



Texas Department of Housing and Community Affairs

Governing Board

Board Action Request

File #: 1161

Agenda Date: 10/9/2025

Agenda #:

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for Athens Trails (HTC #24215)

RECOMMENDED ACTION

WHEREAS, Athens Trails (Development) received an award of 9% Housing Tax Credits (HTCs) in 2024 for the new construction of 57 multifamily units for the elderly in Athens, Henderson County;

WHEREAS, Athens Trails, LP (Applicant) requests approval for a 10.53% reduction in the number of units from 57 to 51 units, with a decrease of six one-bedroom units;

WHEREAS, this change would result in a revision to the rent and income restrictions from five units at 30% Area Median Income (AMI), 12 units at 50% AMI, and 40 units at 60% AMI to three units at 30% AMI, eight units at 50% AMI, and 40 units at 60% AMI;

WHEREAS, the elimination of the six units would result in a 9.14%, or 3,894 square feet, reduction in the Net Rentable Area, from 42,582 square feet to 38,688 square feet;

WHEREAS, the change would result in a 10.53% decrease in the residential density, going from 23.04 units per acre to 20.61 units per acre;

WHEREAS, there will also be a 5.54% reduction to the Common Area, from 10,100 to 9,540 square feet;

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

WHEREAS, the requested changes do not negatively affect the Development or negatively impact the viability of the transaction and would not have adversely affected the selection of the Application or affect the HTC amount awarded;

NOW, therefore, it is hereby

RESOLVED, that the requested amendment for Athens Trails is approved as presented at this

meeting, and the Executive Director and his designees are each authorized, directed, and empowered to take all necessary action to effectuate the foregoing.

BACKGROUND

Athens Trails was approved for a 9% HTC award in 2024 for the construction of 57 units, of which all are designated as low-income units, of multifamily housing for the elderly in Athens, Henderson County. In a letter as of August 25, 2025, Bronte Bejarano, the representative of the Applicant, requested approval for a material amendment to the Application to preserve the feasibility of the Development.

The Applicant requests approval for a 10.53% reduction in the number of units from 57 to 51 units, which will decrease the one-bedroom units by six, from 30 to 24, while maintaining the proposed number of two-bedroom units at 27. This change would result in a revision to the rent and income restrictions from five units at 30% AMI, 12 units at 50% AMI, and 40 units at 60% AMI to three units at 30% AMI, eight units at 50% AMI, and 40 units at 60% AMI. This change will also result in a reduction of 3,894 square feet (9.14%) in the Net Rentable Area, from 42,582 square feet to 38,688 square feet and a 10.53% reduction to the residential density from 23.04 units per acre to 20.61 units per acre. There will also be a reduction of 560 square feet (5.54%) to the Common Area, from 10,100 square feet to 9,540 square feet. Additionally, the number of parking spaces will decrease from 113 to 96 to correspond to the unit reduction and will remain in compliance with the requirements of the City of Athens.

The Applicant indicated that this request is the result of a decrease in the proposed purchase price of the tax credits from an initial rate of \$0.84 per credit to \$0.73 per credit due to credit pricing being negatively impacted by speculation of a proposed reduction to the corporate tax rates. This results in a potential 13.10% equity loss. The Applicant also anticipates an increase in the permanent loan interest rate from 6.75% to 7.50%. In addition to the drop in equity pricing and increase in interest rates, construction cost increased after the Application was submitted.

The Applicant stated it was not possible to retain feasibility without reducing the number of units. After extensive analysis, a reduction from 57 units to 51 units in combination with the other amendments allowed the property to be feasible and meet underwriting thresholds. In accordance with 10 TAC §10.405(a)(7)(A)(ii), the Applicant provided a letter from the syndicator and lender confirming that the Development would not be financially feasible without the proposed changes.

Staff confirmed that the revised design plans and parking would continue to meet accessibility requirements. Additionally, staff reviewed the original Application and scoring documentation against this amendment request and concluded that the reduction to the number of units would have resulted in the loss of points. However, the loss of these points would not have affected the selection of the Development for an award in the competitive round. The Development was re-underwritten with the proposed amendment and revised financial information. The analysis supports no change to the HTC allocation and demonstrates the

Development remains feasible.

Staff recommends approval of the requested material amendment to the Application.

**Real Estate Analysis Division**

September 15, 2025

Addendum to Underwriting ReportTDHCA Application #: **24215**Program(s): **9% HTC****Athens Trails**Address/Location: 414 W College StCity: Athens County: Henderson Zip: 75751

	APPLICATION HISTORY
Report Date	PURPOSE
09/05/25	Amendment
07/10/24	Initial Underwriting

ALLOCATION

	Previous Allocation				RECOMMENDATION						
TDHCA Program	Amount	Int. Rate	Amort	Term	Amount	Int. Rate	Amort	Perm. Term	Perm. Lien	Const. Term	Const. Lien
LIHTC (9% Credit)	\$1,262,000				\$1,262,000						

CONDITIONS STATUS

- Receipt and acceptance by Cost Certification:

Certification that subsurface environmental investigation was performed as specified in the ESA, and
a: if necessary, that any recommended mitigation measures were fully implemented.

