

PMA DEMOGRAPHIC REPORT

Pop-Facts Demographics Snapshot | Summary

Trade Area: Travis Flats

Population		Households		Family Households	
2000 Census	59,733	2000 Census	28,610	2000 Census	11,638
2010 Census	58,346	2010 Census	28,178	2010 Census	11,262
2018 Estimate	63,864	2018 Estimate	31,840	2018 Estimate	12,497
2023 Projection	67,875	2023 Projection	34,284	2023 Projection	13,379
Population Growth		Household Growth		Family Household Growth	
Percent Change: 2000 to 2010	-2.32	Percent Change: 2000 to 2010	-1.51	Percent Change: 2000 to 2010	-3.23
Percent Change: 2010 to 2018	9.46	Percent Change: 2010 to 2018	13.00	Percent Change: 2010 to 2018	10.97
Percent Change: 2018 to 2023	6.28	Percent Change: 2018 to 2023	7.68	Percent Change: 2018 to 2023	7.06

Benchmark: USA

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Pop-Facts Demographics Snapshot | Population & Race

ENVIRONICS
ANALYTICS

Trade Area: Travis Flats

Total Population: 63,864 | Total Households: 31,840

	Count	%
2018 Est. Population by Single-Classification Race		
White Alone	49,932	78.19
Black/African American Alone	2,629	4.12
American Indian/Alaskan Native Alone	443	0.69
Asian Alone	3,021	4.73
Native Hawaiian/Pacific Islander Alone	36	0.06
Some Other Race Alone	5,766	9.03
Two or More Races	2,037	3.19
2018 Est. Population by Hispanic or Latino Origin		
Not Hispanic or Latino	46,648	73.04
Hispanic or Latino	17,216	26.96
Mexican Origin	13,746	79.84
Puerto Rican Origin	235	1.36
Cuban Origin	371	2.15
All Other Hispanic or Latino	2,864	16.64
2018 Est. Pop by Race, Asian Alone, by Category		
Chinese, except Taiwanese	403	13.34
Filipino	77	2.55
Japanese	242	8.01
Asian Indian	1,018	33.70
Korean	271	8.97
Vietnamese	507	16.78
Cambodian	0	0.00
Hmong	0	0.00
Laotian	0	0.00
Thai	65	2.15
All Other Asian Races Including 2+ Category	438	14.50
2018 Est. Population by Ancestry		
Arab	494	0.77
Czech	487	0.76
Danish	107	0.17
Dutch	280	0.44
English	3,876	6.07
French (Excluding Basque)	1,107	1.73
French Canadian	214	0.34
German	5,153	8.07
Greek	225	0.35
Hungarian	160	0.25
Irish	3,285	5.14
Italian	1,328	2.08
Lithuanian	43	0.07
Norwegian	567	0.89
Polish	949	1.49
Portuguese	98	0.15
Russian	579	0.91
Scotch-Irish	985	1.54
Scottish	1,561	2.44
Slovak	135	0.21
Sub-Saharan African	407	0.64
Swedish	499	0.78
Swiss	104	0.16
Ukrainian	50	0.08
United States or American	2,094	3.28
Welsh	324	0.51
West Indian (Excluding Hispanic groups)	213	0.33
Other ancestries	28,345	44.38
Ancestries Unclassified	10,195	15.96
2018 Est. Pop Age 5+ by Language Spoken At Home		
Speak Only English at Home	45,107	74.53
Speak Asian/Pacific Isl. Lang. at Home	1,719	2.84
Speak Indo-European Language at Home	1,718	2.84
Speak Spanish at Home	11,590	19.15
Speak Other Language at Home	384	0.64
2018 Est. Hisp. or Latino Pop by Single-Class. Race		
White Alone	10,238	59.47
Black/African American Alone	182	1.06
American Indian/Alaskan Native Alone	278	1.61
Asian Alone	50	0.29
Native Hawaiian/Pacific Islander Alone	2	0.01
Some Other Race Alone	5,684	33.02
Two or More Races	782	4.54

Benchmark: USA

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Pop-Facts Demographics Snapshot | Population & Race

