AUSTIN HOUSING FINANCE CORPORATION

Application for Financing for Homeownership Projects

PLEASE NOTE: AHFC Reserves the right to fund projects at a lower amount than requested, and the right to deny applications that do not coincide with the City's FY 2012-13 Action Plan goals and policy direction from the Austin City Council.

Project Name: Meadow Lake 14.65 Acre Tract

Project Address: 7051 Meadow Lake, Austin, Texas **Zip Code** 78744

Total # units in project: 60
Total # units to be assisted with AHFC Funding: 60

Project type: ☐Acquisition ☐Rehabilitation ☐Acquisition & Rehabilitation ☒New construction

Amount of funds requested: $2,500,000 **Terms Requested:** 0%

Role of applicant in Project (check all that apply): ☒ Owner ☒ Developer ☐ Sponsor

1. Applicant Information (If applicant is not acting as the developer, please provide all of the information below for the developer as well as for the applicant. If the developer involves multiple entities, is a partnership or joint venture, please provide duplicative information for each, and identify the entity that will serve as the "lead" organization).

Austin Habitat for Humanity, Inc.
Name

310 Comal St., #100
Street Address

Austin	TX, 78702	512-472-8788
City	**State, Zip**	**Telephone #**

Andy Alarcón	512-472-8788 x247	aalarcon@austinhabitat.org
Contact Person	**Contact Telephone #**	**E-mail address**

[redacted]
Federal Tax ID Number or SS#

The applicant/developer certifies that the data included in this application and the exhibits attached hereto are true and correct. ***Unsigned/undated submissions will not be considered.***

Austin Habitat for Humanity
Legal Name of Developer/Entity

Signature of Authorized Officer

12/19/2013
Date

Kelly Weiss, President & CEO
Title

City of Austin
DEC 20 2013
NHCD / AHFC

2. **A. Non-profit applicants/developers, attached copies of the following:**
   1. A "certificate of status" issued by the Texas Secretary of State.
   2. Federal IRS certification granting non-profit tax-exempt status.
   3. Certified financial audit for most recent year which include the auditor's opinion and management letters.
   4. Board resolution approving the proposed project and authorizing the request for funding

   B. For-profit applicants/developers, attach copies of the following:
   1. For Corporations, Limited Partnerships, and Limited Liability Companies, a copy of a "certificate of status" issued by the Texas Secretary of State.
   2. A current financial statement
   3. Proof of sufficient reserves or a line of credit available, if necessary, in order to complete the proposed project.

3. **Project Description** – Provide a brief project description that addresses items "A" through "G" below.

   a. Indicate the location by providing an area map with the property highlighted.

   The 14.65 acre Meadow Lake tract is located in far southeast Austin east of IH-35 south of William Cannon and west of Pleasant Valley. See location map (Exhibit A) and area map (Exhibit B). A Land Status Determination was issued in September 2007 for the subject tract giving it a Legal Tract Platting Exception Certification (File Number: C8I-2007-0386) (Exhibit D). AHFH production goals for 2013 are 25 to 30 units, with a goal to produce 35 units by 2015.

   b. Summarize the key financials of the project, clearly indicating total project cost, the amount and intended use of all AHFC funds requested, the amount(s) and provider(s) of other funding and the status of those commitments.

   Austin Habitat for Humanity (AHFH) is requesting $2,500,000 in funding for infrastructure construction to include water, wastewater, streets, drainage, and all other utilities necessary to develop the 14.65 acre tract for the construction of 60 residential dwelling units. A land development cost estimate is included in this application reflecting the costs for infrastructure installation (Exhibit C). Our production capacity as an experienced builder of affordable single-family housing has enabled us to establish a line of credit that can be accessed for construction costs (Exhibit K). AHFH also receives corporate contributions annually that go toward the construction of our homes. In addition to our own resources and corporate contributions, AHFH has applied for funding from Habitat for Humanity International's Self-Help Homeownership Opportunity Program.

   c. Indicate the type of structure(s) (i.e., single-family detached, etc.), the number of units, the number of bedrooms and bathrooms in each type or style of unit, and the size of the units in square feet.

   Zoning for this tract is SF-6, which allows for moderate density of single family, duplex, two-family, townhouse, and condominium use. AHFH proposes to develop this site with 60 denser housing units on 14.65 acres. Our current portfolio of house plans range from 900 S.F. to 1,400 S.F. and include 2 bedrooms 1 bath through 5 bedrooms 2 baths. We will develop new housing models but essentially maintain the same general square footage offered in our single-family detached homes.

   d. Indicate the expected sales price for each type or style of unit.

   AHFH's house plans will reflect a denser development model that is likely to include some form of townhouse. AHFH qualifies prospective homebuyers and provides subsidies to reduce the house price. The house prices and mortgages are as follows:

House Plans	Sales Price	Mortgage	Mortgage Payment	Taxes & Insurance	Total
2-Bedroom	$105,000	$65,000	$181	$237	$418
3-Bedroom	$110,000	$70,000	$194	$250	$444
4-Bedroom	$115,000	$75,000	$208	$262	$470
5-Bedroom	$120,000	$80,000	$222	$275	$497

e. List the income levels of proposed homebuyers expressed in terms of the percent of Median Family Income for the Austin-Round Rock MSA.

AHFH focuses on a clientele that earns 60% or less of the median family income. Families are qualified for a 0% mortgage, provided homeownership counseling, and perform a 300-hour sweat equity contribution.

f. If there are existing structures, provide documentation from the taxing authority or other third-party source indicating the year the structure was built.

The 14.65 acre tract is undeveloped, and there are no structures on the property. A boundary survey of the property is included in this application. (Exhibit D)

g. Demonstrate the development's compatibility with current Neighborhood Plan (if applicable).

The subject 14.65 acre tract is not in a Neighborhood Plan Area, but it is adjacent to both single-family and townhouse/condominium residential communities. The subject tract is currently zoned SF-6 and is considered a townhouse and condominium residence district designation for moderate density single family, duplex, two-family, townhouse, and condominium use.

Please attach the following to the description of the above items.

h. Locate on the "Opportunity Map of Austin" the census tract in which the property lies. The map is attached to the Program Guidelines.

The property is located in a very low opportunity ranking area. (Exhibit E)

4. Site Control and Demonstration of Value

Include evidence of site control such as a warranty deed or a current, receipted earnest, and provide a real estate appraisal that is no older than six months and that uses 3 or more comparables, or current tax documentation that substantiates the value of the project.

AHFH acquired the 14.65 acre tract in May 2013. Included in this application is a special warranty deed (Exhibit F) and an appraisal summary report (Exhibit G).

5. Zoning

Include a letter from the City of Austin's Planning and Development Review Department (PDRD) verifying that the current zoning of the site for the proposed project is compatible with the anticipated use, or include documentation verifying that a request to change current zoning has been submitted to PDRD. If the project is approved for funding, appropriate zoning must be in place prior to execution of loan documents.

Meadow Lake Tract is located in far southeast Austin, and is not in a Neighborhood Plan Area. The 14.65 acre tract is zoned SF-6 (Exhibit H).

6. S.M.A.R.T. Housing™

Include a copy of the letter that indicates the project has been reviewed and meets S.M.A.R.T. Housing requirements.

AHFH has applied for S.M.A.R.T. Housing status and meets the requirements as reflected in a letter from NHCD (Exhibit I).

7. Development Team and Capacity. Identify below the persons or entities anticipated to be involved in the project, such as lenders, attorneys, accountants, architects, engineers, general contractor, sub-contractors, property managers and consultants. Also, indicate if any person or entity involved is certified by the City of Austin as a minority or women-owned business enterprise **(MBE/WBE),** or if any of the entities are also **non-profit** organizations.

Please also provide narrative information about the skills you or your development team members have in the following areas:

a. **Project Management**—With more than 300 single-family homes constructed, Austin Habitat staff has several years of project management experience. Collectively our staff brings experience that includes all phases of housing development including site acquisition, land development, design, construction, underwriting, and homeownership counseling.

b. **Market Analysis**—With a focus toward affordable housing, our staff has experience in identifying housing demand and capacity for families that earn 60 to 80 percent of the median family income. Austin Habitat established an intake process for prospective families to enter our program. Many have been qualified through our housing counseling and have gone through underwriting to determine their ability to pay a mortgage, and remain on a waiting list.

c. **Site Selection and Control**—Over the years Austin Habitat has acquired finished lots and raw land that were developed for single-family housing development. This project will be our first project that will be more densely developed exhibiting compact single-family housing, townhouses, duplexes, and/or quadraplexes—or some combination of these dwelling unit types. We have experience identifying prospective properties and evaluating them for feasibility and appropriateness. We strive to develop neighborhoods in locations where there are existing community facilities. We acquired the 14.65 acre property in May 2013, and it is located adjacent to existing residential single-family detached and townhouse developments.

d. **Planning and Construction**—Austin Habitat staff has experience with the City's Land Development Code, and has the capacity to navigate a housing development project through the entitlement and permitting process. Our organization also employs full-time personnel dedicated to housing construction, including coordinating a core group of experienced volunteers that consistently work on the houses we build.

e. **Design, Architecture and Engineering**—Our organization has a portfolio of house plans for single-family residential that range from 2 to 5 bedroom houses. We currently have working relationships with a variety of professionals including architects and engineers who provide design services as needed to complete our housing development projects. AHFH anticipates the development of new house designs for a more compact residential community setting. We have a registered architect on staff that will coordinate all design and construction issues, and have begun working with a non-profit design group that will assist us with introducing new designs including exploring the increase in use of green building features throughout the development.

f. **Legal and Accounting**—Austin Habitat employs the services of legal counsel assisting as needed. They provide assistance in areas of land acquisition and coordinate title closings for our house sale transactions. Our accountant's provide the necessary services essential to our operation and performs an annual audit that reflects the overall financial position of the organization. We also have on staff a Chief Financial Officer (CFO) and bookkeeping staff that monitor our operating transactions and construction spending activities.

g. **Federal Funding Rules**—On staff we have personnel that have experience in federal funding programs including CDBG, HOME, and NSP. We have a dedicated grants manager with federal program and contract administration experience, and over the years Austin Habitat has received funding from these sources for housing development and construction.

	Development Team Name(s) and Contact Information	**MBE? (Mark X if Yes)**	**WBE? (Mark X if Yes)**	**Non-profit? (Mark X if Yes)**
Owner	Austin Habitat for Humanity			X
Developer	Austin Habitat for Humanity			X
Architect	Claire Walpole, AIA, LEED AP (AHFH Staff)			
Engineer	Thompson Land Engineering/ALM Engineering			
Construction Lender	Wells Fargo			
Other Lenders	Habitat for Humanity International (SHOP)			X
Attorney	Hancock McGill			
Accountant	Maxwell Locke & Ritter			
General Contractor	Austin Habitat for Humanity			X
Consultant (if Applicable)	Austin Community Design and Development Center			X
Other:	Goodwill Industries of Central Texas (Exhibit J)			X

8. **Development Schedule.** Complete the grid below. Re-order the steps according to the appropriate sequence for your project, and add in any other significant steps integral to your project's development. If the development schedule differs across several properties to be involved in the project, provide a development schedule for each property. Please be as precise as possible, narrowing dates by 15 day intervals.

DEVELOPMENT SCHEDULE	DATE(S)
Acquisition and Financing	
Land Acquisition	5/24/2013
Secure Infrastructure Funding	3/1/2014
Site Planning + Design	
PHASE ONE	
Boundary, Tree & Topographic Survey	5/1/2014-6/1/2014
PHASE TWO	
Feasibility Studies (EA, Geo Rpt, Bldg Typology/Mix)	6/1/2014-6/15/2014
Concept Site Plan	6/15/2014-7/15/2014
Service Extension Request/Off-Site Work	6/1/2014-7/15/2014
PHASE THREE	
Preliminary Drainage Study	7/1/2014-8/1/2014
Preliminary Utility Design	7/1/2014-8/1/2014
Preliminary Cost Estimate	7/1/2014-8/1/2014
Final Civil Engineering Plans	8/1/2014-9/1/2014
Site Plan Approval/Construction Permit	9/1/2014-5/31/2015
Infrastructure/Public Improvements Schedule	
Construction Specifications and Cost estimates	6/1/2015
Construction Bids	7/1/2015
Construction Start	8/1/2015
Install Erosion Control	8/1/2015
Wastewater Line Construction	8/1/2015-9/1/2015
Water Line Construction	9/1/2015-10/1/2015
Drainage Construction	10/1/2013-11/1/2015
Dry Utilities	11/1/2015-12/1/2015
Streets	12/1/2015-1/31/2016
Detention Pond Construction	12/1/2015-1/31/2016
Anticipated Draws (list all)	9/30/15; 10/31/15; 11/30/15; 12/31/15; 1/31/16
Completion of Construction	1/31/2016
House Plan Design	
Pre-Development	2/1/2016-3/1/2016
Schematic Design	3/1/2016-4/1/2016
Development Design	4/1/2016-5/1/2016
Construction Documents	5/1/2016-6/30/2016
House Build Schedule (30 Units)	
Begin Obtaining Permits	7/1/2016-9/30/2016
Foundations	7/1/2016-12/31/2016
Plumbing	7/1/2016-12/31/2016
Begin Exterior Construction	7/1/2016-12/31/2016
Begin Interior Construction	7/1/2016-12/31/2016
Project Completion (i.e., homes conveyed)	12/31/2016

9. **Developer Capacity.** Provide narrative information on recent, similar, and successful experience in affordable housing development. Narrative should include information about experience from project conception, execution, and completion. Include experience using multiple fund sources, marketing and sale of homes, and previous working history with the Austin Housing Finance Corporation.

Austin Habitat has been in existence since 1985, and over the years it has built over 300 single-family houses. We have developed two subdivisions (Devonshire Village and Sendero Hills) both of which infrastructure is complete and will likely be built-out by the end of 2013. Our approach to housing development begins with acquisition of finished vacant residential ready-to-build lots, but we also have experience developing subdivisions and retain the services of a civil engineer to assist us with design.

COMPLETED PROJECTS				
Address	**Number of Units**	**New or Rehab**	**Type of Property (apartments, SF units, etc.)**	**Year Completed**
Heritage Village	13	New	SF	2004
Frontier at Montana	30	New	SF	2008
Devonshire Village	43	New	SF	2013
Meadow Lake	26	New	SF	2011
Sendero Hills	43	New	SF	2012

10. Detailed Project Budget - Use the following table, or comparable format, to provide a complete project budget. Add line-items as necessary to detail the specific funding being requested. Delineate all prior and currently requested A&D funding by individual line item.

DETAILED PROJECT BUDGET				
	Total Project Cost	**Prior A&D Funds Used in Project**	**A&D Funds Being Requested**	**Description**
PREDEVELOPMENT				
Appraisal	$1,200			Completed
Environmental Review	$800			Completed
Environ Assmnt/Hydrologic Report	$1,500		$1,500	
TOTAL PREDEVELOPMENT	**$3,500**		**$1,500**	
ACQUISITION				
Site and/or Land	$638,154	$638,154		14.65 Acre Tract/Completed
Acquisition Settlement Charges	$4,742	$4,742		
TOTAL ACQUISITION	**$642,896**	$642,896		
CONSTRUCTION (HARD COSTS)				Infrastructure Construction
Water	$266,400		$266,400	
Wastewater	$333,000		$333,000	
Drainage/Detention	$732,600		$732,600	
Streets	$555,000		$555,000	
Erosion Control	$66,600		$66,600	
Mobilization+Misc Improvements	$66,000		$66,000	
Electric Service (Dry Utilities)	$111,000		$111,000	
Gas Service (Dry Utilities)	$88,800		$88,800	
TOTAL HARD COSTS	**$2,220,000**		**$2,220,000**	
HOUSE CONSTRUCTION COSTS				House Construction
Roofing	$191,385			
Framing/Exterior Construction	$805,796			
Mechanical/Electrical/Plumbing	$1,707,600			
Interior Construction	$1,072,260			
Foundation/Flatwork	$1,310,000			
Site Preparation/Landscaping	$149,920			
Miscellaneous	$441,000			
Permits/Soft Costs	$81,600			
TOTAL HOUSE CONST COSTS	**$5,759,561**			

SOFT & CARRYING COSTS				
Project Management	$66,600		$66,600	
Geotechnical Report	$4,000		$4,000	
Tree Mitigation	$30,000		$30,000	
Service Extension Req/Off-Site Work	$4,175		$4,175	
SWPPP (Inspection & TCEQ Permit)	$5,125		$5,125	
Boundary, Tree & Topo Survey	$5,400		$5,400	
Feasibility Study (Bldg Typology/Mix)	$3,380		$3,380	
Concept Site Plan	$4,680		$4,680	
Preliminary Drainage Study	$5,200		$5,200	
Preliminary Utility Design	$4,160		$4,160	
Preliminary Cost Estimate	$4,940		$4,940	
Engineering (Site Plan & Civil Plans)	$38,840		$38,840	
Architectural Plans	$78,000		$78,000	
Legal (Ownership Doc Preparation)	$24,000		$24,000	
TOTAL SOFT & CARRYING COSTS	**$278,500**		**$278,500**	
TOTAL PROJECT BUDGET	**$8,904,457**		**$2,500,000**	

11. Funds Proposal - Provide the following information to facilitate financial review of the proposed project:

a. **Sources and Uses of Funds** – Complete Tables A & B below, identifying all sources and uses of funds to implement project and include evidence of funds anticipated (financial statements, commitment letters, etc.).

