



Texas Department of Housing and Community Affairs

Governing Board

Board Action Request

File #: 1202

Agenda Date: 11/6/2025

Agenda #:

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and a request for return and reallocation of tax credits under 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events for Autumn Parc (HTC #23229)

RECOMMENDED ACTION

WHEREAS, Autumn Parc (the Development) received an award of 9% Housing Tax Credits (HTCs) for the new construction of 57 multifamily units, of which 45 are designated as low-income units, for the general population in Arlington, Tarrant County;

WHEREAS, AT Arkansas Housing LP (the Applicant) requests approval for a material amendment to the Application for a decrease to the number of units from 57 to 51, which consists of a decrease of six market units, a decrease to the acreage from 2.57 acres to 2.521 acres, which changes the residential density from 22.179 units per acre to 20.230 units per acre, a 8.79% decrease in density, and changes to the site plan and architectural design, which also include a reduction of the Net Rentable Area (NRA) from 55,110 square feet to 47,716 square feet, which represents a reduction of 7,394 square feet (13.42%), and a 1,967 square foot (15.44%) reduction to Common Area, going from 12,736 square feet to 10,769 square feet;

WHEREAS, Board approval is required for a significant modification of the site plan, a modification of the number of units or bedroom mix of units, a reduction of 3% or more in the square footage of the units or common areas, a significant modification of the architectural design of the Development, and for a modification of the residential density of at least 5%, as directed in Tex. Gov't Code §2306.6712(d)(1), (2), (4), (5), and (6) and 10 TAC §10.405(a)(4)(A), (B), (D), (E), and (F), and the Applicant has complied with the amendment requirements therein;

WHEREAS, Board approval of this amendment does not constitute a waiver of any of the rules or statutes applicable to the 2023 HTC Application, including but not limited to the accessibility requirements stated in Chapter 1, Subchapter B;

WHEREAS, the requested changes do not negatively affect the Development, impact the viability of the transaction, impact the scoring of the Application, or change the amount of the tax credits awarded;

WHEREAS, in 2024, the Board approved a request for the credits to be returned and reallocated due to Force Majeure Events;

WHEREAS, the Development Owner executed a Carryover Allocation Agreement that included certifications stating each building receiving an allocation would be placed in service by December 31, 2026;

WHEREAS, the Development Owner has requested an extension to the placement in service deadline under 10 TAC §11.6(5), related to Credit Returns Resulting from Force Majeure Events;

WHEREAS, the Department lacks authority to extend federal placement in service deadlines and may only reset such deadlines by requiring the credits to be returned and immediately reallocated to the Development, as permitted solely under the force majeure provision of the Qualified Allocation Plan (QAP); and

WHEREAS, the Development Owner has submitted documentation demonstrating that a qualifying force majeure event has occurred;

NOW, therefore, it is hereby

RESOLVED, that the requested amendment for Autumn Parc is approved as presented at this meeting, and the Executive Director and his designees are each hereby authorized, directed, and empowered to take all necessary action to effectuate the foregoing; and

FURTHER RESOLVED, that the request to treat the matter under the force majeure provisions of 10 TAC §11.6(5) is approved, and that the 2023 Qualified Allocation Plan, Uniform Multifamily Rules, and the 2025 Program Calendar shall be applicable to the Development, with a new deadline to place in service of December 31, 2027.

AMENDMENT BACKGROUND

Autumn Parc received a 9% HTC award 2023 and a Force Majeure reallocation of tax credits in 2024 to construct 57 units, of which 45 are designated as low-income units, for the general population in Arlington, Tarrant County. In a letter dated September 22, 2025, Alyssa Carpenter, representative for the Applicant, requested approval for changes to the site plan and architectural design, which among other changes, will result in a decrease to the total number of units from 57 to 51 by decreasing the number of market rate units by six.

The Applicant explained that Autumn Parc was proposed to have 57 total units with a detention area at the northwest corner of the Development site. During the site plan review process, the City of Arlington (the City) required a comprehensive drainage study and then required a detention system to mitigate both the Development's drainage as well as drainage for adjacent properties. Due to limited space on the Development site, an underground detention system would be required. The developer submitted five full drainage plan submittals and worked through comments with the City of Arlington from 2024 through July 2025; however, the City continued to express concerns about the underground detention system citing limited

experience with the proposed design and materials. During preparation of a sixth submittal, alternatives to an underground detention system were discussed, and the City indicated that the site plan submitted with this amendment request, which includes detention in a wide drainage channel along the western side of the development site, would be acceptable and eliminate the need for underground detention.

In order to accommodate the wide drainage channel, the Development, originally proposed with 57 total units in two buildings, is now proposing 51 units in one building. At Application, 12 of the 57 units were market rate, and with this amendment, the number of market rate units will decrease by six. This amendment proposes no change to the total number of low-income units from Application; there will be 45 low-income units and six market rate units.

As a result of this amendment, the revised unit mix will consist of 15 one-bedroom units, 26 two-bedroom units, and 10 three-bedroom units instead of the originally proposed 15 one-bedroom units, 24 two-bedroom units, and 18 three-bedroom units. This change in the number of units will also result in a decrease in net rentable area from 55,110 square feet at Application to 47,716 square feet, which is a decrease of 13.42% or 7,394 square feet. Common Area will decrease from 12,736 square feet at Application to 10,769 square feet, which is a decrease of 15.44% or 1,967 square feet. At Application, the Development site was 2.57 acres based on a survey that incorrectly included the sidewalk adjacent to the street. The final ALTA survey for the site identifies an acreage of 2.521 acres, which does not include the sidewalk adjacent to the street. The change in acreage and decrease in the number of units results in an 8.79% decrease in the residential density, going from 22.179 units per acre to 20.230 units per acre. Parking will be reduced from 119 spaces to 102 spaces.

The Development was re-underwritten with the proposed amendment information. The analysis supports no change to the HTC allocation and demonstrates the Development remains feasible.

Staff confirmed that the revised design plans and parking will continue to meet accessibility requirements. Additionally, staff reviewed the original Application and scoring documentation against this amendment request and has concluded that none of the changes would have resulted in selection or threshold criteria changes that would have affected the selection of the Application in the competitive round.

Staff recommends approval of the amendment request as presented herein.

FORCE MAJEURE BACKGROUND

Development	Autumn Parc
Target Population	General
HTC Award	\$1,350,196
City	Arlington
Total Units	51 (after amendment)

HTC Units	45
Initial Year of Award	2023
Extension Requested	One year

Autumn Parc is a 51-unit development located in Arlington, Tarrant County. The development received an award of 9% Housing Tax Credits in 2023, and was approved for treatment under the Force Majeure rule in 2024. As a result, the current deadline to place in service in December 31, 2026.

Since commencing construction, the project has experienced multiple events that delayed construction, including delays caused by the City of Arlington's review processes related to a required drainage study and underground detention system design. These delays have disrupted the project's permitting, design, and HUD financing timelines, making it impossible to meet the October 2025 10% Test and the December 2026 placed-in-service deadline. To address these issues, the owner has redesigned the project to remove the underground detention system, retaining all affordable units but requiring new city approvals and extending the schedule.

APPLICABLE RULE

Under 10 TAC §11.6(5), a Development Owner may return credits and receive a reallocation outside the standard allocation process if the return is the result of a qualifying force majeure event occurring prior to issuance of IRS Form(s) 8609. Pursuant to 10 TAC §11.6(5), the Department's Governing Board may approve execution of a Carryover Allocation Agreement for the current program year with the Development Owner that returned the credits, but only if the following conditions are met:

(A) The credits were returned as a result of "Force Majeure" events that occurred before issuance of Forms 8609. Force Majeure events are the following sudden and unforeseen circumstances outside the control of the Development Owner: acts of God such as fire, tornado, flooding, significant and unusual rainfall or subfreezing temperatures, or loss of access to necessary water or utilities as a direct result of significant weather events; explosion; vandalism; orders or acts of military authority; unrelated party litigation; changes in law, rules, or regulations; national emergency or insurrection; riot; acts of terrorism; supplier failures; or materials or labor shortages. If a Force Majeure event is also a presidentially declared disaster, the Department may treat the matter under the applicable federal provisions. Force Majeure events must make construction activity impossible or materially impede its progress.

Staff has reviewed this request and determined that delays related to the permitting process constitute a force majeure event under the rules.

IMPACT OF BOARD DECISION

If the Board approves the request:

- The credits will be returned and reallocated, with the 2023 Qualified Allocation Plan, Uniform Multifamily Rules, and the 2025 Program Calendar applicable to the Development.
- A new Carryover Allocation Agreement will be executed.
- The new 10% Test deadline will be July 1, 2026.
- The new placed in service deadline will be December 31, 2027.

If the Board denies the request:

- The current placed in service deadline of December 31, 2026, remains in place.
- The Development Owner may either meet the existing deadline, return the credits, or have the award terminated for failing to meet the deadline.
- Returned credits will first be reallocated within the original subregion in accordance with 10 TAC §11.6(2). If no pending applications are eligible within the subregion, the credits will be added to the statewide collapse for reallocation.

This request has no impact on any funding source other than the Low Income Housing Tax Credit program.

RECOMMENDATION

Staff recommends approval of the request to return and reallocate tax credits for Autumn Parc under the force majeure provisions of 10 TAC §11.6(5).

**Addendum to Underwriting Report**TDHCA Application #: **23229** Program(s): **9% HTC****Autumn Parc**

Address/Location: approx 1915 W Arkansas Ln

City: Arlington County: Tarrant Zip: 76013

	APPLICATION HISTORY
Report Date	PURPOSE
10/20/25	Amendment Request
10/16/23	Original Underwriting Report

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
LIHTC (9% Credit)	\$1,350,196				\$1,350,196				

CONDITIONS STATUS

— Receipt and acceptance by Cost Certification:

- Architect certification that a noise assessment was completed, and that all recommendations were implemented and the Development is compliant with HUD noise guidelines.