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

Certification that testing for asbestos was performed on the existing structures prior to demolition,
c: and if necessary, a certification that any appropriate abatement procedures were implemented.

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.

PREVIOUS 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	12
60% of AMI	60% of AMI	40

CURRENT SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	3
50% of AMI	50% of AMI	8
60% of AMI	60% of AMI	40

ANALYSIS

The development originally was awarded a 9% HTC allocation of \$1,262,000 in July 2024.

The applicant is now requesting a material amendment to reduce the total number of units from 57 to 51. This request resulted from unforeseen financial circumstances. The Applicant is now seeing an increase in construction costs because of tariffs, declining equity pricing and rising interest rates.

The applicant requests a reduction of 6 units, for a total of 51 units from the originally proposed 57 units. This reflects a 10.53% decrease in the number of units. The unit sizes will remain the same.

The new unit mix will comprise of 24 1-BR and 27 2-BR units. The reduced numbers of units have decreased the NRA from 42,582 to 38,688, a drop of 9.14%.

The common area has decreased from 10,100 SF to 9,540 SF, a reduction of 5.54%.

The number of mobility units at application was 3, two 1-bed/1-bath units and one 2-bed/1-bath and the number of HV units was 2, one 1-bed/1-bath units and one 2-bed/1-bath. The number and distribution of HV units have remained the same, but due to the change in the unit mix composition, the proposed changes mean that there will now be one 1-bed/1-bath units and two 2-bed/1-bath mobility units.

Local parking requirements: 1.75 spaces for 1-BR unit and 2 spaces for 2-BR units;

Total 1-BR unit 24 plus 2-BR unit 27 = 96 parking spaces required.

Total parking spaces provided now is 96 spaces. The development meets the local parking requirements.

Operating Pro Forma

2025 rents are being used.

Underwriter has updated the expense comparables with reported year-end 2024 expenses .

Effective Gross income has increased by \$31k.

Total Expenses increased by \$7k ; NOI has increased by \$24k.

Applicant provided insurance quote to support \$675 per unit.

The DCR increased from 1.15 to 1.34.

Development Cost

A Schedule of Values or contract bid was not provided, therefore, the Underwriter re-costed out the building using the Architectural Drawings provided in the application with the 2025 Marshall and Swift's costs.

Site Work costs decreased by \$231k, Site Amenities costs increased by \$101k. Building cost decreased by \$725,000. Developer Fee decreased by \$314k.

Total Development Costs reduced by \$1.29M.

Sources of Funds

The Construction to Perm Loan lender has changed from PNC to Legacy Bank.

The construction loan has been decreased from \$10M to \$9.7M and the interest rate also decreased from 7.22% to 7%.

The permanent phase loan decreased from \$2,874,823 to \$2,429,271 and the interest rate increased from 6.75% to 7.5%. Amortization period decreased from 40 to 35 years.

The equity investor changed from PNC to Raymond James.

The Capital Contribution decreased from \$10,599,740 to \$9,211,679.

The credit price decreased from \$0.84 to \$0.73.

The Deferred Developer Fee increased from \$572,886 to \$1,215,346 and pays off in year 15.

The original annual 9% HTC allocation of \$1,262,000 is still recommended.

Underwriter:	<u>Bin Ni</u>
Manager of Real Estate Analysis:	<u>Robert Castillo</u>
Director of Real Estate Analysis:	<u>Jeanna Adams</u>

UNIT MIX/RENT SCHEDULE

Athens Trails, Athens, 9% HTC #24215

LOCATION DATA	
CITY:	Athens
COUNTY:	Henderson
Area Median Income	\$87,100
PROGRAM REGION:	4
PROGRAM RENT YEAR:	2025

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	MDL	ARP	Match
Eff	-	0.0%	0	0	0	0
1	24	47.1%	0	0	0	0
2	27	52.9%	0	0	0	0
3	-	0.0%	0	0	0	0
4	-	0.0%	0	0	0	0
5	-	0.0%	0	0	0	0
TOTAL	51	100.0%	-	-	-	-

PRO FORMA ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100.00%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	759 sf