ENVIRONICS
ANALYTICS

Trade Area: Travis Flats

Total Population: 63,864 | Total Households: 31,840

	Count	%
2018 Est. Population by Sex		
Male	32,954	51.60
Female	30,910	48.40
2018 Est. Population by Age		
Age 0 - 4	3,346	5.24
Age 5 - 9	3,500	5.48
Age 10 - 14	3,367	5.27
Age 15 - 17	1,787	2.80
Age 18 - 20	2,101	3.29
Age 21 - 24	4,150	6.50
Age 25 - 34	13,274	20.79
Age 35 - 44	11,053	17.31
Age 45 - 54	8,213	12.86
Age 55 - 64	6,507	10.19
Age 65 - 74	4,036	6.32
Age 75 - 84	1,719	2.69
Age 85 and over	811	1.27
Age 16 and over	53,069	83.10
Age 18 and over	51,864	81.21
Age 21 and over	49,763	77.92
Age 65 and over	6,566	10.28
Median Age	—	35.33
Average Age	—	37.13
2018 Est. Pop Age 15+ by Marital Status		
Total, Never Married	26,360	49.13
Male, Never Married	15,092	28.13
Female, Never Married	11,268	21.00
Married, Spouse Present	17,329	32.30
Married, Spouse Absent	1,925	3.59
Widowed	1,672	3.12
Male, Widowed	359	0.67
Female, Widowed	1,313	2.45
Divorced	6,365	11.86
Male, Divorced	2,566	4.78
Female, Divorced	3,799	7.08
2018 Est. Male Population by Age		
Male: Age 0 - 4	1,693	5.14
Male: Age 5 - 9	1,802	5.47
Male: Age 10 - 14	1,719	5.22
Male: Age 15 - 17	949	2.88
Male: Age 18 - 20	1,110	3.37
Male: Age 21 - 24	2,137	6.49
Male: Age 25 - 34	7,095	21.53
Male: Age 35 - 44	5,857	17.77
Male: Age 45 - 54	4,406	13.37
Male: Age 55 - 64	3,350	10.17
Male: Age 65 - 74	1,951	5.92
Male: Age 75 - 84	626	1.90
Male: Age 85 and over	259	0.79
Median Age, Male	—	34.96
Average Age, Male	—	36.55
2018 Est. Female Population by Age		
Female: Age 0 - 4	1,653	5.35
Female: Age 5 - 9	1,698	5.49
Female: Age 10 - 14	1,648	5.33
Female: Age 15 - 17	838	2.71
Female: Age 18 - 20	991	3.21
Female: Age 21 - 24	2,013	6.51
Female: Age 25 - 34	6,179	19.99
Female: Age 35 - 44	5,196	16.81
Female: Age 45 - 54	3,807	12.32
Female: Age 55 - 64	3,157	10.21
Female: Age 65 - 74	2,085	6.75
Female: Age 75 - 84	1,093	3.54
Female: Age 85 and over	552	1.79
Median Age, Female	—	35.76
Average Age, Female	—	37.72

Benchmark: USA

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Pop-Facts Demographics Snapshot | Housing & Households

ENVIRONICS
ANALYTICS

Trade Area: Travis Flats

Total Population: 63,864 | Total Households: 31,840

	Count	%
2018 Est. Households by Household Type		
Family Households	12,497	39.25
NonFamily Households	19,343	60.75
2018 Est. Group Quarters Population		
2018 Est. Group Quarters Population	636	1.00
2018 HHs By Ethnicity, Hispanic/Latino		
2018 HHs By Ethnicity, Hispanic/Latino	6,141	19.29
2018 Est. Family HH Type by Presence of Own Child.		
Married Couple Family, own children	3,727	29.82
Married Couple Family, no own children	4,956	39.66
Male Householder, own children	505	4.04
Male Householder, no own children	782	6.26
Female Householder, own children	1,331	10.65
Female Householder, no own children	1,196	9.57
2018 Est. Households by Household Size		
1-Person Household	14,198	44.59
2-Person Household	10,079	31.66
3-Person Household	3,864	12.14
4-Person Household	2,252	7.07
5-Person Household	863	2.71
6-Person Household	345	1.08
7-or-more-person	239	0.75
2018 Est. Average Household Size	—	1.99
2018 Est. Households by Number of Vehicles		
No Vehicles	3,194	10.03
1 Vehicle	14,587	45.81
2 Vehicles	10,697	33.60
3 Vehicles	2,469	7.75
4 Vehicles	629	1.98
5 or more Vehicles	264	0.83
2018 Est. Average Number of Vehicles	—	1.50
2018 Est. Occupied Housing Units by Tenure		
Housing Units, Owner-Occupied	11,958	37.56
Housing Units, Renter-Occupied	19,882	62.44
2018 Owner Occ. HUs: Avg. Length of Residence		
2018 Owner Occ. HUs: Avg. Length of Residence	—	14.47
2018 Renter Occ. HUs: Avg. Length of Residence		
2018 Renter Occ. HUs: Avg. Length of Residence	—	4.90
2018 Est. Owner-Occupied Housing Units by Value		
Value Less Than \$20,000	75	0.63
Value \$20,000 - \$39,999	55	0.46
Value \$40,000 - \$59,999	18	0.15
Value \$60,000 - \$79,999	59	0.49
Value \$80,000 - \$99,999	65	0.54
Value \$100,000 - \$149,999	235	1.97
Value \$150,000 - \$199,999	510	4.26
Value \$200,000 - \$299,999	2,500	20.91
Value \$300,000 - \$399,999	2,978	24.90
Value \$400,000 - \$499,999	2,305	19.28
Value \$500,000 - \$749,999	2,061	17.23
Value \$750,000 - \$999,999	796	6.66
Value \$1,000,000 - \$1,499,999	228	1.91
Value \$1,500,000 - \$1,999,999	50	0.42
Value \$2,000,000 or more	23	0.19
2018 Est. Median All Owner-Occupied Housing Value	—	381,829.98