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	5
50% of AMI	50% of AMI	18
60% of AMI	60% of AMI	22

ANALYSIS

Autumn Parc was originally approved as a newly constructed 57 unit development. Applicant is requesting an amendment from the original approval in order to decrease the number of units, bedroom mix, residential density, parking, and architectural design. Also, the number of buildings is changing from two to one. According to the applicant, the unit reduction is necessary due to site drainage and detention constraints that were unknown at the time of application. The number of units is decreasing from 57 units to 51 units. The bedroom mix will change from 15 one-bedrooms, 24 two-bedrooms, and 18 three-bedrooms to 15 one-bedrooms, 26 two-bedrooms (+2), and 10 three bedrooms(-8). The net rentable area is decreasing from 55,110 to 47,716 and common area is decreasing from 12,736 to 10,769. The parking will decrease from 119 spaces to 102 spaces which meets adjusted Code requirement of 100 spaces. There is also a reduction to the site acreage from 2.57 to 2.521 due to the final survey not including a sidewalk adjacent to the street.

Operating Pro Forma

Rents were updated to the most current 2025 limits. Overall Set Aside Levels stayed the same. Six (6) Market Rate units were eliminated. Overall income increased by 0.4% or \$3k even with the reduction of units, mainly due to using higher 2025 program rents.

Applicants updated operating expenses decreased by \$38k (-10.5%) from the 2023 application. There were per unit reductions in Management Fee expense which was reduced from 4.0% to 3.5% (Applicant provided supporting documentation from management company), Repairs & Maintenance (\$155/unit) and Water Trash (\$155/unit). Payroll and Insurance expenses decreased but after adjusting for the number of units increased on a per unit basis.

Applicant's updated Net Operating Income increased by \$41k or 12.1%. Underwriter utilized 2024 comparable property expense data for G&A and Utilities and adjusted property tax calculation for 2025 income. Underwriter's proforma Net Operating Income was within 5% of Applicant's numbers and therefore Applicant's numbers were utilized for the purposes of this analysis.

Using Applicant's updated numbers , the requested Amendment has a DCR of 1.19x and 15-year residual cash flow of \$198k after Developer Fee is paid in Year 14. The 2023 9% LIHTC award was underwritten with a DCR ratio of 1.19x and 15-year residual cash flow of \$409k after deferred fee was repaid in Year 11.

Development Cost

The Applicant is requesting a reduction in the number of units, net rentable area, common area, and parking, which results in Building Costs decreasing by \$1.2M (15%). However, the total development costs have increased from by \$23k (0.1%) primarily due to increases in Soft Costs (\$315k), Financing Costs (\$200k) and Reserves (\$208k)

Applicant provided a Schedule of Values dated 12/02/2024 supporting Building Costs of \$147/sf or \$137k/unit.

Sources of Funds

Proposed capitalization has slightly increased by \$23K to cover additional development costs.

Since original underwriting, the equity contribution from PNC has been reduced by \$945K, from \$12.15 M to \$11.2M with a credit price reduction from \$0.90 to \$0.83 and no change to the 9% annual credit allocation awarded in 2023. This reduction in equity was offset by \$505k in additional debt and \$460k in additional developer fee deferred. Interest rate on the 221d4 loan also increased by 5bp from 5.5% to 5.55% before MIP of 25bp was added to annual debt service.

Developer Fee is overstated by \$1500 (0.01%) as Developer Fee is limited to 15% of eligible costs. Reserves is overstated by \$8,268 as Applicant calculated Debt Service at a 5.8% rate which is the rate including MIP but also included the MIP as an expense. The 2023 QAP limits Reserves to 12 months of Operating Expenses and Debt Service. These small adjustments to eligible costs have no impact on credit request as 9% credit allocation was limited for scoring purposes and have already been awarded.

Recommendation

Underwriter reviewed request and determined that the reduction in units did not make the credit request infeasible.

Therefore, the Underwriter recommends that the annual 9% LIHTC allocation of \$1,350,196 remains the same as previously awarded.

Underwriter:	<u>Eric Weiner</u>
Manager of Real Estate Analysis:	<u>Gregg Kazak</u>
Director of Real Estate Analysis:	<u>Jeanna Adams</u>

UNIT MIX/RENT SCHEDULE

Autumn Parc, Arlington, 9% HTC #23229

LOCATION DATA		UNIT DISTRIBUTION						Pro Forma ASSUMPTIONS	
CITY:	Arlington	# Beds	# Units	% Total	Assisted	MDL	ARP	Revenue Growth	2.00%
COUNTY:	Tarrant	Eff	-	0.0%	0	0	0	Expense Growth	3.00%
Area Median Income	\$106,700	1	15	29.4%	0	0	0	Basis Adjust	130%
PROGRAM REGION:	3	2	26	51.0%	0	0	0	Applicable Fraction	88.24%
PROGRAM RENT YEAR:	2025	3	10	19.6%	0	0	0	APP % Acquisition	9.00%
		4	-	0.0%	0	0	0	APP % Construction	9.00%
		5	-	0.0%	0	0	0	Average Unit Size	936 sf
		TOTAL	51	100.0%	-	-	-		

53%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	5	-	18	22	-	-	6	51
Income	% Total	0.0%	9.8%	0.0%	35.3%	43.1%	0.0%	0.0%	11.8%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE																			
HTC		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten		Mrkt Analyst
TC 30%	\$600	2	1	1	745	\$600	\$46	\$554	\$0	\$0.74	\$554	\$1,108	\$1,108	\$554	\$1	\$0	\$1,395	\$1.87	\$1,400
TC 50%	\$1,000	1	1	1	745	\$1,000	\$46	\$954	\$0	\$1.28	\$954	\$954	\$954	\$954	\$1	\$0	\$1,395	\$1.87	\$1,400
TC 50%	\$1,000	4	1	1	750	\$1,000	\$46	\$954	\$0	\$1.27	\$954	\$3,816	\$3,816	\$954	\$1	\$0	\$1,395	\$1.86	\$1,400
TC 60%	\$1,200	6	1	1	750	\$1,200	\$46	\$1,154	\$0	\$1.54	\$1,154	\$6,924	\$6,924	\$1,154	\$2	\$0	\$1,395	\$1.86	\$1,400
MR		2	1	1	750	\$0	\$46		NA	\$1.86	\$1,395	\$2,790	\$2,790	\$1,395	\$2	NA	\$1,395	\$1.86	\$1,400
TC 30%	\$720	2	2	2	950	\$720	\$60	\$660	\$0	\$0.69	\$660	\$1,320	\$1,320	\$660	\$1	\$0	\$1,495	\$1.57	\$1,630
TC 50%	\$1,201	8	2	2	950	\$1,201	\$60	\$1,141	\$0	\$1.20	\$1,141	\$9,128	\$9,128	\$1,141	\$1	\$0	\$1,495	\$1.57	\$1,630
TC 60%	\$1,441	3	2	2	950	\$1,441	\$60	\$1,381	\$0	\$1.45	\$1,381	\$4,143	\$4,143	\$1,381	\$1	\$0	\$1,495	\$1.57	\$1,630
TC 60%	\$1,441	6	2	2	950	\$1,441	\$60	\$1,381	\$0	\$1.45	\$1,381	\$8,286	\$8,286	\$1,381	\$1	\$0	\$1,495	\$1.57	\$2,000
TC 60%	\$1,441	3	2	2	959	\$1,441	\$60	\$1,381	\$0	\$1.44	\$1,381	\$4,143	\$4,143	\$1,381	\$1	\$0	\$1,495	\$1.56	\$1,630
MR		2	2	2	950	\$0	\$60		NA	\$1.57	\$1,495	\$2,990	\$2,990	\$1,495	\$2	NA	\$1,495	\$1.57	\$1,630
MR		2	2	2	977	\$0	\$60		NA	\$1.53	\$1,495	\$2,990	\$2,990	\$1,495	\$2	NA	\$1,495	\$1.53	\$1,630
TC 30%	\$832	1	3	2	1,170	\$832	\$74	\$758	\$0	\$0.65	\$758	\$758	\$758	\$758	\$1	\$0	\$2,000	\$1.71	\$2,000
TC 50%	\$1,387	5	3	2	1,170	\$1,387	\$74	\$1,313	\$0	\$1.12	\$1,313	\$6,565	\$6,565	\$1,313	\$1	\$0	\$2,000	\$1.71	\$2,000
TC 60%	\$1,665	4	3	2	1,170	\$1,665	\$74	\$1,591	\$0	\$1.36	\$1,591	\$6,364	\$6,364	\$1,591	\$1	\$0	\$2,000	\$1.71	\$2,000
TOTALS/AVERAGES:		51			47,716				\$0	\$1.31	\$1,221	\$62,279	\$62,279	\$1,221	\$1.31	\$0	\$1,565	\$1.67	\$1,678

ANNUAL POTENTIAL GROSS RENT:	\$747,348	\$747,348	
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*MFDL units float among Unit Types

STABILIZED PRO FORMA

Autumn Parc, Arlington, 9% HTC #23229

STABILIZED FIRST YEAR PRO FORMA															
COMPARABLES				APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
Database	Local Comps			% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT					\$1.31	\$1,221	\$747,348	\$741,924	\$741,924	\$747,348	\$1,221	\$1.31		0.0%	\$0
late fees, app fees and retained fees						\$30.00	\$18,360	20,520							
Total Secondary Income						\$30.00			20,520	\$18,360	\$30.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$765,708	\$762,444	\$762,444	\$765,708				0.0%	\$0
Vacancy & Collection Loss						7.5% PGI	(57,428)	(57,183)	(57,183)	(57,428)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME							\$708,280	\$705,261	\$705,261	\$708,280				0.0%	\$0

