



May 12, 2026

Christy Moffett
Assistant Secretary
Travis County Housing Finance Corporation
700 Lavaca Street, Suite 1560
Austin, TX 78701

Re: Bluff Springs Apartments (“Development”)

First Housing Development Corporation of Florida (“FHDC” or “First Housing”) has been asked by the Travis County Housing Finance Corporation (“TCHFC”) to analyze the estimated rent reduction as a percentage of estimated Ad Valorem taxes for the Development pursuant to Chapter 394 of the Texas Local Government Code (the “HFC Statue”). First Housing has experience in underwriting affordable residential developments and does not have a financial interest in TCHFC or RPM Living (“RPM” or “Developer”), or any investors in connection with the Development. This report was created and intended to be used by TCHFC and its Board of Directors.

On behalf of TCHFC, First Housing has performed certain due diligence and formulated a recommendation and closing conditions, which are contained at the end of this report. For the purposes of this analysis, First Housing has reviewed the following:

1. Appraisal Report, dated January 30, 2026, prepared by CBRE, Inc.
2. Developer model.

Background

DEVELOPMENT & SET-ASIDES

Development Name: Bluff Springs Apartments

Address: 7333 Bluff Springs Road

City: Austin Zip Code: 78744 County: Travis

Development Category: New Construction Development Type: Garden Apartments

Demographic Commitment:
Primary: Family for 100% of the Units

Buildings: Residential - 3 Non-Residential - 1

Set Asides:

% of Units	# of Units	% AMI
<u>50.000%</u>	<u>144</u>	<u>60%</u>
<u>40.000%</u>	<u>115</u>	<u>120%</u>

Site Acreage: 10.690 Density: 26.8475

Zoning: MF-3

Flood Zone Designation: X

Flood Insurance Required?: No

The rents charged will not exceed 30% of the applicable AMI of a qualifying resident.

There will be an enforceable rent restriction in the regulatory agreement that will require at least a 20% discount to market rents on the 60% AMI units.

