Bella Luz Update

9% Tax Credit Model

Presented by Jenn Lopez

September 9, 2026

PROJECT MOXIE

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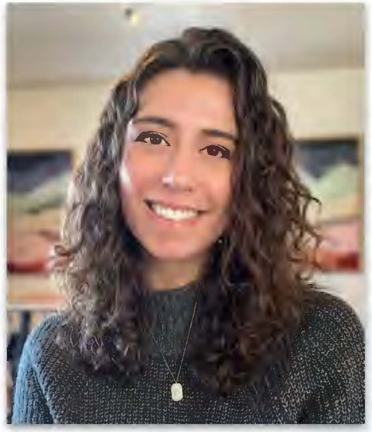
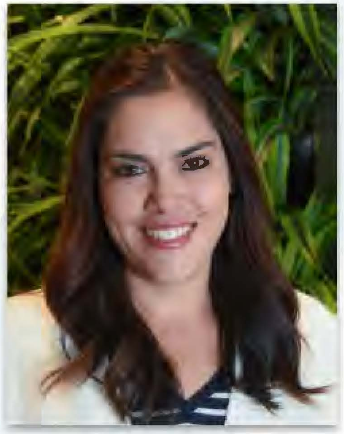
Project Moxie is an affordable housing and homelessness solutions strategy consulting firm. Working alongside communities, we connect them with the right resources and funding to create affordable, green, and safe housing for everyone, everywhere.

Jenn Lopez
President & Founder



Josie Butler
Vice President of Affordable Housing Development



Sara Monge
Vice President of Community Strategy

Marietta Linney
Project Manager

Kristiana Elite
Project Analyst

Agenda

1. Background
2. LIHTC Framework (Low Income Housing Tax Credit)
3. Preliminary Scoring Outlook for a 9% LIHTC Project
4. Preliminary Financial Underwriting Outlook for a 9% LIHTC Project
5. Project Timeline
6. Potential Next Steps

Project Background

Project Sponsors and Advocates

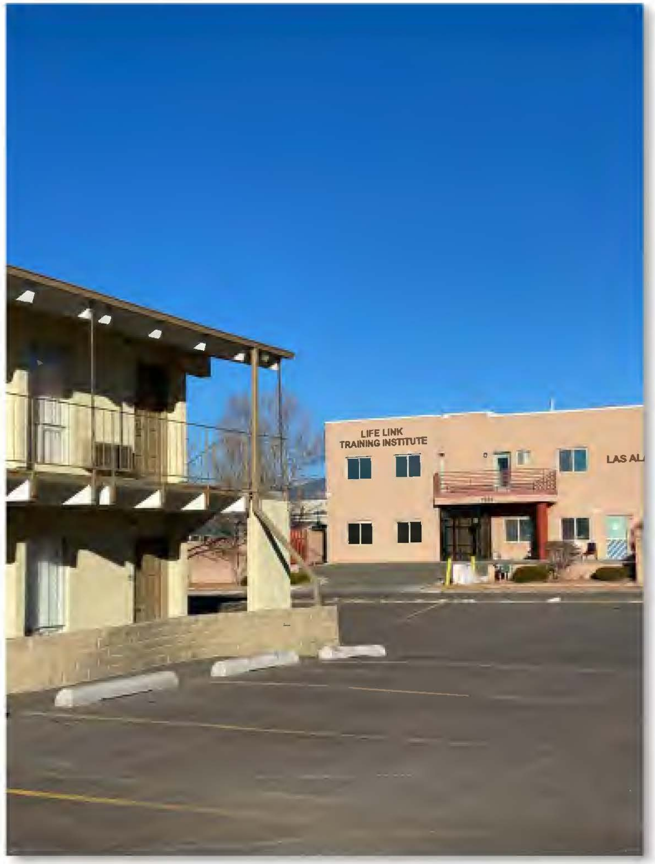
Co-Sponsor:
New Mexico Coalition to End Homelessness

Co-Sponsor and Bridge Funder:
Anchorum

Developer: Jeff Curry (JL Gray)

Project Funders:
Santa Fe City and County, State of New Mexico, Thornburg Foundation, Santa Fe Community Foundation, Housing New Mexico

Early Community Partnership Consultants:
Jenn Lopez and Marisol Atkins



Project History

Originally the Lamplighter Motel, renamed by ownership in 2022 to Bella Luz.

A unique acquisition of a motel in an ideal location for affordable housing. The motel would be converted to 58 affordable housing with a small set-aside of units for special needs clients.

The development team's goal was to access one-time, **once-in-a-generation federal funding** to convert motel rooms into long-term affordable rental units.