General & Administrative	\$32,079	\$629/Unit	\$30,590	\$600	3.85%	\$0.57	\$535	\$27,282	\$31,054	\$36,482	\$30,590	\$600	\$0.64	4.32%	-10.8%	(3,308)
Management	\$27,676	4.5% EGI	\$26,627	\$522	3.25%	\$0.48	\$451	\$23,003	\$28,210	\$28,210	\$23,003	\$451	\$0.48	3.25%	0.0%	-
Payroll & Payroll Tax	\$53,280	\$1,045/Unit	\$105,680	\$2,072	11.01%	\$1.63	\$1,529	\$77,981	\$82,650	\$82,680	\$77,981	\$1,529	\$1.63	11.01%	0.0%	-
Repairs & Maintenance	\$41,090	\$806/Unit	\$54,656	\$1,072	2.95%	\$0.44	\$409	\$20,879	\$32,143	\$37,050	\$33,150	\$650	\$0.69	4.68%	-37.0%	(12,271)
Electric/Gas	\$12,274	\$241/Unit	\$9,603	\$188	1.69%	\$0.25	\$235	\$12,000	\$12,825	\$13,963	\$9,603	\$188	\$0.20	1.36%	25.0%	2,397
Water, Sewer, & Trash	\$35,269	\$692/Unit	\$29,862	\$586	3.81%	\$0.57	\$529	\$27,000	\$39,000	\$39,418	\$29,862	\$586	\$0.63	4.22%	-9.6%	(2,862)
Property Insurance	\$27,010	\$0.57 /sf	\$31,953	\$627	6.24%	\$0.93	\$867	\$44,193	\$45,190	\$45,398	\$44,193	\$867	\$0.93	6.24%	0.0%	-
Property Tax (@ 100%) 2.487099	\$42,033	\$824/Unit	\$26,510	\$520	11.06%	\$1.64	\$1,537	\$78,364	\$76,468	\$76,468	\$76,456	\$1,499	\$1.60	10.79%	2.5%	1,908
Reserve for Replacements					1.80%	\$0.27	\$250	\$12,750	\$14,250	\$14,250	\$12,750	\$250	\$0.27	1.80%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.25%	\$0.04	\$35	\$1,800	\$1,800	\$1,800	\$1,800	\$35	\$0.04	0.25%	0.0%	-
TOTAL EXPENSES					45.92%	\$6.82	\$6,377	\$325,252	\$363,590	\$375,720	\$339,388	\$6,655	\$7.11	47.92%	-4.2%	\$ (14,136)
NET OPERATING INCOME ("NOI")					54.08%	\$8.03	\$7,510	\$383,028	\$341,671	\$329,541	\$368,892	\$7,233	\$7.73	52.08%	3.8%	\$ 14,136

CONTROLLABLE EXPENSES		\$3,238/Unit		\$3,553/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Autumn Parc, Arlington, 9% HTC #23229

		DEBT / GRANT SOURCES																	
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE									AS UNDERWRITTEN DEBT/GRANT STRUCTURE								
											Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting	
DEBT (Must Pay)	Fee	UW	App	Applicant	TDHCA	DCR	LTC												
		Colliers-HUD 221 (d)(4)	0.25%	1.10	1.14	334,824	5.55%	40	40	\$4,975,000	\$4,470,000	\$4,470,000	\$4,975,000	40	40	5.55%	\$322,386	1.19	28.6%
CASH FLOW DEBT / GRANTS																			
City of Arlington		1.10	1.14		0.00%	0	0	\$500	\$500	\$500	\$500	0	0	0.00%		1.19	0.0%		
				\$334,824	TOTAL DEBT / GRANT SOURCES			\$4,975,500	\$4,470,500	\$4,470,500	\$4,975,500	TOTAL DEBT SERVICE			\$322,386	1.19	28.6%		
NET CASH FLOW		\$34,068	\$48,204	APPLICANT NET OPERATING INCOME \$383,028 \$60,642 NET CASH FLOW															

EQUITY / DEFERRED FEES	EQUITY SOURCES												
	APPLICANT'S PROPOSED EQUITY STRUCTURE							AS UNDERWRITTEN EQUITY STRUCTURE					
	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
Applicant						TDHCA							
PNC	LIHTC Equity	64.4%	\$1,350,196	\$0.83	\$11,205,506	\$12,150,546	\$12,150,546	\$11,205,506	\$0.8299	\$1,350,196	64.4%	\$26,474	Applicant Request
OM Housing	Deferred Developer Fees	7.0%	(61% Deferred)		\$1,217,226	\$754,625	\$754,626	\$1,207,455	(60% Deferred)		6.9%	Total Developer Fee:	\$2,001,842
Additional (Excess) Funds Req'd		0.0%						\$0			0.0%		
TOTAL EQUITY SOURCES		71.4%			\$12,422,732	\$12,905,171	\$12,905,172	\$12,412,961			71.4%		

TOTAL CAPITALIZATION					\$17,398,232	\$17,375,671	\$17,375,672	\$17,388,461		15-Yr Cash Flow after Deferred Fee:		\$197,828
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		DEVELOPMENT COST / ITEMIZED BASIS													
		APPLICANT COST / BASIS ITEMS							TDHCA COST / BASIS ITEMS					COST VARIANCE	
		Eligible Basis		Total Costs			Prior Underwriting		Total Costs			Eligible Basis			
		Acquisition	New Const. Rehab				Applicant	TDHCA				New Const. Rehab	Acquisition		
Land Acquisition				\$19,608 / Unit		\$1,000,000	\$1,250,000	\$1,250,000	\$1,000,000	\$19,608 / Unit				0.0%	\$0
Closing costs & acq. legal fees						\$200,000	\$125,000	\$125,000	\$200,000					0.0%	\$0
Off-Sites			\$0	\$ / Unit		\$0	\$0	\$0	\$0	\$ / Unit		\$0		0.0%	\$0
Site Work			\$1,287,612	\$25,247 / Unit		\$1,287,612	\$856,402	\$856,402	\$1,266,805	\$24,839 / Unit		\$1,287,612		1.6%	\$20,807
Site Amenities			\$374,147	\$7,336 / Unit		\$374,147	\$258,895	\$258,895	\$394,954	\$7,744 / Unit		\$374,147		-5.3%	(\$20,807)
Building Cost			\$7,001,486	\$146.73 /sf	\$137,284/Unit	\$7,001,486	\$8,216,180	\$7,687,174	\$7,001,487	\$137,284/Unit	\$146.73 /sf	\$7,001,486		0.0%	(\$1)
Contingency			\$606,427	7.00%	7.00%	\$606,427	\$590,639	\$590,639	\$606,427	7.00%	7.00%	\$606,427		0.0%	\$0
Contractor Fees			\$1,297,753	14.00%	14.00%	\$1,297,753	\$1,273,398	\$1,273,398	\$1,297,753	14.00%	14.00%	\$1,297,753		0.0%	\$0
Soft Costs		\$0	\$1,803,426	\$35,361 / Unit		\$1,803,426	\$1,487,101	\$1,487,101	\$1,803,426	\$35,361 / Unit		\$1,803,426	\$0	0.0%	\$0
Financing		\$0	\$974,761	\$22,905 / Unit		\$1,168,130	\$963,479	\$963,479	\$1,168,130	\$22,905 / Unit		\$974,761	\$0	0.0%	\$0
Developer Fee		\$0	\$2,003,342	15.01%	15.01%	\$2,003,342	\$1,906,631	\$1,906,631	\$2,001,842	15.00%	15.00%	\$2,001,842	\$0	0.1%	\$1,500
Reserves				12 Months		\$655,906	\$447,947	\$447,947	\$627,222	11 Months				4.6%	\$28,684
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$15,348,954	\$341,142 / Unit		\$17,398,229	\$17,375,672	\$16,846,666	\$17,368,046	\$340,550 / Unit		\$15,347,454	\$0	0.2%	\$30,183
Acquisition Cost		\$0					\$0	\$0							
Contingency			\$0				\$0	\$0							
Contractor's Fee			\$0				\$0	\$0							
Financing Cost			\$0												
Developer Fee		\$0	(\$1,500)	15.00%	15.00%	(\$1,500)	\$0								
Reserves							(\$8,268)	\$0							
ADJUSTED BASIS / COST		\$0	\$15,347,454	\$340,950/unit		\$17,388,461	\$17,375,672	\$16,846,666	\$17,368,046	\$340,550/unit		\$15,347,454	\$0	0.1%	\$20,415
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$17,388,461									

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Autumn Parc, Arlington, 9% HTC #23229

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$15,347,454	\$0	\$15,347,454
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$15,347,454	\$0	\$15,347,454
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$19,951,690	\$0	\$19,951,690
Applicable Fraction	88.24%	88.24%	88%	88%
TOTAL QUALIFIED BASIS	\$0	\$17,604,432	\$0	\$17,604,432
Applicable Percentage	9.00%	9.00%	9.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,584,399	\$0	\$1,584,399
CREDITS ON QUALIFIED BASIS	\$1,584,399		\$1,584,399	

	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price	\$0.8299	Variance to Request
Method	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,584,399	\$13,149,199	----	----	----
Needed to Fill Gap	\$1,495,687	\$12,412,961	----	----	----
Applicant Request	\$1,350,196	\$11,205,506	\$1,350,196	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	47,716 SF	\$116.12	5,540,939
Adjustments				
Exterior Wall Finish	3.36%		3.90	\$186,176
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.42%		3.97	189,500
Roof Adjustment(s)			0.00	0
Subfloor			(0.16)	(7,476)
Floor Cover			2.82	134,559
Breezeways	\$39.20	7,584	6.23	297,279
Balconies	\$39.88	3,321	2.78	132,442
Plumbing Fixtures	\$1,610	-3	-0.10	(4,830)
Rough-ins	\$600	87	1.09	52,200
Built-In Appliances	\$2,950	51	3.15	150,450
Exterior Stairs	\$3,275	8	0.55	26,200
Heating/Cooling			2.37	113,087
Storage Space	\$39.20	0	0.00	0
Carports	\$16.05	8,400	2.83	134,820
Garages	\$33.67	3,061	2.16	103,065
Common/Support Area	\$136.16	3,723	10.62	506,941
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$3.65	59,023	4.51	215,434
SUBTOTAL			162.85	7,770,786
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			162.85	\$7,770,786
Plans, specs, survey, bldg permits	3.30%		(5.37)	(\$256,436)
Contractor's OH & Profit	11.50%		(18.73)	(893,640)
NET BUILDING COSTS	\$129,818/unit		\$138.75/sf	\$6,620,709