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	HUD FMR Rent	Restricted Rent	Utility Allow.	Net Restricted Rents	Mandatory Fees	Applicant Rents	Market Rents	CU Rents	Annual Rental Income
1	1.0	37	675	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,255	\$1,500	\$1,200	532,800
1	1.0	3	680	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,260	\$1,500	\$1,200	43,200
1	1.0	28	681	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,260	\$1,500	\$1,200	403,200
1	1.0	10	692	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,275	\$1,525	\$1,220	146,400
1	1.0	6	693	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,275	\$1,525	\$1,220	87,840
1	1.0	1	695	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,290	\$1,525	\$1,220	14,640
1	1.0	5	699	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,295	\$1,550	\$1,240	74,400
1	1.0	3	883	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,325	\$1,725	\$1,380	49,680
1	1.0	3	963	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,375	\$1,725	\$1,380	49,680
1	1.0	6	981	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,400	\$1,725	\$1,380	99,360
1	1.0	1	1006	60%	\$1,650	\$1,606	\$0	\$1,606	\$0	\$1,417	\$1,850	\$1,480	17,760
1	1.0	38	675	120%	\$1,650	\$3,213	\$0	\$3,213	\$0	\$1,575	\$1,500	\$1,500	684,000
1	1.0	3	680	120%	\$1,650	\$3,213	\$0	\$3,213	\$0	\$1,600	\$1,500	\$1,500	54,000
1	1.0	22	681	120%	\$1,650	\$3,213	\$0	\$3,213	\$0	\$1,610	\$1,500	\$1,500	396,000
1	1.0	6	693	120%	\$1,650	\$3,213	\$0	\$3,213	\$0	\$1,625	\$1,525	\$1,525	109,800
1	1.0	4	699	120%	\$1,650	\$3,213	\$0	\$3,213	\$0	\$1,675	\$1,550	\$1,550	74,400
1	1.0	3	883	120%	\$1,650	\$3,213	\$0	\$3,213	\$0	\$1,725	\$1,725	\$1,725	62,100
1	1.0	6	981	120%	\$1,650	\$3,213	\$0	\$3,213	\$0	\$1,825	\$1,725	\$1,725	124,200
1	1.0	1	1006	120%	\$1,650	\$3,213	\$0	\$3,213	\$0	\$1,875	\$1,850	\$1,850	22,200
1	1.0	1	675	Mkt					\$0	\$1,575	\$1,500	\$1,500	18,000
1	1.0	3	681	Mkt					\$0	\$1,610	\$1,500	\$1,500	54,000
1	1.0	10	692	Mkt					\$0	\$1,625	\$1,525	\$1,525	183,000
1	1.0	1	695	Mkt					\$0	\$1,650	\$1,525	\$1,525	18,300
1	1.0	1	699	Mkt					\$0	\$1,675	\$1,550	\$1,550	18,600
1	1.0	4	963	Mkt					\$0	\$1,795	\$1,725	\$1,725	82,800
2	2.0	14	1147	60%	\$1,949	\$1,807	\$0	\$1,807	\$0	\$1,701	\$2,000	\$1,600	268,800
2	2.0	4	1202	60%	\$1,949	\$1,807	\$0	\$1,807	\$0	\$1,701	\$2,050	\$1,640	78,720
2	2.0	8	1227	60%	\$1,949	\$1,807	\$0	\$1,807	\$0	\$1,701	\$2,100	\$1,680	161,280
2	2.0	14	1298	60%	\$1,949	\$1,807	\$0	\$1,807	\$0	\$1,701	\$2,150	\$1,720	288,960
2	2.0	1	1346	60%	\$1,949	\$1,807	\$0	\$1,807	\$0	\$1,701	\$2,200	\$1,760	21,120
2	2.0	12	1147	120%	\$1,949	\$3,615	\$0	\$3,615	\$0	\$2,000	\$2,000	\$2,000	288,000
2	2.0	4	1202	120%	\$1,949	\$3,615	\$0	\$3,615	\$0	\$2,050	\$2,050	\$2,050	98,400
2	2.0	8	1227	120%	\$1,949	\$3,615	\$0	\$3,615	\$0	\$2,100	\$2,100	\$2,100	201,600
2	2.0	6	1298	120%	\$1,949	\$3,615	\$0	\$3,615	\$0	\$2,150	\$2,150	\$2,150	154,800
2	2.0	1	1302	120%	\$1,949	\$3,615	\$0	\$3,615	\$0	\$2,175	\$2,175	\$2,175	26,100
2	2.0	1	1346	120%	\$1,949	\$3,615	\$0	\$3,615	\$0	\$2,200	\$2,200	\$2,200	26,400
2	2.0	8	1298	Mkt					\$0	\$2,150	\$2,150	\$2,150	206,400
		287	217,034										5,240,940

Note that the Rent for the 60% AMI units is based on the lesser of the Restricted Rent and a 20% discount to Market Rent. The rents for the 120% AMI and market units are based on the Market Rent.

First Housing has shown the HUD FMR rents as any HUD Vouchers would be limited to that amount.

The reader is cautioned to refer to all sections of the report for complete information.

Prepared by:



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Market Study Analysis

The Development will be located at 7333 Bluff Springs Road in Austin, Texas which is located within Travis County. The Development is in the Austin-Round Rock-San Marcos, TX Metropolitan Statistical Area. The parcel numbers associated with the property are 555563 and 555994. The community amenities will include a leasing office/clubhouse, a fitness center, resort pool, barbeque areas/grilling stations, playground, dog park, package lockers, business center, access gates, and carpools.



Source: Appraisal Report, dated January 30, 2026, prepared by CBRE, Inc.

Market Rent Conclusions

When determining an appropriate range of market rents for this Development, the appraisal report provider has taken in consideration several properties with similar condition, appeal, amenities, location, unit size/type offering.

The following table reflects the properties that will be used as comparable estimates.

