City of Dallas Public Facility Corporation

Oakhouse at Colorado
Cost of Issuance/Property Tax Abatement Analysis
Draft as of 3/22/2022

Total Cost:
$48,230,230

		Lease Payment Structure
Structuring Fee	$	300,000.00
Annual Lease Payment 15 years shown ($185k + 2% years 2-10 then + CPI years 11-75)		2,715,861.33
General Partner - GP (Sales Commission $400k at first sale)		400,000.00
General Partner - GP (1% at subsequent sale)		
Total GP Partnership Related Revenues	$	3,415,861.33

15 year Rent Subsidy Estimate	**$7,575,120.00**
Rents Subsidy + General Partner Revenues	**$10,990,981.33**

Estimate of Taxes Abated	**$18,930,854.31**
Mil Rate	**2.637991%**
Cap Rate	**6.50%**
20% of Estimate of Taxes Abated	**$3,786,170.86**

Footnote:
a.

Total Cash Flow based off of "Part IV Question 4 - Oakhouse - Mintwood Scenario Comparison - 15 yr - 12.29" numbers =	2,326,619.80
Partnership Expenses =	2,715,861.33
Deferred Developer Fee + Interest =	-
Cash Flow Est. to the ILP, GP & SLP =	(389,241.53)
Cash Flow Est. to the ILP ~ 10% =	(38,924.15)
Cash Flow Est. to the GP & SLP ~ 90% =	(350,317.38)

15 Year Pro Forma with Property Taxes

Proforma																	
Year		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**Total**
Effective Gross Income from Operations		$ -	$ 550,477	$ 3,841,320	$ 4,208,349	$ 4,334,600	$ 4,464,638	$ 4,598,577	$ 4,736,534	$ 4,878,630	$ 5,024,989	$ 5,175,739	$ 5,331,011	$ 5,490,941	$ 5,655,669	$ 5,825,339	**64,116,813**
																	-
Operating Expenses		$ 275,000	$ 396,516	$ 1,178,150	$ 1,282,932	$ 1,320,480	$ 1,359,130	$ 1,398,916	$ 1,439,871	$ 1,482,029	$ 1,525,426	$ 1,570,098	$ 1,616,083	$ 1,663,419	$ 1,712,148	$ 1,596,439	**19,816,635**
Estimated Property Taxes (2.637991% MIL Rate)		-	44,446	768,814	844,521	870,128	896,510	923,691	951,694	980,544	1,010,268	1,040,891	1,072,440	1,104,944	1,138,431	1,220,816	**12,868,137**
Operating Expenses With Taxes		275,000	440,962	1,946,965	2,127,453	2,190,608	2,255,640	2,322,606	2,391,564	2,462,573	2,535,693	2,610,988	2,688,523	2,768,363	2,850,579	2,817,254	**32,684,772**
Total Developer's Estimated Debt Service		$ -	$ -	$ -	$ 1,701,432	$ 1,692,946	$ 1,683,869	$ 1,674,168	$ 1,663,809	$ 1,652,756	$ 1,640,973	$ 1,628,423	$ 1,615,068	$ 1,600,871	$ 1,585,795	$ 23,833,447	**41,973,558**
Net Operating Income		$ (275,000)	$ 109,515	$ 1,894,356	$ 2,080,896	$ 2,143,992	$ 2,208,997	$ 2,275,970	$ 2,344,970	$ 2,416,057	$ 2,489,296	$ 2,564,750	$ 2,642,488	$ 2,722,578	$ 2,805,090	$ 3,008,085	$ 31,432,041
Additional Income Needed to Achieve 1.15 DCR				$ (1,894,355.73)	$ (124,249.22)	$ (197,104.49)	$ (272,548.12)	$ (350,676.49)	$ (431,588.86)	$ (515,387.31)	$ (602,176.63)	$ (692,064.22)	$ (785,159.96)	$ (881,576.03)	$ (981,426.68)	$ 24,400,379.45	$ 16,672,066
DCR					1.22	1.27	1.31	1.36	1.41	1.46	1.52	1.57	1.64	1.70	1.77	0.13	
CF Avaliable for Waterfall after Hard Debt		(275,000)	109,515	1,894,356	379,464	451,046	525,128	601,802	681,160	763,301	848,323	936,328	1,027,420	1,121,707	1,219,296	(20,825,362)	**(10,541,517)**
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Expenses Total		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Developer Fee Total	**1,477,804.00**																
Deferred Developer Fee Interest	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Developer Fee Remaining	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Deferred Developer Fee Payment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual Cash Flow		(275,000)	109,515	1,894,356	379,464	451,046	525,128	601,802	681,160	763,301	848,323	936,328	1,027,420	1,121,707	1,219,296	(20,825,362)	**(10,541,517)**
Cumalative Net Cash Flow		(275,000)	(165,485)	1,728,871	2,108,335	2,559,381	3,084,510	3,686,312	4,367,472	5,130,773	5,979,095	6,915,423	7,942,843	9,064,550	10,283,845	(10,541,517)	

Property Tax Abatement Analysis

Total Cost	48,230,230	
NOI/TC	0.924216566	(assumed Cap)
Mil Rate	2.64%	
Cap Rate	6.50%	
Loaded Cap	9.13799%	

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total
NOI		153,961	2,663,170	2,925,417	3,014,120	3,105,508	3,199,661	3,296,663	3,396,601	3,499,563	3,605,641	3,714,928	3,827,522	3,943,522	4,228,901	**44,575,178**
NOI/Loaded Taxable Value	-	1,684,849	29,143,934	32,013,788	32,984,493	33,984,577	35,014,926	36,076,457	37,170,110	38,296,857	39,457,697	40,653,661	41,885,810	43,155,237	46,278,233	**487,800,628**
taxable * mil = total taxes	-	44,446	768,814	844,521	870,128	896,510	923,691	951,694	980,544	1,010,268	1,040,891	1,072,440	1,104,944	1,138,431	1,220,816	**12,868,137**
				211,130.21												
				25,611,030.63												
				675,616.68												
				168,904.17												

Taxing Authority	**Mill Rate**
DALLAS	0.7733
DALLAS ISD	1.248235
DALLAS COUNTY	0.237946
DALLAS COLLEGE	0.12351
PARKLAND HOSPITAL	0.255
Total Mill Rate	2.637991

City of Dallas Public Facility Corporation

Oakhouse at Colorado

Rent Subsidy with Property Tax Abatement

Draft as of 1/4/2022

Unit Type	Unit Count	Rent Level	Unit Size (Net Rentable Area)	Total Net Rentable Area	*Proposed Rent	Rent Savings Compared to % AMI & Market Rents for 15 years
Studio	19	Market	549	10,431	1,250	
1bd/1ba	66	Market	754	49,764	1,630	
2bd/2ba	14	Market	1,101	15,414	2,216	
3bd/2ba	8	Market	1,245	9,960	2,385	
Total	107			75,609		**$-**
Studio	20	80%	549	10,980	1,113	493,200.00
1bd/1ba	68	80%	754	51,272	1,279	4,296,240.00
2bd/2ba	13	80%	1,101	14,313	1,410	1,886,040.00
3bd/2ba	7	80%	1,245	8,715	1,671	899,640.00
Total	108			76,565		**$7,575,120.00**
Total	**215**	**Average SF**	**912**	**152,174**		**$7,575,120.00**

* Market Rate rents and 80% rents based off of provided (PART A City of Dallas Public Facility Corporation Application - This one)