Long-Term Pro Forma

Autumn Parc, Arlington, 9% HTC #23229

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35	Year 40
EFFECTIVE GROSS INCOME	2.00%	\$708,280	\$722,445	\$736,894	\$751,632	\$766,665	\$846,460	\$934,560	\$1,031,830	\$1,139,224	\$1,257,795	\$1,388,707	\$1,533,245
TOTAL EXPENSES	3.00%	\$325,252	\$334,780	\$344,588	\$354,687	\$365,083	\$421,857	\$487,531	\$563,506	\$651,409	\$753,119	\$870,817	\$1,007,026
NET OPERATING INCOME ("NOI")		\$383,028	\$387,666	\$392,306	\$396,946	\$401,582	\$424,603	\$447,030	\$468,324	\$487,815	\$504,676	\$517,890	\$526,219
EXPENSE/INCOME RATIO		45.9%	46.3%	46.8%	47.2%	47.6%	49.8%	52.2%	54.6%	57.2%	59.9%	62.7%	65.7%
MUST -PAY DEBT SERVICE													
Colliers-HUD 221 (d)(4)		\$322,386	\$322,299	\$322,207	\$322,111	\$322,008	\$321,401	\$320,601	\$319,546	\$318,153	\$316,317	\$313,895	\$310,701
TOTAL DEBT SERVICE		\$322,386	\$322,299	\$322,207	\$322,111	\$322,008	\$321,401	\$320,601	\$319,546	\$318,153	\$316,317	\$313,895	\$310,701
DEBT COVERAGE RATIO		1.19	1.20	1.22	1.23	1.25	1.32	1.39	1.47	1.53	1.60	1.65	1.69
ANNUAL CASH FLOW													
		\$60,642	\$65,367	\$70,099	\$74,835	\$79,574	\$103,202	\$126,428	\$148,778	\$169,661	\$188,359	\$203,995	\$215,518
Deferred Developer Fee Balance		\$1,146,813	\$1,081,446	\$1,011,347	\$936,512	\$856,938	\$388,108	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$197,828	\$897,479	\$1,704,739	\$2,610,175	\$3,600,299	\$4,656,725

September 22, 2025

Lucy Weber
Asset Management
TDHCA
P.O. BOX 13941
Austin, TX 78711-3941

Re: HTC 23229/24837 Autumn Parc Material Amendment Request

Dear Ms. Weber:

This letter concerns a material amendment request for HTC 23229/24837 Autumn Parc to reduce the total number of units from 57 units to 51 units and for a minor reduction in site acreage. The amendment fee has been delivered to TDHCA. This unit reduction is necessary due to site drainage and detention constraints that were unknown at the time of application. The site acreage request is due to

Reduction in Site Acreage

At application, Autumn Parc had an acreage of 2.57 acres based on a survey that erroneously included the sidewalk adjacent to the street. The final ALTA survey for the site has an acreage of 2.521 acres, which does not include the sidewalk adjacent to the street. Please see the attached final survey.

Reduction in Number of Units

At application, Autumn Parc was proposed to have 57 total units with a detention area at the northwest corner of the development site. During the site plan review process, the City of Arlington required a comprehensive drainage study and then required a detention system to mitigate *both* the development's drainage *as well as* drainage for adjacent properties. Due to limited space on the development site, an underground detention system would be required. The developer submitted five full drainage plan submittals and worked through comments with the City of Arlington from 2024 through July 2025; however, the City continued to express concerns about the underground detention system citing limited experience with the proposed design and materials. During preparation of a sixth submittal, alternatives to an underground detention system were discussed, and the City indicated that the site plan submitted with this amendment request—with detention in a wide drainage channel along the western side of the development site—would be acceptable and eliminate the need for underground detention.

In order to accommodate the wide drainage channel, the development, originally proposed with 57 total units in 2 buildings, is now proposing 51 units in 1 building. At application, 12 of the 57 units were market rate, and the 6 units being eliminated were market rate units. This amendment proposes no change to the total number of low income units from application: there will be 45 low income units and 6 market rate units. The residential density at application was 22.18 and the residential density with this amendment at 2.521 acres is 20.23.

At application, the development had 57 units; 15 one-bedrooms, 24 two-bedrooms, and 18 three-bedrooms. This amendment proposes 51 units with 15 one-bedrooms, 26 two-bedrooms and 10 three-bedrooms. The NRA has been reduced from 55,110 to 47,716.

Common area has been reduced. At application, there was 12,736 square feet of common area, which included breezeways and 3,371 sf in the clubhouse area. This amendment proposes 10,769 of common area, which includes breezeways and tenant areas of the clubhouse. Parking has also been reduced from 119 total spaces at application to 102 total parking spaces, corresponding with a reduction in total units.

Please find the attached letter from the engineer regarding the need to change the detention, as well as revised architectural plans and application forms regarding the unit reduction.

Explanation and Good Cause for the Amendment Request

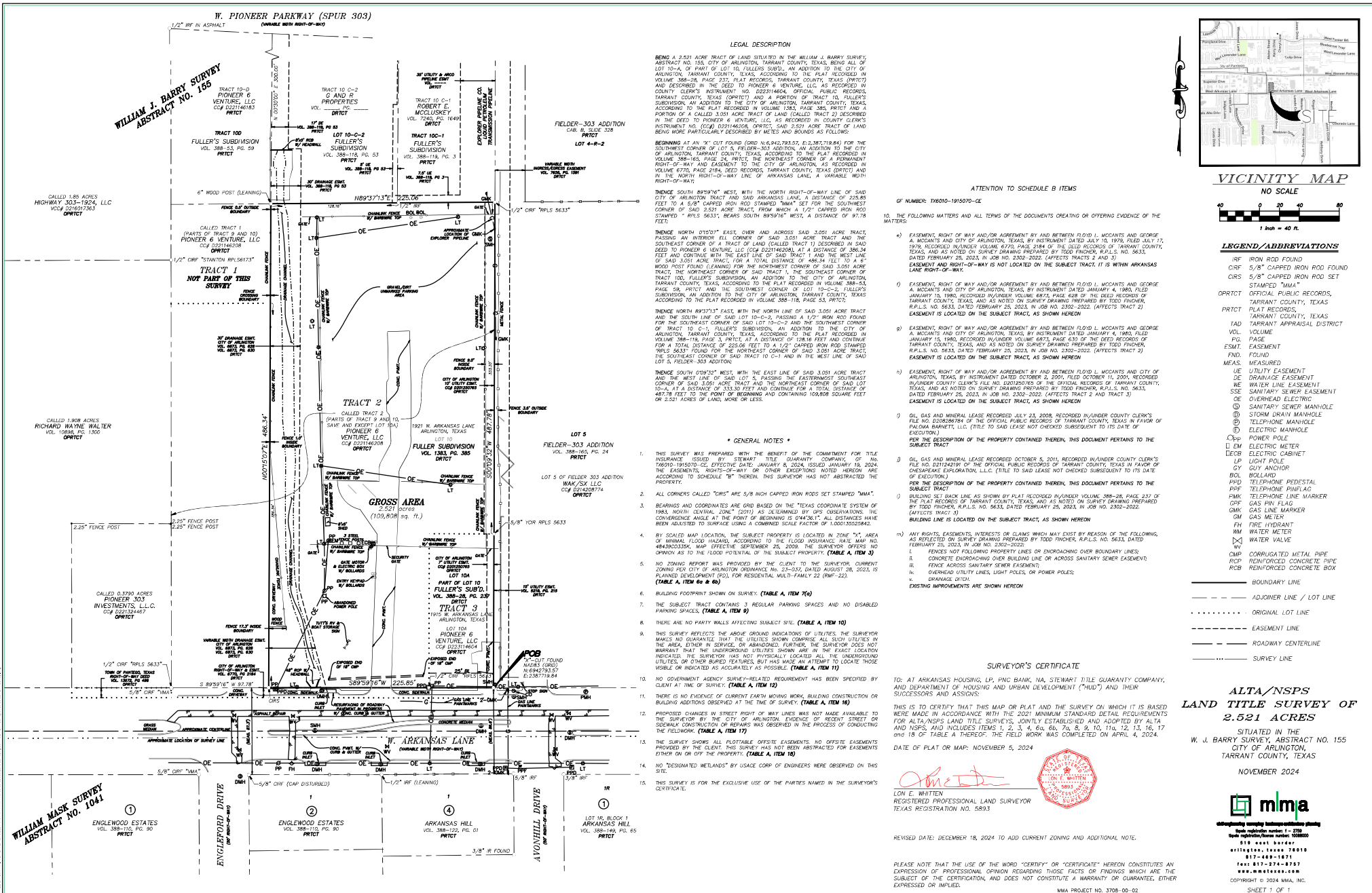
It was unknown at the time of application that the development site would need to accommodate the detention of adjacent properties, nor that the City would have concern approving the underground detention system. The change is necessary to comply with the City of Arlington preference of the large ponding detention system proposed in this amendment. The good cause for this amendment is to enable this development to move forward and provide affordable units in Arlington. Please also note that due to the delay in working with the City on the detention system, an additional force majeure request will be submitted to TDHCA.