No.	Property Name	Location	YOC / Reno'd	Occ.	No. Units	Avg. Rent Per Unit	Avg. Rent PSF
1	Cortland Bluff Springs	7330 Bluff Springs Rd Austin, TX 78744	2016	89%	346	\$1,420	\$1.39
2	Strata	8340 Bluff Springs Rd Austin, TX 78744	2024	55%	322	\$1,556	\$1.98
3	The Bennett	7301 S IH-35 SVRD NB Austin, TX 78744	2023	94%	267	\$1,499	\$1.84
4	Wilder	8350 Bluff Springs Road Austin, TX 78744	2020	95%	381	\$1,380	\$1.72
5	The Prescott	8200 S Congress Austin, TX 78745	2023	92%	348	\$1,549	\$1.79
6	Lenox Soco	135 Foremost Drive Austin, TX 78745	2020	90%	300	\$1,526	\$1.80
7	Cala Apartments	211 Ralph Ablanado Drive Austin, TX 78748	2025	69%	404	\$1,563	\$1.89

Source: Appraisal Report, dated January 30, 2026, prepared by CBRE, Inc.

The tables on the following pages reflect a further breakdown of market rents for the Development and comparable properties for one bedroom and two bedroom units.

Comparable	Plan Type	Size (SF)	Rental Rates	
			\$/Mo.	\$/SF
Cortland Bluff Springs	1BR/1BA	850 SF	\$1,292	\$1.52
Cortland Bluff Springs	1BR/1BA	750 SF	\$1,183	\$1.58
Wilder	1BR/1BA	892 SF	\$1,478	\$1.66
Cala Apartments	1BR/1BA	968 SF	\$1,625	\$1.68
The Prescott	1BR/1BA	701 SF	\$1,195	\$1.70
The Prescott	1BR/1BA	870 SF	\$1,499	\$1.72
Lenox Soco	1BR/1BA/Study	883 SF	\$1,549	\$1.75
Lenox Soco	1BR/1BA/Study	880 SF	\$1,549	\$1.76
Wilder	1BR/1BA	809 SF	\$1,434	\$1.77
Lenox Soco	1BR/1BA	815 SF	\$1,452	\$1.78
Lenox Soco	1BR/1BA	770 SF	\$1,382	\$1.79
The Prescott	1BR/1BA	720 SF	\$1,291	\$1.79
The Bennett	1BR/1BA	800 SF	\$1,436	\$1.80
Lenox Soco	1BR/1BA	708 SF	\$1,286	\$1.82
Lenox Soco	1BR/1BA	1,053 SF	\$1,925	\$1.83
Cala Apartments	1BR/1BA	875 SF	\$1,610	\$1.84
Subject (Avg. Quoted)	1BR/1BA	1,006 SF	\$1,850	\$1.84
Subject (Concluded Mkt.)	1BR/1BA	1,006 SF	\$1,850	\$1.84
Lenox Soco	1BR/1BA	847 SF	\$1,579	\$1.86
Subject (Avg. Quoted)	1BR/1BA	963 SF	\$1,795	\$1.86
Subject (Avg. Quoted)	1BR/1BA	981 SF	\$1,825	\$1.86
Subject (Concluded Mkt.)	1BR/1BA	963 SF	\$1,795	\$1.86
Subject (Concluded Mkt.)	1BR/1BA	981 SF	\$1,825	\$1.86
Cala Apartments	1BR/1BA	773 SF	\$1,447	\$1.87
Cala Apartments	1BR/1BA	809 SF	\$1,511	\$1.87
Strata	1BR-1BA	727 SF	\$1,360	\$1.87
Cala Apartments	1BR/1BA	870 SF	\$1,635	\$1.88
The Bennett	1BR/1BA	763 SF	\$1,446	\$1.90
Wilder	1BR/1BA	640 SF	\$1,214	\$1.90
Wilder	1BR/1BA	724 SF	\$1,373	\$1.90
Cala Apartments	1BR/1BA	776 SF	\$1,479	\$1.91
Lenox Soco	1BR/1BA	946 SF	\$1,824	\$1.93
The Prescott	1BR/1BA	762 SF	\$1,481	\$1.94
Cala Apartments	1BR/1BA	791 SF	\$1,553	\$1.96
Strata	1BR-1BA	1,000 SF	\$1,965	\$1.97
Cala Apartments	1BR/1BA	714 SF	\$1,448	\$2.03
The Bennett	1BR/1BA	652 SF	\$1,324	\$2.03
Lenox Soco	1BR/1BA	639 SF	\$1,301	\$2.04
Subject (Avg. Quoted)	1BR/1BA	846 SF	\$1,725	\$2.04
Subject (Concluded Mkt.)	1BR/1BA	846 SF	\$1,725	\$2.04
Wilder	1BR/1BA	654 SF	\$1,334	\$2.04
Strata	1BR-1BA	786 SF	\$1,610	\$2.05
Lenox Soco	1BR/1BA	590 SF	\$1,222	\$2.07
Strata	1BR-1BA	722 SF	\$1,492	\$2.07
Lenox Soco	1BR/1BA	694 SF	\$1,451	\$2.09
Strata	1BR-1BA	745 SF	\$1,575	\$2.11
Lenox Soco	1BR/1BA	698 SF	\$1,499	\$2.15
Subject (Concluded Mkt.)	1BR/1BA	681 SF	\$1,500	\$2.20
Subject (Concluded Mkt.)	1BR/1BA	692 SF	\$1,525	\$2.20
Subject (Concluded Mkt.)	1BR/1BA	693 SF	\$1,525	\$2.20
Lenox Soco	1BR/1BA	655 SF	\$1,451	\$2.22
Subject (Concluded Mkt.)	1BR/1BA	675 SF	\$1,500	\$2.22
Subject (Concluded Mkt.)	1BR/1BA	699 SF	\$1,550	\$2.22
Cala Apartments	1BR/1BA	633 SF	\$1,418	\$2.24
Subject (Avg. Quoted)	1BR/1BA	675 SF	\$1,575	\$2.33
Subject (Avg. Quoted)	1BR/1BA	693 SF	\$1,625	\$2.34
Subject (Avg. Quoted)	1BR/1BA	681 SF	\$1,600	\$2.35
Subject (Avg. Quoted)	1BR/1BA	692 SF	\$1,625	\$2.35
Subject (Avg. Quoted)	1BR/1BA	699 SF	\$1,650	\$2.36