Benchmark: USA

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Pop-Facts Demographics Snapshot | Housing & Households

ENVIRONICS
ANALYTICS

Trade Area: Travis Flats

Total Population: 63,864 | Total Households: 31,840

	Count	%
2018 Est. Housing Units by Units in Structure		
1 Unit Attached	1,320	3.76
1 Unit Detached	15,875	45.20
2 Units	1,655	4.71
3 to 4 Units	1,624	4.62
5 to 19 Units	5,700	16.23
20 to 49 Units	4,145	11.80
50 or More Units	4,748	13.52
Mobile Home or Trailer	51	0.14
Boat, RV, Van, etc.	0	0.00
2018 Est. Housing Units by Year Structure Built		
Built 2014 or Later	3,576	10.18
Built 2010 to 2013	509	1.45
Built 2000 to 2009	2,901	8.26
Built 1990 to 1999	1,741	4.96
Built 1980 to 1989	4,015	11.43
Built 1970 to 1979	5,240	14.92
Built 1960 to 1969	6,049	17.23
Built 1950 to 1959	6,433	18.32
Built 1940 to 1949	2,781	7.92
Built 1939 or Earlier	1,873	5.33
2018 Housing Units by Year Structure Built		
2018 Est. Median Year Structure Built	—	1,970.75
2018 Est. Households by Presence of People Under 18		
2018 Est. Households by Presence of People Under 18	6,008	18.87
Households with 1 or More People under Age 18		
Married Couple Family	3,859	64.23
Other Family, Male Householder	579	9.64
Other Family, Female Householder	1,502	25.00
NonFamily Household, Male Householder	45	0.75
NonFamily Household, Female Householder	23	0.38
2018 Est. Households with No People under Age 18		
Households with No People under Age 18	25,832	81.13
Households with No People under Age 18		
Married Couple Family	4,815	18.64
Other Family, Male Householder	709	2.75
Other Family, Female Householder	1,027	3.98
NonFamily, Male Householder	9,999	38.71
NonFamily, Female Householder	9,282	35.93

Benchmark: USA

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Pop-Facts Demographics Snapshot | Affluence & Education