TABLE A: SOURCES OF FUNDS SUMMARY					**Intended Use of Funds (Predevelopment, Acquisition, Construction, Soft Costs)**
	Amount	Term	Interest Rate	Evidence (Deed, Sales Contract)	
Owner Equity	$642,896				
Private Financing (List Below)					
Austin Habitat for Humanity	$5,761,561				House Const
Other Sources (List Below)					
Habitat for Humanity Int'l (SHOP)					
Proposed AHFC Funds	$2,500,000		0%		Land Development
Total Project Costs	$8,904,457				

TABLE B: USES OF FUNDS SUMMARY		
	Total Cost	Cost/Unit
Predevelopment	$3,500	$58
Acquisition	$642,896	$10,715
Hard Costs	$7,979,561	$132,993
Soft & Carrying Costs	$278,500	$4,642
Other Costs		
Total Project Costs	**$8,904,457**	**$148,408**

b. Leveraging – Complete Table C below. Include evidence of other funds leveraged by AHFC funds to implement the project such as owner equity and commitments from private and/or other public resources.

TABLE C: LEVERAGE SUMMARY	
TOTAL AHFC FUNDS	$3,142,896
TOTAL OTHER FUNDS	$5,761,561
TOTAL PROJECT COSTS	$8,904,457
LEVERAGE % – AHFC FUNDS	35%

TABLE D: AFFORDABILITY DATA

	House Model One	House Model Two	House Model Three	House Model Four
Number of Bedrooms	2	3	4	5
Square Footage	900	1,095	1,200	1,400
Anticipated Sale Price	$105,000	$110,000	$115,000	$120,000
Borrower Contribution	$5,000	$5,000	$5,000	$5,000
Homebuyer Subsidy (List all sources separately)				
Neighborhood Stabilization Program (NSP)	$35,000	$35,000	$35,000	$35,000
Total Principal Amount of Mortgage	$65,000	$60,000	$65,000	$70,000
Anticipated Interest Rate	0%	0%	0%	0%
Monthly Principal Amount	$181	$194	$208	$222
Monthly Interest	$0	$0	$0	$0
Estimated Monthly Taxes	$199	$212	$224	$237
Estimated Monthly Insurance	$38	$38	$38	$38
TOTAL Estimated PITI	$418	$444	$470	$497

13. **Partnership with Non-profit entities.** Include commitments from other non-profit organizations or a City of Austin-certified Community Housing Development Organization (CHDO) to partner on the project in some way.

    AHFH is a 501c3 non-profit affordable housing developer, and a CHDO. As a non-profit we often partner with area non-profits. We are partnering with Austin Community Design and Development Center for exploring and identifying green building opportunities for the Meadow Lake project, and continue to seek opportunities to collaborate with Goodwill Industries.

14. **Good Neighbor Policy.** Please refer to the City's Good Neighbor Guidelines and demonstrate compliance with the Good Neighbor Policy by completing the Good Neighbor Checklist and providing the documentation requested.

    The 14.65 acre Meadow Lake tract is not in a neighborhood plan area. The proposed acquisition is located in far southeast Austin east of IH-35, and near the intersection of William Cannon and Pleasant Valley. The subject tract is appropriately zoned SF-6, and is adjacent to single-family and multi-family/condo residential developments. This project will complement the surrounding neighborhoods, and will offer quality affordable housing. We will communicate with neighborhood organizations after acquisition. Included in this application is the Good Neighborhood Checklist (Exhibit L).

ATTENTION:

Please submit with the Application a completed "self-evaluation" using the following Scoring Criteria.

AUSTIN HOUSING FINANCE CORPORATION

Scoring Criteria
Acquisition & Development Program

Applications received will be reviewed and evaluated according to the following criteria:

REQUIRED INFORMATION:

1. Applicant Information	X	9. Developer Capacity	X
2a. Non-profit List of Items	X	10. Project Budget	X
or		11. Funds Proposal:	
2b. For-profit List of Items		a. Sources	X
3. Project Description	X	b. Uses	X
4. Site Control/Value	X	c. Leveraging	X
5. Zoning	X	12. Good Neighbor Checklist	X
6. S.M.A.R.T. Housing	X		
7. Development Team	X		
8. Development Schedule	X		

EVALUATION CRITERIA:

Proposed projects will be reviewed and scored on a competitive basis relative to the evaluation criteria below. A maximum possible score is **160** points. Proposed projects must receive a minimum score of **100** points. A score above the minimum score does not guarantee funding.

1. **DEVELOPER EXPERIENCE AND QUALIFICATIONS** (maximum 15 points) 15

15 points: Developer has recent, similar, and successful completion of a development similar in size and scope with income-restricted units.
10 points: Developer has recent, similar, and successful completion of a development **smaller** in size and scope with income-restricted units.
8 points: Consultant directly involved who has successfully completed a development similar in size and scope with income-restricted units.
5 points: Developer has recent, similar, and successful completion of a development similar in size and scope **without** income-restricted units

2. **SOURCES & USES OF FUNDS** (maximum 10 points) 10

10 points: All sources and uses of funds are clearly indicated and sufficient evidences of funding availability and/or commitments are included.
5 points: All sources and uses of fund are clearly indicated, but evidence of funding availability or commitments are incomplete.

3. **LEVERAGE (**maximum 10 points) 6

AHFC funding relative to Total Project Costs equals:
10 points: 25% or less
8 points: 26% - 30%
6 points: 31% - 35%
4 points: 36% - 50%
0 points: 51% or greater

4. **AFFORDABLE UNITS** (maximum 25 points) 25

If the development has a mix of units at different income levels, add the results for the percentage of units in each income category up to the maximum of 25 points. If the project has a percentage of units in a given income category that is not an exact multiple of ten as shown in the chart, please round up to the next multiple of 10 and use that point value.

	% of AHFC Assisted Units in Total Development									
% of MFI	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
80%	**0**	**5**	7	**10**	12	**15**	17	**20**	22	**25**
65%	**5**	7	**10**	12	**15**	17	**20**	22	**25**	
60%	7	**10**	12	**15**	17	**20**	22	**25**		
50%	**10**	12	**15**	17	**20**	22	**25**			
30%	12	**15**	17	**20**	22	**25**				

5. **AVERAGE INVESTMENT PER UNIT** (maximum 20 points) __12__

	Single-Unit Structures	Multi-Unit Structures
20 points	<$40/unit	<$40/unit
16 points	<$50/unit	<$45/unit
12 points	<$60/unit	<$50/unit
8 points	<$70/unit	<$55/unit
4 points	<$80/unit	<$60/unit

6. **AFFORDABILITY PERIOD** (maximum 25 points) __25__

25 Points: Affordability of project is for 99-years or project is in a Community Land Trust.
15 Points: Affordability period of less than 99 years but enforced through "re-sale" provisions, i.e., home must be re-sold to low- to moderate-income buyer during the affordability period.

7. **PRIORITY LOCATION** (10 points) __0__

10 points: Project is located in a Vertical Mixed-Use (VMU) Corridor, or is a Planned-Unit Development (PUD) or Transit Oriented Development (TOD).

8. **GEOGRAPHIC DISPERSION** (maximum 25 points) __5__

Project is located in an area identified according to the Kirwan institute's opportunity map of Austin (Map #2) as having greater opportunity for affordable housing for low-income households.

25 points:	Very High
20 points	High
15 points:	Moderate
10 points:	Low
5 points:	Very Low

9. **PROJECT READINESS** (maximum 10 points) __6__

New construction
2 points each; maximum 10 points
__2__ The project meets the normal eligibility requirements under the existing program guidelines.
__2__ The property is already owned by the developer.
_____ The project has completed all necessary design work and received site plan approval.
__2__ All environmental reviews have been completed.
_____ The project has firm commitments from **all** financing sources.

Acquisition and Rehab
2 points each; maximum 10 points
_____ The project meets the normal eligibility requirements under the existing program guidelines
_____ All environmental reviews have been completed.
_____ The project has firm commitments from all financing sources.

_____A General Contractor has been selected.
_____Closing on the acquisition of the property can be achieved in less than 30 days.

Acquisition of Completed Units
2.5 points each (round up to nearest whole number); maximum 10 points

_____The project meets the normal eligibility requirements under the existing program guidelines
_____All environmental reviews have been completed.
_____The project has firm commitments from all financing sources.
_____Closing on the acquisition of the property can be achieved in less than 30 days.

11. **MBE/WBE PROJECT PARTICIPATION** (5 points) __0__

5 points: Development team includes registered City of Austin minority or women-owned business enterprises (M/WBE).

12. **PARTNERSHIP WITH NON-PROFIT ENTITIES** (5 points) __5__

5 points: Applicant provides evidence of commitment from another certified non-profit organization to partner on the project in some way.

TOTAL SCORE _____**109**___

Attachments

- Texas Secretary of State Certificate
- Federal IRS Tax Exempt Status
- Certified Financial Audit
- Board Resolution

Texas Secretary of State Certificate

Reports Unit
P.O. Box 12028
Austin, Texas 78711-2028

Hope Andrade
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

AUSTIN HABITAT FOR HUMANITY, INC.
File Number: [redacted]

The undersigned, as Secretary of State of Texas, hereby certifies that the Nonprofit Periodic Report for the above named entity has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

Dated: 02/02/2012

Effective: 02/02/2012

Hope Andrade
Secretary of State

Federal IRS Tax Exempt Status

Internal Revenue Service
District Director

Dep__ment of the Treasury

Date: APR 10 1987

AUSTIN HABITAT FOR HUMANITY
310 Comal Street, Suite 100
Austin, TX 78702

FFN: 750109726
Employer Identification Number:
[redacted]
Case Number:
757035063EO
Person to Contact:
EO Technical Assistor
Contact Telephone Number:
(214) 767-3526 EO:7213:4913:JS
Our Letter Dated:
August 16, 1985
Caveat Applies:
No

AUSTIN HABITAT FOR HUMANITY, INC.
610 E. 45th Street
AUSTIN, TX 78751

Dear Sir or Madam:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code because you are an organization of the type described in section 170(b)(1)(A)(vi) . Your exempt status under Code section 501(c)(3) is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of such status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

If the heading of this letter indicates that a caveat applies, the caveat below or on the enclosure is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Glenn Cagle
District Director

District Director, Dallas District

Letter 1050(DO) (Rev. 3-86)

Certified Financial Audit

Board Resolution

CERTIFICATE OF CORPORATE RESOLUTION

We, SHERINE THOMAS, President, and ROBBI MILLEST, Secretary, of Austin Habitat for Humanity, Inc. , a corporation, certify that:

1. Austin Habitat for Humanity, Inc. is organized and existing under the laws of the State of Texas;

2. All franchise and other taxes required to maintain its corporate existence have been paid and no franchise or other such taxes are delinquent;

3. No proceedings are pending for the forfeiture of its certificate of incorporation or for its dissolution, voluntarily or involuntarily;

4. It is organized under the laws of Texas or is a foreign corporation qualified to do business in the State of Texas and is in good standing with the State of Texas;

5. There are no provisions in the articles of incorporation or bylaws of the corporation limiting the power of its board of directors to pass the resolution set out below;

6. The secretary is the keeper of the records and minutes of the corporation and on Oct. 26, 2011, a meeting of the board of directors of the corporation was held, which was properly called and held in accordance with the law and the bylaws of the corporation;

7. A quorum of the Board of Directors were present at the meeting or have consented to the action taken at the meeting; and

8. At the meeting the following resolution was adopted:

RESOLVED that Kelly Weiss has been appointed by the Board of Directors to serve as the Executive Director of Austin Habitat for Humanity, Inc.

It is further RESOLVED that Ramon Valeriano has been appointed by the Board of Directors to serve as the Director of Family Services of Austin Habitat for Humanity, Inc.

It is further RESOLVED that the Executive Director or the Director of Family Services shall have the authority to execute all contracts for the sale of any home or lot owned or constructed by the Corporation as well as all warranty deeds and other closing documents required to sell, transfer or convey any lot or home owned by the Corporation to a third party purchaser

It is further RESOLVED that the Executive Director or the Director of Family Services shall have the authority to execute any and all documents for the purchase of any property as well as any deeds of trust and other closing documents required to borrow funds for the purchase of any property to be acquired by the Corporation.

Any purchaser or seller of Corporation owned property and any title company issuing title policies on titles conveyed by the Corporation may rely upon an affidavit setting forth the name of the Executive Director or the Director of Family Services.

We certify that the above resolution has not been altered, amended, rescinded or repealed and is now in full force and effect.

We also certify that Sherine Thomas is the president of the corporation and Robbi Millest is the secretary.

Signed on _____ by the president and secretary of the corporation.

President

Secretary

State of Texas

County of Travis

KIMBERLY J KESTNER
My Commission Expires
September 27, 2015

This instrument was acknowledged before me on Oct 26, 2011 by Sherine Thomas, President of Austin Habitat for Humanity, Inc., a corporation, on behalf of said corporation.

Notary Public, State of Texas

State of Texas

County of Travis

KIMBERLY J KESTNER
My Commission Expires
September 27, 2015

This instrument was acknowledged before me on Oct 26, 2011 by Robbi Millest, Secretary of Austin Habitat for Humanity, Inc., a corporation, on behalf of said corporation.

Notary Public, State of Texas

Exhibits

- Exhibit A: Location Map
- Exhibit B: Area Map
- Exhibit C: Land Development Cost Estimate
- Exhibit D (2 of 2): Land Status Determination (1) and Boundary Survey (1)
- Exhibit E: Opportunity Map
- Exhibit F: Special Warranty Deed
- Exhibit G: Appraisal Summary Report
- Exhibit H: Zoning Verification Letter
- Exhibit I: S.M.A.R.T. Housing Letter
- Exhibit J: Non-Profit Partnership
- Exhibit K: Line of Credit
- Exhibit L: Good Neighbor Checklist

Exhibit A: Location Map

Exhibit A: 7051 Meadow Lake 14.65 Acre Tract

bing Maps

Exhibit B: Area Map

7051 Meadow Lake

Exhibit B: Area Map

TOWNHOUSE AND CONDOMINIUM RESIDENCE (SF-6) DISTRICT DESIGNATION

Townhouse and condominium residence (SF-6) district is the designation for a moderate density single family, duplex, two-family, townhouse, and condominium use that is not subject to the spacing and location requirements for townhouse and condominium use in an SF-5 district. An SF-6 district designation may be applied to a use in an area with large lots that have access to streets other than minor residential streets. An SF-6 district may be used as a transition between a single family and multifamily residential use.

Legend

- Lot Lines
- Streets
- Building Footprints
- Named Creeks
- Lakes and Rivers
- Parks
- County
- Building Footprints Year 200
  - Large Building (>400
  - Building (100-4000 s
- Lot Line
- Greater Austin FEMA Floodp
  - Area Not Included
  - 500 Year
  - X Protected by Levee
  - 100 Year (Approved-
  - 100 Year (Shallow-A(
  - 100 Year (Detailed-A
- Zoning (Large Map Scale

14.65 Acres

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. This product has been produced by the City of Austin for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.