Comparable	Plan Type	Size (SF)	Rental Rates	
			\$/Mo.	\$/SF
Cortland Bluff Springs	2BR/2BA	1,200 SF	\$1,530	\$1.28
Cortland Bluff Springs	2BR/2BA	1,100 SF	\$1,454	\$1.32
Wilder	2BR/2BA	1,069 SF	\$1,472	\$1.38
Wilder	2BR/2BA	1,185 SF	\$1,639	\$1.38
Wilder	2BR/2BA	1,198 SF	\$1,706	\$1.42
Lenox Soco	2BR/1.5BA	1,445 SF	\$2,105	\$1.46
Wilder	2BR/2BA	1,084 SF	\$1,615	\$1.49
Wilder	2BR/2BA	1,130 SF	\$1,697	\$1.50
Lenox Soco	2BR/2BA	1,228 SF	\$1,881	\$1.53
The Bennett	2BR/2BA	1,401 SF	\$2,139	\$1.53
Lenox Soco	2BR/1.5BA	1,454 SF	\$2,299	\$1.58
Lenox Soco	2BR/2BA	1,208 SF	\$1,931	\$1.60
Lenox Soco	2BR/2BA	1,149 SF	\$1,867	\$1.62
The Bennett	2BR/2BA	1,143 SF	\$1,847	\$1.62
Subject (Avg. Quoted)	2BR/2BA	1,346 SF	\$2,200	\$1.63
Subject (Concluded Mkt.)	2BR/2BA	1,346 SF	\$2,200	\$1.63
Lenox Soco	2BR/2BA	1,095 SF	\$1,799	\$1.64
Lenox Soco	2BR/2BA	1,247 SF	\$2,057	\$1.65
Subject (Avg. Quoted)	2BR/2BA	1,298 SF	\$2,150	\$1.66
Subject (Concluded Mkt.)	2BR/2BA	1,298 SF	\$2,150	\$1.66
Cala Apartments	2BR/2BA	1,237 SF	\$2,065	\$1.67
Subject (Avg. Quoted)	2BR/2BA	1,302 SF	\$2,175	\$1.67
Subject (Concluded Mkt.)	2BR/2BA	1,302 SF	\$2,175	\$1.67
Cala Apartments	2BR/2BA	1,139 SF	\$1,910	\$1.68
Lenox Soco	2BR/2BA	1,037 SF	\$1,755	\$1.69
Strata	2BR-2BA	1,177 SF	\$2,000	\$1.70
The Prescott	2BR/2BA	1,080 SF	\$1,840	\$1.70
The Prescott	2BR/2BA	1,132 SF	\$1,922	\$1.70
Subject (Avg. Quoted)	2BR/2BA	1,202 SF	\$2,050	\$1.71
Subject (Avg. Quoted)	2BR/2BA	1,227 SF	\$2,100	\$1.71
Subject (Concluded Mkt.)	2BR/2BA	1,202 SF	\$2,050	\$1.71
Subject (Concluded Mkt.)	2BR/2BA	1,227 SF	\$2,100	\$1.71
The Bennett	2BR/2BA	1,100 SF	\$1,882	\$1.71
Subject (Avg. Quoted)	2BR/2BA	1,147 SF	\$2,000	\$1.74
Subject (Concluded Mkt.)	2BR/2BA	1,147 SF	\$2,000	\$1.74
The Bennett	2BR/2BA	1,089 SF	\$1,900	\$1.74
Cala Apartments	2BR/2BA	1,064 SF	\$1,920	\$1.80
Lenox Soco	2BR/2BA	980 SF	\$1,774	\$1.81
Strata	2BR-2BA	1,082 SF	\$1,965	\$1.82
Strata	2BR-2BA	1,119 SF	\$2,109	\$1.88
Strata	2BR-2BA	1,235 SF	\$2,365	\$1.91
The Prescott	2BR/2BA	1,040 SF	\$2,198	\$2.11