57%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average Income	# Units	-	3	-	8	40	-	-	-	51
	% Total	0.0%	5.9%	0.0%	15.7%	78.4%	0.0%	0.0%	0.0%	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%	\$486	2	1	1	649	\$486	\$64	\$422	\$0	\$0.65	\$422	\$844	\$844	\$422	\$0.65	\$0	\$1,123	\$1.73	\$1,123	
TC 50%	\$811	5	1	1	649	\$811	\$64	\$747	\$0	\$1.15	\$747	\$3,735	\$3,735	\$747	\$1.15	\$0	\$1,123	\$1.73	\$1,123	
TC 60%	\$973	17	1	1	649	\$973	\$64	\$909	\$0	\$1.40	\$909	\$15,453	\$15,453	\$909	\$1.40	\$0	\$1,123	\$1.73	\$1,123	
TC 30%	\$584	1	2	1	856	\$584	\$83	\$501	\$0	\$0.59	\$501	\$501	\$501	\$501	\$0.59	\$0	\$1,336	\$1.56	\$1,336	
TC 50%	\$973	3	2	1	856	\$973	\$83	\$890	\$0	\$1.04	\$890	\$2,670	\$2,670	\$890	\$1.04	\$0	\$1,336	\$1.56	\$1,336	
TC 60%	\$1,168	23	2	1	856	\$1,168	\$83	\$1,085	\$0	\$1.27	\$1,085	\$24,955	\$24,955	\$1,085	\$1.27	\$0	\$1,336	\$1.56	\$1,336	
TOTALS/AVERAGES:		51				38,688				\$0	\$1.24	\$944	\$48,158	\$48,158	\$944	\$1.24	\$0	\$1,236	\$1.63	\$1,236

ANNUAL POTENTIAL GROSS RENT:	\$577,896	\$577,896	
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STABILIZED PRO FORMA
Athens Trails, Athens, 9% HTC #24215

STABILIZED FIRST YEAR PRO FORMA														
COMPARABLES			APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
Database	Henderson County 2024 Comps		% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.24	\$944	\$577,896	\$542,184	\$542,184	\$577,896	\$944	\$1.24		0.0%	\$0
late fees, app fees and retained deposits					\$30.00	\$18,360	20,520							
Total Secondary Income					\$30.00			20,520	\$18,360	\$30.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$596,256	\$562,704	\$562,704	\$596,256				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI	(44,719)	(42,203)	(42,203)	(44,719)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$551,537	\$520,501	\$520,501	\$551,537				0.0%	\$0

General & Administrative	\$25,576	\$501/Unit	\$22,287	\$437	3.97%	\$0.57	\$429	\$21,875	\$23,700	\$23,606	\$22,287	\$437	\$0.58	4.04%	-1.8%	(412)
Management	\$30,958	8.1% EGI	\$30,060	\$589	5.00%	\$0.71	\$541	\$27,577	\$26,025	\$26,025	\$27,577	\$541	\$0.71	5.00%	0.0%	0
Payroll & Payroll Tax	\$55,857	\$1,095/Unit	\$55,077	\$1,080	10.50%	\$1.50	\$1,136	\$57,931	\$58,425	\$58,425	\$57,931	\$1,136	\$1.50	10.50%	0.0%	-
Repairs & Maintenance	\$38,090	\$747/Unit	\$36,833	\$722	6.20%	\$0.88	\$671	\$34,200	\$37,050	\$37,050	\$33,150	\$650	\$0.86	6.01%	3.2%	1,050
Electric/Gas	\$8,637	\$169/Unit	\$6,008	\$118	1.85%	\$0.26	\$200	\$10,200	\$10,545	\$8,641	\$6,008	\$118	\$0.16	1.09%	69.8%	4,192
Water, Sewer, & Trash	\$33,939	\$665/Unit	\$25,659	\$503	5.89%	\$0.84	\$637	\$32,500	\$34,200	\$34,200	\$25,659	\$503	\$0.66	4.65%	26.7%	6,841
Property Insurance	\$32,812	\$0.85 /sf	\$34,242	\$671	6.24%	\$0.89	\$675	\$34,432	\$31,385	\$31,385	\$34,432	\$675	\$0.89	6.24%	0.0%	-
Property Tax (@ 100%) 2.1617	\$23,086	\$453/Unit	\$21,151	\$415	10.02%	\$1.43	\$1,084	\$55,284	\$44,000	\$48,596	\$56,289	\$1,104	\$1.45	10.21%	-1.8%	(1,005)
Reserve for Replacements					2.31%	\$0.33	\$250	\$12,750	\$14,250	\$14,250	\$12,750	\$250	\$0.33	2.31%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.37%	\$0.05	\$40	\$2,040	\$2,280	\$2,280	\$2,040	\$40	\$0.05	0.37%	0.0%	-
TOTAL EXPENSES					52.36%	\$7.46	\$5,663	\$288,789	\$281,860	\$284,457	\$278,123	\$5,453	\$7.19	50.43%	3.8%	\$ 10,666
NET OPERATING INCOME ("NOI")					47.64%	\$6.79	\$5,152	\$262,748	\$238,641	\$236,044	\$273,414	\$5,361	\$7.07	49.57%	-3.9%	\$ (10,666)

CONTROLLABLE EXPENSES		\$3,073/Unit		\$2,844/Unit	
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Athens Trails, Athens, 9% HTC #24215