Exhibit C: Land Development Cost Estimate

Exhibit C: Land Development Cost Estimate

7051 MEADOW LAKE 14.65 ACRES
DEVELOPMENT BUDGET

Number of Units		60		
Per Unit Cost	$	37,000	$	37,000
Total Hard Cost Estimate	$	2,220,000		
Total Request	$	2,500,000		
I. HARD COSTS				
Water	$	266,400		12%
Wastewater	$	333,000		15%
Drainage	$	732,600		33%
Street	$	555,000		25%
Erosion Control	$	66,600		3%
Mobilization + Misc Improv	$	66,600		3%
Electric (Dry Utilities)	$	111,000		5%
Gas (Dry Utilities)	$	88,800		4%
TOTAL HARD COSTS	$	2,220,000		100%
II. SOFT COSTS				
Project Management/Green Building Consulting	$	66,600.00		3.00%
Geotechnical Report	$	4,000		
Environmental Assessment/Hydrologic Report	$	1,500		
Tree Mitigation Fee	$	30,000	$	500
Service Extension Request/Off-Site Work	$	4,175		
SWPPP (Inspect Fee & TCEQ Permit)	$	5,125	$	200
Boundary, Tree, & Topo Survey	$	5,400		
Feasibility Study	$	3,380		
Concept Site Plan	$	4,680		
Preliminary Drainage Study	$	5,200		
Preliminary Utility Design	$	4,160		
Preliminary Cost Estimate	$	4,940	$	27,760
Engineering (Site Plan & Civil Plans)	$	38,840		3%
Architectural Plans	$	78,000	$	1,300
Legal (Document Preparation)	$	24,000	$	400
TOTAL SOFT COSTS	$	280,000		
	$	2,500,000		

Exhibit D: Land Status Determination and Boundary Survey

Watershed Protection and Development Review Department
Land Status Determination
Legal Tract Platting Exception
Certification

September 07, 2007

File Number: **C8I-2007-0386**

Address: **7051 MEADOW LAKE BLVD**

Tax Parcel I.D. # **0428010115** Tax Map Date: **01/22/2004**

The Watershed Protection and Development Review Department has determined that the property described below and **as shown on the attached tax map:**

> is over five acres consisting of **14.670 acres out of the Santiago Del Valle Grant, ABS 24** in **Travis** County, Texas, according to the deed recorded in **Document #2002252993,** of the **Travis** County Deed Records on **Dec 31, 2002,** and **is eligible to receive utility service.** The cost of water and/or wastewater service improvements, including easements, tap and impact fees, are the landowner's responsibility and expense, and must be accomplished according to the City of Austin Utility Design Criteria, Specifications and Procedures.

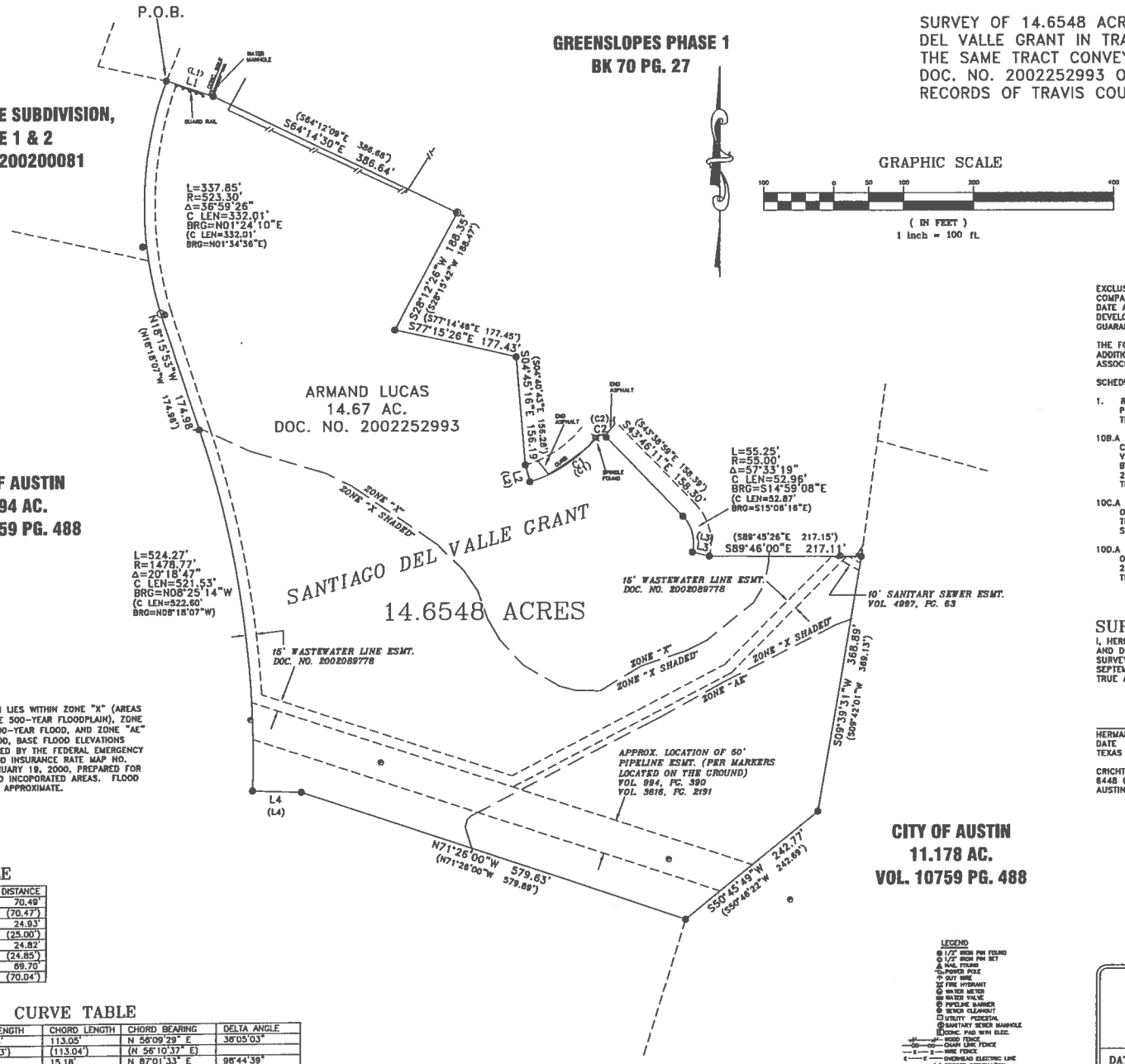
This determination of the status of the property is based on the five-acre subdivision exception provided in Texas Local Government Code, Section 212.004(a). Recognition hereby does not imply approval of any other portion of the Austin City Code or any other regulation.

By: Sara Groves

Sara Groves, Representative of the Director
Watershed Protection and Development Review Department

Map Attachment

SURVEY OF 14.6548 ACRES OUT OF THE SANTIAGO DEL VALLE GRANT IN TRAVIS COUNTY, TEXAS BEING THE SAME TRACT CONVEYED TO ARMAND LUCAS IN DOC. NO. 2002252993 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS



EXCLUSIVELY TO PARTIES IN STEWART TITLE GUARANTY COMPANY TITLE COMMITMENT G.F. NO. 7080118, EFFECTIVE DATE AUGUST 22, 2007, INCLUDING- BACK FORTY DEVELOPMENT, LLC; ARMAND LUCAS; AND STEWART TITLE GUARANTY COMPANY:

THE FOLLOWING ITEMS OF RECORD ARE NOTED BELOW. NO ADDITIONAL RESEARCH WAS PERFORMED BY CRICHTON AND ASSOCIATES.

SCHEDULE B ITEMS:

1. RESTRICTIVE COVENANTS OF RECORD - VOLUME 9712, PAGE 823, OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS. - SUBJECT TO.

10B.A PIPELINE EASEMENT GRANTED TO HUMBLE PIPE LINE COMPANY, A TEXAS CORPORATION, RECORDED IN VOLUME 994, PAGE 390, AND AS FURTHER AFFECTED BY THE INSTRUMENT RECORDED IN VOLUME 3813, PAGE 2191, BOTH OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS. - SUBJECT TO, AS SHOWN.

10C.A SANITARY SEWER EASEMENT GRANTED TO THE CITY OF AUSTIN, RECORDED IN VOLUME 4997, PAGE 63, OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS. - SUBJECT TO, AS SHOWN.

10D.A WASTEWATER LINE EASEMENT GRANTED TO THE CITY OF AUSTIN, RECORDED UNDER DOCUMENT NUMBER 2002089778, OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS. - SUBJECT TO, AS SHOWN.

SURVEYOR'S CERTIFICATION:

I, HERMAN CRICHTON, DO HEREBY CERTIFY THAT THE SKETCH AND DESCRIPTION SHOWN HEREON REPRESENT AN ACTUAL SURVEY PERFORMED ON THE GROUND DURING THE MONTH OF SEPTEMBER, 2007, UNDER MY DIRECT SUPERVISION, AND ARE TRUE AND CORRECT TO THE BEST OF MY ABILITIES.

HERMAN CRICHTON
DATE
TEXAS R.P.L.S. #4046

CRICHTON AND ASSOCIATES, INC.
6448 CAMERON ROAD SUITE B-105
AUSTIN, TEXAS 78723

FLOOD NOTE:

THE TRACT SHOWN HEREON LIES WITHIN ZONE "X" (AREAS DETERMINED TO BE OUTSIDE 500-YEAR FLOODPLAIN), ZONE "X SHADED" (AREAS OF 500-YEAR FLOOD, AND ZONE "AE" (AREAS OF 100-YEAR FLOOD, BASE FLOOD ELEVATIONS DETERMINED), AS DETERMINED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP NO. 48453C0215 G, DATED JANUARY 19, 2000, PREPARED FOR TRAVIS COUNTY, TEXAS AND INCOPORATED AREAS. FLOOD LINES SHOWN HEREON ARE APPROXIMATE.

LINE TABLE

LINE	BEARING	DISTANCE
L1	S 71°27'40" E	70.49'
(L1)	(S 71°24'48") E	(70.47')
L2	S 15°23'21" E	24.93'
(L2)	(S 15°40'43" E)	(25.00')
L3	S 76°24'22" E	24.82'
(L3)	(S 76°18'52" E)	(24.85')
L4	N 88°03'27" W	89.70'
(L4)	(N 88°09'27" W)	(70.04')

CURVE TABLE

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	182.50'	114.94'	113.05'	N 56°09'29" E	36°05'03"
(C1)	(182.50')	(114.93')	(113.04')	(N 56°10'37" E)	
C2	10.00'	17.23'	15.18'	N 87°01'33" E	98°44'39"
(C2)	(10.00')	(17.17')	(15.14')	(N 87°08'31" E)	

CRICHTON AND ASSOCIATES · LAND SURVEYORS ·
6448 HWY. 290 E.
AUSTIN, TEXAS 78723
(512) 244-3395
FAX (512) 244-9508

14.6548 ACRES

DATE: 09/10/07	JOB NO. 07-315
SCALE: 1" = 100'	DWG. NO.

Exhibit D (2 of 2): Boundary Survey

Exhibit E: Opportunity Map

Map 2: Comprehensive Opportunity Map, City of Austin

This map displays the spatial pattern of distribution of opportunity in City of Austin based on Economic, Mobility, Education, Public Health and Neighborhood Indicators.

Exhibit E: Opportunity Map of Austin

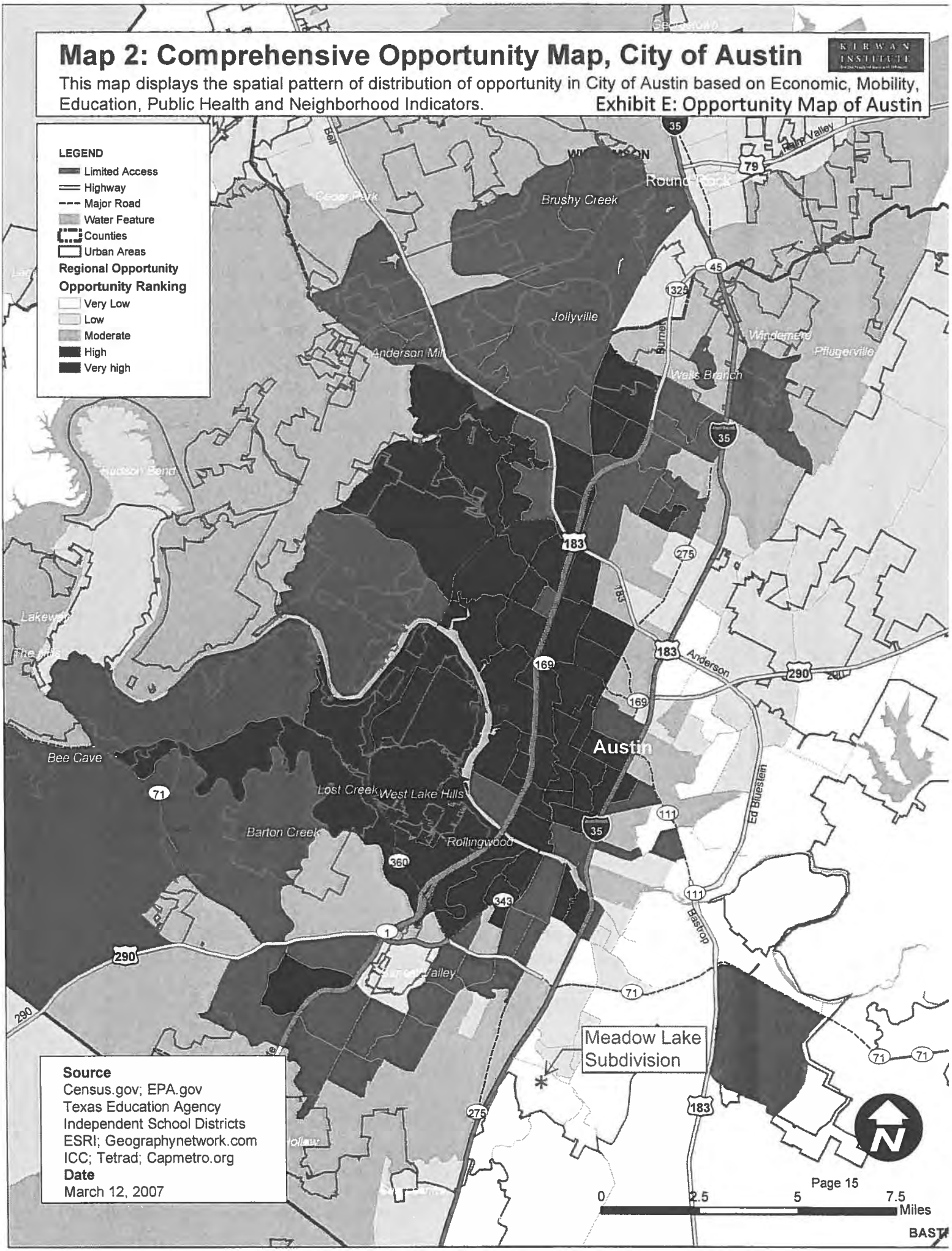


Exhibit F: Special Warranty Deed

SPECIAL WARRANTY DEED

NOTICE OF CONFIDENTIALITY RIGHTS

IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

15/ITC/CLC/13C49161-HMG,

Date: May 24, 2013

Grantor: BW Meadow Lake LP, a Texas limited partnership

Grantor's Mailing Address: 6811 Mesa Drive, Austin, TX 78731

Grantee: Austin Habitat for Humanity, Inc.

Grantee's Mailing Address: 310 Comal St., Ste. 100, Austin, TX 78702

Consideration:

(1) Cash and other good and valuable consideration.

(2) The execution and delivery of a note by AUSTIN HABITAT FOR HUMANITY, INC., A TEXAS CORPORATION, dated May 24, 2013, in the original principal amount of $642,896.00, payable to the order of AUSTIN HOUSING FINANCE CORPORATION, secured by vendor's lien in the amount of $642,896.00 as well as superior title retained herein and by the lien of a deed of trust given by Grantee to Elizabeth A. Spencer as Trustee.

The $642,896.00 note executed by Grantee payable to AUSTIN HOUSING FINANCE CORPORATION and described above is secured by vendor's lien retained by Grantor. Superior title to the real property conveyed to Grantee is retained until the note has been fully paid at which time this deed shall become absolute.

The vendor's lien retained in this deed to secure payment of the $642,896.00 note payable to AUSTIN HOUSING FINANCE CORPORATION and superior title to the real property described in this deed are transferred, without recourse, to AUSTIN HOUSING FINANCE CORPORATION for value received.

Property (including any improvements):

14.6548 acres of land, more or less, out of the SANTIAGO DEL VALLE GRANT A-24, in Travis County, Texas, being the same tract of land described in Deed recorded in Document No. 2007226861, Official Public Records, Travis County, Texas, and being more particularly described by metes and bounds in Exhibit "A" attached hereto and made a part hereof.

Exceptions To Conveyance:

Easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances, and other instruments, other than liens and conveyances, that affect the property; all zoning laws, regulations and ordinances of municipal and other governmental authorities affecting the property; rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; and taxes for the current year, the payment of which Grantee assumes.

Warranty Of Title:

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, successors and assigns to warrant and forever defend all and singular the property to Grantee, Grantee's heirs, executors, administrators, successors and assigns against every person lawfully claiming or who may lawfully claim the property or any part of or interest in the property, except as to the reservations from and exceptions to conveyance and warranty, when the claim is by, through or under Grantor but not otherwise.

BW MEADOW LAKE LP

By:_____
Austin BW Investements LLC,
General Partner

By: _____
Craig Biggar, Member

Grantee's Acceptance of Deed

Grantee accepts the foregoing deed and consents to its form and substance. Grantee acknowledges that the terms of the deed conform with Grantee's intent and that such terms will control in the event of any conflict between the terms of the deed and the terms of any contract Grantee and Grantor signed regarding the Property described in the foregoing deed.

Austin Habitat for Humanity, Inc.