In summary, the achievable market rents for each unit type are shown below:

Bed Rooms	Bath Rooms	Units	Square Feet	Market Rent	Annual Market Rental Income
1	1.0	76	675	\$1,500	\$1,368,000
1	1.0	6	680	\$1,500	\$108,000
1	1.0	53	681	\$1,500	\$954,000
1	1.0	20	692	\$1,525	\$366,000
1	1.0	12	693	\$1,525	\$219,600
1	1.0	2	695	\$1,525	\$36,600
1	1.0	10	699	\$1,550	\$186,000
1	1.0	6	883	\$1,725	\$124,200
1	1.0	7	963	\$1,725	\$144,900
1	1.0	12	981	\$1,725	\$248,400
1	1.0	2	1006	\$1,850	\$44,400
2	2.0	26	1147	\$2,000	\$624,000
2	2.0	8	1202	\$2,050	\$196,800
2	2.0	16	1227	\$2,100	\$403,200
2	2.0	28	1298	\$2,150	\$722,400
2	2.0	1	1302	\$2,175	\$26,100
2	2.0	2	1346	\$2,200	\$52,800
		287	247,240		\$5,825,400

Restricted Rent Conclusions

The Development will have to comply with the set-asides shown in the Background section of this report. The income and rent restrictions associated with these set-asides are shown below:

Program and Location Information

Affordable Housing Program	Other Federal, State, or Local Program
Year	2025 (On or after 04-01-2025)
State	TX
County	Travis County
MSA	Austin-Round Rock-San Marcos, TX MSA
Rent Calculation Based on	Vii
Persons/Bedroom	1 Person/Bedroom
4 Person AMI	\$133,800
HUD Published 50% National Non-Metropolitan Median Income	\$41,150
Placed in Service Date	2025 (On or after 04-01-2025)
Rent Floor Election	2025 (On or after 04-01-2025)

Income Limits for 2025

Persons	60%	120%
1 Persons	\$56,220	\$112,440
2 Persons	\$64,260	\$128,520
3 Persons	\$72,300	\$144,600
4 Persons	\$80,280	\$160,560
5 Persons	\$86,760	\$173,520
6 Persons	\$93,180	\$186,360
7 Persons	\$99,600	\$199,200
8 Persons	\$106,020	\$212,040
9 Persons	\$112,380	\$224,760
10 Persons	\$118,800	\$237,600
11 Persons	\$125,220	\$250,440
12 Persons	\$131,640	\$263,280