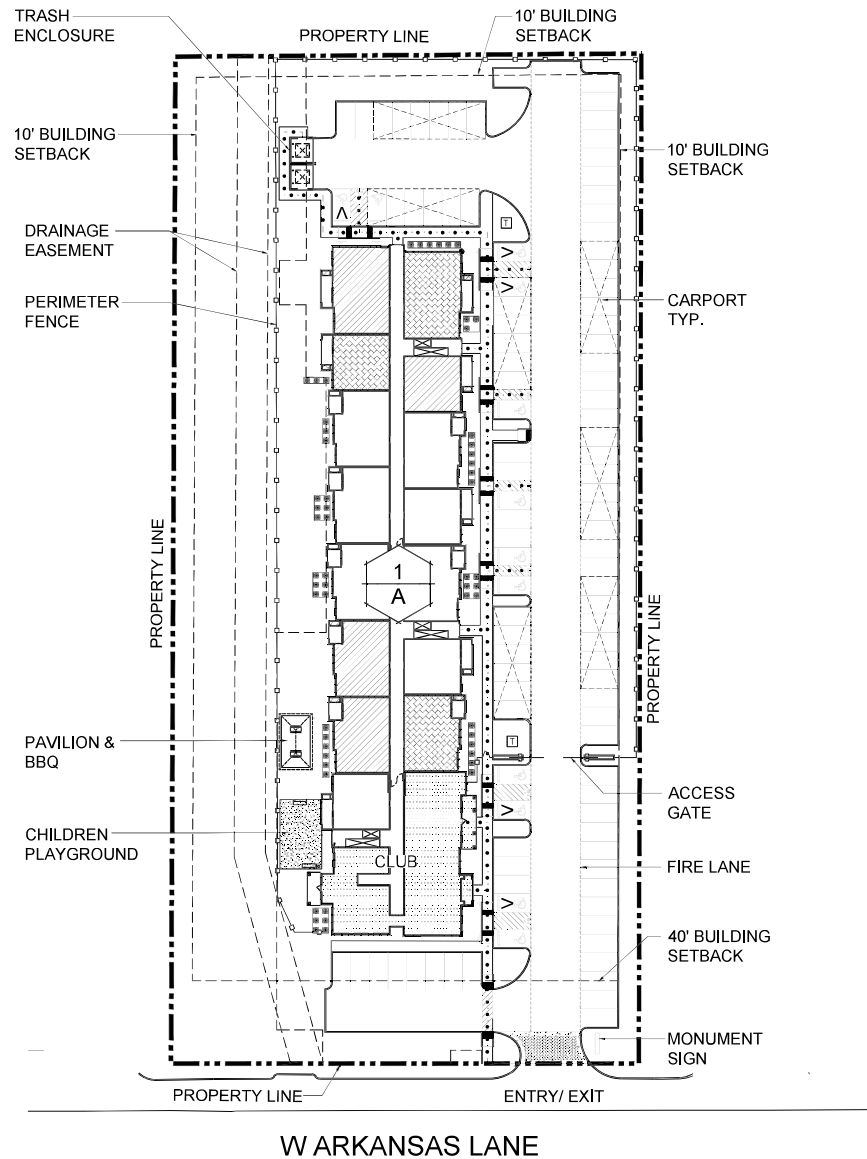
Thank you for your attention and please contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alyssa Carpenter', with a long, sweeping horizontal line extending to the right.

Alyssa Carpenter



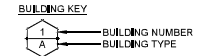


SITE DATA

ACRES (TOTAL)	2.521
(1) 3 STORY BUILDING	
TOTAL UNITS	51
UNITS/ACRE	20.23

KNOWN EASEMENTS SHOWN
NO KNOWN FLOODPLAIN
NO DETENTION REQUIRED

SITE AMENITIES
• 4,177 S.F. CLUBHOUSE
• PLAYGROUND
• PAVILION & BBQ



UNIT TABULATION

UNIT TYPE	# UNITS	%	UNIT S.F.	TOTAL S.F.
A1 • ONE BED/ONE BATH	11		21,577 S.F.	8,250 S.F.
A1 HC • ONE BED/ONE BATH	1		1,096 S.F.	750 S.F.
A1 P1 • ONE BED/ONE BATH	3		5,588 S.F.	2,235 S.F.
B1 • TWO BED/TWO BATH	19		37,259 S.F.	18,050 S.F.
B1 HC • TWO BED/TWO BATH	2		3,322 S.F.	1,900 S.F.
B1 P1 • TWO BED/TWO BATH	2		3,322 S.F.	1,954 S.F.
B1 P2 • TWO BED/TWO BATH	3		5,588 S.F.	2,877 S.F.
C1 • THREE BED/TWO BATH	5		9,600 S.F.	5,850 S.F.
C1 HC • THREE BED/TWO BATH	1		1,596 S.F.	1,170 S.F.
C1 P1 • THREE BED/TWO BATH	4		7,841 S.F.	4,680 S.F.
TOTAL	51	100		47,716 S.F.

ACCESSIBLE UNITS

TOTAL UNITS	51
ADA UNITS (5% OF TOTAL UNITS)	4
A1 HC UNITS	1
B1 HC UNITS	2
C1 HC UNITS	1
H&V UNITS (2% OF TOTAL UNITS)	3
A1 HV UNITS	1
B1 HV UNITS	1
C1 HV UNITS	1

..... ACCESSIBLE ROUTE

BUILDING TABULATION

	A	TOTAL
# BLDGS	1	1
# STORIES	3	3
UNITS/BLDG	51	51
BREEZEWAY S.F.	7,584 S.F.	7,584 S.F.
COMMON AREA/CLUBHOUSE S.F.	4,177 S.F.	4,177 S.F.
NET RENTABLE S.F.	47,716 S.F.	47,716 S.F.
PATIOS/BALCONIES S.F.	3,321 S.F.	3,321 S.F.
STORAGE S.F.	688 S.F.	688 S.F.
TOTAL GROSS BLDG S.F.	63,486 S.F.	63,486 S.F.

PARKING REQUIRED

1.5 PER 1 BED X (15 UNITS)	23
2.0 PER 2 BED X (26 UNITS)	52
2.5 PER 3 BED X (10 UNITS)	25
TOTAL	100

COVERED PARKING REQUIRED

41 % OF TOTAL REG.	42
TOTAL	42

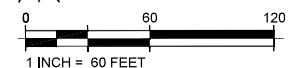
PARKING PROVIDED

STANDARD SPACES	50
VAN ACCESSIBLE	4
ACCESSIBLE	6
COVERED SPACES	40
VAN ACCESSIBLE	1
ACCESSIBLE	1
TOTAL	102

PARKING RATIO = 2.00 SPACES PER UNIT



SITE PLAN





September 22, 2025

OM Housing
Mr. Deepak Sulakhe
5033 Brookview
Dallas, TX 75220

RE: Autumn Parc
1915 & 1921 W. Arkansas Lane
Arlington, Texas 76013

Dear Mr. Sulakhe,

The final plat and construction plans for the Autumn Parc multi-family project have been under review by the City of Arlington since October of last year. The original site design included an underground detention system in order to accommodate 57 multifamily units on the site in addition to the drainage needs of the adjacent properties.

Since October of last year, the design team has been working on the design of the underground detention system with the City of Arlington Public Works Department, but has not been successful in designing a system that is acceptable to the City in terms of design and materials.

Therefore, an alternative site plan has been proposed to include a drainage channel on the western boundary of the site. This drainage channel is an acceptable solution for the City of Arlington. The new site plan will remove the need for an underground storage system, but will require the reduction in units from 57 to 51 in order to allow for the area needed for the drainage channel.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Sumpter", is written over the printed name.

Jacob Sumpter, AICP
President
Mycoskie & Associates, Inc.

October 10, 2025

Board of Directors
Texas Department of Housing and Community Affairs
P. O. Box 13941
Austin, Texas 78711-3941

RE: Request for Force Majeure Relief – Autumn Parc Apartments, Arlington, Texas
(the “**Development**”)
TDHCA File No. 24837

Dear Board Members:

On behalf of AT Arkansas Housing, LP (the “**Owner**”), we respectfully submit the enclosed request for Force Majeure relief pursuant to Section 11.6(5) of the Qualified Allocation Plan. This request pertains to the Autumn Parc Apartments project in Arlington, Texas, which was awarded 2023 9% Low-Income Housing Tax Credits off the waiting list in late November 2023.

Despite the Owner’s diligence and good-faith efforts throughout calendar years 2024 and 2025, the Development has experienced substantial delays outside its control—most notably those relating to the City’s drainage infrastructure review and HUD’s sequential financing process. These delays have made it impossible to satisfy the federally mandated placed-in-service deadline. **For the same reasons, the Owner cannot meet the 10% Test deadline, currently scheduled for October 31, 2025.**

Board of Directors
Texas Department of Housing and Community Affairs
October 10, 2025
Page 2

The enclosed memorandum outlines the specific causes, mitigation efforts, and detailed justification for relief. We respectfully request that this matter be placed on the agenda for the next available TDHCA Board meeting, with a recommendation for approval.

Sincerely,



Cynthia L. Bast

Enclosures:

- Exhibit A – Force Majeure Narrative
- Exhibit B – Lender and Syndicator Letters
- Exhibit C – Timeline of Events for Tax Credit Application
- Exhibit D – City Permitting Timeline
- Exhibit E – HUD 221(d)(4) Closing Timeline
- Exhibit F – Revised Site Plan
- Exhibit G – Letter from Civil Engineer
- Exhibit H – Underground Detention System Costs

EXHIBIT A

**REQUEST FOR FORCE MAJEURE RELIEF
Autumn Parc Apartments
Arlington, Texas**

(continued on next page)

October 10, 2025

VIA EMAIL DELIVERY

Cody Campbell
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701-2410

RE: Autumn Parc Apartments in Arlington, Texas (the “**Development**”)
TDHCA File No. 24837

Greetings:

We represent AT Arkansas Housing, LP (the “**Owner**”), which was awarded an allocation of Low-Income Housing Tax Credits (“**Tax Credits**”) in the 2023 9% Application Round. The Development received force majeure relief in December 2024, primarily due to the City’s unexpected requirements for a drainage study, more than one year after indicating that the original drainage plan proposed by the Owner would be acceptable. Under the current program requirements, the Owner must meet the 10% Test by October 31, 2025 and place the Development in service by December 31, 2026.