_____
By: Kelly Weiss
Its: President & CEO

State of Texas
County of Travis

This instrument was acknowledged before me on the 24th day of May, 2013, by Craig Biggar, Member of Austin BW Investments LLC, General Partner of BW Meadow Lake, a Texas limited partnership, on behalf of the limited partnership.

Notary Public, State of Texas

CARMEN L CHILDRES
Notary Public, State of Texas
My Commission Expires
APRIL 10, 2016

State of Texas
County of Travis

This instrument was acknowledged before me on the 24th day of May, 2013, by Kelly Weiss, CEO & President on behalf of Austin Habitat for Humanity, Inc., a Texas corporation, on behalf of the corporation.

Notary Public, State of Texas

CARMEN L CHILDRES
Notary Public, State of Texas
My Commission Expires
APRIL 10, 2016

Prepared By:
Hancock & McGill, L.L.P.
Attorneys at Law
File No: 13-83387.14

AFTER RECORDING RETURN TO:

"Exhibit A"

FIELD NOTES

FIELD NOTES FOR 14.6548 ACRES OUT OF THE SANTIAGO DEL VALLE GRANT A-24 IN TRAVIS COUNTY, TEXAS BEING THE SAME TRATC CONVEYED TO ARMAND LUCAS IN DOC. NO. 2002252993 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS. SAID TRACT BEING MORE PARTICUALRLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a ½" iron pin found at the Southwest corner of Greenslopes Phase 1, a subdivision recorded in Book 70 Pg. 27 of the Travis County, Texas Plat Records also being on the East line of Meadow Lake Subdivision Phase 1 & 2, a subdivision recorded in Doc. No. 200200081 of the Official Public Records of Travis County, Texas for the Northwest corner of this tract and the POINT OF BEGINNING.

THENCE with the South line of Greenslopes Phase 1 and the North line of this tract the following twelve (12) courses:

1) S 71° 27' 40" E, 70.49 feet to a ½" iron pin found.

2) S 64° 14' 30" E, 386.64 feet to a ½" iron pin found.

3) S 28° 12' 26" W, 188.35 feet to a ½" iron pin found.

4) S 77° 15' 26" E, 177.43 feet to a ½" iron pin found.

5) S 04° 45' 16" E, 156.19 feet to a ½" iron pin found.

6) S 15° 23' 21" E, 24.93 feet to a ½" iron pin found.

7) Along a curve to the left whose elements are R= 182.50, L= 114.94 whose chord bears N 56° 09' 29" E, 113.05 feet to a spindle found at a point of reverse curve.

8) Along said curve to the right whose elements are R= 10.00, L= 17.23 whose chord bears N 87° 01' 33" E, 15.18 feet to a ½" iron pin found

9) S 43° 46' 11" E, 158.30 feet to a ½" iron pin found at a point of curve to the right.

10) Along said curve to the right whose elements are R= 55.00, L= 55.25 whose chord bears S 14° 59' 08" E, 52.96 feet to a ½" iron pin found.

11) S 76° 24' 22" E, 24.82 feet to a ½" iron pin found.

12) S 89° 46' 00" E, 217.11 feet to a ½" iron pin found at the Southeast corner of Greenslopes Phase 1, also being on the West line of a 11.178 acre tract conveyed to the City of Austin in Vol. 10759 Pg. 488 of the Official Public Records of Travis County, Texas for the Northeast corner of this tract.

THENCE with the common line of this tract and said 11.178 acre tract the following two (2) courses:

1) S 09° 39' 31" W, 368.89 feet to a ½" iron pin found.

2) S 50° 45' 49" W, 242.77 feet to a ½" iron pin found being the North common corner of said 11.178 acre tract and a 24.694 acre tract conveyed to the City of Austin in Vol. 10759 Pg. 488 of the Official Public Records of Travis County, Texas

THENCE with the common line of this tract and said 24.694 acre tract the following five (5) courses:

1) N 71° 26' 00" W, 579.63 feet to a ½" iron pin found.

2) N 88° 03' 27" W, 69.70 feet to a ½" iron pin found for the Southwest corner of this tract.

3) Along a curve to the left whose elements are R= 1478.77, L= 524.27 whose chord bears N 08° 25' 14" W, 521.53 feet to a ½" iron pin found.

4) N 18° 15' 53" W, 174.98 feet to a ½" iron pin set at a point of curve to the right.

5) With said curve to the right passing the Northeast corner of said 24.694 acre tract also being the Southeast corner of said Meadow Lake Subdivision Phase 1 & 2, in all whose elements are R= 523.30, L= 337.85 whose chord bears N 01° 24' 10 E, 332.01 feet to the POINT OF BEGINNING and containing 14.6548 acres more or less.

Exhibit G: Appraisal Summary Report

Exhibit G (42 pages): Appraisal Summary Report

APPRAISAL IN A SUMMARY REPORT

of ±14.6548 acres located at the terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin, Travis County, Texas

Project Name:	Habitat for Humanity
Property Owner:	BW Meadow Lake, LP
TCAD Parcel Number:	555730
Legal Description:	A 14.6548 acre tract of land, more or less, out of the Santiago Del Valle Grant, A-24, in Travis County, Texas

Submitted To:

Mr. Andy Alarcon
Habitat for Humanity
55 North IH-35, #204
Austin, Texas 78702

Prepared By:

ATRIUM REAL ESTATE SERVICES
7805-A Bell Mountain Drive
Austin, Texas 78730

Effective Date of Appraisal:
February 5, 2013

REAL ESTATE SERVICES
atrium

February 7, 2013

Mr. Andy Alarcon
Habitat for Humanity
55 North IH-35, #204
Austin, Texas 78702

RE: Appraisal in a Summary Report of ±14.6548 acres located along the terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin, Travis County, Texas.

Project Name:	Habitat for Humanity
Property Owner:	BW Meadow Lake, LP
TCAD Parcel #:	555730
Legal Description:	A 14.6548 acre tract of land, more or less, out of the Santiago Del Valle Grant, A-24, in Travis County, Texas

Dear Mr. Andy Alarcon:

As requested, Lory R. Johnson has personally inspected the above referenced property. The purpose of the appraisal is to estimate the market value of the fee simple interest of the subject whole property. The following appraisal and final estimate of value have been based upon the inspection of the property and upon research into various factors which influence value. The effective date of this appraisal was February 5, 2013.

The analysis and results of the investigation are submitted in the accompanying report which has been prepared in conformity with the requirements of the *Code of Professional Ethics and the Standards of Professional Appraisal Practice* of the APPRAISAL INSTITUTE, the *Uniform Standards of Professional Appraisal Practice* as promulgated by the APPRAISAL FOUNDATION, as well as the requirements of the STATE OF TEXAS for State-Certified General Real Estate Appraisers.

MARKET VALUE/RECOMMENDED COMPENSATION ESTIMATES - The market value of fee simple interest in the subject property, as well as the recommended compensation estimate for the proposed acquisition, as of February 5, 2013, was as follows:

FIVE HUNDRED FORTY THREE THOUSAND
($543,000)

Please note: These value conclusions are specifically limited by the *Assumptions and Limiting Conditions*, with emphasis on the *Extraordinary Assumptions* detailed at the beginning of this report.

ATRIUM REAL ESTATE SERVICES appreciates the opportunity to be of service to you and Habitat for Humanity. Should you have any questions, or if we can be of further assistance, please contact our office.

Respectfully submitted,

ATRIUM REAL ESTATE SERVICES

Lory R. Johnson

Lory R. Johnson, MAI, SR/WA
President
Texas Certified Appraiser #TX-1321640-G

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report is subject to underlying assumptions and limiting conditions qualifying the information contained in the report as follows:

The valuation estimate applies only to the property specifically identified and described in the ensuing report.

Information and data contained in the report, although obtained from public record and other reliable sources and, where possible, carefully checked, is accepted as satisfactory evidence upon which rests the final expression of property value.

No legal survey has been commissioned by the appraisers; therefore, reference to a sketch, plat, diagram, or survey appearing in the report is only for the purpose of assisting the reader to visualize the property.

It is assumed that all information known to the client and relative to the valuation has been accurately furnished and that there are no undisclosed leases, agreements, liens, or other encumbrances affecting the use of the property.

Ownership and management are assumed to be competent and in responsible hands.

No responsibility beyond reason is assumed for matters of a legal nature, whether existing or pending.

Information identified as being furnished or prepared by others is believed to be reliable, but no responsibility for its accuracy is assumed.

Any appraiser, by reason of this appraisal, shall not be required to give testimony as an Expert Witness in any legal hearing or before any court of law unless justly and fairly compensated for such services.

By reason of the purpose of this appraisal and function of the report herein set forth, the value reported is only applicable to the property rights appraised and the appraisal report should not be used for any other purpose.

Information regarding toxic wastes or hazardous materials which might affect the subject property, has not been proved; thus, the existence of toxic waste which may or may not be present in the property, has not been considered. Soil or drainage tests have not been performed, nor have soil or drainage test results been provided. Therefore, it is assumed that there are no subsoil or drainage conditions which would adversely affect the subject or their final valuation. This report assumes no soil contamination exists within or on the subject site. The valuation is subject to modification if any such potentially hazardous materials were detected by a qualified expert in these areas. The appraisers reserve the right to modify this valuation if so warranted.

One (or more) of the signatories of this appraisal report is a member (or candidate) of the Appraisal Institute. The Bylaws and Regulations of the Institute require each member and candidate to control the use and distribution of each appraisal report signed by such member or candidate. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of the signatories of this appraisal report.

No endangered species and endangered species natural habitats were evident upon site inspection. This report assumes that the subject is not encumbered by any environmental factors which would affect value. Typically, real estate appraisers are not qualified nor are they experts in detecting hazardous materials, radiological materials, archeological resources, etc., therefore, an expert in these fields should be consulted for opinions on these matters.

This appraisal report is based on the condition of local and national economies, purchasing power of money, and finance rates prevailing at the effective date of value.

EXTRAORDINARY ASSUMPTIONS

We were provided ownership information and a property description for the subject property. Using this information as well as additional information secured from the Travis County Deed Records and the Travis Central Appraisal District, the size of the property and its legal description were established. All information provided is assumed to be correct and has been considered in the following valuation analysis.

CERTIFICATION OF THE APPRAISERS

The undersigned do hereby certify that, to the best of our knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- we have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
- we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment. The person signing this report has not performed any services regarding the subject property within the last three years.
- our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, the occurrence of a subsequent event directly related to the intended use of this appraisal.
- the analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the *Code of Professional Ethics and the Standards of Professional Appraisal Practice* of the APPRAISAL INSTITUTE, the *Uniform Standards of Professional Appraisal Practice* as promulgated by the APPRAISAL FOUNDATION, as well as the requirements of the STATE OF TEXAS for State-Certified General Real Estate Appraisers.
- Lory R. Johnson and Cynthia Craig have made a personal inspection of the property that is the subject of this report.
- Cynthia Craig provided significant real property appraisal assistance to the persons signing this certification.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, Lory R. Johnson has completed the requirements of the continuing education program of the Appraisal Institute.
- this appraisal report sets forth all limiting conditions (imposed by the terms of the assignment or by the undersigned) affecting the analyses, opinions, and conclusions expressed herein.
- the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- the market data contained within this report, has been accumulated from various sources and, where possible, personally examined and verified as to details, motivation, and validity.

ATRIUM REAL ESTATE SERVICES

Lory R. Johnson

Lory R. Johnson, MAI, SR/WA
President
Texas Certified Appraiser #TX-1321640-G

Date Signed: February 7, 2013

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INTRODUCTION

SUBJECT PROPERTY PHOTOGRAPHS

AERIAL PHOTOGRAPH

Source: City of Austin GIS
Blue: Subject property boundary (estimated by appraiser)

SUBJECT PROPERTY PHOTOGRAPHS

BIRD'S EYE VIEW

Source: bing.com
Blue: Subject property boundary (estimated by appraiser)

SUBJECT PROPERTY PHOTOGRAPHS

Looking south at whole property from terminus of Meadow Lake Blvd.

Date photo taken:
2/05/13

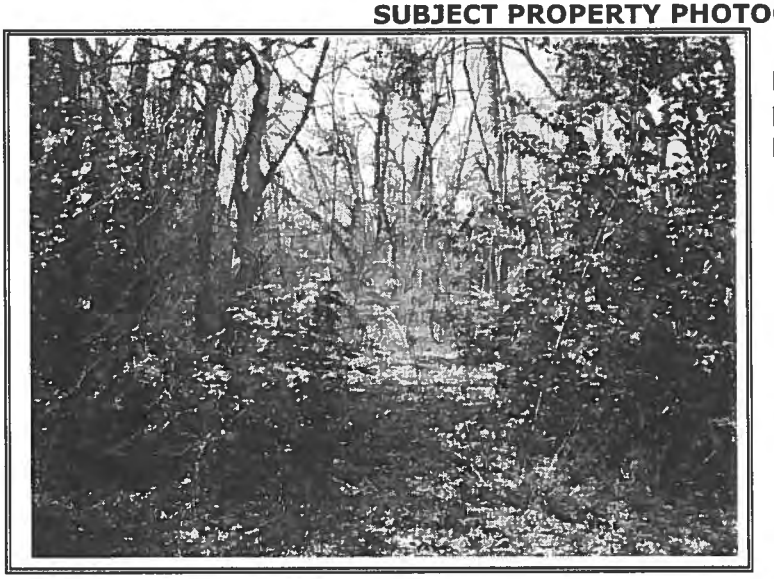
Looking east at whole property from the northwest corner of the property

Date photo taken:
2/05/13

Looking south at whole property from terminus of Misty Slope Lane

Date photo taken:
2/05/13

SUBJECT PROPERTY PHOTOGRAPHS



Looking south at whole property from the northeast portion of the property

Date photo taken:
2/05/13

Looking north along Misty Slope Lane

Date photo taken:
2/05/13

Looking north along Meadow Lake Blvd.

Date photo taken:
2/05/13

EXECUTIVE SUMMARY

Location of Property:	Terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin, Travis County, Texas
TCAD Parcel ID Number:	555730
Property Rights Appraised:	Fee simple interest
Highest and Best Use:	Residential-oriented development
Size:	±14.6548 acres
Zoning:	SF-6; Townhouse and Condominium Residence District
Utilities:	All municipal utilities available
Shape:	Irregular
Easements:	There is an existing 50' gas pipeline easement located on the subject site, which is in the southern portion of the site. Portions of this easement area extend through the flood plain. There is also a 15' wastewater easement that extends along the western property line and across the south-central portion of the site.
Topography:	Basically level to slightly sloping
Floodplain:	The subject property is located ±5% within the 100-year floodplain and 15% within the City of Austin 25-year floodplain
Improvements:	Vacant land.
Appraisal Issues:	There is a 50' gas pipeline easement located along the southern property line that will require a 200' building setback. ±15% of the property is located within the 25-year floodplain area. According Robert Heil, Land Planner with the City of Austin Development Assistance Center, as of Feburary 2013, new construction on land known to be in the 25 year flood plain is not permissible, nor is rebuilding on the land after a flood.

Type of Appraisal:	Summary Report Format
Effective Date of the Appraisal:	February 5, 2013
Date of the Report:	February 7, 2013
Value Estimate:	

FIVE HUNDRED FORTY THREE THOUSAND
($543,000)

Please note: This value conclusion is specifically limited by the *Assumptions and Limiting Conditions*, with emphasis on the *Extraordinary Assumptions* as detailed at the beginning of this appraisal report.

DATE OF VALUE

The property was inspected on February 5, 2013, which serves as the effective date of the appraisal.

OWNER CONTACT

The current owner is, BW Meadow Lake, LP. We contacted the representative/broker for the property, Craig Biggar. Lory R. Johnson and Cynthia Craig inspected the property independently on February 5, 2013.

PURPOSE/INTENDED USE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the fee simple interest of the subject whole property. The definitions of these value estimates are included herein. The client is Habitat for Humanity, with the client being the only intended user of the report. Use of this report by others is not intended by the appraisers. This report is intended only for use in estimation of recommended compensation and it is understood that the opinions expressed in this report may be utilized for litigation purposes.

SCOPE OF WORK

As outlined, the purpose of this appraisal is to estimate the market value of the fee simple interest of the subject whole property. We were provided ownership information and a property description for the subject property. Using this information as well as additional information secured from the Travis County Deed Records and the Travis Central Appraisal District, the size of the property and its legal description were established. All information provided is assumed to be correct and has been considered in the following valuation analysis.

The subject property is vacant land. There is a 50' gas pipeline easement located along the southern property line that will require a 200' building setback. ±15% of the property is located within the 25-year floodplain area. According Robert Heil, Land Planner with the City of Austin Development Assistance Center, as of Feburary 2013, new construction on land known to be in the 25 year flood plain is not permissible, nor is rebuilding on the land after a flood.