		DEBT / GRANT SOURCES																		
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE									AS UNDERWRITTEN DEBT/GRANT STRUCTURE									
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative				
		UW	App						Applicant	TDHCA						DCR	LTC			
Legacy Bank		1.39	1.34	196,550	7.50%	35	15.0	\$2,429,271	\$2,874,823	\$2,874,823	\$2,429,271	15.0	35.0	7.50%	\$196,550	1.34	18.9%			
CASH FLOW DEBT / GRANTS																				
City of Athens		1.39	1.34		0.00%	0	0.0	\$250	\$250	\$250	\$250	0.0	0.0	0.00%		1.34	0.0%			
				\$196,550	TOTAL DEBT / GRANT SOURCES			\$2,429,521	\$2,875,073	\$2,875,073	\$2,429,521	TOTAL DEBT SERVICE			\$196,550	1.34	18.9%			
NET CASH FLOW		\$76,864	\$66,198	APPLICANT NET OPERATING INCOME														\$262,748	\$66,198	NET CASH FLOW

		EQUITY SOURCES												
		APPLICANT'S PROPOSED EQUITY STRUCTURE							AS UNDERWRITTEN EQUITY STRUCTURE					
									Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting	Applicant	TDHCA							
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Applicant	TDHCA	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
Raymond James	LIHTC Equity	71.6%	\$1,262,000	\$0.73	\$9,211,679	\$10,599,740	\$10,599,740	\$9,211,679	\$0.73	\$1,262,000	71.6%	\$24,745	Applicant Request	
Cobblestone Development	Deferred Developer Fees	9.5%	(86% Deferred)		\$1,215,346	\$572,886	\$572,886	\$1,215,346	(86% Deferred)		9.5%	Total Developer Fee: \$1,417,500		
TOTAL EQUITY SOURCES		81.1%			\$10,427,025	\$11,172,626	\$11,172,626	\$10,427,025			81.1%			
TOTAL CAPITALIZATION					\$12,856,546	\$14,047,699	\$14,047,699	\$12,856,546			15-Yr Cash Flow after Deferred Fee: \$39,197			

		DEVELOPMENT COST / ITEMIZED BASIS											
		APPLICANT COST / BASIS ITEMS				Prior Underwriting		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				\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit			0.0%	\$0
Building Acquisition		\$0		\$3,922 / Unit	\$200,000	\$200,000	\$200,000	\$200,000	\$3,922 / Unit		\$0	0.0%	\$0
Off-Sites			\$0	\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit	\$0		0.0%	\$0
Site Work			\$926,335	\$22,326 / Unit	\$1,138,638	\$1,369,752	\$1,369,752	\$1,138,638	\$22,326 / Unit	\$926,335		0.0%	\$0
Site Amenities			\$206,753	\$4,054 / Unit	\$206,753	\$105,000	\$105,000	\$206,753	\$4,054 / Unit	\$206,753		0.0%	\$0
Building Cost			\$5,598,927	\$165.07 /sf	\$125,224/Unit	\$6,386,415	\$7,217,037	\$6,547,214	\$128,377/Unit	\$169.23 /sf	\$5,598,927	-2.5%	(\$160,799)
Contingency			\$386,590	5.74%	5.00%	\$386,590	\$429,308	\$386,590	4.90%	5.74%	\$386,590	0.0%	\$0
Contractor Fees			\$996,604	14.00%	14.00%	\$1,136,576	\$1,262,167	\$1,136,576	13.73%	14.00%	\$996,604	0.0%	\$0
Soft Costs		\$0	\$768,571	\$15,364 / Unit	\$783,571	\$662,159	\$662,159	\$783,571	\$15,364 / Unit	\$768,571	\$0	0.0%	\$0
Financing		\$0	\$840,291	\$18,781 / Unit	\$957,834	\$931,625	\$931,625	\$957,834	\$18,781 / Unit	\$840,291	\$0	0.0%	\$0
Developer Fee		\$0	\$1,417,500	14.58%	13.22%	\$1,417,500	\$1,731,633	\$1,417,500	13.02%	14.58%	\$1,417,500	\$0	\$0
Reserves				6 Months	\$242,670	\$244,640	\$244,640	\$242,670	6 Months			0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$11,141,571	\$252,089 / Unit	\$12,856,547	\$14,153,320	\$14,153,320	\$13,017,346	\$255,242 / Unit	\$11,141,571	\$0	-1.2%	(\$160,799)
Acquisition Cost		\$0			\$0	\$0							
Contingency			\$0		\$0	\$0							
Contractor's Fee			\$0		(\$1)	\$0							
Financing Cost			\$0										
Developer Fee		\$0	\$0			\$0	\$0						
Reserves					\$0	\$0							
ADJUSTED BASIS / COST		\$0	\$11,141,571	\$252,089/unit	\$12,856,546	\$14,047,699	\$14,153,320	\$13,017,346	\$255,242/unit	\$11,141,571	\$0	-1.2%	(\$160,800)
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$12,856,546							

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Athens Trails, Athens, 9% HTC #24215