Despite diligent and sustained efforts, the Owner has encountered substantial delays outside of its control, primarily involving prolonged approval timelines by the City of Arlington, particularly concerning the Drainage Study and the underground detention system design and materials.

Accordingly, and in line with the force majeure provisions of Section 11.6(5) of the qualified allocation plan, the Owner hereby respectfully requests to return the previously awarded Tax Credits and receive a reallocation in the current year.

I. OPENING STATEMENT

A. Background and Summary of Force Majeure Conditions

The need for the current request stems from a set of three interrelated delays, all of which were beyond the Owner's reasonable control:

1. Late Receipt of Tax Credit Award

The Development was awarded Tax Credits off the waiting list at the end of 2023. This late award compressed the already challenging timelines for finalizing design, securing permits, and beginning construction activities. Please see Exhibit C.

2. Unexpected City Requirement for a Comprehensive Drainage Study

As noted in previous extension requests, the City of Arlington required a comprehensive drainage study after the preliminary plat was submitted. This study, which was not anticipated based on pre-application coordination with City staff, imposed significant delays. The results of the study triggered requirements for an underground detention system to mitigate not only the project's drainage impacts but also those of the surrounding area.

Ongoing discussions with the City as to their drainage requirements delayed the Owner's ability to obtain final drawings and bidding and imposed additional infrastructure costs, impacting financial feasibility.

3. Delays to HUD Application Timeline Due to Design and Cost Uncertainty

The Owner is pursuing an FHA-insured 221(d)(4) loan as outlined in the original Tax Credit Application. However, HUD requires final drawings and bids for underwriting. These could not be completed until the City's design and drainage concerns were resolved, thus delaying the entire HUD application process and rendering the original placed-in-service deadline infeasible.

B. Continued Delays Since Force Majeure Approval

Since the previous Force Majeure relief was granted in December 2024, the Owner has continued to face prolonged delays related to the drainage study and associated design and materials for the underground water detention system and approval of final plat:

1. Since the City identified the need for the drainage study in June 2024, the City has requested five full drainage study submittals, along with the final plat and construction document submittals, with comments addressed through July 14, 2025. Please see **Exhibit D.**
2. An additional 30 days were spent preparing a sixth submittal, during which time the City continued to express concerns about the proposed underground detention system it originally requested, citing limited experience with the design and materials proposed.

In short, after obtaining the drainage study required by the City, the Owner and its engineering team spent more than a year trying to get the City comfortable with the underground detention system recommended by its required study. Given the City's limited experience with such an underground detention system, it became obvious that delays would continue. In response, the Owner and its civil engineer began evaluating an alternative design approach that would eliminate the underground detention system—the single largest source of delay.

C. Alternative Site Plan Approach

The alternative approach removes the underground detention system entirely, along with the added costs associated with that system. It requires a redesign of the site, but 100% of the affordable units committed in the Tax Credit Application will be retained. It also eliminates some of the significant costs associated with the underground detentions system. Please see **Exhibits F, G, and H.**

This redesign directly responds to the City's challenges and offers a path to approval. However, it requires a full resubmission of the site plan and a new approval process, estimated to take approximately 180 days, pushing financing close to May 2026.

II. DETAILED JUSTIFICATION

A. Delays Due to Evaluation and Redesign

Following extended coordination with the City of Arlington, the Development reached a critical impasse after the City issued its fifth round of drainage comments on July 14, 2025. Despite multiple submittals and good-faith efforts by the development team, unresolved and shifting design expectations—particularly around stormwater infrastructure—continued to block forward progress. Finally, the Owner and its civil engineer concluded that the only path forward would be to redesign the site. Please see **Exhibit D**.

B. Underlying Causes of Delay

Multiple overlapping issues contributed to the delays, ultimately necessitating the project redesign:

1. City Concerns with Underground Detention System

The original design included an underground detention system, recommended by the City's required drainage study. However, City staff—citing limited prior experience—raised repeated objections regarding materials and design specifications. Although the team attempted to refine the design, the City was unable to provide consistent or definitive guidance, resulting in prolonged uncertainty and permitting stagnation.

2. Inconsistent City Oversight

Throughout the drainage review process, frequent reassignment of City engineers led to inconsistent, conflicting, or redundant review comments. Each transition diluted earlier understandings and forced reclarification of issues previously believed to be resolved, requiring repeated submittals and eroding predictability and efficiency.

3. Third-Party Drainage Review

To add complexity, the City engaged a third-party consultant for drainage review. This introduced an additional layer of feedback cycles, further extending the overall timeline beyond what is typical for similarly scaled developments.

C. Initiation of Revised Site Plan

In response to the continued impasse, the development team initiated a redesign that would eliminate the underground detention pond entirely, thereby avoiding the source of most delays. An amendment request for the revised site plan was submitted to TDHCA on September 22, 2025. This revised approach maintains the affordability commitments of the original project while responding pragmatically to the permitting and engineering challenges encountered. Further, it reduces costs for the Development in an environment where financial feasibility is an ongoing concern.

D. Process and Timeline Implications

Although the revised site plan provides a feasible path forward, it requires restarting several elements of the City approval process:

1. Amending the site plan with the City of Arlington.
2. Updating the civil drawings to incorporate the new drainage approach.
3. Revising architectural plans to match the updated layout.

The development team estimates 180 days will be required to complete these approvals.

E. Delays Impacting HUD Financing

The City delays have also caused cascading impacts on HUD 221(d)(4) financing, which is central to the project's capital stack:

1. The HUD Concept Package was submitted in December 2023, shortly after receipt of the Tax Credit award.
2. Weekly HUD coordination has continued, and Concept Meeting #2 is scheduled for December 12, 2025.

However, because of the redesign, the final HUD application cannot be submitted until April 15, 2026. Given HUD's standard 45-day review window plus a buffer, the earliest approval would be June 15, 2026, resulting in a financial closing by July 15, 2026 and construction start immediately thereafter.

With a 12-month construction period, the Development cannot meet the current December 31, 2026 placed-in-service deadline, and the 10% Test deadline of October 31, 2025 is also infeasible without relief.

Please see **Exhibit E** for a timeline of events associated with HUD closing timeline.

F. Conclusion: Force Majeure Justification

The sequence of delays—originating from unforeseen municipal requirements, inconsistent oversight, and permitting inefficiencies—have directly and materially impacted the Development’s ability to meet statutory deadlines. These impacts have further compounded downstream HUD timelines in a manner that no amount of diligence by the Owner could reasonably overcome.

Accordingly, Force Majeure relief through reallocation is both warranted and necessary to preserve the viability of the Development, protect prior investments of time and resources, and ensure that affordable housing production in this underserved market can proceed without further jeopardy.

III. OWNER’S MITIGATION

As detailed in the prior sections and the supporting timelines (**Exhibits C, D, and E**), the Owner has consistently demonstrated diligence and proactive management, even prior to receiving its Tax Credit award. At every stage, the Owner has undertaken reasonable and good-faith steps to move the Development forward and to mitigate any delays encountered.

Key mitigation efforts include:

- Maintaining continuous engagement with the City of Arlington, TDHCA, HUD, project consultants, and financing stakeholders;
- Submitting multiple iterations of the drainage study, final plat, and construction drawings to secure approvals;
- Receiving and refining HUD Form 2328 (Construction Budget) and HUD Form 5372 (Construction Schedule); and

- Expending substantial funds toward professional services, permit fees, and project deposits.

Despite these concerted efforts, progress was repeatedly obstructed by delays outside the Owner's control—most notably:

- Unforeseen municipal mandates regarding the drainage study and underground detention design;
- The City's lack of experience with the proposed underground detention design, leading to its multiple questions and redirections;
- Delays in final plat processing and site plan reviews; and
- Sequential HUD processing requirements that could not begin until City approvals were in place.

Now that the primary source of delay—the underground detention system—has been eliminated through a redesign, the Owner has positioned the Development to proceed efficiently. However, the project must still navigate lengthy agency review cycles, including site plan re-approval and HUD underwriting, which are inherently beyond the Owner's control and not compressible through additional resources or staffing. The current government shutdown further leaves the timeline in question.

The result is a scenario in which the Owner, despite meeting its obligations, making substantial investments, and acting in continuous good faith, is unable to satisfy the placement in service deadline due to factors wholly outside its control. Such force majeure relief is both appropriate and necessary to preserve the viability of the Development.

IV. CONCLUSION AND REQUEST FOR RELIEF

Pursuant to Section 11.6(5) of the Qualified Allocation Plan, the Owner respectfully submits that it satisfies all criteria for force majeure relief. Specifically, the Owner submits the following:

1. Qualifying Force Majeure Event

The delays imposed by the City of Arlington—particularly its extended review cycles, conflicting guidance, and continued objections regarding the drainage system—constitute qualifying force majeure conditions that materially disrupted the Development timeline.

2. Unforeseeable Municipal Requirements

The City's evolving requirements and inconsistent feedback were not reasonably foreseeable at the time of the project's initial design and planning approval. The Owner met with the City, even prior to submitting its Tax Credit application, to discuss requirements for this site. Based on the conclusions of those meetings, the Owner could not have anticipated the need to fully redesign the project layout or delay the HUD financing process based on these shifting mandates.