Rent Limits for 2025

Bedrooms (People)	60%	120%	FMR
1 Bedroom (2)	\$1,606	\$3,213	\$1,650
2 Bedrooms (3)	\$1,807	\$3,615	\$1,949

Source: Novogradac Rent and Income Limit Calculator

First Housing has based the achievable restricted rents on the lesser of 20% discount to market rent for the 60% AMI units, market rents for the 120% AMI and market units or the maximum restricted rent allowable. The achievable restricted rents for each unit are shown below:

Bed Rooms	Bath Rooms	Units	Square Feet	Restricted Rent	Annual Restricted Rental Income
1	1.0	37	675	\$1,200	\$532,800
1	1.0	39	675	\$1,500	\$702,000
1	1.0	3	680	\$1,200	\$43,200
1	1.0	3	680	\$1,500	\$54,000
1	1.0	28	681	\$1,200	\$403,200
1	1.0	25	681	\$1,500	\$450,000
1	1.0	10	692	\$1,220	\$146,400
1	1.0	10	692	\$1,525	\$183,000
1	1.0	6	693	\$1,220	\$87,840
1	1.0	6	693	\$1,525	\$109,800
1	1.0	1	695	\$1,220	\$14,640
1	1.0	1	695	\$1,525	\$18,300
1	1.0	5	699	\$1,240	\$74,400
1	1.0	5	699	\$1,550	\$93,000
1	1.0	3	883	\$1,380	\$49,680
1	1.0	3	883	\$1,725	\$62,100
1	1.0	3	963	\$1,380	\$49,680
1	1.0	4	963	\$1,725	\$82,800
1	1.0	6	981	\$1,380	\$99,360
1	1.0	6	981	\$1,725	\$124,200
1	1.0	1	1006	\$1,480	\$17,760
1	1.0	1	1006	\$1,850	\$22,200
2	2.0	14	1147	\$1,600	\$268,800
2	2.0	12	1147	\$2,000	\$288,000
2	2.0	4	1202	\$1,640	\$78,720
2	2.0	4	1202	\$2,050	\$98,400
2	2.0	8	1227	\$1,680	\$161,280
2	2.0	8	1227	\$2,100	\$201,600
2	2.0	14	1298	\$1,720	\$288,960
2	2.0	14	1298	\$2,150	\$361,200
2	2.0	1	1302	\$2,175	\$26,100
2	2.0	1	1346	\$1,760	\$21,120
2	2.0	1	1346	\$2,200	\$26,400
		287			\$5,240,940

Additional Fees

The Developer has confirmed that there will be no mandatory fees in addition to the base rent. The resident may have optional fees for pet rent and parking if they choose to participate in these additional services/amenities offered by the Development.

Rent Reduction

First Housing has assumed a 2% growth in rental income in both the market rent and restricted rent scenarios. The rent reduction over a 15-year period is projected below:

Rent Reduction - Market vs. Restricted				
		Market Rent	Restricted Rent	Rent Reduction
2028	Completion	\$5,825,400	\$5,240,940	\$146,115
2029	Stablization	\$5,941,908	\$5,345,759	\$596,149
2030	1	\$6,060,746	\$5,452,674	\$608,072
2031	2	\$6,181,961	\$5,561,727	\$620,234
2032	3	\$6,305,600	\$5,672,962	\$632,638
2033	4	\$6,431,712	\$5,786,421	\$645,291
2034	5	\$6,560,347	\$5,902,150	\$658,197
2035	6	\$6,691,553	\$6,020,193	\$671,361
2036	7	\$6,825,385	\$6,140,597	\$684,788
2037	8	\$6,961,892	\$6,263,408	\$698,484
2038	9	\$7,101,130	\$6,388,677	\$712,453
2039	10	\$7,243,153	\$6,516,450	\$726,703
2040	11	\$7,388,016	\$6,646,779	\$741,237
2041	12	\$7,535,776	\$6,779,715	\$756,061
2042	13	\$7,686,492	\$6,915,309	\$771,183
2043	14	\$7,840,221	\$7,053,615	\$786,606
2044	15	\$7,997,026	\$7,194,688	\$802,338
2045	16	\$8,156,966	\$7,338,581	\$818,385
2046	17	\$8,320,106	\$7,485,353	\$834,753
15 Year Total Rent Reduction				\$12,911,048

