

## Chris Austin

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**From:** Maida Renson <mrenson@triad.rr.com>  
**Sent:** Monday, October 30, 2017 4:53 PM  
**To:** Chris Austin  
**Cc:** Russ Griffin; 'Bryan Parker'  
**Subject:** FW: 2018 LIHTC Apps | 2019 - 2nd Qtr. Construction Start - Cost Projections  
**Attachments:** 2018 LIHTC - Rough Cost Estimates.pdf

Hi Chris,

I am writing to follow up on the discussion during the Annual Developers Workshop last week regarding the maximum cost per unit reflected in Section IV.C.1. of the 2018 QAP. If I understood you correctly, you had asked for additional input concerning the amounts currently reflected for Charts A and B on the second draft. The estimates that I received from Bryan Parker at Parker Construction range from \$82,814 to \$86,776 per unit for family developments with 80 units or less. It is my understanding that these amounts were based upon actual construction costs for work that they are currently doing for other developers, with a modest amount added to reflect anticipated price increases between now and 2019. As you can see, their costs for work currently in process already exceed \$73,000 per unit for family developments. I am forwarding his email with the his worksheet attached.

We respectfully request that the maximum amount for Chart A be increased from \$73,000 to at least \$86,000. More would be helpful. The amount reflected on Chart B should also be increased by a similar amount.

Thank you for your consideration.

Maida

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**From:** Bryan E. Parker [mailto:bryanp@parker.net]  
**Sent:** Monday, October 30, 2017 2:02 PM  
**To:** Maida Renson (mrenson@triad.rr.com) <mrenson@triad.rr.com>  
**Subject:** 2018 LIHTC Apps | 2019 - 2nd Qtr. Construction Start - Cost Projections

Maida,

You may have sticker shock but attached is the cost estimate matrix we have prepared as a guide for where cost could be at for the 2018 LIHTC deals assuming an early 2019 start. Our Base Cost was derived from cost we have seen on projects we have fully estimated, started construction on or are projected to start within the next 60 days. These costs may seem high, but we have already absorbed material and labor increases this year with more projected at the end of this year. We have figured additional monies for cost increases in construction prior to an early 2019 start. I wish we had a crystal ball and could tell exactly. We have tried to be as realistic as possible with the current construction market, etc. If the market conditions change, less housing or apartment starts we could see lower cost increases.

I would be glad to discuss this with you if you have any questions, etc.

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Bryan E. Parker  
Construction Manager  
**Parker General Contractors, LLC**