3. Demonstrated Good Faith

The Owner has maintained good faith throughout the process, responding promptly to regulatory comments, complying with all required submittals, and maintaining regular communication with HUD, TDHCA, the City, lenders, syndicators, and project consultants.

4. Infeasibility of Placement in Service by December 31, 2026; Infeasibility of 10% Test

The cumulative effect of City-imposed delays and HUD's sequential review timeline renders the current placed-in-service deadline unattainable. The Owner's updated project schedule, which now includes redesigned site approvals, revised HUD application milestones, and anticipated closing in June or July 2026 indicates a realistic placement in service date in 2027. **Further, without resolution of these matters, the Owner cannot meet all of the requirements of the 10% Test, which are currently due on October 31, 2025.**

5. Development Remains Viable and Aligned with Public Purpose

The revised Development plan preserves 100% of its affordable units, maintains alignment with TDHCA's mission, and is otherwise ready to proceed to closing upon receipt of the requested relief. All major approvals, updated budgets, and consultant coordination are in progress or nearing completion.

REQUEST FOR BOARD ACTION

In light of the foregoing, the Owner respectfully requests:

- That this matter be included on the agenda for the next available TDHCA Board meeting.
- That the Board approve the return and reallocation of the previously awarded Tax Credits to preserve the integrity of the Development and allow for extension of the deadline for the 10% Test.
- That the Department accept the updated project timeline and supporting documentation attached as **Exhibits A–H** and recognize the Owner’s efforts to comply with all applicable deadlines despite extraordinary circumstances.

Should the Department require any clarification, documentation, or supplemental materials, the Owner stands ready to respond and provide the same promptly.

Sincerely,



Cynthia L. Bast

EXHIBIT B

LENDER AND SYNDICATOR LETTERS



September 15, 2025

Mr. Deepak P. Sulakhe
President / CEO
OM Housing
5033 Brookview Drive
Dallas, TX 75220

Re: Support for Exchange of 9% Low-Income Housing Tax Credits (LIHTCs)
Autumn Parc Apartments, Arlington, Texas (TDHCA #: 24837)

Dear Mr. Sulakhe,

PNC Bank NA ("PNC") is pleased to serve as the HUD underwriter for **Autumn Parc Apartments**, a proposed 57-unit (and now 51-units) mixed-income multifamily development located in Arlington, Texas. We appreciate the opportunity to partner with you and OM Housing on this impactful and much-needed affordable housing project.

Over the past several months, PNC has worked closely with you and your development team to advance the underwriting process. However, significant delays related to municipal approvals—particularly those involving the Drainage Study and the proposed underground detention system—have impeded the timely completion of construction drawings and competitive bidding. These unforeseen challenges have, in turn, delayed the submission of the HUD Firm Application and affected the overall financing schedule.

As it stands, the HUD Firm Application is expected to be submitted by February 2026, with an anticipated closing in May 2026. These revised milestones place the project beyond the current Placed-in-Service (PIS) deadline applicable to the original 2024 LIHTC award. Given this, PNC is unable to proceed with a loan closing unless both the **10% Test** deadline and the **PIS** deadline are extended.

We therefore fully support the Owner's request to **exchange the existing Tax Credit allocation** and obtain a **new award under TDHCA's force majeure provisions**. This action is critical to allow the project to move forward while honoring its mission of providing high-quality, affordable housing to the Arlington community.

PNC remains confident in the long-term success of Autumn Parc Apartments and reaffirms its commitment to supporting OM Housing in bringing this development to fruition.

Please do not hesitate to contact us should you have any questions or require additional information.

Sincerely,
PNC Bank, NA

A handwritten signature in blue ink, appearing to read 'Mark Ragsdale', written over a horizontal line.

Mark Ragsdale
Vice President

Member of The PNC Financial Services Group

201 Mission Street, Suite 2500 San Francisco California 94105
www.pnc.com/realestate

October 3, 2025

AT Arkansas Housing, LP
Mr. Deepak P. Sulakhe
President / CEO, OM Housing
5033 Brookview Drive
Dallas, Texas 75220

Re: Autumn Parc Apartments – Arlington, Texas

Dear Mr. Sulakhe,

PNC Real Estate Investments is pleased to partner with OM Housing on the **Autumn Parc Apartments**, a proposed 51-unit mixed-income development in Arlington, Texas. We appreciate the professionalism of your team and are nearing completion of our due diligence, with Investment Committee approval secured and the LOI expected prior to HUD Firm Commitment submission.

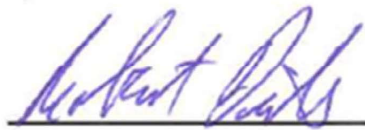
Unfortunately, unforeseen delays in municipal approvals—particularly those related to drainage and infrastructure—have significantly impacted project timelines. Multiple revisions to the drainage study and a site plan redesign to eliminate the underground detention system have delayed construction drawings and bidding, which are necessary for the HUD application.

As a result, the HUD Firm Application is now targeted for **February 2026**, with financing closing expected in **May 2026**—beyond the current **10% Test** and **Placed-in-Service (PIS)** deadlines.

Given that these delays stem from factors outside the Developer's control, we fully support seeking force majeure relief and exchanging the 2024 Tax Credit award for a 2025 allocation. This will allow the project to proceed on a feasible timeline.

We remain committed to the success of Autumn Parc and its mission to deliver high-quality affordable housing. Please don't hesitate to contact us with any questions.

PNC Bank



Robert Dicks

Senior Vice President

EXHIBIT C

TIMELINE OF EVENTS FOR TAX CREDIT APPLICATION

Date	Activity
2022 - Q4	Owner identifies the Development Site in preparation for filing an Application for the 2023 9% Application Round.
2023 – March 1	Owner files 9% Tax Credit Application
2023 -- July 27	TDHCA Board meeting to award Tax Credits. <u>Owner does not receive an award at this time and is placed on the waiting list.</u>
2023 – November 7	Owner is notified it will receive a Tax Credit award for the Development.
2023 - November 28	Owner submits its fully executed Commitment Notice.
	Owner submits its Carryover Allocation Agreement.
2023 - December 22	Carryover Allocation Agreement is fully executed by TDHCA.
2024 – June 25	Owner receives an extension for the 10% Test Documentation Delivery Date from July 1 to October 1.
2024 – September 25	Owner receives a second extension for the 10% Test Documentation Delivery Date from October 1 to December 15.
2024 - December 22	TDHCA approves extension of PIS for force majeure.
2025 - June 25	TDHCA extends 10% Test Documentation Delivery Date from July 1 to October 31.
2025 - October 31st	Current 10% Test Documentation Delivery Date, which is impossible to meet, based upon delays mentioned.
2026 - December 31	Current Placement in Service deadline, which is impossible to meet, with a 14-month construction schedule.

EXHIBIT D

TIMELINE OF EVENTS FOR CITY PERMITTING

Date	<u>Phase</u>¹	Activity
2022 – Q4		Owner identifies the Development Site.
2022 – December	ZO	Owner and civil engineer hold an informal meeting with City staff to discuss rezoning.
2023 – February	CD/CP/ PL/ZO	Pre-application meeting with all City departments to discuss the Development, including a discussion of drainage.
2023 - February 28	ZO	Owner submits rezoning application.
2023 – March 24	ZO	First set of comments from City.
2023 – May 2	ZO	Owner responds to City comments.
2023 - May 11	ZO	Owner responds to City comments.
2023 - May 17	ZO	Owner responds to City comments.
2023 - June 21	ZO	Planning and Zoning Commission Hearing.
2023 - June 30	ZO	Owner responds to City comments.
2023 - July 28	ZO	Owner responds to City comments.
2023 - August 01	ZO	City Council Hearing 1st Hearing.
2023 - August 15	ZO	Owner responds to City comments.
2023 - August 22	ZO	City Council Hearing 2nd Hearing.
2023 - August 29	ZO	PD Ordinance effective - Ordinance #23-037.
2024 – April 12	CP	Preliminary architectural drawings received.
2024 - May 16	PL	Pre-Application meeting request submitted.
2024 – June 18	PL	Pre-application meeting with all City departments for platting.
2024 – June 21	CD/PL	Drainage Study submitted to City. Was submitted prior to the preliminary plat application as requested by the city
2024 – June 25	PL	Preliminary plat 1st Submittal.
2024 – July 15	CD/PL	Received City comments on drainage study (from 1st

¹
CD – Civil Design
CP – Construction Permits
PL – Platting
ZO – Zoning

Date	Phase ¹	Activity
		submittal).
2024 – August 1	CD/PL	Drainage Study 2nd Submittal.
2024 – August 7	PL	Planning and Zoning Commission Hearing; Preliminary Plat approved with conditions.
2024 – August 23	CD/PL	Received city comments on drainage study (from 2nd submittal).
2024 – August 28	PL	Preliminary plat 2nd Submittal.
2024 – September 20		Final architectural drawings received.
2024 – September 24	PL	Preliminary plat approved by City.
2024 – October 4	CD/PL	Drainage Study 3rd Submittal.
2024 – October 14	CD/PL	Final Plat and Construction Documents-1st Submittal.
2024 – October 16	CD/PL	Received city comments on drainage study (from 3rd submittal).
2024 – October 25	CD/PL	Drainage Study 4th Submittal.
2024 – November 13	CD/PL	Final plat approved with conditions at P&Z Hearing; City comments.
2024 - November 18	CD/PL	Meeting with Public Works - Discuss drainage comments.
2024 – December 11	CD/PL	Received City comments on drainage study (from 4th submittal).
2025 - February 19	CD/PL	Meeting with Public Works - Discuss drainage design options
2025 - May 22	CD/PL	Final Plat and Construction Documents- 2nd Submittal.
2025 - May 23	CD/PL	Drainage Study 5th Submittal.
2025 - May 30	CD/PL	Receive City comments (from Final Plat 2nd Submittal).
2025 - July 14	CD/PL	Received City comments on drainage study (from 5th submittal).
2025 - July 15	CD	Begin evaluating site plan redesign.
2025 – September 22	CD	Submit application amendment request to amend site plan to TDHCA.