In analyzing the area economy, data from the various sources including the Chamber of Commerce was obtained. In addition, we inspected the subject property and surrounding properties, analyzed the area and subject neighborhood, formulated an opinion regarding the highest and best use, made a search for comparable sales and listings, and all other available pertinent information used in developing an opinion of value. This data is based upon research into the Travis County markets. In all cases, the data is verified with buyer, seller, landlord, tenant, agent, and/or broker, and cross-checked through public records.

In the valuation analysis of the subject property, the Cost, Sales Comparison and Income Capitalization Approaches to value were considered. As the property is vacant land, only the Sales Comparison Approach, land value only, has been developed.

This appraisal is reported in a Summary Report format which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it presents only summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein. The appraiser is not responsible for unauthorized use of this report.

PROPERTY RIGHTS APPRAISED

The property rights appraised are the fee simple interest in the whole subject property and the easement estate of the acquisition areas. Fee simple estate is an absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[1] An easement estate is an interest in real property that transfers use, but not ownership, of a portion of an owner's property. Access or right of way easements may be acquired by private parties or public utilities. Governments accept conservation, open space, and preservation easements on private property.[2]

DEFINITION OF MARKET VALUE

Market value, as used in this appraisal report, is defined as being:

"The price which the property would bring when it is offered for sale by one who desires, but is not obligated to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future."[3]

LEGAL DESCRIPTION

The following legal description was provided by the Travis County Deed Records and is assumed to be correct. It has not been verified by legal counsel nor has an independent survey of the parcel been commissioned. Therefore, it is suggested that the legal description be verified before being used in a legal document or conveyance.

A 14.6548 acre tract of land, more or less, out of the Santiago Del Valle Grant, A-24, in Travis County, Texas.

HISTORY/CURRENT LISTING OF THE PROPERTY

According to the Travis County Deed records, ownership was vested to BW Meadow Lake, LP. The current owners acquired title to the subject on December 19, 2007 from Armand Lucas as recorded in Document No. 2007226861, Deed Records of Travis County, Texas. The consideration for the transaction is unknown. The property is currently listed for sale by Craig Biggar and Associates for $638,154, or $1.00/SF.

REAL ESTATE TAXES

The subject property falls under the jurisdiction of various taxing authorities including the City of Austin, Austin ISD, Travis County, Travis County Healthcare District, and Austin Community College District. The 2012 assessed value for the subject property for land only was $80,411 or $5,487/acre ($0.13/SF). According to representatives of the Travis County Tax Collector/Assessors Office, as of the effective date of this appraisal, the subject property has no delinquent taxes.

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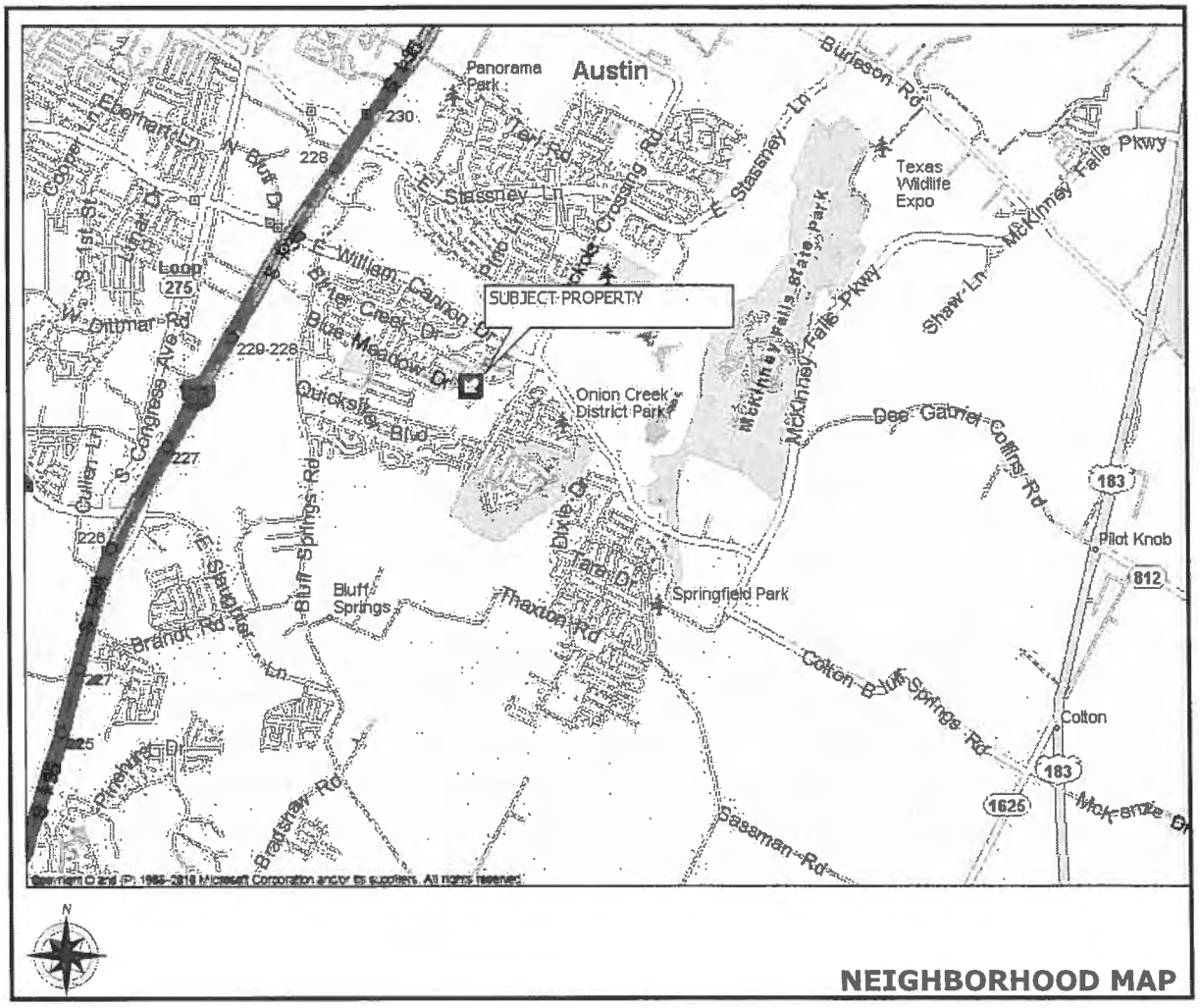
1 The Appraisal of Real Estate, 13th Edition, (Chicago: Appraisal Institute, 2008) p. 114.
2 The Appraisal of Real Estate, 13th Edition, (Chicago: Appraisal Institute, 2008) p. 117.
3 City of Austin vs. Cannizzo, et a,. 267 S. W.2d 808,815 (1954)

DESCRIPTIONS

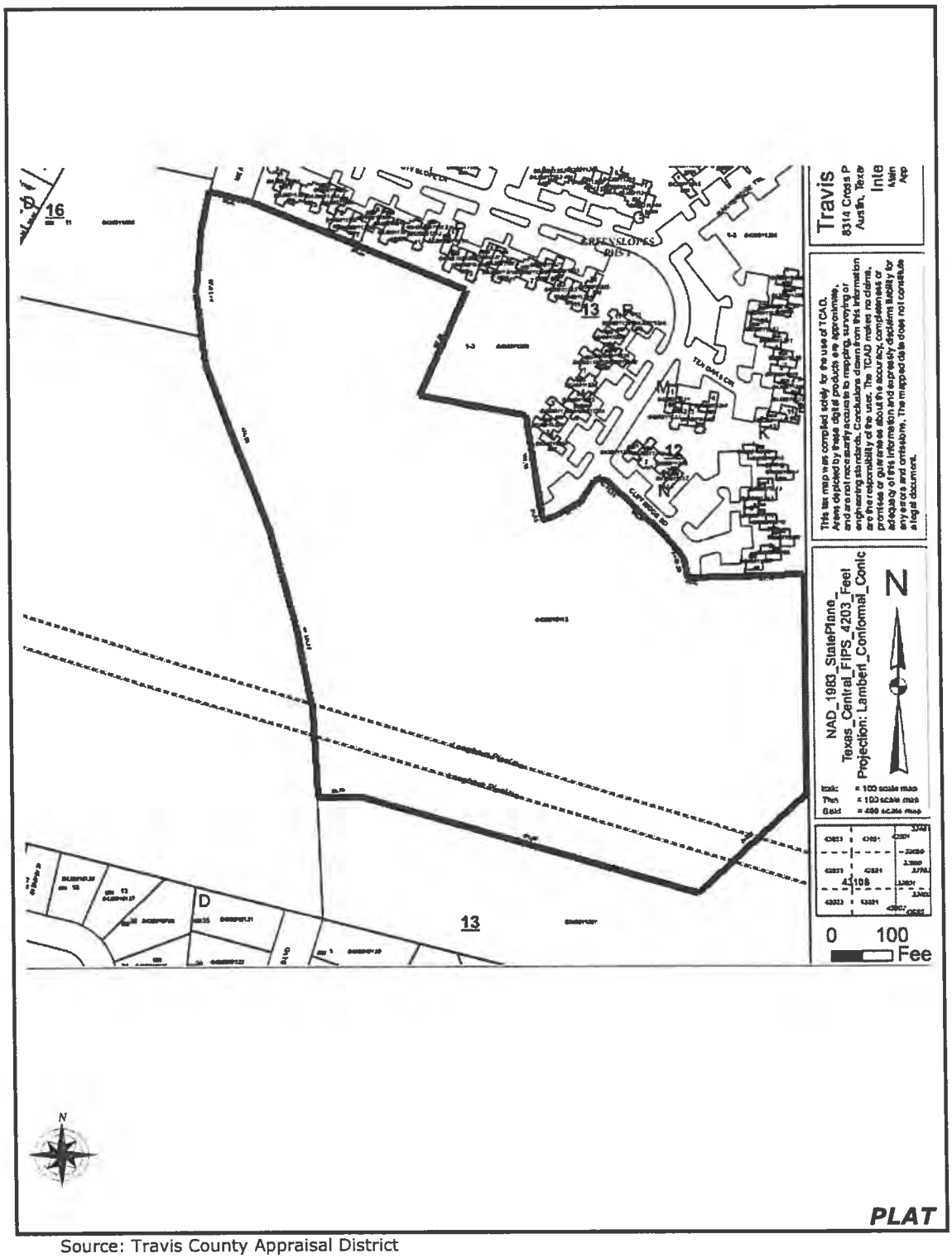
NEIGHBORHOOD DESCRIPTION



The subject property is located at the terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin, Travis County, Texas. The subject neighborhood can best be defined by the following boundaries: Stassney Lane to the north, McKinney Falls Parkway to the east, East Slaughter Lane to the south and Interstate Highway 35 to the west. The neighborhood is in the southeast portion of the Austin metropolitan area.

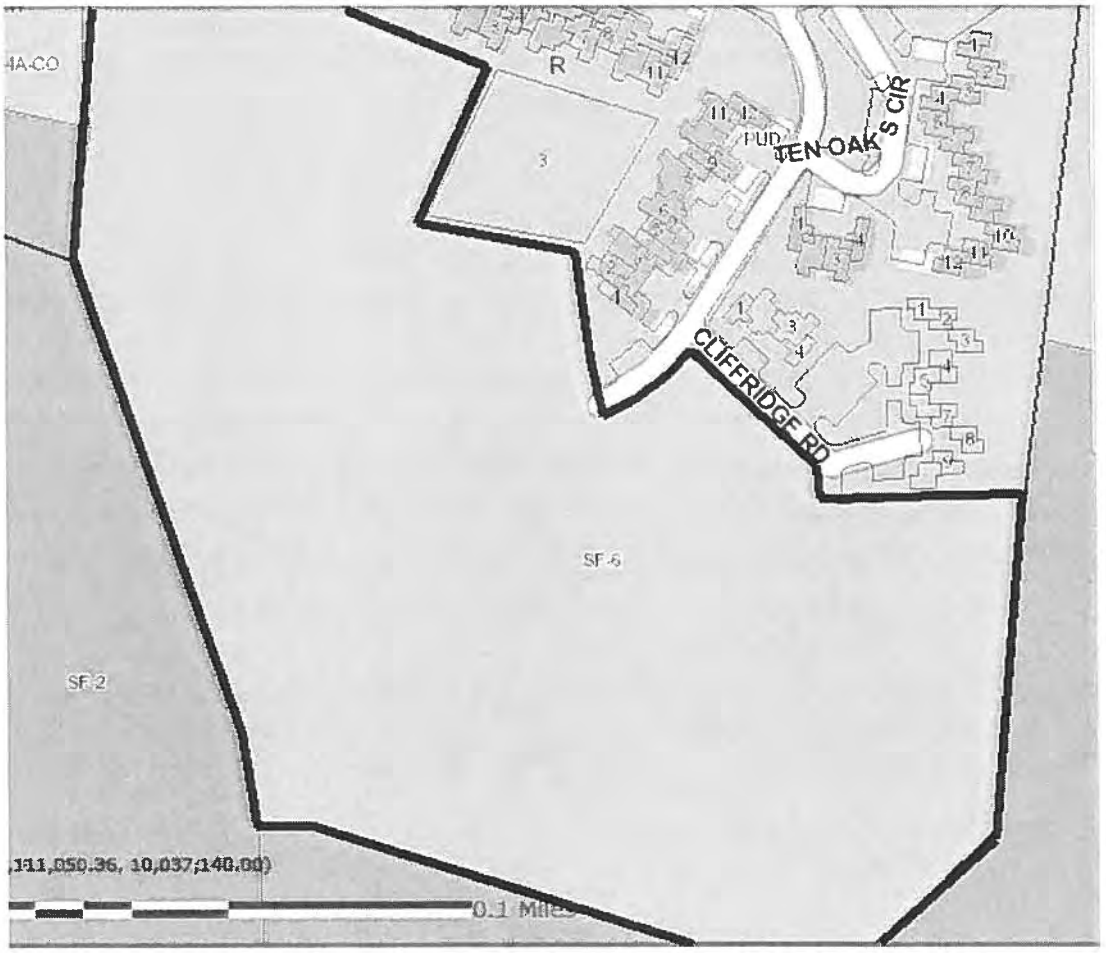
Overall, land uses within the neighborhood are somewhat varied, with commercial developments including convenience stores, gas stations, restaurants/fast food, office buildings and retail centers. Single family housing is mostly along secondary carriers, while recent commercial development is concentrated along primary thoroughfares, including IH-35, East William Cannon Drive and South Pleasant Valley Road.