ENVIRONICS
ANALYTICS

Trade Area: Travis Flats

Total Population: 63,864 | Total Households: 31,840

	Count	%
2018 Est. Pop Age 25+ by Edu. Attainment		
Less than 9th Grade	2,343	5.14
Some High School, No Diploma	1,675	3.67
High School Graduate (or GED)	7,182	15.75
Some College, No Degree	7,089	15.54
Associate's Degree	1,985	4.35
Bachelor's Degree	15,553	34.10
Master's Degree	6,880	15.08
Professional Degree	1,406	3.08
Doctorate Degree	1,500	3.29
2017 Est. Pop Age 25+ by Edu. Attain., Hisp./Lat.		
High School Diploma	2,602	25.63
High School Graduate	3,163	31.15
Some College or Associate's Degree	1,628	16.04
Bachelor's Degree or Higher	2,760	27.18
2018 Est. Households by HH Income		
Income < \$15,000	3,468	10.89
Income \$15,000 - \$24,999	2,921	9.17
Income \$25,000 - \$34,999	2,872	9.02
Income \$35,000 - \$49,999	3,586	11.26
Income \$50,000 - \$74,999	5,529	17.36
Income \$75,000 - \$99,999	3,780	11.87
Income \$100,000 - \$124,999	2,628	8.25
Income \$125,000 - \$149,999	1,944	6.11
Income \$150,000 - \$199,999	2,071	6.50
Income \$200,000 - \$249,999	1,181	3.71
Income \$250,000 - \$499,999	1,273	4.00
Income \$500,000+	587	1.84
2018 Est. Average Household Income	-	92,873.80
2018 Est. Median Household Income	-	63,208.17
2018 Median HH Inc. by Single-Class. Race or Eth.		
White Alone	-	68,912.47
Black or African American Alone	-	30,101.38
American Indian and Alaskan Native Alone	-	61,393.29
Asian Alone	-	57,789.57
Native Hawaiian and Other Pacific Islander Alone	-	115,625.00
Some Other Race Alone	-	31,307.69
Two or More Races	-	63,579.02
Hispanic or Latino	-	40,760.58
Not Hispanic or Latino	-	69,774.02
2018 Est. Families by Poverty Status		
2018 Families at or Above Poverty	10,889	87.13
2018 Families at or Above Poverty with children	4,631	37.06
2018 Families Below Poverty	1,608	12.87
2018 Families Below Poverty with children	1,274	10.19

Benchmark: USA

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Pop-Facts Demographics Snapshot | Education & Occupation

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Trade Area: Travis Flats

Total Population: 63,864 | Total Households: 31,840

	Count	%
2018 Est. Employed Civilian Population 16+ by Occupation Classification		
White Collar	27,695	71.89
Blue Collar	4,471	11.61
Service and Farming	6,359	16.51
2018 Est. Workers Age 16+ by Travel Time to Work		
Less than 15 Minutes	11,486	32.94
15 - 29 Minutes	15,779	45.25
30 - 44 Minutes	4,882	14.00
45 - 59 Minutes	1,177	3.38
60 or more Minutes	1,548	4.44
2018 Est. Avg Travel Time to Work in Minutes	—	23.09
2018 Est. Workers Age 16+ by Transp. to Work		
2018 Est. Workers Age 16+ by Transp. to Work	37,607	100.00
Drove Alone	25,422	67.60
Carpooled	3,767	10.02
Public Transport	2,866	7.62
Walked	915	2.43
Bicycle	1,358	3.61
Other Means	426	1.13
Worked at Home	2,853	7.59
2018 Est. Civ. Employed Pop 16+ by Class of Worker		
2018 Est. Civ. Employed Pop 16+ by Class of Worker	38,525	100.00
For-Profit Private Workers	25,011	64.92
Non-Profit Private Workers	2,970	7.71
Local Government Workers	1,591	4.13
State Government Workers	4,362	11.32
Federal Government Workers	453	1.18
Self-Employed Workers	4,088	10.61
Unpaid Family Workers	50	0.13
2018 Est. Civ. Employed Pop 16+ by Occupation		
Architecture/Engineering	1,280	3.32
Arts/Design/Entertainment/Sports/Media	2,163	5.62
Building/Grounds Cleaning/Maintenance	1,424	3.70
Business/Financial Operations	2,014	5.23
Community/Social Services	695	1.80
Computer/Mathematical	2,857	7.42
Construction/Extraction	1,751	4.54
Education/Training/Library	3,326	8.63
Farming/Fishing/Forestry	12	0.03
Food Preparation/Serving Related	2,795	7.25
Healthcare Practitioner/Technician	1,601	4.16
Healthcare Support	544	1.41
Installation/Maintenance/Repair	569	1.48
Legal	601	1.56
Life/Physical/Social Science	937	2.43
Management	4,612	11.97
Office/Administrative Support	3,959	10.28
Production	979	2.54
Protective Services	205	0.53
Sales/Related	3,650	9.47
Personal Care/Service	1,379	3.58
Transportation/Material Moving	1,172	3.04
2018 Est. Pop Age 16+ by Employment Status		
In Armed Forces	9	0.02
Civilian - Employed	38,946	73.39
Civilian - Unemployed	1,762	3.32
Not in Labor Force	12,352	23.27

Benchmark: USA

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