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$11,141,571	\$0	\$11,141,571
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$11,141,571	\$0	\$11,141,571
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$14,484,042	\$0	\$14,484,042
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$14,484,042	\$0	\$14,484,042
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,303,564	\$0	\$1,303,564
CREDITS ON QUALIFIED BASIS	\$1,303,564		\$1,303,564	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
			Credit Price	Variance to Request	
	Annual Credits	Proceeds	Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,303,564	\$9,515,064	----	----	----
Needed to Fill Gap	\$1,428,502	\$10,427,025	----	----	----
Applicant Request	\$1,262,000	\$9,211,679	\$1,262,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	38,688 SF	\$126.16	4,880,764
Adjustments				
Exterior Wall Finish	2.70%		3.41	\$131,781
Elderly	9.00%		11.35	439,269
9-Ft. Ceilings	3.34%		4.21	162,895
Roof Adjustment(s)			0.00	0
Subfloor			(0.21)	(8,253)
Floor Cover			3.68	142,372
Enclosed Corridors	\$114.81	5,838	17.32	670,243
Balconies	\$39.95	3,315	3.42	132,434
Plumbing Fixtures	\$1,420	0	0.00	0
Rough-ins	\$700	102	1.85	71,400
Built-In Appliances	\$2,280	51	3.01	116,280
Exterior Stairs	\$3,550	4	0.37	14,200
Heating/Cooling			3.12	120,707
Storage Space	\$114.81	0	0.00	0
Carports	\$16.05	0	0.00	0
Garages	\$30.00	0	0.00	0
Common/Support Area	\$130.82	3,752	12.69	490,818
Elevators	\$143,400	1	3.71	143,400
Other:			0.00	0
Fire Sprinklers	\$3.65	48,278	4.55	176,215
SUBTOTAL			198.63	7,684,524
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			198.63	\$7,684,524
Plans, specs, survey, bldg permits	3.30%		(6.55)	(\$253,589)
Contractor's OH & Profit	11.50%		(22.84)	(883,720)
NET BUILDING COSTS			\$128,377/unit	\$169.23/sf
				\$6,547,214

Long-Term Pro Forma

Athens Trails, Athens, 9% HTC #24215

	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%	\$551,537	\$562,568	\$573,819	\$585,295	\$597,001	\$659,138	\$727,741	\$803,485	\$887,112	\$979,444	\$1,081,385	\$0
TOTAL EXPENSES	3.00%	\$288,789	\$297,177	\$305,811	\$314,698	\$323,847	\$373,779	\$431,494	\$498,211	\$575,346	\$664,536	\$767,676	\$0
NET OPERATING INCOME ("NOI")		\$262,748	\$265,391	\$268,008	\$270,597	\$273,155	\$285,358	\$296,247	\$305,274	\$311,766	\$314,908	\$313,709	\$0
EXPENSE/INCOME RATIO		52.4%	52.8%	53.3%	53.8%	54.2%	56.7%	59.3%	62.0%	64.9%	67.8%	71.0%	0.0%
MUST -PAY DEBT SERVICE													
Legacy Bank		\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$0
TOTAL DEBT SERVICE		\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$196,550	\$0
DEBT COVERAGE RATIO		1.34	1.35	1.36	1.38	1.39	1.45	1.51	1.55	1.59	1.60	1.60	0.00
ANNUAL CASH FLOW		\$66,198	\$68,840	\$71,458	\$74,047	\$76,604	\$88,808	\$99,697	\$108,724	\$115,216	\$118,358	\$117,159	\$0
Deferred Developer Fee Balance		\$1,149,149	\$1,080,308	\$1,008,851	\$934,804	\$858,199	\$438,137	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$39,197	\$565,631	\$1,129,892	\$1,716,922	\$2,307,073	\$0

Aug 25th, 2025
Sussette Kenney
Asset Management
TDHCA
P.O. BOX 13941
Austin, TX 78711-3941

Re: HTC 24215 Athens Trails Material Amendment Request

Dear Ms. Kenney,

This letter concerns a material amendment request for HTC 24215 Athens Trails to reduce the total number of units from 57 units to 51 units (with associated architectural changes). This request is due to financing challenges that are out of the Applicant's control.

At the time of the 2024 application submittal, many of the disruptions caused by COVID-19 in the housing industry had begun to stabilize. However, since then, the developer has faced significant and compounding financial challenges, including new increases in construction costs, declining equity pricing, and rising interest rates, all of which have created a budget gap.

One of the primary drivers of increased construction costs has been the uncertainty concerning tariffs on key building materials. Cost increases due to tariffs have had widespread impact across the construction industry. In response, the developer sought competitive bids from multiple contractors to mitigate costs, but even the most favorable estimates were still significantly higher than those available at the time of the original application.

The equity market has changed significantly since the original application. The moment the development was awarded, the developers approached multiple syndicators to find the most competitive equity pricing. Most refused to even bid, citing the new market conditions. After much effort, the developer was able to secure a syndicator LOI with the most favorable equity pricing available, at \$0.73 per tax credit dollar. At the time of the application, the equity pricing was \$0.84. This new equity pricing is a 13.10% decrease from where the equity market was at the time of application.