SITE DESCRIPTION



Source: Travis County Appraisal District

SITE DESCRIPTION

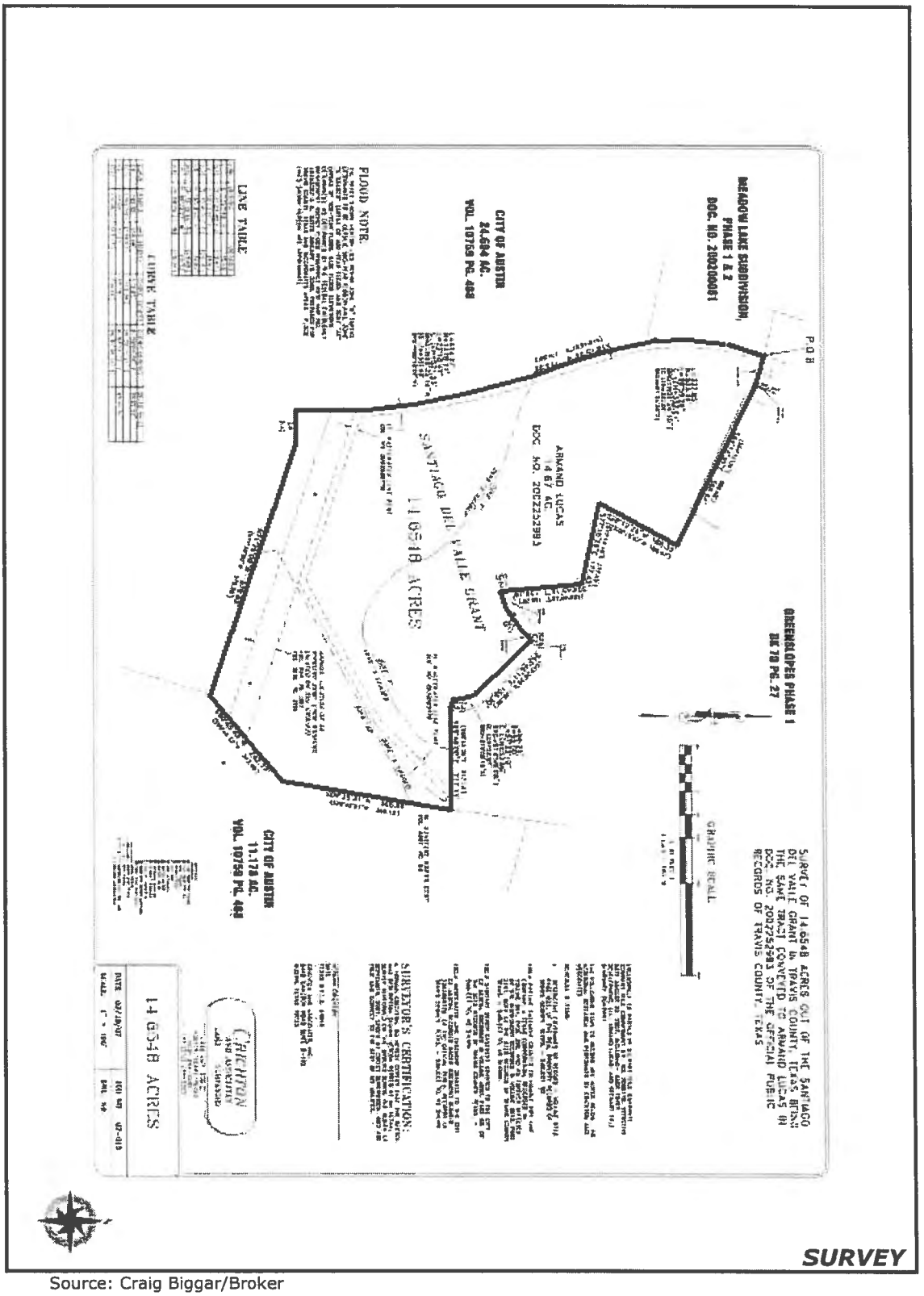


ZONING MAP

Source: City of Austin GIS

FLOOD PLAIN MAP

Source: City of Austin GIS



SURVEY

Source: Craig Biggar/Broker

SITE DESCRIPTION

Location:	Terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin, Travis County, Texas
Size:	±14.6548 acres
Shape:	Irregular
Frontage:	Meadow Lake Blvd.: ±70 feet Misty Slope Lane: ±25 feet Meadow Lake Blvd. is a two-lane, paved, residential street, and Misty Slope Lane is a two-lane, paved, residential street.
Access/Visibility:	The subject site is accessible from Meadow Lake Blvd. with frontage along Misty Slope Lane, and is afforded good visibility from these roadways.
Topography:	Basically level to slightly sloping
Subsoil Conditions and Drainage:	An engineering study to determine the soil and subsoil conditions has not been furnished. Upon inspection of the subject and surrounding improvements, soil conditions appear adequate to support development of the subject property with adequate engineering. Overall, drainage appears adequate.
Flood Plain:	The subject property lies within the area mapped by Flood Insurance Rate Map Panel #48453C0590H, Travis County, Texas and Incorporated Areas dated September 26, 2008 as supplied by the Federal Emergency Management Agency. Based on this map, the subject property is ±5% within the 100-year floodplain and 15% within the City of Austin 25-year floodplain. The floodplain area is located in the southeastern portion of the site.
Jurisdiction:	The subject property is located within the city limits of the City of Austin.
Utilities:	The subject property currently has all municipal utilities available. Electricity is provided by Austin Energy, water and wastewater are provided by the City of Austin and telephone service is provided by Southwestern Bell.
Additional Public Services:	Fire, emergency medical services, and police protection are provided by the City of Austin.
Zoning:	The subject property is located within the city limits of Austin and is zoned SF-6, Townhouse and Condominium Residence District.

SITE DESCRIPTION

Future Land Use:	Per the City of Austin GIS, the subject property is not located within a Neighborhood Planning (NP) area, there is not a Neighborhood Plan established for the area.
Land Use Restrictions:	There are no known deed restrictions, either public or private, that would limit the utilization of the subject property. This statement should not be taken as a guarantee or warranty that no such restrictions exist. Deed and title examination by a competent attorney is recommended should any questions arise regarding restrictions.
Easements and Encumbrances:	There is an existing 50' gas pipeline easement located on the subject site, which is in the southern portion of the site. Portions of this easement area extend through the flood plain. There is also a 15' wastewater easement that extends along the western property line and across the south-central portion of the site. A 200' building setback is required from the edge of the gas pipeline easement. The easement area totals ±0.75 acres. With the 200' setback requirement, ±3.7 acres, or 25% of the site, are not developable. However, according to the broker for the property, Craig Biggar, a portion of this area could still be used for drainage/detention area.
Environmental/Toxic Waste:	This appraisal report assumes no soil contamination exists within or on the subject property. Any environmental issues, including endangered species and endangered species natural habitats, which would pertain to the subject property are unknown. Typically, real estate appraisers are not qualified nor are they experts in detecting hazardous materials, radiological materials, archeological resources, etc.; therefore, an expert in these fields should be consulted for opinions on these matters. This report assumes no environmental hazards or special resources exist within or on the subject property.
Improvements:	Vacant land.
Surrounding Properties:	The subject is bounded to the north and south by residential subdivisions and to the east and west by vacant land.

ANALYSIS OF DATA

Highest and Best Use can be defined as: "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."[4]

The highest and best use involves consideration of land use as though vacant, and as improved. The potential uses of the subject are affected by the real estate economic forces of the area and neighborhood. The available uses are restricted by four criteria including physically possible, legally permissible, financially feasible and maximally productive.

Previous sections of this report, with primary emphasis on *Neighborhood Description* and *Site Description,* were utilized in order to render a judgment as to the highest and best use of the site, as if vacant.

Highest and Best Use, As If Vacant

Physically Possible

The first constraint is dictated by the physical attributes of the property itself. The subject property is located at the terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin, Travis County, Texas. The subject contains ±14.6548 acres. The subject property has all municipal utilities available. The site is basically level to slightly sloping, and is irregular in shape. According to available maps, the subject property is located ±5% within the 100-year floodplain and 15% within the City of Austin 25-year floodplain of the site is within the flood plain. The floodplain is located along the rear portion of the site. Therefore, based on the physical characteristics of the site, there are no significant detriments to the site.

Legally Permissible

Legal restrictions, as they apply to the subject are private restrictions such as easements, and public restrictions such as zoning. There are no known deed restrictions which would significantly limit the development alternatives of the property. As previously mentioned, there is an existing 50' gas pipeline easement located on the subject site, which is in the southern portion of the site. Portions of this easement area extend through the flood plain. There is also a 15' wastewater easement that extends along the western property line and across the south-central portion of the site. A 200' building setback is required from the edge of this easement. In consideration of zoning, the subject property is zoned Townhouse and Condominium Residence District, SF-6.

Also considered in the context of Legally Permissible is conformity with surrounding properties. "Conformity is the appraisal principle that holds that real property value is created and sustained when the characteristics of a property conform to the demands of the market."[5] As discussed in the *Neighborhood Description* section, residential and neighborhood commercial development is predominant throughout the neighborhood. The subject is currently vacant land.

In summary, the legally permissible component of the highest and best use analysis is considered to point toward residential-oriented development due to its location, zoning, size, compatibility and surrounding uses.

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[4] *The Appraisal of Real Estate, 13th Edition*, (Chicago: Appraisal Institute, 2008), p.277-278.

[5] *The Appraisal of Real Estate, 13th Edition*, (Chicago: Appraisal Institute, 2008), p.41.

Financially Feasible and Maximally Productive

This section requires that the forces of supply and demand be in balance, and that the property developed will provide sufficient income to return profit to the land. A residential-oriented development is the most reasonable use of the site and generates the highest return to the land.

Highest and Best Use Conclusion, As If Vacant

Considering all of the factors which influence highest and best use, it is our opinion that the highest and best use of the subject site, if vacant, is a residential-oriented development.

Highest and Best Use Conclusion, As Improved

As previously noted, the subject is currently vacant land.

APPRAISAL PROCESS

In estimating the value of real property, there are three recognized approaches or techniques that, when applicable, can be used to process the data considered significant to each into separate value indications. In all instances the experience of the appraisers, coupled with objective judgment, plays a major role in arriving at the conclusions of indicated value from which the final estimate of value is made.

The three approaches are commonly known as:

The Cost Approach - An estimate of the present reproduction cost of the improvements, less accrued depreciation, plus land value. Depreciation includes all loss in value of the improvements due to physical deterioration, functional obsolescence, and economic obsolescence.

The Sales Comparison Approach - Comparison with similar properties that have sold in the market. This Approach can be applied to land alone or to improved properties.

Income Capitalization Approach - Capitalization of the net income that the property can produce. This Approach is applicable only to income producing properties.

In the valuation analysis of the subject property, the Cost, Sales Comparison and Income Capitalization Approaches to value were considered. However, since the subject is vacant land, the Sales Comparison Approach is the only approach that has been developed herein.

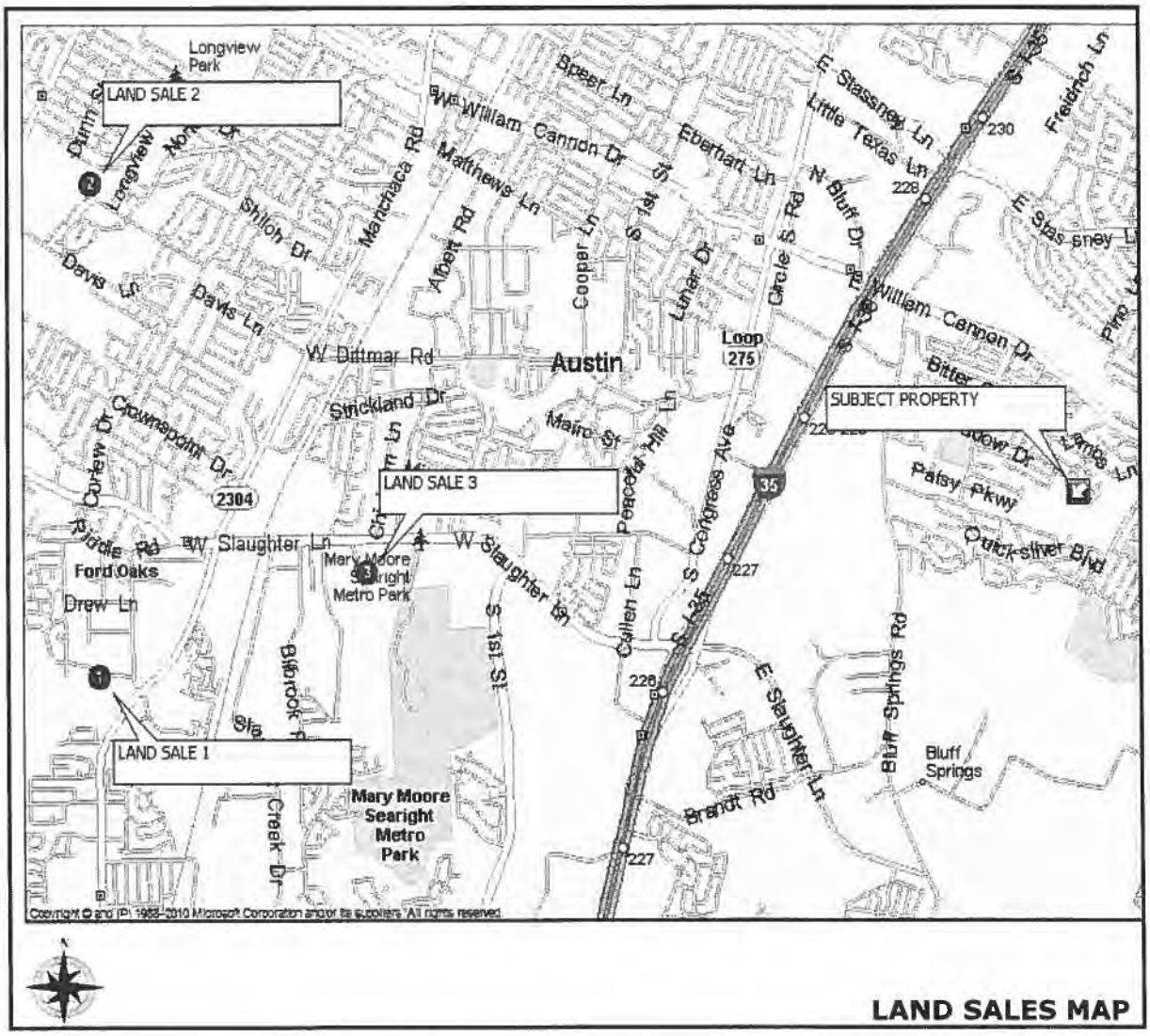
THE SALES COMPARISON APPROACH

THE SALES COMPARISON APPROACH

The Sales Comparison Approach will be utilized to estimate the fee simple value of the subject site. This approach is considered the most valid indicator in estimating the market value of unimproved land not typically leased in the marketplace. In valuing property via this approach, as many land sales as possible are gathered and the most comparable are used for comparison. Since properties are seldom identical, the comparable sales must be adjusted to the subject for differences in time, location, and physical characteristics to indicate a value for the subject tract.

When valuing real estate via the Sales Comparison Approach, the subject and comparables must be broken down into units of comparison. Units of comparison for vacant land include price per front foot, price per lot, price per acre (buildable or total), price per square foot (buildable or total) and price per buildable unit. The method of comparison is based on the method typically used to purchase vacant tracts in a given area. The price per SF appears prevalent in the area and will be the unit of comparison in our valuation of the subject site.

In undertaking our research efforts, we made a diligent search of the subject's neighborhood for properties that had sold or that were under contract. Our research included searching for vacant land tracts that exhibited similar characteristics. Included on the following page is a summary of the documented land sales that have been used in estimating the value of the subject. A location map has also been included.



LAND SALES MAP

LAND SALES SUMMARY				
#	LOCATION	DATE OF SALE	$/SF	LAND SIZE (ACRES)
1	SL of Lynnbrook Drive, west of Old Manchaca Rd (2309-2311 Lynnbrook Dr), Austin, Travis County	12/27/11	$0.94	±11.563 acres
2	WL of Longview Rd and NL of Cameron Loop (8420 Longview Rd), Austin, Travis County	8/10/11	$1.22	±15.061 acres
3	EL of S. Chisholm Trail, south of Slaughter Lane, Austin, Travis County	12/10/10	$0.57	±13.085 acres
Subject	Terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin, Travis County, Texas			±14.6548 acres

Source: Atrium Real Estate Services 02/2013

LAND SALE NO. 1

Property Identification

Record ID	1484
Property Type	Residential
Address	SL of Lynnbrook Drive, west of Old Manchaca Rd (2309-2311 Lynnbrook Drive), Austin, Travis County, Texas 78748
Tax ID	533272 & 533273

Sale Data

Grantor	Boyce R. Brown, Trustee of Boyce R. Brown, Attorney at Law
Grantee	Lynnbrook Reserve, LP
Sale Date	December 27, 2011
Deed Book/Page	2011189724
Financing	Cash to seller
Deed Reviewed	7/12, RCA; Date Inspected: 7/25/12, LRJ/RCA
Verification	Randy Merritt, broker, 512-472-2100, July 26, 2012; Confirmed by RCA
Sale Price	$475,000

Land Data

Zoning	ETJ, Unzoned
Topography	Generally level to slightly sloping
Utilities	all necessary available
Shape	Irregular
Flood Info	+/-45% noted within 100-year floodplain
Easements	Wastewater easement in southern part of site
Improvements	Vacant at the time of sale
Intended/Current Use	Residential/Residential

Land Size Information

Gross Land Size	11.563 Acres or 503,684 SF
Front Footage	Lynnbrook Dr +/- 496 linear feet

Indicators

Sale Price/Gross Acre	$41,079
Sale Price/Gross SF	$0.94

Legal Description

Being 11.563 acres of land, more or less, out of the Walker Wilson Survey No. 2 situated in Travis County, Texas.

Remarks

In April 2012, a subdivision plat was approved for a small lot subdivision on the site known as Lynnbrook Reserve. As of February, development of the site was underway. The floodplain on the site is located at the rear of the site and none of the subdivided lots appear to be within the floodplain. The site is within the Austin Water Utility service area for water and wastewater; the water line is located to the northwest corner of the site within Dinah Drive and as noted, the wastewater is located in the southern part of the site.