The majority of funds were secured by Bella Luz Apartments 2022 LLLP (JL Gray and Anchorum)

First Quarter 2026

- Bella Luz Team came to project stakeholders to fill the remaining gap of $2.3 million with the goal of closing in March of 2026.
- By the end of February local governments and philanthropy filled the gap. *Thank you!!!*
- In March DFA declared that $4.2 million was not available due to a misunderstanding of the fund's expenditure deadline. This announcement essentially "killed" the project.

Preserving This Opportunity

- In March, Jenn and Jeff began individual conversations with project funders and began building-out an alternative financial model.

- Given the significant coordination, time, and investment already devoted to this project, allowing the property to be disposed of without delivering housing would squander years of work and a critical opportunity to expand affordable housing when the community needs it most.

- This presentation outlines how a 9% LIHTC financing structure (Low Income Housing Tax Credit) offers a viable path forward following the collapse of the original financing plan, and the conditions to make it successful.

LIHTC Framework

(Low Income Housing Tax Credit)

Low Income Housing Tax Credits (LIHTC)

LIHTC is the nation's primary financing source for affordable rental housing.

While the process is complex, it is a well-established program with a 40-year track record.

LIHTC equity creates 50-70% of the capital needed to build an affordable housing project, The process is technical and requires an experienced LIHTC development team.

It is the only feasible financing approach the team identified to preserve the existing investments and deliver affordable housing on this site,

LIHTC Framework

The 9% LIHTC program, administered by Housing New Mexico, is a competitive process that evaluates projects based on threshold requirements, scoring criteria, and financial underwriting.

Projects must demonstrate that they meet baseline eligibility requirements, align with state housing priorities, and are financially viable over the long term.

While the LIHTC program is competitive, it is also a well-established and predictable financing tool. **Projects that are appropriately structured and aligned with program priorities are consistently able to secure awards** and move into construction and eventual project lease-up.

LIHTC Framework and Bella Luz

The Bella Luz Project is well-positioned within this LIHTC framework.

The current concept includes 59 units, with a unit mix of studios and one-bedrooms serving households between 30% and 60% of area median income (“AMI”).

The project’s adaptive reuse of an existing motel structure, along with its location and affordability model, aligns with several key scoring categories within Housing New Mexico’s current Qualified Allocation Plan (QAP), which is the guiding document for qualifying and scoring potential projects.

Preliminary Scoring Outlook for a 9% LIHTC Project

Based on a review of the 2027 Draft Qualified Allocation Plan (QAP), **the project is anticipated to be competitive** within the scoring ranges of recently funded projects, assuming it is structured to maximize key scoring categories.

Some of the projects favorable scoring elements include:

- Project's location is expected to perform well within the geographic scoring criteria.
- Proposed income targeting, particularly at the lower end of the AMI spectrum, positions the project to maximize scores in affordability categories.
- The adaptive reuse of the existing structure provides an additional competitive advantage, as does a commitment to an extended affordability period of 50 years.

NEW DEVELOPER PARTNER

New Development Partner: TWG

TWG is a national development group who is currently working in Santa Fe on the Nueva Acequia Development.

As a national development group they have significant experience with rehabilitation projects and with the LIHTC program.

Their Leadership reviewed our financial projections, met with Jeff Curry to understand the development model and project layout and were formally approved to pursue this deal in late August.

They need the forbearance agreement to be executed in order to begin preparing the LIHTC application.

Founded in	Headquartered in	70+	$3B+	130+	15,000+
2007	INDIANAPOLIS, IN	Employees	Development Costs	Developments	Units Developed

MARKET RATE DEVELOPMENT

Market Rate & Mixed-Use
Conventional Financing
Historic Tax Credits
Opportunity Zones

100-300+ units

Equity Sources:
Private Family Office
Private Equity Funds
Public Private Partnerships

28 PROJECTS | $1.150B TDC | DEAL SIZE: $25MM - $73MM+

TAX CREDIT DEVELOPMENT

Low Income Housing Tax Credits
9% LIHTC
4% Bonds—mixed income
50-250+ units

Affordable Acquisitions:
450+ units

Equity Sources:
Federal Tax Credits
State Tax Credits
Historic Tax Credits
Local Funding

DEAL SIZE: $8MM - $130MM+ | $2B TDC | 106 PROJECTS

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Nueva Acequia - Project Renderings

Residences at Durango

The Forbearance Agreement

Establishes forbearance period.

Transitions developer and partner role from JL Gray to TWG Development.

Confirms ongoing obligations.

Describes termination conditions.

Describes an orderly workout if the project does not receive funds.

It protects City and County rights in the project.

Project Timeline

Current Project Timeline

Complete Forbearance Agreement by Mid-September 2026.

TWG begins packaging LIHTC application and submits Feb 2027.

TWG works on agreement with Santa Fe County to obtain property tax exemption if awarded LIHTC– October.

TWG applies for additional gap funds October 2027- July 2027.

LIHTC Awards May/ June 2027.

Financial Closing and construction begins late 2027/ early 2028.

Questions?

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