In conjunction with the decrease in equity pricing, interest rates have risen. At the time of the application, interest rates were 7.22% for the construction loan and 6.75% for the permanent loan. In these new market conditions, the best interest rates the developer was able to find were 7.0% for the construction loan and 7.5% for the permanent loan.

Faced with these new economic conditions, the developer reviewed their options and determined that the only method of resolving the deficit was by decreasing the total number of units. At application 57 units, all low income, was proposed. This amendment requests a reduction of 6 units, for a total of 51 units. This is a 10.53% reduction. We understand that this decrease is more than the 10% that the TDHCA Board has approved in the past; however, the board has approved reductions over 10% in the past when they have been just above the 10% threshold. The developer tried to keep the reduction below 10% but found that a 51 unit building design was significantly more cost effective than a 52 unit building design.

In the original application, 57 units were proposed, a mix of 30 1-bed/1-bath units and 27 2-bed/1-bath units. The new proposed unit mix has 51 units and will be comprised of 24 1-bed/1-bath units and 27 2-bed/1-bath units. The unit sizes will remain the same and the reduction of units has decreased the NRA from 42,582 SF to 38,688 SF, a 9.14 % decrease. The architectural layout and design from the original application has largely stayed the same with the change in number of units impacting the overall size of the development. The common area has decreased from 10,100 SF to 9,540 SF, an 5.54% reduction.

The number of mobility units at application was 3, two 1-bed/1-bath units and one 2-bed/1-bath and the number of HV units was 2, one 1-bed/1-bath units and one 2-bed/1-bath. The number and distribution of HV units have remained the same, but due to the change in the unit mix composition, the proposed changes mean that there will now be one 1-bed/1-bath units and two 2-bed/1-bath mobility units.

At application the income unit mix was 9% for 30% AMI, 21% for 50% AMI and 70% for 60% AMI. The developer attempted to maintain this income unit mix, but to maximize the number of units, the developer had no choice but to increase the number of 60% units. As such the income mix is now 6% for 30% AMI, 16% for 50% AMI and 78% for 60% AMI.

The number of parking spaces has been reduced to correspond with the reduction in the number of units. Total parking is now 96 which meets local requirements. The number of ADA and van parking spots will remain the same.

Please note that although this amendment does result in a decrease in points, the next deal was 18 points below this development. As such if this development had originally applied with this number of points, it would have still been awarded

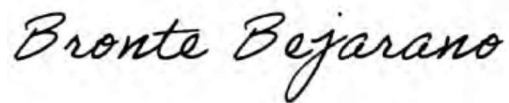
Please see the attached architectural plans and application forms regarding the unit reduction. Financial letters are provided by Legacy Bank who has reviewed this project and upon approval of this amendment and a force majeure request will allow the developer to close almost immediately after the September board meeting. Please also see the attached from Raymond

Jones that elaborates on the need for this amendment and confirms that this development is infeasible without the reduction in units.

Thank you for your attention and consideration of this amendment request. If this amendment is approved, the developer is prepared to close in October 2025 and begin construction shortly thereafter. The good cause for this amendment is to enable this project to move forward and provide much needed affordable units in Athens. This application is also requesting a Credit Return Resulting from Force Majeure Events that has been submitted under separate cover.

Please contact me at 512-689-9409 with any questions.

Sincerely,

A handwritten signature in black ink that reads "Bronte Bejarano". The script is cursive and fluid, with the first letter of each name being capitalized and prominent.

Bronte Bejarano

S Anderson Consulting



July 21, 2025

Ryan Hamilton
Trinity Housing Development Texas, LLC
3556 S. Culpepper, Suite 7
Springfield, MO

**RE: Athens Trails – Request for Unit Count Adjustment and Placed-in-Service Extension
TDHCA #24215**

Dear Mr. Hamilton,

Legacy Bank appreciates the opportunity to work alongside your team on the Athens Trails development. After careful evaluation of the current project assumptions, we want to provide our perspective as the prospective lender regarding two key issues that have emerged: development feasibility and timing constraints related to the placed-in-service (PIS) deadline.

Given today's financial environment, particularly rising construction costs and increasing insurance premiums, the originally proposed unit count and capital structure present challenges to long-term viability. Based on updated projections, we support your consideration of a reduced unit count in order to bring the project within feasible operating and financial parameters.

We also understand that the current closing timeline projects a mid-to-late October 2025 funding date. With a 16-month construction schedule, this would push project completion past the threshold normally required by our underwriting standards, which call for a minimum three-month buffer ahead of the PIS deadline. As it stands, the December 31, 2026 PIS requirement presents a risk of noncompliance.

Accordingly, Legacy Bank supports a formal request to extend the placed-in-service deadline to **December 31, 2027**, under a force majeure or other applicable waiver. We believe this extension is not only reasonable but necessary to allow sufficient time for construction and stabilization without compromising the project's success.

We remain committed to working collaboratively toward a successful closing and look forward to helping bring this important housing development to life.