*Since the Development will be in lease-up, First Housing has estimated 25%

Stabilized Value and Real Estate Tax Assessment

In order to estimate the assessed value of the Development, First Housing assumed 85% of the direct and indirect costs of the Development. As provided by the Developer, the total direct and indirect costs of the Development equated to \$63,849,633 which would result to an estimated assessed value of \$54,272,188 at Stabilization (“Stabilized Value”). Using a tax rate of 2.046485%, this results in an estimated tax bill at Stabilization to be \$1,110,672 (“Stabilized Tax Bill”). First Housing expects the Development to be stabilized in 2028.

First Housing has compared this estimation with the assessed value of the market rate comparables to ensure it is within range. See the below chart for comparison:

Market Comparables- Tax Assessment							
Property Name	Address	Total Units	Year Built	2025 Taxable Value	AV/Unit	2025 Estimated Taxes	2025 Taxes/Unit
Cortland Bluff Springs	7330 Bluff Springs Rd	346	2016	\$58,950,000	\$170,376	\$1,206,403	\$3,487
Wilder	8350 Bluff Springs Road	381	2020	\$78,560,000	\$206,194	\$1,353,171	\$3,552
The Prescott	8200 S Congress	348	2023	\$68,120,000	\$195,747	\$1,394,066	\$4,006
Lenox Soco	135 Foremost Drive	300	2020	\$62,070,000	\$206,900	\$1,270,253	\$4,234
Cala Apartments	211 Ralph Ablanedo Drive	404	2025	\$68,322,920	\$169,116	\$1,398,218	\$3,461
Bluff Springs Apartments	7333 Bluff Springs Road	287	2028	\$54,272,188	\$189,102	\$1,110,672	\$3,870

It is anticipated that the Development will qualify for an ad valorem tax exemption under the HFC Statute for a multifamily residential development owned by a housing finance corporation. First Housing has projected the estimated abated Ad Valorem Taxes below for the 15 year period:

Estimated Ad Valorem Taxes								
		Austin ISD	City of Austin	Travis County	Travis Central Health	ACC (Travis)	Total	Notes
2026	Construction	\$7,084	\$4,311	\$3,276	\$979	\$931	\$16,581	*based on estimated 2025
2027	Construction	\$118,626	\$72,198	\$54,854	\$16,396	\$15,595	\$277,668	*based on 25% of the stabilized taxes
2028	Completion	\$355,877	\$216,595	\$164,561	\$49,187	\$46,785	\$833,004	*based on 75% of the stabilized taxes
2029	Stabilization	\$474,502	\$288,793	\$219,414	\$65,582	\$62,380	\$1,110,672	*based on estimated stabilized taxes
2030	1	\$486,365	\$296,013	\$224,900	\$67,222	\$63,940	\$1,138,439	2.5% increase of the previous year
2031	2	\$498,524	\$303,413	\$230,522	\$68,902	\$65,538	\$1,166,900	2.5% increase of the previous year
2032	3	\$510,987	\$310,999	\$236,285	\$70,625	\$67,177	\$1,196,072	2.5% increase of the previous year
2033	4	\$523,762	\$318,774	\$242,192	\$72,390	\$68,856	\$1,225,974	2.5% increase of the previous year
2034	5	\$536,856	\$326,743	\$248,247	\$74,200	\$70,578	\$1,256,624	2.5% increase of the previous year
2035	6	\$550,277	\$334,912	\$254,453	\$76,055	\$72,342	\$1,288,039	2.5% increase of the previous year
2036	7	\$564,034	\$343,284	\$260,815	\$77,957	\$74,151	\$1,320,240	2.5% increase of the previous year
2037	8	\$578,135	\$351,867	\$267,335	\$79,906	\$76,004	\$1,353,246	2.5% increase of the previous year
2038	9	\$592,588	\$360,663	\$274,018	\$81,903	\$77,904	\$1,387,077	2.5% increase of the previous year
2039	10	\$607,403	\$369,680	\$280,869	\$83,951	\$79,852	\$1,421,754	2.5% increase of the previous year
2040	11	\$622,588	\$378,922	\$287,891	\$86,050	\$81,848	\$1,457,298	2.5% increase of the previous year
2041	12	\$638,153	\$388,395	\$295,088	\$88,201	\$83,895	\$1,493,731	2.5% increase of the previous year
2042	13	\$654,106	\$398,105	\$302,465	\$90,406	\$85,992	\$1,531,074	2.5% increase of the previous year
2043	14	\$670,459	\$408,057	\$310,027	\$92,666	\$88,142	\$1,569,351	2.5% increase of the previous year
2044	15	\$687,221	\$418,259	\$317,777	\$94,983	\$90,345	\$1,608,584	2.5% increase of the previous year
Total		\$9,551,834	\$5,813,473	\$4,416,859	\$1,320,185	\$1,255,730		