LAND SALE NO. 1 (Con't)

LAND SALE NO. 2

Property Identification

Record ID	1485
Property Type	Residential
Address	WL of Longview Rd and NL of Cameron Loop (8420 Longview Rd), Austin, Travis County, Texas 78745
Tax ID	554099

Sale Data

Grantor	Flex Realty LP
Grantee	HEB Grocery Company, LP
Sale Date	August 10, 2011
Deed Book/Page	2011116821
Financing	Cash to seller
Deed Reviewed	7/12, RCA; Date Inspected: 7/25/12, LRJ/RCA
Verification	Randy Merritt, broker, 512-472-2100, July 25, 2012; Confirmed by RCA
Sale Price	$800,000

Land Data

Zoning	SF-6-, Townhouse and Condominium
Topography	Generally level to slightly sloping
Utilities	All necessary available
Shape	Irregular
Flood Info	No floodplain noted
Easements	±104 LF Pipeline easement near southern boundary
Improvements	Vacant at the time of sale
Intended/Current Use	Residential/Vacant

Land Size Information

Gross Land Size	15.061 Acres or 656,057 SF
Front Footage	Longview Rd +/- 536 linear feet; Cameron Loop +/- 687 linear feet

Indicators

Sale Price/Gross Acre	$53,117
Sale Price/Gross SF	$1.22

Legal Description

A 15.061 acre tract of land out of the Theodore Bissel League, Abstract No. 3, situated in the City of Austin, Travis County, Texas.

Remarks

The property is within the Edwards Aquifer Recharge Zone (Barton Springs Zone). According to a recorded easement document (Document #201104552), there is a gas pipeline easement located near the southern boundary of the site and traverses from west to east with a width of ±104 linear feet. Based on information provided in July 2012 by the broker of the sale, there is an additional 50 foot building setback from the gas pipeline easement. The intended use by purchaser was for mitigation of a development on William Cannon Road; the broker indicated that no discount or premium was attributed to the sales price for the purchaser's intended use.

LAND SALE NO. 2 (Con't)

LAND SALE NO. 3

Property Identification

Record ID	1486
Property Type	Residential
Address	EL of S Chisholm Trail, south of Slaughter Lane, Austin, Travis County, Texas 78748
Tax ID	346048

Sale Data

Grantor	Perry Homes, LLC
Grantee	JDJ Family Holdings Ltd
Sale Date	December 10, 2010
Deed Book/Page	2011001309
Financing	Cash to seller
Deed Reviewed	7/12, RCA; Date Inspected: 7/25/12, LRJ/RCA
Verification	Jonathan Woodruff, broker to the sale, 713-948-7802, July 25, 2012; Confirmed by RCA
Sale Price	$327,125

Land Data

Zoning	SF-1, Single Family Residential
Topography	Generally level
Utilities	all necessary available
Shape	Rectangular
Flood Info	No floodplain noted
Easements	No adverse easements noted
Improvements	Vacant at the time of sale
Intended/Current Use	Investment/Vacant

Land Size Information

Gross Land Size	13.085 Acres or 569,983 SF
Front Footage	S. Chisholm Trail +/- 465 linear feet; Mary Moore Searight Dr +/- 222 linear feet

Indicators

Sale Price/Gross Acre	$25,000
Sale Price/Gross SF	$0.57

Legal Description

13.085 acres of land, out of the S.F. Slaughter League No. 1, situated in Travis County, Texas.

Remarks

The property is located south of Slaughter Lane on S. Chisholm Trail, which is a dead end street. The site is bisected by a small creek, and is surrounded by residential uses. Mary Moore Searight Drive provides access to the Parades Middle School and Mary Moore Searight Metro Park.

LAND SALE NO. 3 (Con't)

#	Location	Date of Sale	$/SF	Size (Acres)	Comments
1	SL of Lynnbrook Drive, west of Old Manchaca Rd (2309-2311 Lynnbrook Dr), Austin, Travis County	12/27/11	$0.94	±11.563 acres	In April 2012, a subdivision plat was approved for a small lot subdivision on the site known as Lynnbrook Reserve. As of February, development of the site was underway. The floodplain on the site is located at the rear of the site and none of the subdivided lots appear to be within the floodplain. The site is within the Austin Water Utility service area for water and wastewater; the water line is located to the northwest corner of the site within Dinah Drive and as noted, the wastewater is located in the southern part of the site.
2	WL of Longview Rd and NL of Cameron Loop (8420 Longview Rd), Austin, Travis County	8/10/11	$1.22	±15.061 acres	The property is within the Edwards Aquifer Recharge Zone (Barton Springs Zone). According to a recorded easement document (Document #201104552), there is a gas pipeline easement located near the southern boundary of the site and traverses from west to east with a width of ±104 linear feet. Based on information provided in July 2012 by the broker of the sale, there is an additional 50 foot building setback from the gas pipeline easement. The intended use by purchaser was for mitigation of a development on William Cannon Road; the broker indicated that no discount or premium was attributed to the sales price for the purchaser's intended use.
3	EL of S. Chisholm Trail, south of Slaughter Lane, Austin, Travis County	12/10/10	$0.57	±13.085 acres	The property is located south of Slaughter Lane on S. Chisholm Trail, which is a dead end street. The site is bisected by a small creek, and is surrounded by residential uses. Mary Moore Searight Drive provides access to the Parades Middle School and Mary Moore Searight Metro Park.
Subject	Terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin, Travis County, Texas			±14.6548 acres	The site has all municipal utilities available. ±5% within the 100-year floodplain and 15% within the City of Austin 25-year floodplain. The subject property is vacant land.

Source: Atrium Real Estate Services 02/2013

THE ADJUSTMENT PROCESS

In order to narrow the range of sale prices indicated by the comparable sales, adjustments will be made to the sales for differing characteristics. The adjustments will be applied based on the number of rating categories of difference between the comparable sale and the subject. For example, a slightly inferior rated sale differs from the subject by one rating category, while an inferior rated sale differs from the subject by two rating categories. The adjustment process will begin with a discussion of the property rights.

Property Rights Conveyed - The transaction price of a sale is always based on the real property interest conveyed. In this instance, an adjustment for this attribute is not considered necessary.

Terms of Sale/Financing - The sales gathered for this report reflected cash to seller transactions or those where the financing terms were reported to be at market. Therefore, an adjustment for cash equivalency is not necessary.

Conditions of Sale - The sales reflected properties that concluded to be arm's length transactions. No adjustments for conditions of sale appear to be warranted.

Market Conditions/Time - The sale comparables utilized in the present analysis ranged in date of sale from 12/10/10 to 12/27/11. Considering the general trends in the market, it appears that an adjustment for this characteristic is not warranted.

Location - The following Table summarizes the location ratings:

LOCATION RATINGS		
Sale	Location	Rating
1	SL of Lynnbrook Drive, west of Old Manchaca Rd (2309-2311 Lynnbrook Dr), Austin, Travis County	Superior/1.0
2	WL of Longview Rd and NL of Cameron Loop (8420 Longview Rd), Austin, Travis County	Superior/1.0
3	EL of S. Chisholm Trail, south of Slaughter Lane, Austin, Travis County	Inferior/2.0
Subject	Terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin, Travis County, Texas	

Based on the general location characteristics of the properties, an adjustment for location appears necessary. Considering the general location differences of the comparables and the subject, an adjustment of 10% per rating category has been utilized. These adjustments are considered to be sufficient to account for the location differences between the sales and the subject property.

Physical Characteristics:

Included in the physical characteristics adjustments are various categories including size of properties, improvements on the property, frontage, entitlements, easements, topography, utilities, flood plain, zoning, etc. The following summarizes those characteristics which require adjustment.

Size: The size of the property is ±14.6548 acres while the sales range in size from ±11.563 acres to ±15.061 acres. Considering the minor variations in size as compared to the subject site, an adjustment for size is not considered warranted.

SIZE RATINGS		
Sale	Size	Rating/Doubling
1	±11.563 acres	Similar/0.0
2	±15.061 acres	Similar/0.0
3	±13.085 acres	Similar/0.0
Subject	±14.6548 acres	------

Flood Plain /Topography – The subject tract is basically level to slightly sloping, with ±5% within the 100-year floodplain and 15% within the city of austin 25-year floodplain. All of the sales had generally level to slightly sloping topographies. Sale 1 contained ±45% floodplain and Sales 2 and 3 did not contain any floodplain. As such, Sale 1 was adjusted upward 10% and Sales 2 and 3 were adjusted downward 10%.

Zoning: The subject property is currently zoned SF-6, Townhouse and Condominium Residence District. All of the sales are considered to be similar to the subject and no adjustment for zoning is considered necessary.

Utilities: The subject property currently has all municipal utilities available. All of the sales have all municipal utilizes available to them and were not considered to require adjustment.

Corner: The subject is an interior parcel as well as Sales 1 and 3; Sale 2 is located at a corner. Although Sale 2 is located at a corner, an adjustment for corner is not necessary.

Other Characteristics – The subject site contains a gas pipeline with an additional 200' setback associated with the easement. Potential development in the southern portion of the site is hindered by the existence of the easement. Sales 1 and 3 do not have such an easement, are considered superior. Considering the amount of land impacted by the easement, Sales 1 and 3 have been adjusted -10% for this characteristic. Sale 2 also has a pipeline easement and is considered similar to the subject. The sales were considered to be relatively similar for other characteristics. To this end, no additional adjustments were considered necessary. The following adjustment grid illustrates the adjustments applied to the sales.

VALUATION GRID **Representative Comparable Sales**

	Subject	Comp No 1	Comp No 2	Comp No 3
Grantor		Boyce R. Brown, Trustee of Boyce R. Brown	Flex Realty LP	Perry Homes LLC
Grantee		Lynnbrook Reserve LP	HEB Grocery Company LP	JDJ Family Holding Ltd
Date of Sale	2/5/2013 Effective date	12/27/2011	8/10/2011	12/10/2010
Relative Location	Terminus of Meadow Lake Blvd. and Misty Slope Lane, Austin	SL of Lynnbrook Dr, west of Old Manchaca Rd (2309-2311 Lynnbrook Dr)	WL of Longview Rd and NL of Cameron Loop (8420 Longview Rd)	EL of S. Chisholm Trail, south of Slaughter Lane
Size (acres)	14.6548	11.563	15.061	13.085
Unit Price	$/SF	$0.94	$1.22	$0.57
Property Rights		0%	0%	0%
Adjusted $SF		$0.94	$1.22	$0.57
Financing		0%	0%	0%
Adjusted $SF		$0.94	$1.22	$0.57
Conditions of Sale		0%	0%	0%
Adjusted $SF		$0.94	$1.22	$0.57
Market Conditions/Time		0%	0%	0%
Adjusted $SF		$0.94	$1.22	$0.57
Location Adjustment		-10%	-20%	+20%
Physical Adjustment				
Size adjustment	638,363 SF	0%	0%	0%
Flood/Topo adjustment		+10%	-10%	-10%
Zoning adjustment		0%	0%	0%
Utilities Adjustment		0%	0%	0%
Corner Adjustment		0%	0%	0%
Other Adjustment		-10%	0%	-10%
Net Location & Physical Characteristics Adjustment		-10%	-20%	0%
	Indicated Unit Value	$0.85	$0.98	$0.57
Estimated Unit Value	$0.85			$542,609

Reconciliation and Value Estimate

In estimating the fee simple value of the subject via this approach, three sales were considered. These data were analyzed and adjusted, suggesting a value estimate for the subject property between $0.57/SF and $0.98/SF. For purposes of this analysis, a reconciled indicated unit estimate of $0.85/SF has been utilized. Therefore, the following outlines the estimate of the market value of the fee simple interest in the subject property, as if vacant:

±14.6548 acres x 43,560 SF x $0.85/SF = $542,609

Rounded to:
FIVE HUNDRED FORTY THREE THOUSAND
($543,000)

RECONCILIATIONS & QUALIFICATIONS

RECOMMENDED COMPENSATION ESTIMATE

In the preceding sections of this report, an indication of the subject's market value was estimated. In the analysis of the subject property the Cost, Sales Comparison and Income Capitalization Approaches were considered. However, since the subject is vacant land, the Sales Comparison Approach is the only approach that has been developed herein.

MARKET VALUE ESTIMATE - The fee simple interest market value for the subject properties, as of February 5, 2013, was as follows:

FIVE HUNDRED FORTY THREE THOUSAND
($543,000)

Please note: These value conclusions are specifically limited by the *Assumptions and Limiting Conditions*, with emphasis on the *Extraordinary Assumptions* detailed at the beginning of this report.

QUALIFICATIONS OF LORY R. JOHNSON, MAI, SR/WA

ASSOCIATIONS/STATE CERTIFICATIONS

Texas Certified General Real Estate Appraiser #TX-1321640-G
Member of the Appraisal Institute (MAI) #09346
Member of Austin Chapter of the Appraisal Institute
President of the Austin Chapter of the Appraisal Institute, 2002
Board of Director/Officer of the Austin Chapter of the Appraisal Institute
Chair of the Education Committee of the Austin Chapter of the Appraisal Institute
Region VII Representative/Nominations Committee - Appraisal Institute
Region VIII Regional Ethics & Counseling Panel - Appraisal Institute
Member of the General Demonstration Reports Subcommittee - Appraisal Institute
Member of the International Right of Way Association, Chapter #74
Director Austin IRWA Chapter #74
Atrium Real Estate Services Employer of the Year Austin IRWA Chapter #74
President of the Austin IRWA Chapter #74, 2010
President Elect of the Austin IRWA Chapter #74
Vice President of the Austin IRWA Chapter #74
Secretary of the Austin IRWA Chapter #74
Professional of the Year Austin IRWA Chapter #74
Treasurer of the Austin IRWA Chapter #74
Chair of the Newsletter Committee - Austin IRWA Chapter #74
Chair of Valuation Committee - Austin IRWA Chapter #74
Designated Member of the Austin Board of Realtors
Texas Real Estate Broker's License #354928

EDUCATION

Bachelor of Science Degree, Ag Economics, Texas A&M University, 1986
Graduate courses in the Masters of Business Administration program, St. Edwards University
Numerous Appraisal Institute professional courses as well as a large variety of real estate appraisal related continuing education courses and seminars completed.

PROFESSIONAL BACKGROUND

* October 1991 to present: President of Atrium Real Estate Services, a full service commercial and residential real estate appraisal and consulting company.
* Nov 1986 to August 1991: Appraiser w/commercial appraisal firms in Austin area.

Appraisal background includes consulting, analysis and valuation of various commercial properties including special purpose properties, vacant land, and various properties for eminent domain purposes including single and multi-parcel right of way expansion and multi-parcel easement acquisition projects. Easement valuations on numerous property types of various easement interests (conservation, temporary construction, ingress/egress, utility, subsurface, drainage, inundation, etc.) have also been completed. In addition, numerous appraisals of single family residential properties associated with federal flood buy-out programs on multi-parcel projects have been accomplished. Also, comprehensive desk and/or field reviews have been completed on numerous residential and commercial properties as well as counseling and expert testimony in regards to consulting assignments and litigation support services.

Exhibit H: Zoning Verification Letter

CITY OF AUSTIN

ZONING VERIFICATION LETTER

1. Party Requesting Verification

Name: Andy Alarcon
Austin Habitat for Humanity

Address: 310 Comal Street, Suite 100
Austin, TX 78702

2. Property Address

7051 Meadow Lake
Austin, TX 78744

3. Tax Parcel Identification Number

555730

*Also known as GEO Number (ten digit) or Property ID (six digit) by TCAD

4. City of Austin Grid Name

H14

5. Current Zoning

SF-6: Townhouse & Condominium Residence

6. Zoning Case Number and Ordinance *

Zoned in accordance with City of Austin Land Development Code re-adoption Ordinance Number: 99-0225-70(b)

7. Zoning Neighborhood Plans *

N/A

***To access zoning ordinance documentation visit:**
http://www.austintexas.gov/edims/search.cfm

***To access zoning overlay documentation (Land Development Code Chapter 25-2 Division 6) visit:**
http://www.austintexas.gov/department/austin-city-code-land-development-code

For questions concerning Zoning Compliance or any Development Criteria, Parking, Permitted Use, Zoning Violations, Conditional Uses, Variances, Destruction and Rebuilding, et cetera, Contact the Development Assistance Center of the City of Austin at (512) 974-6370 for a Land Use Planner Correspondence Session.

I, Richard Sigmon, Communications and Technology Management Department, City of Austin, Texas, do hereby certify that the information above is true and correct to the best of my ability, according to the documents filed with this office.