Sincerely,

A handwritten signature in dark ink, reading "Julie Snodderly", is written over a light blue circular background.

Julie Snodderly
SVP, Director of Originations Affordable Housing

RAYMOND JAMES®

July 20, 2025

Ryan Hamilton
Trinity Housing Development Texas, LLC
3556 S. Culpepper, Suite 7
Springfield, MO

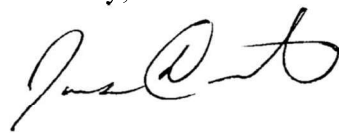
RE: Gatesville Crossing & Athens Trails Unit Count Reduction & Placed In Service Request
TDHCA #24224 & 24215

Dear Mr. Hamilton,

As the proposed syndicator for the abovementioned developments, I need to raise the concerns regarding viability of the underwriting and the Placed In Service date of 12/31/26. After multiple reviews of the underwriting, it has become apparent that the current market conditions do not appear to make these developments viable without an adjustment to the tax credit price. At the time the General Partner submitted these applications, the equity market was noticeably different then where we are today. Based on current market conditions, RJAHI has proposed tax credit pricing of \$0.73 to satisfy current investor return requirements. This adjustment in pricing coupled with the headwinds of the higher construction costs in the development budget and insurance costs in the operating budget make the developments only feasible by reducing the unit count.

Additionally, we plan to diligently work toward a closing with the overall development team, but based on current timing, it seems that a closing date of mid to late October is realistic. It is our typical underwriting guideline to have a 90 day buffer to the construction schedule when compared to the completion date. Given the current construction schedule of 16 months and a closing in mid/late October, we would exceed our underwriting guideline as well as the Placed In Service deadline of 12/31/26. Therefore, please consider this request to grant a force majeure change with a Placed In Service deadline of 12/31/27.

Sincerely,



James Dunton
Managing Director of Acquisitions
Raymond James Affordable Housing Investments, Inc.

Raymond James Affordable Housing Investments
A Subsidiary of Raymond James Financial

880 Carillon Parkway • St. Petersburg, FL 33716
800-438-8088 Toll Free • 727-567-8455 Fax
Visit our Web Site at www.raymondjames/ahi.com

ATHENS TRAILS

ATHENS, HENDERSON COUNTY, TEXAS

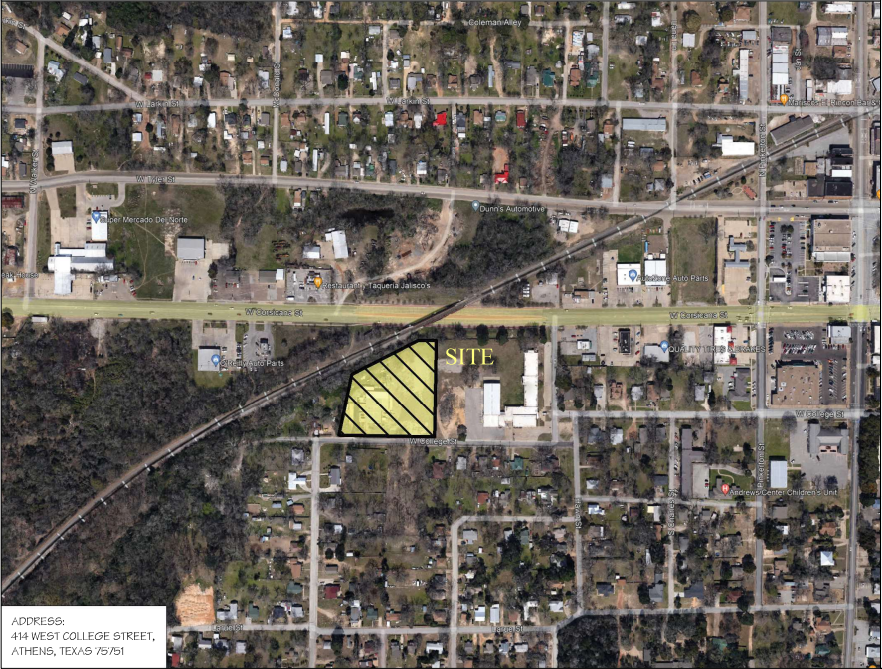
INDEX TO DRAWINGS

- AP0 COVER SHEET
- AP1 ARCHITECTURAL SITE PLAN
- AP2 FIRST FLOOR RESIDENTIAL BUILDING FLOOR PLAN
- AP3 SECOND FLOOR RESIDENTIAL BUILDING FLOOR PLAN
- AP4 THIRD FLOOR RESIDENTIAL BUILDING FLOOR PLAN
- AP5 RESIDENTIAL FHA 1-BR & ADA 1-BR UNIT FLOOR PLANS
- AP6 RESIDENTIAL FHA 2-BR & ADA 2-BR UNIT FLOOR PLANS
- AP7 FIRST FLOOR COMMON AREA FLOOR PLANS
- AP8 SECOND FLOOR COMMON AREA FLOOR PLANS
- AP9 THIRD FLOOR COMMON AREA FLOOR PLANS
- AP10 RESIDENTIAL BUILDING EXTERIOR ELEVATIONS
- AP11 RESIDENTIAL BUILDING EXTERIOR ELEVATIONS
- AP12 SAMPLE RENDERINGS