Estimated Rent Reduction vs. Estimated Abated Ad Valorem Real Estate Taxes

		Estimated Abated Taxes	Estimated Rent Reduction	Rent Reduction as a % of Est. Abated Taxes
2028	Completion	\$833,004	\$146,115	18%
2029	Stablization	\$1,110,672	\$596,149	54%
2030	1	\$1,138,439	\$608,072	53%
2031	2	\$1,166,900	\$620,234	53%
2032	3	\$1,196,072	\$632,638	53%
2033	4	\$1,225,974	\$645,291	53%
2034	5	\$1,256,624	\$658,197	52%
2035	6	\$1,288,039	\$671,361	52%
2036	7	\$1,320,240	\$684,788	52%
2037	8	\$1,353,246	\$698,484	52%
2038	9	\$1,387,077	\$712,453	51%
2039	10	\$1,421,754	\$726,703	51%
2040	11	\$1,457,298	\$741,237	51%
2041	12	\$1,493,731	\$756,061	51%
2042	13	\$1,531,074	\$771,183	50%
2043	14	\$1,569,351	\$786,606	50%
2044	15	\$1,608,584	\$802,338	50%
Total		\$22,358,081	\$12,911,048	

Summary

The Development must meet the following criteria in order to qualify for an ad valorem tax exemption under the HFC Statute for a multifamily residential development owned by a housing finance corporation:

- The rent reduction at the development in the preceding year was not less than 50% of the amount of the estimated ad valorem taxes if there was not an abatement.
 - In order to achieve a rent reduction of at least 50% of the abated ad valorem taxes, First Housing is projecting that a 20% discount to market on the 60% AMI units will need to be charged. If maximum 60% AMI rents are charged, then the Development does not achieve a rent reduction of at least 50% of the abated ad valorem taxes based on the market rate rents in the Appraisal Report.
 - It is First Housing's understanding that property's projected rents, which were used in this report, will be monitored on an annual basis as part of the compliance reviews/audits required under the Bill.
- At least 10% of the units in the development are reserved for 60% AMI or below and at least 40% of the units in the development are reserved for 80% AMI or below.
 - The Developer has confirmed this will be met.
- The income-restricted units have the same unit finishes and equipment and access to community amenities and programs as market rate units.
 - The Developer has confirmed this will be met.
- The restricted units are disbursed across the unit mix on a pro rata basis.
 - First Housing has disbursed the restricted units pro rata throughout the unit mix.
- The monthly rent does not exceed 30% of the applicable AMI of the qualifying resident.
 - The Developer has confirmed this will be met.
- The Development does not receive low-income housing tax credits.
 - The Developer has confirmed this will be met.

*Please refer to the HFC Statute and regulations promulgated by the Texas Department of Housing and Community Affairs for other requirements, including project location, the housing choice voucher program, tenant lease protections and annual audit requirements.