Richard Sigmon
Richard Sigmon

Tuesday, March 26, 2013
Date

Exhibit I: S.M.A.R.T. Housing Letter

Exhibit I: Smart Housing Letter

City of Austin

P.O. Box 1088, Austin, TX 78767
www.cityofaustin.org/housing

Neighborhood Housing and Community Development Department

March 22, 2013

S.M.A.R.T. Housing Certification
Austin Habitat for Humanity- Meadow Lake 14.65 acres
(id # 65450)

TO WHOM IT MAY CONCERN:

Austin Habitat for Humanity (development contact:: Kelly Weiss (512)-472-8788; kweiss@austinhabitat.org) has submitted a S.M.A.R.T. Housing application for the construction of 60 to 80 single family units development on 14.65 acres of property in the Meadow Lake The property is not located in a Neighborhood Planning Area. The project will be subject to a five (5) year affordability period after issuance of certificate of occupancy. **This letter will be revised when site plan is approved with total unit count.**

NHCD certifies that the proposed construction meets the S.M.A.R.T. Housing standards at the pre-submittal stage. Since **100%** of the units will serve households at or below **80%** Median Family Income (MFI); the development will be eligible for **100%** waiver of the fees listed in Exhibit A of the S.M.A.R.T. Housing Resolution adopted by the City Council. The expected fee waivers include, but are not limited to, the following fees:

Capital Recovery Fees	Site Plan Review	Land Status Determination
Building Permit	Misc. Site Plan Fee	Building Plan Review
Concrete Permit	Construction Inspection	Parkland Dedication (*by separate ordinance*)
Electrical Permit	Subdivision Plan Review	
Mechanical Permit	Misc. Subdivision Fee	
Plumbing Permit	Zoning Verification	

In addition, the development must:

- Pass a final inspection and obtain a signed Final Approval from the Green Building Program. (Separate from any other inspections required by the City of Austin or Austin Energy. Contact Katherine Murray 482-5351).
- Pass a final inspection to certify that accessibility standards have been met.

The applicant must demonstrate compliance with the reasonably-priced standard after the completion of the units, or repay the City of Austin in full the fees waived for this S.M.A.R.T. Housing certification. **Please note that the applicant should contact Staff prior to submittal of site plan for pre-submittal meeting with review Staff.**

Please contact me at 974-3154 if you need additional information.

Javier V. Delgado
Neighborhood Housing and Community Development

Cc:	Laurie Shaw, Capital Metro	Bryan Bomer, AEGB	Hillary Granda, PDRD
	Maureen Meredith, PDRD	Gina Copic, NHCD	Susan Kinel, NHCD
	M. Simmons-Smith, PDRD	Chris Yanez, PARD	Stephen Castleberry, PDRD
	Kath. Murry, Austin Energy	Heidi Kasper, AEGB	George Zapalac, PDRD
	Robby McArthur, AWU	Danny McNabb, WPDR	Debra Fonseca, PDRD

Exhibit J: Non-Profit Partnership

Austin Habitat for Humanity®
CHANGE LIVES™

TEL 512.472.8788 FAX 512.476.1304
Administration & Family Services 55 North IH 35, Ste. 240 Austin, TX 78702
ReStore 310 Comal, Ste. 100 Austin, TX 78702
Construction 916 Springdale Rd. Austin, TX 78702
www.AustinHabitat.org

Supported by United Way

April 13, 2012

Gerald L. Davis
President and CEO
Goodwill Industries of Central Texas
1015 Norwood Park Blvd.
Austin, TX 78753

Dear Mr. Davis:

Austin Habitat for Humanity submits this letter of commitment to partner with Goodwill Industries of Central Texas (GICT) to implement a service-learning site for the Turning Point program, in response to the U.S. Department of Labor Solicitation for Serving Young Adult Ex-Offenders through Training and Service Learning (RExO). The Habitat for Humanity service-learning site would offer 50 Travis County young adult ex-offenders ages 18-21 the opportunity to build construction, plumbing, and electrical skills while simultaneously giving back to their community.

Austin Habitat for Humanity, founded in 1985, is dedicated to financing and building homes that low-income Central Texans can afford through zero-interest, no-profit mortgages. Since that time, the agency has built more than 270 homes for low-income, hardworking families. Austin Habitat also offers home-buying counseling, home repair services for low-income families, foreclosure intervention, and other housing-related services. *The need for affordable housing in Central Texas is critical.* More than 25% of the city's workforce earns less than $13.50 per hour. Thirty-six percent of Austin residents earn less than $34,550 annually, or 50% of median family income. As poverty has increased, housing costs have soared—affordable housing in Austin is consistently ranked as one of the city's most urgent issues.

The proposed service-learning site will enable youth in the Turning Point program to learn valuable work-related skills and earn certifications that will start them on the road to a better future. The community also benefits, as youth help to build additional affordable housing units for those most in need. Austin Habitat for Humanity fully supports Goodwill's proposal and looks forward to the opportunity to develop a service-learning site for youth ex-offenders enrolled in the Turning Point project.

Sincerely,

K D Weiss

Kelly Weiss
Executive Director
Austin Habitat for Humanity

Dr. George Gau • Chairman | Everett Plante • Vice Chair | Robbi Millest • Secretary | Sarah Stasney-Chun • Treasurer
Joe Arenella, Bruce Coleman, Mildred Davis, Dan Doman, Chris Elliott, Luke Ellis, Mark Hutcheson, Mitch Jacobson, Nikelle Meade, Lana Morris, Rep. Eddie Rodriguez, Jeff Serra, Brian Sharples, Judge Eric Shepperd, Sherine Thomas
Emeritus Members: Damon Silvestry, Gina Wey | Kelly Weiss • Executive Director

Exhibit K: Line of Credit

WELLS FARGO ***REVOLVING LINE OF CREDIT NOTE***

$525,000.00

Austin, Texas
August 29, 2011

FOR VALUE RECEIVED, the undersigned **AUSTIN HABITAT FOR HUMANITY, INC.** ("Borrower") promises to pay to the order of WELLS FARGO BANK, NATIONAL ASSOCIATION ("Bank") at its office at **Central Texas RCBO, 111 Congress Ave, Suite 2200, Austin, TX 78701**, or at such other place as the holder hereof may designate, in lawful money of the United States of America and in immediately available funds, the principal sum of **$525,000.00**, or so much thereof as may be advanced and be outstanding, with interest thereon, to be computed on each advance from the date of its disbursement as set forth herein.

1. **INTEREST:**

1.1 Interest. The outstanding principal balance of this Note shall bear interest (computed on the basis of a **360**-day year, actual days elapsed, unless such calculation would result in a usurious rate, in which case interest shall be computed on the basis of a 365/366-day year, as the case may be, actual days elapsed) at a rate per annum equal to the lesser of (a) **equal to** the Prime Rate in effect from time to time, or (b) the Maximum Rate. The term "Prime Rate" means at any time the rate of interest most recently announced within Bank at its principal office as its Prime Rate, with the understanding that the Prime Rate is one of Bank's base rates and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto, and is evidenced by the recording thereof after its announcement in such internal publication or publications as Bank may designate. Each change in the rate of interest hereunder shall become effective on the date each Prime Rate change is announced within Bank.

1.2 Payment of Interest. Interest accrued on this Note shall be payable on the **1st** day of each **month**, commencing **October 1, 2011**.

1.3 Default Interest. From and after the maturity date of this Note, or such earlier date as all principal owing hereunder becomes due and payable by acceleration or otherwise, or at Bank's option upon the occurrence, and during the continuance of an Event of Default, the outstanding principal balance of this Note shall bear interest at an increased rate per annum (computed on the basis of a **360**-day year, actual days elapsed, unless such calculation would result in a usurious rate, in which case interest shall be computed on the basis of a 365/366-day year, as the case may be, actual days elapsed) equal to 4% above the rate of interest from time to time applicable to this Note, but in no event at a rate greater than the Maximum Rate.

2. **BORROWING AND REPAYMENT:**

2.1 Borrowing and Repayment. Borrower may from time to time during the term of this Note borrow, partially or wholly repay its outstanding borrowings, and reborrow, subject to all of the limitations, terms and conditions of this Note and of the Credit Agreement between Borrower and Bank defined below; provided however, that the total outstanding borrowings under this Note shall not at any time exceed the principal amount stated above. The unpaid principal balance of this obligation at any time shall be the total amounts advanced hereunder by the holder hereof less the amount of principal payments made hereon by or for Borrower, which balance may be endorsed hereon from time to time by the holder. The outstanding principal balance of this Note shall be due and payable in full on **November 1, 2012**.

2.2 Advances. Advances hereunder, to the total amount of the principal sum available hereunder, may be made by the holder at the oral or written request of (a) **George Gau, Carol Drennan, or Robbi Millest**, any one acting alone, who are authorized to request advances and direct the disposition of any advances until written notice of the revocation of such authority is received by the holder at the office designated above, or (b) any person, with respect to advances deposited to the credit of any deposit account of Borrower, which advances, when so deposited, shall be conclusively presumed to have been made to or for the benefit of Borrower

regardless of the fact that persons other than those authorized to request advances may have authority to draw against such account. The holder shall have no obligation to determine whether any person requesting an advance is or has been authorized by Borrower.

2.3 Application of Payments. Each payment made on this Note shall be credited first, to any interest then due and second, to the outstanding principal balance hereof.

3. **EVENTS OF DEFAULT:**

This Note is made pursuant to and is subject to the terms and conditions of that certain Credit Agreement between Borrower and Bank dated as of **November 1, 2010**, as amended from time to time (the "Credit Agreement"). Any default in the payment or performance of any obligation under this Note, or any defined event of default under the Credit Agreement, shall constitute an "Event of Default" under this Note.

4. **MISCELLANEOUS:**

4.1 Remedies. Upon the sale, transfer, hypothecation, assignment, or other encumbrance, whether voluntary, involuntary or by operation of law, of all or any interest in any real property securing this Note, or upon the occurrence of any Event of Default, the holder of this Note, at the holder's option, may declare all sums of principal and accrued and unpaid interest outstanding hereunder to be immediately due and payable without presentment, demand, or any notices of any kind, including without limitation notice of nonperformance, notice of protest, protest, notice of dishonor, notice of intention to accelerate or notice of acceleration, all of which are expressly waived by Borrower, and the obligation, if any, of the holder to extend any further credit hereunder shall immediately cease and terminate. Borrower shall pay to the holder immediately upon demand the full amount of all payments, advances, charges, costs and expenses, including reasonable attorneys' fees (to include outside counsel fees and all allocated costs of the holder's in-house counsel to the extent permissible), expended or incurred by the holder in connection with the enforcement of the holder's rights and/or the collection of any amounts which become due to the holder under this Note, and the prosecution or defense of any action in any way related to this Note, including without limitation, any action for declaratory relief, whether incurred at the trial or appellate level, in an arbitration proceeding or otherwise, and including any of the foregoing incurred in connection with any bankruptcy proceeding (including without limitation, any adversary proceeding, contested matter or motion brought by Bank or any other person) relating to Borrower or any other person or entity.

4.2 Obligations Joint and Several. Should more than one person or entity sign this Note as a Borrower, the obligations of each such Borrower shall be joint and several.

4.3 Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of Texas.

4.4 Savings Clause. It is the intention of the parties to comply strictly with applicable usury laws. Accordingly, notwithstanding any provision to the contrary in this Note, or in any contract, instrument or document evidencing or securing the payment hereof or otherwise relating hereto (each, a "Related Document"), in no event shall this Note or any Related Document require the payment or permit the payment, taking, reserving, receiving, collection or charging of any sums constituting interest under applicable laws that exceed the maximum amount permitted by such laws, as the same may be amended or modified from time to time (the "Maximum Rate"). If any such excess interest is called for, contracted for, charged, taken, reserved or received in connection with this Note or any Related Document, or in any communication by Bank or any other person to Borrower or any other person, or in the event that all or part of the principal or interest hereof or thereof shall be prepaid or accelerated, so that under any of such circumstances or under any other circumstance whatsoever the amount of interest contracted for, charged, taken, reserved or received on the amount of principal actually outstanding from time to time under this Note shall exceed the Maximum Rate, then in such event it is agreed that: (a) the provisions of this paragraph shall govern and control; (b) neither Borrower nor any other person or entity now or hereafter liable for the payment of this Note or any Related Document shall be obligated to pay the amount of such interest to the extent it is in excess of the Maximum Rate; (c) any such excess interest which is or has been received by Bank, notwithstanding this paragraph, shall be credited against the then unpaid principal balance hereof or

thereof, or if this Note or any Related Document has been or would be paid in full by such credit, refunded to Borrower; and (d) the provisions of this Note and each Related Document, and any other communication to Borrower, shall immediately be deemed reformed and such excess interest reduced, without the necessity of executing any other document, to the Maximum Rate. The right to accelerate the maturity of this Note or any Related Document does not include the right to accelerate, collect or charge unearned interest, but only such interest that has otherwise accrued as of the date of acceleration. Without limiting the foregoing, all calculations of the rate of interest contracted for, charged, taken, reserved or received in connection with this Note and any Related Document which are made for the purpose of determining whether such rate exceeds the Maximum Rate shall be made to the extent permitted by applicable laws by amortizing, prorating, allocating and spreading during the period of the full term of this Note or such Related Document, including all prior and subsequent renewals and extensions hereof or thereof, all interest at any time contracted for, charged, taken, reserved or received. The terms of this paragraph shall be deemed to be incorporated into each Related Document.

To the extent that either Chapter 303 or 306, or both, of the Texas Finance Code apply in determining the Maximum Rate, Bank hereby elects to determine the applicable rate ceiling by using the weekly ceiling from time to time in effect, subject to Bank's right subsequently to change such method in accordance with applicable law, as the same may be amended or modified from time to time.

4.5 Right of Setoff; Deposit Accounts. Upon and after the occurrence of an Event of Default, (a) Borrower hereby authorizes Bank, at any time and from time to time, without notice, which is hereby expressly waived by Borrower, and whether or not Bank shall have declared this Note to be due and payable in accordance with the terms hereof, to set off against, and to appropriate and apply to the payment of, Borrower's obligations and liabilities under this Note (whether matured or unmatured, fixed or contingent, liquidated or unliquidated), any and all amounts owing by Bank to Borrower (whether payable in U.S. dollars or any other currency, whether matured or unmatured, and in the case of deposits, whether general or special (except trust and escrow accounts), time or demand and however evidenced), and (b) pending any such action, to the extent necessary, to hold such amounts as collateral to secure such obligations and liabilities and to return as unpaid for insufficient funds any and all checks and other items drawn against any deposits so held as Bank, in its sole discretion, may elect. Borrower hereby grants to Bank a security interest in all deposits and accounts maintained with Bank and with any other financial institution to secure the payment of all obligations and liabilities of Borrower to Bank under this Note.

4.6 Business Purpose. Borrower represents and warrants that all loans evidenced by this Note are for a business, commercial, investment, agricultural or other similar purpose and not primarily for a personal, family or household use.

4.7 Certain Tri-Party Accounts. Borrower and Bank agree that Chapter 346 of the Texas Finance Code (which regulates certain revolving credit loan accounts and revolving tri-party accounts) shall not apply to any revolving loan accounts created under this Note or maintained in connection herewith.

NOTICE: THIS NOTE AND ALL OTHER DOCUMENTS RELATING TO THE INDEBTEDNESS EVIDENCED HEREBY CONSTITUTE A WRITTEN LOAN AGREEMENT WHICH REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES RELATING TO THIS NOTE AND THE INDEBTEDNESS EVIDENCED HEREBY.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

AUSTIN HABITAT FOR HUMANITY, INC.

By: Carol Drennan

Carol Drennan, Interim President/CEO

Exhibit L: Good Neighbor Checklist

City of Austin Good Neighbor Checklist

The Neighborhood Housing and Community Development Office (NHCD) offers a Good Neighbor Policy to standardize process and identify expectations for all projects funded through the City of Austin's Rental Housing Development Assistance (RHDA) and Acquisition and Development (A&D) programs. Applicants of these programs are required to prepare and begin implementing a community engagement plan, including neighborhood notification activities. The community engagement plan is required whether the application is for funding for new construction or renovation of an existing building, regardless of whether there is a change in ownership.

A successful community engagement plan leads to open, ongoing two-way communication between developers and neighbors. This requires good-faith efforts and cooperation by developers, City officials and residents. A positive, open dialogue between housing developers and neighbors can prevent misunderstandings, facilitate prompt resolution of any inadvertent misunderstandings, and provide a fair, thoughtful, dependable means of resolving differences.

The following checklist of items is required of all applicants for funding:

(1) Preliminary Research

☒ Review the Neighborhood Plan (if applicable)

The proposed project location is not in a Neighborhood Plan Area.

(2) Neighborhood Notification

☒ Notify property owners within at least 500 feet of the site and registered neighborhood organizations with boundaries included in the proposed development site, using a written notice, letter or flyer.

Will notify property owners and neighborhood organizations after acquisition and concept development.

(3) Pre-Application Engagement

☒ Contact neighborhood organizations to provide current information about the project, including any neighborhood association whose boundaries are included in the proposed development site and Neighborhood Planning Contact Team (if applicable). *(see full City of Austin Good Neighbor Guidelines for more detailed information on what kind of information may be appropriate to share)* Will contact after acquisition and concept development.

☒ Appoint a Single-Point-of-Contact (SPOC) to serve as the liaison for exchanging information.

See application cover sheet and name below.

(4) Application requirements Will provide after acquisition.

☒ Provide communications plan

☒ Provide documentation showing the content of the notice, and proof of delivery

☒ Provide signed copy of this checklist.

I have reviewed and completed all of the above checklist items required by the City of Austin's Good Neighbor Guidelines.

	Andy Alarcón	3/12/2013
Signed	printed name	date