SAMPLE EXTERIOR RENDERING



PROJECT LOCATION



ADDRESS:
414 WEST COLLEGE STREET,
ATHENS, TEXAS 75751

SEPTEMBER 2025

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ATHENS TRAILS, LP

ATHENS TRAILS
ATHENS, HENDERSON COUNTY, TEXAS
4833

AP0

TABLE 1: UNITS PER FLOOR

UNIT LABEL	NRA PER UNIT TYPE	FLOOR IDENTIFICATION			UNIT TOTALS PER UNIT TYPE
		FIRST FLOOR	SECOND FLOOR	THIRD FLOOR	
		NUMBER OF UNITS PER FLOOR			
FHA 1-BR	649 SF	7	7	8	22
FHA HEARING/VISUAL 1-BR	649 SF	1	-	-	1
ADA 1-BR	649 SF	-	1	-	1
FHA 2-BR	856 SF	8	8	8	24
FHA HEARING/VISUAL 2-BR	856 SF	-	1	-	1
ADA 2-BR	856 SF	1	-	1	2
TOTAL NUMBER OF UNITS PER FLOOR:		17	17	17	51

TABLE 2: REQUIRED ACCESSIBLE UNITS

UNIT TYPE	IN COMPLIANCE WITH	BUILDING LEVEL			TOTAL
		FIRST FLOOR	SECOND FLOOR	THIRD FLOOR	
ADA 1-BR	ADA / MOBILITY	-	1	-	1
FHA / HV 1-BR	HEARING/VISUAL	1	-	-	1
FHA / HV 2-BR	HEARING/VISUAL	-	1	-	1
ADA 2-BR	ADA / MOBILITY	1	-	1	2

MOBILITY UNITS REQUIRED (51 X 5% =2.55)

MOBILITY UNITS PROVIDED = 3

HEARING/VISUAL UNITS REQUIRED (51 X 2% =1.02)

HEARING/VISUAL UNITS PROVIDED = 2

TABLE 3: SQUARE FOOT CALCULATIONS FLOOR

NOTE: SQUARE FOOT CALCULATIONS ARE MEASURED FROM OUT TO OUTSIDE FACE OF STUD TO CENTERLINE OF UNIT PARTITION

AREA TYPE	BUILDING LEVEL IDENTIFICATION			DEV. TOTAL
	FIRST FLOOR	SECOND FLOOR	THIRD FLOOR	
TOTAL NRA	12,896 SF	12,896 SF	12,896 SF	38,688 SF
COMMON AREA - ACCESSIBLE TO TENANTS	3,149 SF	3,199 SF	3,192 SF	9,540 SF
UNIT PORCHES/PATIOS/BALCONIES	1,105 SF	1,105 SF	1,105 SF	3,315 SF
UTILITY CLOSETS - RESTRICTED TO EMPLOYEES	186 SF	45 SF	45 SF	276 SF
EXTERIOR STORAGE	289 SF	289 SF	289 SF	867 SF
TOTAL BUILDING AREA PER FLOOR:	17,625 SF	17,534 SF	17,527 SF	52,686 SF

TABLE 4: PARKING PROVIDED

NOTE: ALL PARKING PROVIDED IS UNCOVERED	
TYPE	QUANTITY
STANDARD	89
STANDARD ACCESSIBLE	5
VAN ACCESSIBLE	2
TOTAL PROVIDED:	
96	
LOCAL PARKING REQUIREMENTS: (1/75) SPACES PER 1-BR UNIT & (2) SPACES PER 2-BR UNIT	
PARKING PROVIDED MEETS ZONING REQUIREMENT	




SITE INFORMATION

LAND AREA:	+/- 2.474 ACRES
EXISTING USE:	VACANT MECHANIC SHOP
CURRENT ZONING:	C
PROPOSED ZONING:	PD (BASE MF-5)
PROPOSED USE:	SENIOR APARTMENTS
DETENTION/RETENTION POND:	SEE SITE PLAN FOR LOCATION
FLOOD PLAIN:	FLOOD ZONE X, NO MITIGATION REQUIRED

UNIT TYPE LEGEND

FHA	=	FAIR HOUSING ACT
ADA	=	AMERICANS WITH DISABILITIES ACT
HV	=	HEARING/VISUAL

SITE LEGEND

	ACCESSIBLE ROUTE (36" MIN. WIDTH, 2% CROSS SLOPE MAX, 5% RUNNING SLOPE MAX.)
	ADA ACCESSIBLE
	HEARING/VISUAL (HV) ACCESSIBLE

WEST COLLEGE STREET

WEST COLLEGE STREET

50 25 0 50
FEET



SEPTEMBER 2025

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ATHENS, HENDERSON COUNTY, TEXAS
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AP1