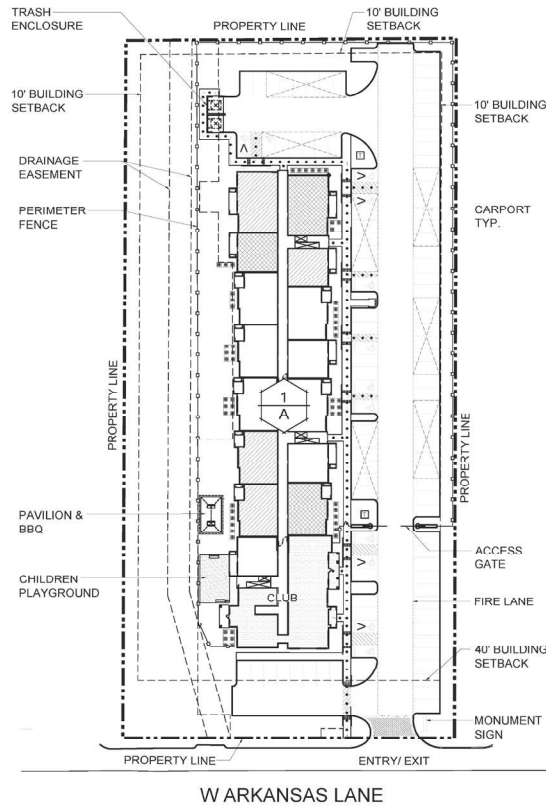
EXHIBIT E

TIMELINE FOR HUD CLOSING

Date	Activity
2024 - Sept 5	Internal Kick off call
2024 - Oct 2	External Kick off call
2024 - Oct 7	Weekly Calls Started
2024 - Oct 8	Third Party Reports Engaged
2024 - Nov 4	All third-party reports finalized
2024 - Dec 12	First Concept Meeting with HUD
2025 - Feb 19	Draft Form 2328 Received
2025 - current	Weekly calls continue
2025 - Nov 15	Third Party Reports Engaged to update
2025 - Dec 12	Second Concept Meeting with HUD to update
2026 - Feb 15	Updated Drawing Received
2026 - Mar 15	Updated Form 2328 Received
2026 - April 15	Submittal to HUD
2026 - June 15	Anticipated HUD approval
2026 - July 15	Anticipated closing and start of construction

EXHIBIT F

REVISED SITE PLAN AS SUBMITTED TO TDHCA



SITE DATA

ACRES TOTAL	2.57
(1) 3 STORY BUILDING	
TOTAL UNITS	51
UNITS/ACRE	19.84

KNOWN EASEMENTS SHOWN
NO KNOWN FLOODPLAIN
NO DETENTION REQUIRED

SITE AMENITIES
- 4'161 S.F. CLUBHOUSE
- PLAYGROUND
- PAVILION & BBQ

BUILDING KEY

1	BUILDING NUMBER
A	BUILDING TYPE

UNIT TABULATION

UNIT TYPE	# UNITS	%	UNIT S.F.	TOTAL S.F.
A1 - ONE BED/ONE BATH	11	21.57	750 S.F.	8,250 S.F.
A1 HC - ONE BED/ONE BATH	1	1.96	750 S.F.	750 S.F.
A1 P1 - ONE BED/ONE BATH	3	5.88	740 S.F.	2,235 S.F.
B1 - TWO BED/TWO BATH	19	37.25	950 S.F.	18,050 S.F.
B1 HC - TWO BED/TWO BATH	2	3.92	950 S.F.	1,900 S.F.
B1 P1 - TWO BED/TWO BATH	2	3.92	977 S.F.	1,954 S.F.
B1 P2 - TWO BED/TWO BATH	3	5.88	950 S.F.	2,877 S.F.
C1 - THREE BED/TWO BATH	5	9.80	1,170 S.F.	5,850 S.F.
C1 HC - THREE BED/TWO BATH	1	1.96	1,170 S.F.	1,170 S.F.
C1 P1 - THREE BED/TWO BATH	4	7.84	1,170 S.F.	4,680 S.F.
TOTAL	51			47,716 S.F.

ACCESSIBLE UNITS

TOTAL UNITS	51
ADA UNITS (5% OF TOTAL UNITS)	3
A1 HC UNITS	1
B1 HC UNITS	2
C1 HC UNITS	1
H&V UNITS (2% OF TOTAL UNITS)	3
B1 H&V UNITS	1
C1 H&V UNITS	1
TOTAL	6

..... ACCESSIBLE ROUTE

BUILDING TABULATION

	A	TOTAL
# BLDGS	1	1
# STORIES	3	3
UNITS/BLDG	51	51
BREZEWAY S.F.	7,584 S.F.	7,584 S.F.
COMMON AREAS/CLUBHOUSE S.F.	4,177 S.F.	4,177 S.F.
NET RENTABLE S.F.	47,716 S.F.	47,716 S.F.
PATIO/DECK/LOCHES S.F.	3,301 S.F.	3,301 S.F.
STORAGE S.F.	688 S.F.	688 S.F.
TOTAL GROSS BLDG S.F.	63,466 S.F.	63,466 S.F.

PARKING REQUIRED

1.5 PER 1 BED X 15 UNITS	23
2.0 PER 2 BED X 19 UNITS	38
2.5 PER 3 BED X 9 UNITS	25
TOTAL	86

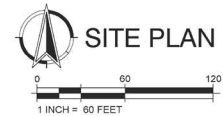
COVERED PARKING REQUIRED

41 % OF TOTAL REG.	35
TOTAL	42

PARKING PROVIDED

STANDARD SPACES	50
VAN ACCESSIBLE	4
ACCESSIBLE	6
COVERED SPACES	40
VAN ACCESSIBLE	1
ACCESSIBLE	1
TOTAL	102

PARKING RATIO = 2.00 SPACES PER UNIT



OM HOUSING - AUTUMN PARC APARTMENTS
ARLINGTON, TEXAS



DATE: 08.22.25

A1.0

SITE PLAN
Copyright © 2025

EXHIBIT G

LETTER FROM CIVIL ENGINEER



September 22, 2025

OM Housing
Mr. Deepak Sulakhe
5033 Brookview
Dallas, TX 75220

RE: Autumn Parc
1915 & 1921 W. Arkansas Lane
Arlington, Texas 76013

Dear Mr. Sulakhe,

The final plat and construction plans for the Autumn Parc multi-family project have been under review by the City of Arlington since October of last year. The original site design included an underground detention system in order to accommodate 57 multifamily units on the site in addition to the drainage needs of the adjacent properties.

Since October of last year, the design team has been working on the design of the underground detention system with the City of Arlington Public Works Department, but has not been successful in designing a system that is acceptable to the City in terms of design and materials.

Therefore, an alternative site plan has been proposed to include a drainage channel on the western boundary of the site. This drainage channel is an acceptable solution for the City of Arlington. The new site plan will remove the need for an underground storage system, but will require the reduction in units from 57 to 51 in order to allow for the area needed for the drainage channel.

Sincerely,


Jacob Sumpter, ACP
President
Mycoskie & Associates, Inc.

ARLINGTON
519 E. Border Street
Arlington, Texas 76010

BURLESON
201 W. Ellison Street, Suite 202
Burleson, Texas 76028

EXHIBIT H

UNDERGROUND DETENTION SYSTEM COSTS

Spring Valley Construction Company

Page 1



Conceptual Estimate - Underground Detention System

Project: Autumn Parc
 Location: Arlington, Tx.
 Architect: Cross
 Owner: OM Housing

 Net Rentable Area: 55,110 NRSF
 Apartment Units: 57.00
 Heated Area: 58,481 HSF
 Gross Area: 73,866 GSF
 Total Cost: 806,375
 Cost / NRSF: \$14.63
 Cost / Unit: \$14,147
 Cost / HSF: \$13.79
 Cost / GSF: \$10.92
 Avg. Unit Size: 967 SF
 Bathrooms: 99 EA
 Site Area: 2.57 AC
 Efficiency: 0.75 %

Club: 3371
 Garage: 3052

Print Time: 1:33 PM
 Print Date: 19-Jul-24
 Bid Date: 19-Jul-24
 Estimator: Rstephens

Checked By:
 Type Bldg: Apartments
 Duration: 14 months
 # of Addenda:
 SVCC Job No. 23044
 SVCC Estimate: v.0

CODE	DESCRIPTION	LABOR	MATERIAL	SUBS	TOTAL	REMARKS	NRSF COST	UNIT COST	% OF TOTAL
010000	GENERAL CONDITIONS	0	0	30,000	30,000	SVCC	0.54	526.3	3.72%
011000	INSURANCE, WARRANTY & FEES	0	0	33,930	33,930	SVCC	0.62	595.3	4.21%
330000	UTILITIES	0	0	671,794	671,794		12.19	11,785.9	83.31%
SUBTOTALS		0	0	735,724	735,724		13.35	12,907.4	91.24%
	P/R Taxes	35.00 % of Labor			0	w/Line Item	0.00	0.0	0.00%
	SDI	1.25 % of All Subs			0	w/Line Item	0.00	0.0	0.00%
SUBTOTAL					735,724		13.35	12,907.4	91.24%
	Overhead	2.00 %			14,714	w/Line Item	0.27	258.1	1.82%
	Fee	6.00 %			44,143		0.80	774.4	5.47%
SUBTOTAL					794,582		14.42	13,940.0	98.54%
	Estimating Contingency	0.00 %			0		0.00	0.0	0.00%
SUBTOTAL z					794,582		14.42	13,940.0	98.54%
	Perf. Bond				11,793		0.21	206.9	1.46%
GRAND TOTAL COST					806,375		14.63	14,146.9	100.00%